POST-CAPITALIST STRUGGLES IN 21ST CENTURY LATIN AMERICA: COOPERATION, DEMOCRACY AND STATE POWER

MANUEL LARRABURE

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Abstract

This dissertation develops the concept of 'post-capitalist struggles'. This concept highlights how a post-capitalist future is a recurring moment within the capitalist present and can be developed through struggles that express the latent powers found within what Marx called 'the collective worker'. Using a comparative and historical framework, I examine four case studies in Latin America: Venezuela's socialist enterprises, Argentina's recuperated factories, the Chilean student movement and the Brazilian transit movement. In expressing new values and practices, such as collective management, solidarity and participatory democracy, and their ability to develop the political capacities to formulate clear demands and strategies through the state, these four cases can indeed be considered examples of post-capitalist struggles. However, as mere glimpses of the future, these struggles display number of contradictions and ambiguities, particularly in relation to democratic practice and political organization. This is most marked in struggles that originate in the sphere of capitalist reproduction.

A comparative analysis of the four cases also reveals the possibilities and limits of Latin America's 'pink tide'. These are found in what I call the 'neostructuralist bargain'. Through this bargain, vulnerable sectors of the population become the target of small economic reforms that evidence a departure from the neoliberal orthodoxy of previous decades. However, in exchange, horizons beyond liberal democracy are temporarily closed off and the institutions of liberal democracy acquire a renewed legitimacy. The exception to this is the case of Venezuela, whose Chavista government goes beyond the boundaries of neostructuralism. This is evident in the Venezuelan government's support of new institutions that express the values of participatory

democracy. However, in all cases new political challenges come to the surface, particularly with

the rise of the region's right wing.

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List of Acronyms

ACES: *Asamblea Coordinadora de Estudiantes Secundarios* (Coordinating Assembly of Secondary Students)

ALBA: *Alianza Bolivariana para los Pueblos de Nuestra América* (Bolivarian Alliance for the Peoples of Our America)

CASQ: *Complejo Agroindustrial Socialista de Quíbor* (Quibor Agroindustrial Socialist Complex)

CGT: Confederación General del Trabajo de la República Argentina (General Confederation of Labour)

CONES: *Coordinadora Nacional de Estudiantes Secundarios* (National Coordinator of Secondary Students)

CONFECH: *Confederación de Estudiantes de Chile* (Student Confederation of Chile)

CORFO: *Corporación de Fomento de la Producción* (Chilean Development Corporation)

CUT: (Brazil) *Central Única dos Trabalhadores* (Unified Workers' Central)

CUT: (Chile) *Colegio de Profesores de Chile* (Teachers Association of Chile)

ECLAC: *Comisión Económica para América Latina* (Economic Commission for Latin America and the Caribbean)

ERT: *Empresas Recuperadas por sus Trabajadores* (Worker Recuperated Businesses)

FECH: *Federación de Estudiantes de la Universidad de Chile* (University of Chile Student Federation)

FHC: Fernando Henrique Cardoso

GDP: Gross Domestic Product

IA: *Izquierda Autónoma* (Autonomous Left)

IMF: International Monetary Fund

INAES: *Instituto Nacional de Asociativismo y Economía Social* (National Institute for Associations and the Social Economy)

INVEPAL: *Industria Venezolana Endógena de Papel* (Venezuelan Endogenous Paper Industry)

ISI: Import Substitution Industrialization

JJCC: *Juventudes Comunistas de Chile* (Young Communists of Chile,

LGBTQ: Lesbian, Gay, Bisexual, Trans and Queer

LOCE: *Ley Orgánica Constitucional de Enseñanza* (Constitutional Statutory Law of Education)

MAS: *Movimiento al Socialismo* or Movement Toward Socialism)

MBR 200: *Movimiento Bolivariano Revolucionario 200* (Revolutionary Bolivarian Movement 200)

MPL: *Movimento Passe Livre* (Free Fare Movement)

MST: *Movimento Sem Terra* (Movement of Landless Rural Laborers or MST)

MUD: *Mesa de la Unidad* (Unified Table)

NAFTA: North American Free Trade Agreement

OECD: Organization for Economic Co-operation and Development

OPEC: Organization of the Petroleum Exporting Countries

PB: Participatory Budgeting

PCB: *Partido Comunista Brasileiro* (Brazilian Communist Party, PCB)

PCCh: *Partido Comunista de Chile* (Communist Party of Chile, or PCCh)

PDVAL: *Producción y Distribución Venezolana de Alimentos* (Venezuelan Food Production and Distribution)

PDVSA: *Petróleos de Venezuela S.A.* (Venezuelan Petroleum Company)

PSOL: *Partido Socialismo e Liberdade* (Socialism and Freedom Party)

PT: *Partido dos Trabalhadores* (Workers Party)

PTSU: *Partido Socialista dos Trabalhadores Unificado* (Unified Socialist Workers Party)

SIMPA: *Sinidcato dos Municipários de Porto Alegre* (Municipal Workers Union of Porto Alegre)

SPE: *Empresas de Propiedad Social* (Social Property Enterprises)

SPU: *Unidades de Producción Socialista* (Socialist Production Units)

SUNACOOP: *Superintendencia Nacional de Cooperativas* (National Superintendence of Cooperatives)

UFRGS: *Universidade Federal do Rio Grande do Sul* (Federal University of Rio Grande do Sul)

UN: United Nations

UNESCO: United Nations Educational, Scientific and Cultural Organization

Introduction

On the eve of the collapse of the Soviet Union and as British Prime Minister Margaret Thatcher (1979-1990) proclaimed that there is no alternative to neoliberal capitalism, Latin America witnessed one of its most significant political events in a generation. In February of 1989, thousands of poor people in Caracas, Venezuela's capital city, staged a popular rebellion against the structural adjustment program imposed by the International Monetary Fund and then President Carlos Andrés Pérez (1974-1970 and 1989-1993). This event, known as *el Caracazo*, which culminated in the deaths of thousands of people as a result of police repression, became one of the first mass uprisings against neoliberalism in the region.

Soon, others would follow. In Mexico, the Zapatistas became central figures in the struggle against the North American Free Trade Agreement and the neoliberal policies associated with it. Organizing themselves through *caracoles* (snails) and the *Juntas de Buen Gobierno* (Good Governance Councils), the Zapatistas sought to create political spaces that maximize participation and minimize hierarchy (Dinerstein et al., 2013). "*Líderes fuertes crean pueblos débiles*" (strong leaders make a weak people), Emiliano Zapata's famous principle, popularized by the Zapatistas in the 1990s, perhaps best captures their philosophy.

Not long after the emergence of the Zapatistas, in 2001, Argentinians flooded the streets in protest of the structural adjustment programs that had brought the country to the brink of collapse. People organized themselves through popular assemblies in hundreds of neighborhoods across the country, creating barter clubs and even local currencies. In addition, under the banner of '*ocupar, resistir, producir*' (occupy, resist, produce), workers began to take over bankrupted private businesses, turning them into self managed cooperatives, while the unemployed joined

organizaciones piqueteras (picketing organizations), helping to establish the country's solidarity

economy (Dinerstein, 2013; Sitrin, 2006, 2011; Moreno, 2011).

Meanwhile, between 2000 and 2005, Bolivian workers and indigenous communities

mobilized in the millions against the privatization of gas and water in the country. Known as the

gas and water wars, these popular struggles became some of the biggest and most important in

the country's history. The mobilizations were organized through new political bodies, including

la Coordinadora (the Coordinator), a relatively loose network of resistance that brought together

indigenous organizations, radical unionists, and neighbourhood councils (García Linera, 2001;

Oliveira and Lewis, 2005; Spronk, 2007; Webber, 2011).

A second wave of rebellions emerged in the region following the 2008 global economic

crisis. As other movements unfolded elsewhere (Occupy, *Indignados*, Arab Spring, etc), in 2011,

Chilean students flooded the streets and campuses in demand for free education and political

reform. Using highly creative tactics, such as flash mobs and kiss-a-thons, students quickly

captured the imagination of wide sectors of the Chilean population and the international media.

Two years later, Brazil witnessed its biggest demonstrations in a generation, as students and

workers mobilized for free public transit, occupying government buildings and triggering a

general strike in the process.

In addition to posing a challenge to neoliberal policies in the region, what links these and

similar movements is that they often displayed skepticism toward traditional forms of left

organization such as political parties and labour unions. Consequently, people often chose to

organize themselves through assemblies or relatively de-centered networks, be it at workplaces,

communities or the streets. The more recent rebellions also incorporated the use of the internet

and social media to create new forums for political participation. Although often tentative,

contradictory and fleeting, these mobilizations took meaningful attempts to redefine traditional forms of leadership and representation, pointing to a democracy that is more participatory, fluid and direct than what is offered by the institutions of liberal democracy.

By the late 1990s, many of these struggles became channeled into the electoral arena, bringing to office a wave of new left and centre-left governments. Indeed, despite recent right wing victories in the region, to date, the majority of Latin American governments can be said to belong to this new left. Collectively known as the region's 'pink tide', these new governments began to pursue new policies that in a variety of ways challenged the neoliberal orthodoxy of previous decades. For many on the left, the pink tide brought renewed hope to the region. Indeed, at the first World Social Forum in Brazil in 2001, a new slogan was born: "another world is possible." Not long after, in Bolivia and Venezuela, the idea of a '21st century socialism' sparked the imagination of millions.

The new political and economic direction pursued by the pink tide is understood by Fernando Leiva (2008) as comprising a new phase of development, which he calls 'neostructuralism'. According to Leiva, neostructuralism attempts to combine the export-oriented approach inherited from the neoliberal period with new policies of equity and democratic governance. In this highly contradictory and volatile model, the priority is to achieve growth through alliances with transnational capital, while policies of equity and participation are fostered to maintain legitimacy and social cohesion. The concept of neostructuralism therefore allows us to see Latin America's pink tide as neither a clear expression of post-neoliberal governance (Harnecker, 2010; García Linera, 2011; Sader, 2013b) or merely a new form of neoliberalism (Webber, 2011; Ospina and Lalander, 2012).

With the aim of better understanding the possibilities and challenges to social change expressed by social movements in the context of the pink tide, this dissertation analyzes four case studies. In Argentina, I examined the *Empresas Recuperadas por sus Trabajadores* (Worker Recuperated Enterprises, or ERTs). These are worker cooperatives formed out of abandoned and bankrupted businesses that emerged following the country's 2001 political and economic crisis. Under the center-left governments of Presidents Néstor Kirchner (2003-2007) and later, Cristina Kirchner (2007-2015), the *Empresas Recuperadas por sus Trabajadores* (Worker Recuperated Businesses or ERTs) grew steadily, now comprised of over 300 workplaces while employing close to 15,000 workers. Although a tiny fraction of the Argentinian economy, the ERT sector has nevertheless captured national and international attention for its ability to create jobs while maintaining a high degree of social responsibility. The ERT movement has also proven to be the most long lasting of the various movements to emerge from the 2001 crisis, that is, despite it being largely ignored by the centre-left Kirchner governments.

In Venezuela, I examined the *Empresas de Propiedad Social* (Social Property Enterprises, or SPEs). SPEs are state owned, non-profit enterprises managed by their workers, local communities and the state. As such, they share characteristics of both worker cooperatives and public sector enterprises. Their goal is to provide affordable consumer goods or services to communities in need. More broadly, SPEs have become central to the Chavista government's vision of '21st century socialism', which is attempting to improve Venezuela's domestic productive capacities while maintaining a strong commitment toward the needs of workers and marginalized communities. . In other words, in contrast to the ERT movement in Argentina, SPUs are directly connected to the state.

In Chile, I looked at the student movement that emerged in 2011. That year, hundreds of thousands of students and supporting communities orchestrated mass demonstrations throughout the country in demand for free education and political reform. The demonstrations were notable for their high degree of tactical creativity, distinct organizational form, and ability to unite large part of the population against the right wing government of President Sebastián Piñera (2010-2014). In addition, the student movement began a process of political re-articulation of the country's left, both within and outside its traditional institutions and organizations. This, in turn, led to the creation of new anti-capitalist formations, as well as the center left *Nueva Mayoría* (New Majority) coalition led by the current President of Chile Michelle Bachelet (2006-2010 and 2014-2018).

Finally, in Brazil, I examined the *Movimento Passe Livre* (free transit movement), which flooded the country's streets in 2013. Like in Chile, the movement featured highly creative tactics and forms of organization that went beyond the country's traditional left, including the occupation of numerous government buildings and the drafting of new popular transit laws. However, unlike in Chile, the movement took place in the context of a left-wing government, *Partido dos Trabalhadores* (Workers Party, or PT), bringing into question its capacity to deliver on its progressive mandate. In addition, the movement took place in the context of an ascending right wing, which achieved significant electoral victories at the national and state levels during the 2014 elections and successfully impeached PT leader and former President, Dilma Rousseff (2011-2016), in 2016.

In order to illustrate how these four case studies fit within their specific political contexts, we can place them within the following matrix. The first axis divides the case studies into two: those that take place primarily at the point of production and those that take place primarily in

the sphere of reproduction. The second axis divides them further by whether the movement is primarily operating through the state or civil society. These divisions are of course not absolute, as overlap often exists between them. Nevertheless, these dimensions do capture real differences between the cases.

Using these four dimensions, we can now place each case within the matrix (Table 1). Argentina's ERTs are unambiguously a workplace movement and its connections to civil society are relatively stronger than those to the state. Venezuela's SPUs are also a workplace movement but, in contrast to ERTs, they are directly connected to the state. Chile's student movement makes demands squarely within the sphere of reproduction and does so by holding the state directly accountable.[1] Brazil's transit movement also demands change within the sphere of reproduction but, in contrast to Chile, it remains relatively more ambiguous about its relationship to the state.[2]

Table 1: **Analytical Matrix**

	Production	**Reproduction**
State	Venezuela: State-supported workplace movement	Chile: Education reform focused on the state
Civil Society	Argentina: Worker/community movement	Brazil: Transit reform more ambiguous about state

As we will see through the four case studies, the pink tide complicates the status of social movements, sometimes coopting or putting limits on them, while at times also opening up new spaces for them and partially meeting their demands. This complex relationship between movements and left government reflects what I call the 'neostructuralist bargain'. In this bargain,

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[1] In a capitalist society most students are part of the working class and historically tend to associate themselves to the political left. This is the case also in Chile. Nevertheless, the Chilean student population is also comprised of a relatively smaller number of elite students that typically attend private universities.
[2] In Brazil, public transit is used overwhelmingly by the working class.

vulnerable sections of the population acquire real material gains, but horizons beyond liberal democracy are temporarily closed off. This is in contrast to the neoliberal period in which a commitment to fiscal orthodoxy (low deficits and inflation stabilization) translated to major defeats and a loss of organizational capacities for the working class in Latin America and beyond (Saad-Filho et al., 2007; Glyn, 2006).

The neostructuralist bargain therefore reflects the historically specific balance of class forces in Latin America, and its expression through state policy and institutions. [3] In addition, it gives the pink tide an important opportunity to extend neostructuralism's 'shelf-life' by adapting key policies to changing circumstances on the ground (Leiva, 2008). However, as we will see, the neostructuralist bargain by no means guarantees neostructuralism's long-term success, particularly in the context of weakening global economic conditions and increasing organizational capacities of right wing forces.

Importantly, although working within the limits and opportunities presented by the pink tide, these four movements, I emphasize, also go beyond them. In contrast to struggles that focus solely on defending or improving the position of a particular group, workplace or community against capital, the movements I examine also feature the active construction of new social relations. Specifically, these movements express the latent powers of what Karl Marx (1976a) calls 'the collective worker', the capacity for the working class to develop meaningful forms of cooperation and democracy against the alienation and fragmentation of value relations within capitalism. In other words, by experimenting with new forms of democratic participation, these movements prefigure a post-capitalist future within the capitalist present. As such, we can think

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[3] It is therefore not to be understood as a formal bargain in which various parties negotiate agreements at the bargaining table.

of these movements not merely as forms of anti-capitalist struggles but as 'post-capitalist struggles'.

To say that a post-capitalist future can begin to be built within the capitalist present therefore takes the position that capitalism does not follow a closed, pre-determined logic, but is rather an inherently contested system that at times can even be partially superseded. Indeed, as Michael Lebowitz (2003) argues, we need to understand capitalism as being comprised of not only the side of capital but also that of the workers. Although part of an organic whole, each side pursues its own interests against the other. To reproduce itself, capital must dispossess, fragment and exploit workers at both the point of production (the workplace) and the sphere of reproduction. On the other side, workers seek to fulfill their own needs by confronting capital and winning concessions that improve their conditions as wage workers. However, at times, the working class can go beyond winning concessions, struggling to create new circuits of non-wage labour through which they can develop a range of new collective capacities, what Lebowitz (2006a) calls 'human development'. This means that developing a post-capitalist society does not have to wait for 'after the revolution', but can begin to be built in the now (Lebowitz, 2006a).

The concept of post-capitalist struggles therefore challenges the two main forms of left strategy in 20th century. The first was the dual power approach developed by Vladimir Lenin in the context of the Soviet revolution, which consisted of developing popular forces outside and against the state. In Latin America, Cuba is most exemplary of this model. The second was the social democratic model first applied in Europe during the postwar period, which sought to acquire power within the capitalist state via the institutions of liberal democracy. In Latin America, the current *Frente Amplio* (Broad Front) government in Uruguay comes closest to this.

Despite the differences between the social democratic and revolutionary approaches, as Nicos Poulantzas (2000) argues, these two strategies shared a common root problem that ultimately led to their failure, namely the exclusion of the masses from the process of social transformation. In the case of the revolutionary path, it was the vanguard that was empowered to make the political decisions for the working class, while the social democratic model empowered bureaucrats and technocrats, another kind of vanguard. In other words, in both cases, there existed a deficit of participation by workers and communities themselves.

Taking into account the deficiencies of vanguardism in both its forms, the concept of post-capitalist struggles emphasizes the importance of participatory learning. Specifically, it recognizes that overcoming the fragmentation and alienation of capitalism is not an automatic process or a gift from above, but one that requires that workers and communities *themselves* learn new capacities and values. This means rejecting what Paulo Freire (1970) calls the 'banking' model of education in which an elite vanguard simply deposits revolutionary knowledge into the oppressed. As Freire (1970) argues, a truly transformative pedagogy, or '*conscientização*', would involve a leadership that works 'with' rather than 'for' the oppressed.

However, *conscientização* is necessarily a messy and contradictory process that features advances as well as retreats. This is because, as Freire (1970) argues, the oppressed, reflecting their own objective conditions, are divided, inauthentic beings that fear their own freedom. Consequently, the struggle to overcome the oppression and alienation inherent to capital opens the doors to liberation, but also partial reforms, and even new forms of domination by capital. This means that, although the concept of post-capitalist struggles captures particular empirical realities, these realities are in the process of construction and therefore in flux.

Further complicating the struggle for human development is that, just as a post-capitalist future can surface within the present, so can capital's violent past. Although, capital's origins can be traced back to the process of primitive accumulation found in 16th century England (Brenner, 1986), these origins are also continuously re-lived in the present and throughout the globe. Indeed, as Marx (1976a) makes clear, primitive accumulation is a non-linear process that takes place in different times and places. In Latin America, primitive accumulation has been made possible in recent decades through neoliberal policies that pursue what David Harvey (2003, 2010) calls 'accumulation by dispossession'. These policies include the now well-known formula of privatization, deregulation, outsourcing and labour market flexibilization featured in structural adjustment programs.

As we will see in the case studies in the following Chapters, policies of dispossession have a twofold effect. On the one hand, dispossession creates the conditions from which the dispossessed become a strategically important agent in the construction of a post-capitalist society. On the other hand, dispossession deepens the fragmentation and alienation of the working class, blocking the emancipatory characteristics of the collective worker from coming fully to the surface, and reigniting cycles of capitalist accumulation at specific conjunctures. These two aspects of dispossession reveal a key contradiction of capitalist development, namely that its future negation depends on the recurring assertion of its origins, a paradox that makes social transformation both imminently possible, yet enormously challenging.

To see both the origins and the future of capitalism as recurring moments within its present poses a challenge to much classical sociological and development theory in which progress has been largely understood in a linear manner (Bhambra, 2014). Most notably, modernization theory and its variants outlines neatly defined stages of development that all

countries must go through until reaching 'the end of history', meaning Western liberal democracy (Rostow, 1960; Fukuyama, 1992). In this view, not only are western capitalist nations considered the pinnacle of development, the dispossession they inflicted on the global south is largely erased from view. At the other end of the political spectrum, some interpretations of Marxism shared this linear understanding of progress. However, this time, the end point was not capitalist liberal democracy but communist society. As Massimo De Angelis (2007) tells us, in order to reach communism, traditional Marxism believed in the application of stages of development that included primitive accumulation, forced collectivization and state-led accumulation (p. 5).

The approach to understanding capitalist temporality I am here proposing should not be confused with postmodernism. In an attempt to challenge linear accounts of development, postmodernism relies on notions of time that are purely social, rejecting all sense of linearity to historical development. The result are notions of timelessness and non-directionality (Castells, 2010; Deleuze and Guattari, 1987) that overlook the linear characteristics of the human body and the intrinsic connection humans have to labour, a problem also evident in some strains of Marxism (Postone, 1996, 2004). At the core of my approach is an understanding of time that is dialectical, meaning both social and linear. From this perspective, the human body and labour become central to the understanding of development in capitalism, revealing that the temporal boundaries of capitalism are not fixed, but rather shift with the shifting balance of class forces, and the degree to which the working class has developed the capacities for meaningful democracy and cooperation.

The concept of post-capitalist struggles overlaps with many of the ideas presented in the last two decades by two strains within Marxist theory. First, within autonomism, John Holloway

(2010) and De Angelis (2007) argue that alternatives to capitalism can be developed through new practices 'outside' alienated labour. These can be developed within capitalism's 'cracks' or through 'value struggles' that articulate a new 'space time commons'. Similarly, Sara Motta (2011) highlights the importance of what she calls 'prefigurative epistemologies in everyday life', that is, the alternative perspectives and new subjectivities generated through the process of active struggle.

From the analytical Marxist tradition, the Real Utopias framework developed by Erik Olin Wright (2010) understands capital as a contested system that exists alongside two others: civil society and the state. [4] In this framework, these three spheres of society coexist in an ecosystem and the goal is to democratize all three by developing a wide range of new institutions such as cooperatives and participatory budgeting. For Wright these institutions embody the ideals of a better world in the imperfect conditions of the present, and are part of a menu of strategic options through which a post-capitalist society can be developed.

Although the concept of post-capitalist struggles overlaps with Autonomism and the Real Utopias framework in that it emphasizes the contested character of capitalism and allows us to see how new practices and social relations can be developed within capitalism, a number of key areas of contrast exist. First, although stemming from different sources, both autonomism and the Real Utopias framework adhere to a problematic strategic pluralism. Holloway provides the most exaggerated version, arguing that alternatives to capitalism can be developed by a variety of subjects and actions just about anywhere at any time and with little need to establish connections or unity.

The problem with the strategic pluralism of autonomism and the Real Utopias is that it risks reproducing the fragmentary tendencies inherent to capital which systematically prevent the

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[4] See also Fung and Wright (2001, 2003).

collective worker from developing more fully in the first place. Creating multiple cracks on an ice sheet, Holloway's metaphor for anti-capitalist strategy, therefore fails to recognize that capital actually thrives on separation. In other words, thought of as an ice sheet, capital is already cracked and indeed this is its great strength.

Holloway's lack of emphasis on the need for cohesion and unity for overcoming capitalism is not accidental. It is based on a particular understanding of value theory, which makes a simplistic and rigid separation between alienated and non-alienated labour. For him, everything inside the capitalist labour process is alienated (value), while anything outside it is not alienated (use value). The problem here is twofold. First, it romanticizes an 'outside' to value in which contradictions no longer exist. Second, it largely ignores that even within the capitalist labour process there exists already a contradiction between use value and value. Failure to recognize the importance of this contradiction is why ultimately Holloway cannot see the emancipatory potential latent inside the capitalist labour process (the collective worker). Hence, while developing new practices outside of the capitalist labour process is important, overcoming alienated labour will require engaging with the contradictions inside it as well.

The strategic pluralism of the Real Utopias framework has a different but equally problematic source. In this framework, the value relation is rejected as the central organizing principle in capitalist society. In this framework, capital is understood to coexist alongside two other distinct systems, namely civil society and the state. These three systems coexist and interact in an 'ecosystem' rather than being part of an organic whole. The result of this multi system approach is that, to different degrees, labour and the labour process, with all its contradictions and potentialities, loses its centrality in strategies for overcoming capitalism.

In addition, both frameworks tend to understate the need for political struggle in the development of a post-capitalist society. This is most marked in Holloway's notion of 'anti-politics', which rejects the use of political parties and the state in the process of social change. This is a highly functionalist view of the state, which rules out *a priori* that the state could play a role in the development of a post-capitalist future. Indeed, for Holloway, the state appears as an impenetrable fortress within which class struggles don't exist. For the Real Utopias framework, the state is a relevant institution, but is nevertheless understood as one of three distinct systems in society through which transformations may or may not pass.

However, as Poulantzas (2000) argues, the state is nothing less than the condensation of the balance of class forces, albeit normally tilted in favor of capital. In addition, it expresses and reinforces the capitalist division between mental and manual labour. This means that the state is a strategic field of class struggle through which further divisions or new forms of unity and cohesion can be developed or blocked. Furthermore, as Lebowitz argues, because capital will use the state to thwart any challenge against it, capturing state power becomes essential in the struggle for a new society. In other words, any experiments in human development will need the state to actively nurture them so as to prevent capital from overwhelming them (2006a, 68). Post-capitalist struggles are therefore those that aim to achieve transformations or at least reforms at the level of the state through political struggle.

To some extent, the concept of post-capitalist struggles therefore resembles Poulantzas's (2000) so-called 'democratic road to socialism'. At its core, this road features an alliance between a left government and social movements. In this alliance representative and direct democracy would be combined with the aim of transforming the state over a relatively long transitional period toward a socialist society. However, as we will see, the concept of post-

capitalist struggles helps us go beyond Poulantzas (2000). Rather than an alliance between government and movement, what is needed is a new fusion between them, one in which the division between worker and politician is overcome.

Developing a new fusion between government and movement means prioritizing the development of democratic capacities in working class organizations and extending these into the development of new political parties that redefine traditional forms of leadership and representation. It also means that any transition to a new society, although certainly long and arduous, will be accompanied by short bursts of struggle that push beyond the existing moment. How exactly this can be done and what challenges this entails in the context of 21st century Latin American politics is the focus of this dissertation.

Chapter Outline

In the first Chapter, I develop the concept of post-capitalist struggles. I do this while building on the work of Lebowitz. Against liberal and postmodern understandings of capitalist development, I develop a dialectical perspective of capitalist development. This perspective requires that we look at both the origins of capitalism (primitive accumulation) and a future post-capitalist society (collective worker) as recurring aspects of the capitalist present. This means that we need to look at time as both absolute and social, an approach that puts the human body and labour at the center of theories of capitalist development, and reveals the importance of dispossession and the dispossessed therein. This approach therefore differs from recent frameworks for theorizing a post-capitalist future, namely autonomism and analytical Marxism, which adhere to a problematic understanding of labour and value. I conclude this Chapter by highlighting the importance of the state, political struggle and popular education in strategies for building a post-capitalist future. In this new 'democratic road to socialism', I suggest the need

for a fusion between political party and social movement, one through which new forms of leadership and representation can be articulated.

In Chapter 2, I provide historical and comparative background to the four case studies. I focus on three historical phases of development in the region, namely Import Substitution Industrialization, neoliberalism and neostructuralism. Through a comparative analysis, I outline what I deem to be the key political economic features of each country that condition the development of each of the movements outlined. In Argentina, it is the collapse of the Peronist bargain in 2001 and the continuation of labour precarity under the Kirchner governments that set the stage for the ERT movement's demands and ambitions for new cooperative forms of labour. In Venezuela, it is the state's legacy of oil-dependent development projects from above that underpin the Bolivarian state's attempt to create more endogenous forms of development through new workplace experiments. In Chile, it is Pinochet's 1980 Constitution, which entrenched neoliberalism within the state, that became decisive in the struggle for free education. Finally, in Brazil, it is the gains made by labour under the PT coupled with the continuation of neoliberal policies in the context of the 2008 economic crisis that set the stage for the free transit movement.

In Chapters 3–6, I examine four different cases in Latin America, two in the sphere of production and two in the sphere of reproduction: The ERT movement (Argentina), the Social Property Enterprises (Venezuela), the free education movement (Chile) and the free transit movement (Brazil). As examples of post-capitalist struggles, the four case studies demonstrate that as workers and communities learn new values, knowledge and skills, such as collective management, consensus building, active participation and inclusivity, they begin to express the emancipatory powers of democracy and cooperation normally found latent within the collective

worker. As this thesis will show, this was accomplished through the development of new political spaces that challenge the limits of the existing liberal democratic institutions. However, these case studies also display key differences as well as specific tensions and contradictions relating to both their site of origin (production, reproduction, state, civil society), and the national political and economic context.

In Chapter 7, I engage with debates about Latin America's pink tide in the context of recent right wing victories. I attempt to explain the rise of the right by highlighting the contradictions inherent in what I call 'neostructuralist bargain'. I also identify the key weaknesses and challenges experienced by movements that contributed to the surge of the right. I discuss the case studies while engaging in a comparative analysis. In doing so, I identify key processes of strategic importance for the further development of post-capitalist struggles in the context of a 'new democratic road to socialism'. These include the development of linkages between the spheres of production and reproduction, a productive blend between representative and direct democracy, and the formation of new political parties or alliances capable of making progressive incursions into existing state structures.

Lastly, in the conclusion, I provide a brief summary of my key arguments. I also highlight potential areas for further research, notably emerging new struggles in the context of the region's new right, as well as the ongoing education reforms in Chile.

Chapter 1: Post-capitalist Struggles and Human Development

As Marx argued over 150 years ago, capitalism is a class-divided and exploitative system. This makes capitalism inherently conflictual. Class struggles range widely in character: from labour unions struggling for higher wages and better working conditions, to social movements demanding better public services, to communities fighting against various forms of discrimination. Indeed, the list is nearly endless, reflecting the myriad of ways that capital imposes itself on the working class. However, most of the time, struggles against capital tend to focus on improving or defending one's position within the system, or challenging one specific aspect of it. As a result, although these types of struggles might improve the lives of a particular group or section of the working class, the conditions of oppression and exploitation that gave rise to those struggles in the first place continue to be reproduced. In other words, most struggles against capital are not able to articulate an alternative to the system.

However, another type of struggle is also evident within capitalism. At times, workers and communities not only organize themselves against some aspect of the system, but also begin to create new social relations that point beyond it. I call these types of struggles 'post-capitalist'. As we will see, by emphasizing new relations based on deeper forms of democracy and cooperation, post-capitalist struggles 'prefigure' a future post-capitalist society within the capitalist present. To say that post-capitalist struggles are pre-figurative means two things. First is that these struggles can give us important clues about both the possibilities and challenges of organizing society on a basis other than capitalism. Second is that, because they are not yet fully developed alternatives to capitalism, these struggles reproduce aspects of the old society, albeit

often in new forms. In other words, post-capitalist struggles are neither perfect utopias that exist outside capitalism, nor simply new forms of capitalist organization functional to the system.

The concept of post-capitalist struggles emerges from and builds on the work of Lebowitz. In *Beyond Capital*, Lebowitz (2003) argues that Marx's *Capital Volume 1* (1976a) is fundamentally one-sided, unable to account for its fundamental premise, the working class. Lebowitz's starting point for reconstructing the work of Marx is the removal of his 'critical assumption', namely that within capitalism the subsistence needs of workers is fixed. For Lebowitz, this assumption was crucial for allowing Marx to reveal the nature of exploitation as the difference between necessary and surplus labour. However, holding this assumption gives the impression that labour power is reproduced simply as a consequence of capital, leading to highly functionalist accounts of worker agency. Challenging this view, Lebowitz (2003) argues that the production of labour power must be conceptualized as taking place through a circuit that, although mediated by capital, is nevertheless not identical to it. This is the circuit of wage-labour through which the worker produces himself by consuming use values. Importantly, this process also involves 'purposeful activity' through which the worker attempts to meet his own needs for development (p. 68).

Having established the existence of a circuit of wage labour, Lebowitz shows us how our assumptions about how capitalism develops need to change. For example, it is commonly understood among Marxists that as productivity increases the value of labour decreases. This is because increasing productivity means the socially necessary labour time required to meet workers' subsistence needs also decreases and hence workers' wages can also decrease. However, as Lebowitz (2003) tells us, this would only be true if capitalists succeed at lowering wages. If workers struggle to maintain or increase their wages, increased productivity would actually

benefit workers, as their wages would now be able to acquire a larger number of use values in the market. Productivity therefore becomes a highly contentious and political factor. But why would workers struggle in the first place? As mentioned above, the needs of workers in capitalism are not fixed and therefore, Lebowitz argues, there is a constant gap between workers' 'social needs', meaning all those material needs that could be met given the available wealth, and the needs workers are actually allowed to meet through the market. This material gap, for Lebowitz, is one of the factors driving struggle.

However, Lebowitz's (2003) argument does not end here. Having identified a circuit of wage labour that stands as the negation of capital's circuit, he proceeds to argue that there is one last distinction to be made, namely that between wage-labour and non-wage labour. The necessity for this distinction, Lebowitz argues, arises from the fact that "wage labour is merely an abstraction" which "exists only insofar as a living human being enters into this relation" (2003, p. 140). In other words humans are not only wage-labourers, but also much more. The existence of non-wage labour as an aspect of capitalism's organic whole means that workers can go beyond simply reducing the 'material gap' inherent in capitalism. As Lebowitz contends, the reality of non-wage labour can allow for space through which workers can engage in circuits of production or reproduction that foster 'human development'. Importantly, unlike the better known models of human development outlined by Amartya Sen (2000) and Martha Nussbaum (2000), for Lebowitz, human development refers to forms of capacity building that move beyond the fragmentation and division of capitalist social relations by strengthening the powers of what Marx referred to as the collective worker. This means that developing a post-capitalist society doesn't have to wait for 'after the revolution', but can begin to be built in the now (Lebowitz, 2006a).

From here, Lebowitz (2010) conceptualizes a new transition to socialism, or '21st century socialism', as a triangle that includes social ownership of the means of production, social production organized by workers, and production for social needs and purposes. Firstly, social ownership of the means of production ensures that communal, social productivity is directed to the free development of all rather than to satisfy the private goals of capitalists, groups of producers, or state bureaucrats. Secondly, social production organized by workers allows them to develop their capacities by combining thinking and doing in the workplace in such a way as to produce not only things, but also themselves as self-conscious collective producers. Thirdly, satisfaction of social needs and purposes is the necessary goal of productive activity in the new society because it shifts the focus from self-interest and selfishness toward an orientation to the needs of others and relations of solidarity.

Importantly, underlying Lebowitz's concept of human development and 21st century socialism is an assumption about capitalist temporal dynamics, namely that a future post-capitalist society can emerge in the capitalist present. However, this idea is not explicitly pursued by Lebowitz and indeed poses a challenge to most understandings of capitalist development. As Gurminder K. Bhambra (2014) argues, in classical sociological and development theory, progress has been largely understood using a linear approach in which advanced capitalist countries are at the forefront of world history. From this perspective, 'underdeveloped' countries in the 'global south' are undergoing a process of 'catch up' in relation to Europe and the United States. This approach is perhaps most evident in modernization theory, outlining neatly defined stages of development that all countries must supposedly go through (Rostow, 1960). In this view, not only are western capitalist nations considered the pinnacle of political and economic development, the dispossession they inflicted on the global south as part of their development is

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largely erased from view. In other words, as Bhambra (2014) argues, modernization theory drew on the particular experience of western modernization and, from this, "established a global frame within which all societies could be placed" (p. 21).

At the other end of the political spectrum, some interpretations of Marxism, particularly those supportive of the former Soviet Union, shared this linear understanding of progress and development. However, this time, the end point was not capitalist liberal democracy but communist society. As Ronaldo Munck (2015) notes, like modernization theory, this is an evolutionist and teleological model of development that sees history as pre-determined (pp. 427-428). Furthermore, as De Angelis (2007) tells us, in order to reach communism, traditional Marxism believed in the application of stages of development that included primitive accumulation, forced collectivization and state-led accumulation (p. 5). However, with the collapse of the Soviet Union in 1989, an alternative to capitalist modernity no longer appeared possible or desirable, ushering a new era of triumphalism for pro-capitalist modernizers. Soon, Francis Fukuyama's (1990) thesis of 'the end of history' and Margaret Thatcher's proclamation that 'there is no alternative' would become the unofficial slogans of neoliberal modernization for decades to come.

Against modernization theory and orthodox Marxism, postmodernism claims to offer an alternative. It argues that time, as a universal category, is actually non-existent, and that all we can talk about are multiple lines with little or no temporal directionality. The category of class, which implies collective interests that operate within a broader social structure, is therefore rejected. However, the postmodernist approach is also problematic, as it fails to capture the persistence of struggles by workers and diverse communities facing the forces of global capital. In addition, postmodern theory attempts to solve the problem of linearity, not by getting rid of

the straight-line, but by simply adding more of them and rejecting their temporality. In contrast to the above-mentioned perspectives, in the following sections, I argue that we need to understand capitalist development dialectically, meaning we need to see its origins and future as aspects of the present. As we will see, this approach reveals the importance of dispossession, in its various forms, as the process through which both capitalism's past and future assert themselves. This, in turn, makes the dispossessed strategically important in the struggle for a post-capitalist future.

In addition, a dialectical understanding of capitalist development requires that we look at time as social, meaning it is an expression of the social relations in a given historical period. Looking at time in this manner means that abstract categories such as humanity or society are not very useful in our understanding of history. Marx's approach was rather to begin with how a given society concretely reproduces itself. His assumption was that people's capacity to change themselves and their circumstances through labour is ultimately what makes us humans. In the context of capitalism, this approach led Marx to believe that time was conditioned by the specific class division between workers and capitalists and that this created particular tendencies and counter tendencies that structured capitalist temporality. Hence, for Marx, the future was not pre-determined, but neither was it a set of infinite possibilities.

However, to say that time is social doesn't mean we have to throw out a notion of time that is objective and absolute, meaning it exists outside of human agency as part of the physical world. In other words, while particular social relations in a given historical context give rise to particular temporalities and developmental patterns, these nevertheless exist intertwined with absolute time. The physical and objective character of absolute time manifests most obviously (although not exclusively) in the decay of the human body, which relentlessly moves from birth

to death. This movement may be modified quantitatively across different historical periods (i.e. life expectancies may change), but the end is a foregone conclusion. In other words, there really is a predictable linearity in the movement from past to present to future. To understand this dialectical relationship between social and linear time in the context of capitalist development, I rely on two key concepts developed by Marx: primitive accumulation and the collective worker.

The Past in the Present: Primitive Accumulation

Central to Marx's argument is that capitalism is a historically specific mode of production. For Marx (1976a), the origins of capitalism must therefore be traced to the process of primitive accumulation, namely "an accumulation which is not the result of the capitalist mode of production but its point of departure" (p. 873). In outlining the processes behind primitive accumulation, Marx seeks to dispel the myth of liberal political economy that explains accumulation in capitalism as a result of hard work, frugality and intelligence in a few people, and laziness and lack of discipline in the masses who now find themselves with "nothing to sell except their own skins" (p. 873).

As Marx shows, in contrast to liberal mythology, primitive accumulation consists of conquest, enslavement, robbery and murder (p. 874). This is a process, which led to the creation of, on the one hand, capitalists who possess money and the means of production and, on the other, workers who possess only their labour power. In short, primitive accumulation "is nothing else than the historical process of divorcing the producer from the means of production" (p. 875). It is important to highlight how much emphasis Marx puts on the violent nature of primitive accumulation. Hence, in a well-known passage, he refers to this history as "written in the annals of mankind in letters of blood and fire" (p. 875). Nevertheless, it is crucial to also recognize that Marx understood the process of primitive accumulation as taking several forms, including less

violent ones. For example, he emphasizes state policies, such as increasing public debt, over-taxation, protectionism and commercial wars, as "powerful levers of primitive accumulation" (p. 919). This means that primitive accumulation can traverse the circuits of both production and reproduction, and that various sections of the working class can become target of dispossession.

Also crucial to Marx's argument is that the process of primitive accumulation is global and nonlinear, assuming "different aspects and different countries, and runs through its various phases in different orders of succession, and at different historical epochs" (p. 877). This is an important passage which makes it clear that, although capitalism has a definite 'departure points' in absolute time, primitive accumulation *also* operates in social time. This is a crucial point sometimes overlooked within one of the most influential currents within Marxism today, namely Political Marxism. Most notably, Robert Brenner (1986), one of the founders of Political Marxism, argues that the origins of capitalism can be found in 16th century rural England, where class struggle between lords and serfs ultimately resulted in the dispossession of the peasantry from the land. This initial dispossession is, for Brenner, the process out of which a labour market was established and a social division of labour eventually developed.

Although Brenner's work successfully breaks from what he refers to as 'Smithian' accounts of the origins of capitalism, in which markets and the social division of labour are naturalized and treated ahistorically, he ends up creating an extremely narrow account of the development of capitalism. In this account, primitive accumulation, rather than being a process that takes place in 'different countries', through 'different orders of succession', and at 'different historical epochs', it is a singular event that happened in a particular time and place. According to Brenner, his approach also breaks from the neoSmithian tendencies of the early Marx,

particularly the *Communist Manifesto* (1994), and is compatible with Marx's writings in *Capital Volume 1* (1976a), in particular the section on primitive accumulation.

However, Brenner's focus on trying to find an original departing point for capitalism doesn't square with Marx's more complex approach which treats primitive accumulation as existing in *both* absolute and social time. Brenner's approach rather lends itself well to thinking about primitive accumulation as something that happened once in the past and can never happen again. In other words, Brenner sees primitive accumulation at the level of absolute time *only*, giving capitalism a narrow linear dynamic. Consequently, in Brenner, as James Morris Blaut (1996) argues in his polemic against him, capitalism appears as an entity that arrives complete and entire as though it were a god descending from Olympus to govern human affairs (p. 363). That for Brenner god descends exclusively in rural England is why Blaut also rightly accuses him of eurocentrism.

However, as Marx makes clear, when it comes to primitive accumulation and the development of capitalism, eurocentrism is not an option:

> The discovery of gold and silver in America, the extirpation, enslavement an entombment in mines of the indigenous population of that continent, the beginnings of the conquest and plunder of India, and the conversion of Africa into a preserve for the commercial hunting of blackskins, are all things which characterize the dawn of the era of capitalist production. These idyllic proceedings are the chief moments of primitive accumulation. (p. 915)

What is important to understand is that for Marx colonialism in the New World was interrelated to the development of capitalism in Europe. As he put it, the colonial process "systematically

combined together at the end of the 17th century England" (p. 915). The dialectical relationship between new world and old in the development of capitalism is elegantly captured in this passage: "in fact the veiled slavery of the wage labourers in Europe needed the unqualified slavery of the New World as its pedestal" (p. 925).

In short, neat distinctions between new and old, past and present are simply not adequate to an understanding of capitalism based on Marx. From this point of view, we should understand Brenner's eurocentrism as emanating not from some particular attachment to England, but as the logical outcome of holding on to a purely absolute view of time in which England was first to transition to capitalism. Alternatively, what is needed is an understanding of primitive accumulation that simultaneously holds on to an understanding of time that is absolute, meaning that we acknowledge dispossession as a historical set of events in the past (colonialism, enclosures, etc.) without which there would be no present capitalism, and an equally necessary ongoing social process in which the past is constantly relived in the present, although in different forms. One example of this approach is the work of E.P. Thompson.

In his classic piece, *Time, Work Discipline, and Industrial Capitalism* (1967), Thompson argues that central to the transition to capitalism in England was the reconfiguration of time away from natural and task oriented rhythms to 'clock time'. With capitalism, time becomes money (it is spent rather than passed), and those who are employed experience a distinction between their employer's time and their own (p. 61). Not surprisingly, Thompson continues, the clock becomes a new and essential artifact and clock making becomes a new rapidly growing industry that allows for the greater synchronization of labour (p. 69). However, the application of clock time in the labour process was not easy. As Thompson tells us, it had to be imposed by capitalists as well as institutions such as schools and churches. The result was a 'contest over

time', one eventually won by capital, as workers learned to accept the categories of their employers and fought back within these (p. 86).

With the expansion of capital into the developing world, Thompson concludes, new contests over time are imminent. In other words, for Thompson, the transition to capitalism was not a singular event in the past, but a process that can be relived in new forms. However, here is where Thompson takes a problematic turn. As the industrialized world acquires more leisure time, he tells us, it might be possible to rediscover the modes of experience of the past and build a 'new synthesis' that points beyond capitalism. Why the industrialized world only? Although Thompson makes an impressive argument for why time should be understood as social and conditioned by class, in the end he slips into a familiar Marxist argument. In this linear and Eurocentric narrative, it is the development of the productive forces, which allows for the possibility of building a new society with increased leisure time. However, this narrative puts a premium on the linear dimension of the development of capitalism in absolute time, a narrative in which the West developed first and therefore will be first to reach a new society.

More recently, different Marxist approaches have attempted to fully break from a linear model of capitalist development. Most notably, Harvey (2005, 2011) argues that capital needs to constantly incorporate into the market areas of life previously existing outside of it, a process he calls 'accumulation by dispossession'. As Harvey argues, accumulation by dispossession becomes a way to getting over the barriers to profitable investment that capital faces in the neoliberal period. Importantly, it takes on a variety of forms, including the now classic neoliberal tactics of privatization, deregulation, and labour market flexibilization. At the geographical level this includes structural adjustment programs in the developing world coupled with an inflow of

highly volatile financial capital in search for quick profits. Particularly vulnerable to this type of financial activity are real estate markets in 'global cities'.

Harvey refers to this type of international financial speculation as 'temporal spatial fixes' through which contradictions in the core capitalist countries (particularly the US) are displaced into the global south. Importantly, as Harvey argues, this doesn't resolve the contradictions but simply moves them around. Consequently, new fixes have to be found over and over again. For Harvey, this explains the proliferation of crises around the world (Southeast Asia, Russia, Argentina, etc.) throughout the neoliberal phase. This has important implications. For Harvey, it means that struggles should center on the creation of new cities in both the global north *and* south. Gone therefore is the focus on the linear dimension of primitive accumulation, which places the industrialized world as leading the race to a new society.

De Angelis (2007) makes an even more pointed argument about how we should understand primitive accumulation. He criticizes traditional Marxist theory for framing debates about enclosures within a linear model of capitalist development, an approach that creates a problematic division between history and theory within Marxist scholarship. Alternatively, the author proposes looking at primitive accumulation in a non-linear manner. As he puts it: "A careful examination of Marx's definition of primitive accumulation allows us to argue that although enclosures, or primitive accumulation, define a question of genealogy, for capital the problem of genealogy presents itself *continuously*" (p. 136). In other words, primitive accumulation cannot be reduced to a genealogical question of the past. Thus, like Harvey, De Angelis considers neoliberal policies, such as free-trade agreements and privatization, to be prime examples of modern-day enclosures.

As is evident, both De Angelis and Harvey are following Marx's understanding of primitive accumulation as a dialectical process that can recur in different places and times, although in different forms. In other words, in both authors, there's an understanding that time is not simply an absolute category, but also a social one. More to the point, their work reveals that a central feature of how time operates in capitalism is that the origins of capitalism come back to haunt us in the present. However, De Angelis takes this logic further. For him, understanding primitive accumulation in a dialectical manner also helps us understand the forces that try to counter it for what they really are, namely "budding alternatives to capital" (p. 135). In other words, for De Angelis, not only is the past a recurring theme within the present, so is an alternative future. This is the topic I now turn to.

The Future in the Present: The Collective Worker

A recurrent theme in liberal political economy and mainstream development theory is the belief that capitalist society is on an inevitable path toward democracy and cooperation. In contrast to this linear perspective, Marx argued that, in capitalism, cooperation exists in constant tension with its opposite, competition, giving the system specific tendencies and counter tendencies. From this perspective, the future is therefore neither pre-determined, as liberal theories like to argue, nor completely unpredictable as suggested by postmodern theory. Moreover, as with the past, the future is not simply an event in absolute time, but a social category, which makes it an aspect of the present.

On the one hand, Marx tells us, capital produces a systematic division of labour whereby workers become increasingly 'one-sided'. Rather than producing the commodity as a whole through a variety of highly skilled labour, workers become ever more specialized, producing increasingly fewer aspects of one single commodity. In addition, a sharp division is created

between intellectual and manual labour, with managers, scientists, and other experts on one side, and manual workers on the other (Braverman, 1974; Burawoy, 1985). *Capital Volume 1* (Marx, 1976a) also fosters and takes advantage of racial, gender and other divisions that exist within the working class, increasing what Lebowitz calls the 'x factor', the degree of separation between workers (2006).

Indeed, Lebowitz (2003) suggests these divisions become a "necessary condition for the existence of capital" (p. 122). Hence, rather than being a space where workers can freely share their skills and abilities, the workplace becomes a space of competition and fragmentation. Poulantzas (2000), in particular, captured this powerfully with the concept of 'individualization', the fragmentation and atomization in the labour process whereby the worker, as Marx (1976a) put it in *Capital Volume 1*, becomes a mere "appendage of the machine" (p. 799). So much so that, as labour is "progressively rationalized and mechanized," Georg Lukács (1968) went so far as to suggest that "his activity becomes less and less active and more and more *contemplative*" (p. 89).

However, another feature of capital is that it systematically brings workers together who in their partiality and specialization must nevertheless rely on one another to produce the product as a whole. Without this kind of cooperation, successfully producing any single commodity would be impossible, highlighting the inherent tension that exists between use-value and exchange value in the capitalist labour process (Sawchuk, 2006).[5] Marx (1976a) captures both these aspects of production in capitalism when he tells us that "the commodity, from being the individual product of an independent craftsmen, becomes the social product of a union of craftsmen, each of whom performs one, and only one, of the constituent partial operations" (p.

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[5] As Peter Sawchuk argues, this tension is also expressed in the labour process as de-skilling/up-skilling, enchancment/alienation (pp. 606-607).

457). This particular relationship between cooperation and fragmentation in the capitalist labour process constitutes what Marx called the 'collective worker', an entity in which workers become special organs of a single working organism that only acts as a whole, and therefore can operate only by the direct cooperation of workers (p. 466).

With the collective worker comes radical efficiency, as previously separate forms of labour are brought together and individual operations are simplified. Furthermore, as large numbers of workers are brought together the advantages of 'simple cooperation' are also *systematically* unleashed. These advantages consist of the qualitative leap in productivity that exists when combining a certain amount of workers to perform a particular task that would be impossible to accomplish otherwise, that is, even if a larger quantity of individual labours was employed. In other words, certain tasks, such as harvesting, for example, are possible only when a certain amount of labour is combined *at once*. The advantages of cooperation are also evident in other types of tasks. In Marx's words, "the twelve masons, in their collective working day of 144 hours, make much more progress with their building than one mason could make working for 12 days, or 144 hours" (p. 445). This means that, as productivity increases, the labour time necessary for the production of use values decreases.

For Marx, the collective worker foreshadowed two things. First, it allowed for the possibility of a future society that systematically created free time. In other words, as labour time became more and more efficient, less of it would be needed to satisfy collective material needs. This means workers could use that newfound free time to pursue their need for self-development through any number of activities, such as education, physical activity and culture (Lebowitz, 2006, pp. 19-20). Second, and just as important, the collective worker also foreshadowed new forms of labour, specifically, cooperative forms of labour that would allow for the full

development of workers. This second point therefore asserts that labour is a fundamental human activity that would have to continue even in a post-capitalist society, albeit in new forms. In short, in contrast to capitalism, in which time and labour appear as "socially necessary labour time," in a post-capitalist society, time would become the space for human development (Lebowitz, 2006 p. 19).

However, for the most part, this new future society remains merely a potentiality. As such, Ernst Bloch (1986) thought of it as the 'Not-Yet-Conscious':

> The Not-Yet-Conscious is thus solely the preconscious of what is to come, the psychological birthplace of the New. And it keeps itself preconscious above all because in fact there is within it a content of consciousness which has not yet become wholly manifest, and is still dawning from the future. Possibly even content that is only just objectively emerging in the world; as in all productive states which are giving birth to what has never been there. The forward dream is disposed toward this, and Not-Yet-Conscious, the mode of consciousness of something coming closer, is charged with it; here the subject scents no musty cellar, but morning air. (p. 116)

In contrast to Bloch (1986), for whom capitalism merely created the potential for a better future, in liberalism, capitalism was itself the best possible destination. For example, marveling at the efficiency of pin-making factories in England, Adam Smith (2007) came to see capitalism as the only possible system capable of meeting people's supposed ever-increasing material needs, even of those at the bottom of the social hierarchy:

It is the great multiplication of the productions of all the different arts, in

consequence of the division of labour, which occasions, in a well-governed

society, that universal opulence which extends itself to the lowest ranks of the

people. (p. 16)

Hence, the fragmentation and self-interest expressed in the capitalist social division of

labour became glorified by liberal political economy. As Smith (2007) famously tells us, it is not

to the benevolence of the butcher or brewer that we should look, but rather their self-interest (p.

20). Indeed, as Robert Heilbroner (1992) tells us, although Smith was not optimistic about the

long-term survival of capitalism, he thought that it would first develop into "a Society of Perfect

Liberty whose most striking characteristic was a general increase in well-being for everyone" (p.

96). The contemporary version of this is seen in the work of Fukuyama (1992). For him, the

'Promised Land' was reached with the victory of liberal democracy over Communism in the late

1980s. Unlike Smith, however, Fukuyama sees no eventual expiry date to liberal capitalism.

Indeed, for him, the victory of liberal democracy over other types of societies marks "the end of

history," a new era in which "all of the really big questions had been settled" (p. xii).

A similar glorification of capitalism and its fragmenting tendencies is evident in

postmodern inspired analyses of contemporary political economy. For example, Manuel Castells

(2010) argues that the world is undergoing a massive transformation in which the 'space of

flows', functionality, wealth and power, dominates the 'space of places', physical spaces defined

by cultural and social meaning. For Castells, this is a fundamental contradiction of the new era,

which he calls the 'network society'. This new society is characterized by new communications

technologies through which inclusive cultural expressions become channeled, what Castells

refers to as 'real virtuality'. In addition, the network society is comprised of a new economy that

has moved away from industrial production toward one in which new knowledge workers operate with a high degree of autonomy in megacities such as New York and London.

Central to his conception of the network society is a particular understanding of time. For the author, time had traditionally been multiple, experienced differently by different people in different circumstances. However, industrialization and the invention of the clock ushered in linear time, best exemplified in the practice of Taylorism. With the rise of new communication technologies, time was once again transformed, this time into 'timelessness' or the annihilation of time. This refers to the creation of a 'forever universe' that is random and incursive rather than cyclical and recursive. The network society is therefore a new era in which history, characterized by the triumph of culture over the material base, can now begin. This beginning is best exemplified by the environmental movement, which against timeless time articulates glacier time, a slow-motion time in which human perception is in tune with the evolution of the planet.

On the surface, Castells seems to offer a highly innovative framework for understanding today's global economy. However, what we have here is simply linear Marxism blended with postmodernism. His starting point, the relationship between 'spaces of places' and 'spaces of flow' is a re-articulation of Marx's use value – value dialectic. For Marx, use value and value correspond to two different forms of labour, namely concrete and abstract, where the latter dominates but depends on the first. This gives capitalism a highly contradictory dynamic in which, as discussed above, cooperation and fragmentation coexist generating a number of tendencies and counter tendencies. However, Castells simplifies the relationship between use value and value, and creates a highly linear and glorified narrative of capitalism.

For Castells, today's economy is one in which value (spaces of flow) has taken over use value (spaces of places) to the point where it seemingly no longer depends on it. Out of this

supposed triumph of value over use value, a new historical agent has emerged: the knowledge worker. In contrast to manual labourers, the knowledge worker enjoys a high degree of autonomy, which makes him the new producer of culture and meaning in society. However, this glorification of the knowledge worker can only be based on a crude distinction between manual and intellectual labour. In contrast, for Marx, both manual and intellectual labour where merely different forms of concrete labour and therefore both embodied the contradiction between use value and value, or concrete and abstract labour. In other words, rather than seeing the knowledge worker as another category of worker reflecting the deeper fragmentation created by the ongoing division of labour, Castells proclaims him as the bearer of a new society. In the end it's a familiar linear narrative: with the development of technology, history has progressed toward the network society, an 'end of history' moment in which we become in tune with the planet.

The postmodern influence on Castells comes from Gilles Deleuze and Félix Guattari (1987) who develop the concept of the 'rhizome'. Deleuze and Guattari attempt to break from linear approaches of the past when he tells us that "A rhizome has no beginning or end; it is always in the middle" (p. 25). However, Deleuze and Guattari also tell us that the rhizome is like a line: "Unlike a structure, which is defined by a set of points and positions, with binary relations between the points and biunivocal relationships between the positions, the rhizome is made only of lines: lines of segmentarity and stratification" (p. 21). By rejecting beginnings and endings, Deleuze and Guattari miss the inherently linear and universal qualities of the human body, qualities that give time a certain predictability. Yet, in using the image of the line, they miss the dialectical forces that shape capitalist temporality. This proposition is the result of their explicit rejection of the dialectical method on the grounds that it supposedly operates in dualisms and

binaries. Rather than attempting to understand the relationship between opposite forces, they simply reject their existence, telling us that a rhizome constitutes 'linear multiplicities' without subject or object (p. 21). In the end, as with Castells, what we get here is the glorification of capitalist fragmentation, rather than its critique.

In contrast to the glorification of the fragmented form of cooperation in capitalism by liberal political economy, and postmodernism, Marx interpreted the unprecedented efficiency of capitalism as merely creating potential, rather than a *fait accompli* for humanity. Hence, Marx is quick to point out that in capitalism the benefits of cooperation primarily accrue to a minority, the capitalist class, rather than society as a whole. For example, the capitalist pays wages to the individual worker only, not to the collective. In addition, rather than there being a growth in workers' capacities, capital fosters the growth of an underdeveloped class of 'unskilled labourers' whose degree of specialization "makes a specialty of the absence of all development," turning the worker into "a fragment of himself" (pp. 470-482). Finally, the anarchic manner in which the social division of labour develops outside the factory is but the flipside of the despotism practiced inside the factory (p. 477). Hence, the labour process becomes increasingly regulated and supervised by the capitalist, encouraging further suspicion and competition amongst workers.

Postmodernists are not the only ones that fail to grasp the cooperative tendencies in capitalism. Writing from a Marxist perspective, Moishe Postone (1996) begins with the classic Marxian proposition that fundamental to capital is the creation of 'abstract labour' through a process of quantification, whereby specific qualities of various labours are turned into exchangeable quantities of abstract labour time. However, he goes further by arguing that, not only Marx's category of abstract labour, but also his category of concrete labour, contains this

reduction from specific qualities to abstract quantities. In other words, Postone tries to argue that, for Marx, there is no necessary connection between direct human labour and social wealth, but rather that it is capitalism itself that makes this connection. In short, in Postone's reading of Marx, labour as productive human activity does not have any inherent meaning outside of capitalism.

Having stripped concrete human labour from having intrinsic meaning, Postone then argues that in capitalism material wealth is only 'apparent wealth' (p. 194) and that ultimately a post-capitalist society would consist of "a new social formation in which direct human labour would no longer be the primary social source of wealth" (p. 197). For the author, this argument goes against certain notions of socialism in which labour is still predominant, but in an open, non-mystified manner. Indeed, for him, Marx's analysis of capitalism points to the abolition of labour itself. From this perspective, the author tells us, rather than seeing capitalism as class struggle between capital and labour, we need to see it as the struggle to do away with the proletarian and transform the general structure of labour and time. However, what this new structure would be remains a mystery. The author only suggests we look at new social movements, rather than labour struggles, as examples of subjectivities of the future. Why this should be the case is clear enough. Postone simply doesn't see the potential for new forms of cooperative labour building organically within the capitalist labour process. As a result, he has to appeal to forces outside of it.

However, Postone's argument is highly problematic. First, the proposition that, for Marx, labour has no meaning outside of capitalism is simply wrong. One need only to recall Marx's discussion of the labour process in Chapter 7 of *Capital Volume 1*, in which he discusses the transhistorical characteristics of human labour, "the labour process independently of any specific

social formation" (p. 283). Here, Marx makes the distinction between human and animal labour, noting that, unlike the 'best of bees', the architect "builds the cell in his mind before he constructs it in wax" (p. 284). For Marx, the dialectical relationship between thinking and doing (praxis) evident in the architect's work represented "labour in a form in which it is an exclusively human characteristic" (p. 284). Hence, as István Mészáros (1970) argues, productive activity, or labour, is the mediator between humans and nature, making capitalism a "historically specific mediation of the ontologically fundamental self-mediation of man with nature" (p. 8). In other words, capitalism is merely a "second order mediation" or a "mediation of the mediation" (p. 8). Given this, we can see that Postone's argument is simply a mistaken attempt to collapse concrete labour into abstract labour. As David McNally argues,

> But Postone then errs in treating purely alienated, instrumentalized labour as an
> accomplished brute fact of capitalism rather than a tendential drive. This results in
> a one-dimensional account of labour in capitalist society, one which loses sight of
> the dual nature of commodity-producing labour and the critical charge this
> concept carries. (p. 198)

Postone's misapprehension of the dialectical relationship between concrete and abstract labour is why he then mistakenly attempts to collapse necessary labour time into time in general. The result is that he ultimately reduces a post-capitalist future to a radical reduction of labour time through the appropriation of the past, or dead labour (p. 65). The idea that a post-capitalist society would have to necessarily *also* be based on the development of new forms of labour is rejected. However, Postone's argument that a post-capitalist society is simply one based on the elimination of labour is far too simplistic and overlooks Marx's discussion of the cooperative

forces intrinsic to the dual character of labour in capitalism, which unlike Postone actually gives us a sense of how a post-capitalist future may be created in the present. Ultimately then, to once again cite McNally, "Postone cannot ground an anticapitalist dynamic (however partial and contradictory) within the lived experience of actual social groups. As a result, his theory cannot fulfill Marx's dialectical injunction to 'find a new world through the critique of the old'" (p. 206).

As I argued above, for Marx, finding a new world within the old required looking at the cooperative forces being developed within capitalism. Although normally these remain dormant and distorted, at times, they do emerge to the surface in more meaningful ways. To quote Marx, "when the worker cooperates in a planned way with others, he strips off the fetters of his individuality, and develops the capabilities of his species" (p. 447). Later, in *Capital Volume 3*, Marx (1976b) even went as far as pointing to one specific form of cooperation evident to him in mid 19th-century England: the cooperative factory. The cooperative factory, or worker cooperative, is a worker owned businesses that is democratically managed by its workers. Although quick to point out how cooperative factories would reproduce "everywhere in their actual organization all the shortcomings of the prevailing system," Marx nevertheless tells us that they "represent within the old form the first sprouts of the new" and "show how a new mode of production naturally grows out of an old one, when the development of the material forces of production and of the corresponding forms of social production have reached a particular stage" (p. 440).

In other words, for Marx, worker cooperatives, as one form of working class cooperation, make explicit the merely implicit powers of the collective worker, going one step beyond the 'Not-Yet-Conscious'. This means they prefigure a new society that is, they show us a

glimpse of the future within the present. This is not to say that forms of conscious worker cooperation are utopias that exist outside of market relations. To the contrary, they remain embedded within the class contradiction. However, as 'the first sprouts of the new', they can be said to express a sharpened class contradiction in which the future comes into sharper relief against the present, and new problems coexist with old ones. In short, they are the outside emerging from the inside.

However, there's nothing automatic about the movement from the 'Not-Yet-Conscious' to conscious worker cooperation. As Lebowitz argues, fostering human development will require that the working class confront the fragmenting and exploitative powers of capital. Furthermore, it will require that the working class engage in forms of transformative learning that emphasize specific collective capacities, such as solidarity, participatory democracy and collective management, what Motta (2011) calls 'pre-figurative epistemologies' in everyday life. However, as Freire (1970) argues, popular education, what he calls *'conscientização'*, is necessarily messy and contradictory, featuring advances as well as retreats. This is because the oppressed, reflecting their own objective conditions, are divided and unauthentic beings that fear their own freedom. Consequently, the struggle to overcome the oppression and alienation inherent to capital opens the doors to liberation, but also partial reforms, and even new forms of domination by capital. The concept of post-capitalist struggles is an attempt to capture this complex process of learning in struggle.

Because of the complexities and difficulties in developing conscious working class cooperation, its flourishing should not be underestimated in importance. As quoted above, For Marx, the development of the cooperative factory implied that capitalism had reached a

'particular stage' (p. 440). Similarly, Bloch makes clear that the Not-Yet-Conscious faces a powerful social and historical 'block' to its further development. As he puts it,

> The block that operates in this way first and always appears as a historical one.
> More precisely as a *social* one; even when that which is to be expressed or to be
> known is actually by no means new itself...there is thus in history a *socio-
> economic barrier to vision*, it cannot be scaled by even the most daring mind...
> Not all insights and works are possible at all times, history has its timetable, the
> works that transcend their time often cannot even be intended, let alone carried
> out (pp. 129-130).

Hence, to suggest a movement from the Not-Yet-Conscious to conscious cooperation is to suggest nothing less than a historical breakthrough. Importantly, as Bloch emphasizes through his use of italics, this historical breakthrough is ultimately a social one, meaning history's 'timetable' should not be understood as representing a linear calendar in absolute time, but rather a social calendar whose pages can be flipped forwards and backwards provided the right social conditions are in place. As we will see in the final section of this Chapter, being able to see the future within the present has important strategic implications for how to overcome capitalism. However, before discussing these in some detail, it will be important to distinguish the concept of post-capitalist struggles from similar ideas developed in the last two decade by two strains within Marxist theory, Autonomism and Analytical Marxism.

Cracks, Value Struggles and Real Utopias

One of the most prominent voices to emerge within autonomist Marxism in the last decade is that of Holloway. In *Crack Capitalism*, Holloway (2010) argues that central to

capitalism is what Marx called the 'two-fold character of labour', that is, the relationship

between concrete and abstract labour. However, for Holloway, traditional Marxism has largely

looked at only one side of this relationship, namely abstract labour. For him, this approach fails

to articulate the necessity of eliminating the wage relation, leading to struggles that simply

attempt to improve the condition of workers within capitalism (i.e. the labour movement).

Against the traditional Marxist approach, Holloway argues that struggles against capitalism are

those that reassert concrete labour, or more accurately, 'concrete doings'. This distinction is

important because, for the author, concrete doings represent more than simply accomplishing a

concrete task within the alienated capitalist labour process. They rather express our

transhistorical human capacity for 'conscious life activity'.

The list of struggles based on concrete doings, Holloway tells us, is potentially endless,

consisting of things such as playing guitar at work, caring for a patient at a hospital, or simply

daydreaming on the job. As such, these small 'everyday rebellions' express a lingering human

agency that overflows from the constraints of abstract labour and the value form. They stand 'in-

against-and-beyond' abstract labour and are the substance of what the author calls 'cracks'

within capitalism (p. 99). Hence, for Holloway, an alternative to alienated labour exists, albeit in

a limited form, in ordinary moments in our everyday lives.

Holloway's achievement is to assert that an alternative to capitalism must consist of doing

away with alienated or abstract labour through new activities (doings) within capitalism. In doing

so, he goes beyond the linear approach of orthodox Marxism that argues a new society can only

emerge after capitalism has been abolished. However, Holloway makes a crucial mistake that

leads him to misunderstand what eliminating abstract labour would actually look like. His

mistake is to see the contradiction between concrete labour and abstract labour almost

exclusively as one between alienated and nonalienated labour. The factory worker works (alienation), but when the boss is not looking he plays guitar (non-alienation).

The problem with this formulation of the 'dual character of labour' is that almost completely erased from this picture is the contradiction between concrete labour and abstract labour that is already contained in the category of abstract labour. To be fair, Holloway is actually aware that concrete labour does exist within abstract labour. However, the relationship between the two is systematically ignored, as Holloway chooses to instead focus on what 'overflows' from abstract labour. The problem with focusing only on what overflows from abstract labour is that these activities are oversimplified, appearing as if free of contradictions. In addition, Holloway makes the labour that doesn't overflow simply disappear into abstract labour.

Earlier, we saw a similar mistake made by Postone (1996, 2004) who collapses the category of concrete labour into abstract labour. Holloway explicitly criticizes Postone for doing this and reiterates that for him concrete doings overflows from abstract labour. However, as noted above, understanding the dual character of labour as simply abstract labour versus its overflow is the same as collapsing the contradictions that exist within abstract labour. Not surprisingly, when it comes to identifying a transformative agency within capitalism, Postone and Holloway reach the same conclusions. They both put their hopes in social movements outside of the labour process, or in the sphere of reproduction only.

For example, Holloway denounces the labour movement and demands for full employment as merely victories for abstract labour. He doesn't see how full employment (to use his example) might *simultaneously* undermine capitalist accumulation by putting a check on and questioning capital's need to create a 'reserve army of labour', that is, a large pool of unemployed workers whose readiness to enter the wage relation helps to increase the rate of

exploitation. Holloway's framework simply doesn't allow us to think of these complexities. The result is a sometimes one-sided notion of class struggle: "we cannot think of class struggle as labour against capital, because labour is on the same side as capital, labour produces capital" (p. 182).[6]

Given that labour is on the side of capital, Holloway's solution becomes the 'splitting' of doing from labour so as to avoid abstract labour. This one-sided view of labour is the direct result of erasing from view the contradictions that exist between concrete and abstract labour within abstract labour, and focusing only on the ones between abstract labour and the concrete doings that 'overflow' from it. In other words, Holloway's mistake is not in highlighting that activities not immediately tied to abstract labour exist. After all, playing music on the weekends or caring for a family member are activities that offer a different experience from those of paid work. Holloway's mistake is rather in his tendency to first romanticize these activities, often presenting these as somehow free of contradictions, and then reducing capitalism and resistance against it to this moment *only*.

Similar to Holloway's concept of 'overflow' is De Angelis' (2007) concept of 'the outside'. De Angelis begins with the premise that capitalism is not a total system, but rather one of many social systems interacting together. Hence, for the author, we do not live in capitalism per se. Nevertheless, De Angelis continues, capital is dominant and seeks to enclose anything 'outside' it through a recurring process of primitive accumulation. In this he differs from the work of Michael Hardt and Antonio Negri and other autonomists as well as orthodox Marxists who argue there is nothing outside capitalism. 'The outside', he argues, is most visible during

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[6] It is important to clarify here that, in this passage, Holloway uses the word 'labour' to mean 'alienated' or 'abstract' labour, which he juxtaposes to 'concrete doings'.

struggles against capital in which linear, cyclical and phase time is re-articulated on a different dimension and around a new set of value practices that bring with it a new set of subjectivities.

De Angelis' central question then becomes where to find an 'outside' to capital. The answer he gives is anytime living subjects engage in struggle against the dominant values. In other words, there is no predefined location where it exists. Indeed, for the circuit of capital to unfold through each of its phases, a struggle is required "in order to overcome the inherent crisis of each of its moments" (p. 53). The successful unfolding of this struggle, he argues, is what gives rise to the 'law of value', that is, the systematic transformation of use values into value. Hence, for De Angelis value should not be understood in a deterministic way, but rather as the result of a contested relational process.

The contested character of value, De Angelis tells us, takes an added importance once we recognize that the circuit of capital relies on the reproduction of labour power, a process that includes a mass of unwaged labour that is not immediately tied to capital, and therefore remains invisible to neoclassical economics and orthodox Marxism alike. This means that the reproduction of labour power is itself a process in which new values can be articulated against those of capital. This could take place in, for example, struggles against patriarchy in the household, which is one way of organizing human coproduction in a new way and setting limits to capital. However, unless these new value practices are able to develop into self-sustaining social feedback processes, De Angelis tells us, they risk being assimilated into capitalism's evolving forms.

As we have seen, both De Angelis and Holloway rely on the idea that there is something outside or that overflows capital from which an alternative can be created. The main difference however is that, for De Angelis, the outside is not only something that exists beyond labour, but

rather something that can be developed at every pressure point within the system. In other words, in his framework, there is no need to reduce labour struggles to 'struggles for abstract labour', the mistake Holloway makes. However, Holloway and De Angelis share the view that anticapitalist struggle and indeed an alternative to capitalism is potentially everywhere. Indeed, as Holloway (2010) tells us, "There is nothing unusual about struggling against capitalism: anti-capitalist struggle is all around us" (p. 198). [7] Hence, both frameworks share a similar image of class struggle:

> If the sheet of ice that is capitalism is being cracked from different sides, it probably makes little sense to say 'you are cracking in the wrong place, come and crack here'. It is better to say 'all these crackings are trying to break up the same ice, let us see how we can draw lines of connection, by doing and by reflecting on our doing'. Instead of telling everyone where they should start the struggles, it is better to recognise the myriad forms of struggle and look for ways to make them connect. (Holloway, 2010, p. 198)

Although it would be difficult to argue against the importance of connecting multiple struggles, what is missing from this image is the specificity of what we are struggling for, or what multiple struggles should ultimately connect to. This is missing in Holloway because, as we have seen, his understanding of capitalism is reduced to a narrow and simplistic contradiction between alienation (commodified labour) and non-alienation (activities that 'overflow' commodified labour). As a result, erased from view are the cooperative counter tendencies found organically within the capitalist labour process. With this out of the picture, the need to orient

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[7] The difference being that, for Holloway, class struggle is everywhere because non-alienated labour is always contesting abstract labour. It's a bit different for De Angelis. For him, there's also constant contestation, but it not reduced to a battle between non-alienation and alienation.

struggles toward new forms of cooperative labour also disappears. It disappears also in De Angelis but for a somewhat different reason. For De Angelis, capitalism is not an organic whole, but a dominant system among several. If this is the starting place, there is no need to see struggles as needing to converge into anything in particular. After all, from this perspective, society is already fragmented into different competing systems. Indeed, for De Angelis, rather than trying to build the cooperative forces within the collective worker, the strategy is to 'decouple' from capital and then extend the 'outside':

> We need to decouple from the mechanism of capital's self-preservation, from the mechanism of homeostasis through which capital derives its oxygen, and ground the reproduction of our livelihoods on a different terrain. This process of decoupling and constitution coincides with the problematisation of the *outside*. In a word, we must ask again and again how do we (re)produce, sustain and extend an outside to capital's value practices? (p. 226)

For De Angelis and many autonomists the answer to this question lies primarily (although not necessarily only) in the strengthening of social movements, movements that may or may not be located within the capitalist labour process. In short, what is lacking in autonomism is a sense of strategic specificity, a specificity demanded by capitalism itself.

Although coming from a different theoretical starting point (Analytical Marxism) Wright comes to a similar conclusion. As outlined in his book *Envisioning Real Utopias* (2010), Wright's starting point is that society is comprised of three distinct forms of power: the state, the economy and civil society. The state has the power to create and enforce rules. The economy has power in that it controls 'economically relevant resources', and civil society has the power to

develop collective capacities through voluntary association, what the author calls 'social power' (p. 120). What's unique about capitalism in this model is that it is economic power that dominates. Nevertheless, for Wright, capitalist societies are hybrid structures, containing elements of capitalism, statism and socialism that interact in and ecology rather than in a fully integrated organic system (p. 190).

In Wright's framework, an alternative to capitalism consists of building a radically democratic and egalitarian society through seven 'pathways' that fit under three broad 'modes of transformation': ruptural, interstitial and symbiotic. Although Wright doesn't rule out the possibility of a total and sudden break from capitalism via a frontal attack on the state (ruptural), his emphasis is rather on the building of social power in civil society (interstitial) and the creation of 'positive class compromises' (symbiotic) in order to transform both the state and the economy. These three modes of transformation are not mutually exclusive and rather represent a 'menu of strategic options' (p. 364). As part of this strategic menu, Wright highlights a wide range of organizations and institutions that are critical for moving beyond capitalism, including participatory budgeting, NGOs, and worker cooperatives. For Wright, these are 'Real Utopias' as they embody the ideals of a better world in the imperfect conditions of the present.

As with the autonomists, in Wright we see a pluralist approach to social transformation, one in which transformation can be found in many places and can take a multiplicity of forms. Indeed, in Wright's framework, Mondragon and Wikipedia are given equal status as Real Utopias. However, as with the autonomists, there is no attempt to strategically link these to some common horizon. Like the autonomists, Wright also misses the specific organic unity of the capitalist system centered on the dual character of labour, whose tendencies and counter tendencies demand a specific strategy, even when these will have to be built out of multiple

spaces and agencies. The commitment to strategic pluralism is ultimately why both Wright and

the autonomists reject or at least underestimate the need for political struggle through political

parties, what have traditionally been the vehicles for developing cohesive transformative

strategies and agencies by the working class.

The rejection of political struggle through political parties by both autonomism and the

Real Utopias framework is directly linked to how they understand the capitalist state. Most

autonomists believe one can 'change the world without taking power,' as Holloway (2002)

argues. This means that both traditional parties and the 'revolutionary party' are rejected as

vehicles for social change. After all, as Holloway (2010) puts it: "The state, by its very form, and

independently of the content of its action, confirms and reproduces the negation of subjectivity

on which capital is based" (p. 58). Leaving no doubt as to his view of the state, Holloway

summarizes: "The state is a way of doing things: the wrong way of doing them" (p. 58).

In contrast to autonomism, Wright makes clear that a post-capitalist society will require

the state. In Wright's view, the state's role in a post-capitalist society would be that of instituting

and enforcing rules, and developing coordinating mechanisms through which civil society can

gain coherence and integration. However, within capitalism it would be ultimately up to civil

society to insert social power into the state with the goal of transforming it by creating new more

democratic institutions. For him, this means understanding the state not simply as being

functional to the reproduction of capital, but as a hybrid structure capable of holding within it

contradictory elements (p. 190). What these elements are exactly remains somewhat unclear,

however. How exactly social power is to be inserted into the state is a question that also remains

under-explored, with political parties appearing as somewhat peripheral in his model. However,

as I will argue, the state and political struggle are absolutely essential in the development of a post-capitalist society and therefore at the core of the concept of post-capitalist struggles.

New Democratic Road to Socialism?

In contrast to autonomism and analytical Marxism, for Lebowitz (2006), the struggle for a post-capitalist society will have to take place through the state. In his words, "to construct a socialist society in reality, one step in every particular path is critical–control and transformation of the state". Without this step, Lebowitz continues, "every real threat to capital will be destroyed." According to Lebowitz, what is needed is therefore a new kind of state that can serve as "the midwife of a new society," one that is capable of simultaneously restricting the reproduction of capital and opening doors to elements of a new society. Particularly important in the development of this new kind of state would be creating 'power from below', without which what is likely to develop is a new class "that identifies progress with the ability to control and direct from above" (p. 68). Hence, although for Lebowitz a socialist party is essential in a transition to socialism, rather than being an isolated vanguard, it would have to be closely connected to power at the base.

Although Lebowitz does not outline a state theory in great detail, his views on the state resemble the work of Poulantzas (2000). For Poulantzas (2000), the state plays a key role in the reproduction of capital. First, it 'incarnates' the capitalist division between mental and manual labour, as politics becomes the intellectual labour of professional politicians. Second, because it does not have direct access to the means of production, the state operates in relative autonomy from the economy. This allows it to represent capital as a whole, rather than a particular fraction of it. This also allows the state to intervene directly in the economy, giving the system a degree

of unity and stability. However, state action is always contradictory, often sharpening crises in the process of dampening them.

Importantly, for Poulantzas (2000), the state is not simply a monolith that is functional to the reproduction of capital. As a social relation, the state is rather a strategic field in which the balance of class forces is condensed. This means that the state also expresses struggles and demands of the working class. Hence, representative democracy should be seen as an achievement of the working class that acts as a barrier to class domination. However, working-class struggles are not immediately and directly expressed in the state, but are rather 'refracted' by it to ensure continued accumulation. For these reasons, Poulantzas (2000) thought the state had to be part of a transition to socialism, which he labeled, a 'democratic road to socialism'.

Poulantzas (2000) distinguished his democratic road to socialism from two other approaches. The first is Lenin's strategy of dual power, characterized by a frontal attack against the state from the 'outside'. This outside is comprised of a counter power of popular organization existing in parallel to the capitalist state and growing in force until a crisis of dual power is created. Once this crisis occurs, the capitalist state is smashed and replaced by the already existing popular power. This new state then becomes the instrument used by the vanguard of the revolution to build socialism. [8]

Also rejected by Poulantzas (2000) is the social democratic path. This path consists of winning parliamentary elections, after which the state, now populated by a left technocratic elite, can move the revolution forward through the development of new policies. Hence, for Poulantzas (2000), although these two roads are at one level quite different, they both lead to the same conclusion, namely the development of statism and the exclusion of the popular masses

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[8] For an interesting discussion of the key strategic and organizational aspects of Leninism see D'Arcy (2009).

from the revolutionary process.[9] The error that these two approaches share is that of conceiving the state as either a tool/object, in the case of dual power, or as a subject with an intrinsic social rationality, in the case of social democracy. In other words, conceiving the state as an object that can be used or a subject with intrinsic agency is ultimately to make the same mistake. In contrast, for Poulantzas, the state had to be understood as a social relation.

Against the above two approaches, Poulantzas (2000)'s democratic road to socialism consists of an uneasy alliance between a left political force in government and popular forces working outside the formal state institutions with the goal of radically transforming the state. This road would attempt to combine direct democracy with representative democracy in a relatively long struggle through which new forms of democratic expression would be developed. Unfortunately, Poulantzas (2000) ideas about what kind of movements and parties would be needed and what an alliance between them might look like remained highly underdeveloped. We therefore get little or no sense of what kind of challenges this alliance might face and what a transformed state might look like.

The concept of post-capitalist struggles helps us not only fill some of the silences in Poulantzas (2000) work, but also go beyond it, allowing us to think of a new democratic road to socialism. In this new path to social transformation, rather than an alliance between government and movement, what is needed is a new fusion between them, one in which the division between worker (manual labour) and politician (intellectual labour) is overcome. This means, first, prioritizing the development of democratic and cooperative capacities in working class organizations in both the spheres of production and reproduction. The challenge is then extending these into the development of new political parties through which diverse working

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[9] For a similar interpretation of the failures of 20th century socialism, see (Devine, 1988; Wainwright, 1994; Katz, 2004).

class forces can converge politically and begin to redefine traditional forms of leadership and representation.

The development of new forms of leadership means rejecting the 'banking' model of education in which an elite vanguard simply deposits revolutionary knowledge into the oppressed. As Freire (1970) argues, a truly transformative pedagogy, would involve a leadership that works 'with' rather than 'for' the oppressed. Finally, the concept of post-capitalist struggles also suggest that any transition to a new society, although certainly long and arduous, will be accompanied by short bursts of struggle that push beyond the existing moment. As we will see, this is a process in which the dispossessed, as holders of both capitalism's past and future, take on strategic importance as potential agents of transformative change.

Analytical Propositions

From the above theoretical discussion we can draw four analytical propositions. These are summarized as follows:

1. Unlike anti-capitalist struggles that focus on winning material demands and extracting concessions from capital, post-capitalist struggles are those that emphasize the creation of new social relations that point beyond capitalism. This means that post-capitalist struggles are identified primarily by a qualitative assessment of concrete practices by real people, and not necessarily by their adherence to particular political ideologies, such as socialism or communism. In addition, in contrast to anti-capitalist struggles, post-capitalist struggles are relatively rare, tending to emerge out of processes of dispossession. Finally, as a set of concrete social relations, post-capitalist struggles can take place in a variety of situations or institutions within both the spheres of production and reproduction.

2. The building of new social relations within capitalism through post-capitalist struggles is understood as a process of human development, meaning the working class develops a range of new capacities and values that at least partially supersede the fragmentation, division and alienation of value relations within capitalism. However, because human development is a process that occurs within capitalism, it should not be understood as a fully formed expression of a new society. It is rather merely a glimpse or prefiguration of a possible future based on democracy and cooperation found implicitly within the present. This means that human development faces constant challenges and contradictions as a result of taking place within existing value relations.

3. The concept of post-capitalist struggles understands that one of the key divisions necessary for the reproduction of capitalism is that between manual and intellectual labour, a division crystallized in and by the capitalist state as the division between politician (intellectual labor) and worker (manual labour). This means that in contrast to notions of post-capitalism developed by Autonomism and Analytical Marxism, post-capitalist struggles are those that attempt to transform the state by creating a fusion between worker and politician. This therefore also means the creation of political parties that can contest state power on this basis.

4. Finally, the development of new capacities and values is essentially a learning process. As such, this process cannot simply replicate the rigid division between teacher and student typical of capitalist social relations. For the left, this means breaking from the banking model of education in which an elite political vanguard simply deposits ready made knowledge into the heads of the oppressed. A truly transformative pedagogy must rather emphasize processes of democratic and participatory learning led by the oppressed themselves. Central in this process is

the development of forms of representation and leadership that break from the vanguardist

approaches of both Leninism and social democracy.

In Chapters 3-6, I present four case studies that illustrate these four propositions in the

context of 21st century Latin American politics. However, before delving into these, a brief

background of Latin American development and politics in the 20th century is necessary. This is

the topic of the following Chapter.

Chapter 2: Latin American Development and Post-capitalism: From ISI to Neostructuralism

From the end of second world war to the present day, Latin America has gone through three distinct phases of capitalist development: Import Substitution Industrialization (1945-1970), neoliberalism (1980-2000), and neostructuralism (2000-2015). This Chapter provides a brief summary of the successes and shortcomings of each phase. The final section also introduces my case studies in light of the history discussed and the analytical matrix presented in the introductory Chapter.

Import Substitution Industrialization

Following the Second World War, Latin American governments began to implement a series of policies aimed at achieving economic growth and rising living standards through the development of domestic markets and the diversification of industrial output, a process that became known as 'Import Substitution Industrialization' or ISI (Cardoso and Faletto, 1979, p. 1-4). Broadly speaking, ISI was designed to alter the patterns of trade between the first and third world, a pattern that consisted of a tendency for developing nations to export primary goods while importing finished ones (Rapley, 2002, p. 36). The import substitution process starts off with capital or imported intermediate goods and proceeds to the manufacture of more advanced finished consumer goods and intermediate goods that were previously imported (Hirschman, 1968, p. 6). Examples of ISI policies include the placing of tariffs and quotas on imported goods, the nationalization of key industries and the establishment of development corporations or banks in order to promote specific ventures (Hirschman, p. 5).

Much of the intellectual foundations for ISI in Latin America came from the *Comisión Económica para América Latina* (Economic Commission for Latin America and the Caribbean, ECLAC), founded by the United Nations in 1948. ECLAC saw ISI as a development strategy that challenged classic modernization theory, in particular, the work of Rostow (1960). However, it was not a challenge to the broader project of capitalist modernity that prioritized economic growth. Indeed, ISI was based on the assumption that it was possible and desirable for Latin American countries to 'catch-up' to the west. As Ramón Grosfoguel (2000) argues, ISI was the expression of a developmentalist ideology that understood Latin America to be stuck in a backwards feudal state in relation to Europe and North America. ISI found support in many of the region's progressive forces.[10]

From the point of view of its stated aims, ISI found considerable success during approximately its first two decades of implementation. According to Enrique Cárdenas et al., during this period, per capita growth rates in Latin America were the highest in 100 years, reaching a peak of 7.2 per cent per year between 1968 and 1974 (pp. 16-18). Indeed, growth rates during this period were higher than those in East Asia in the 1950s and faster than those in the developed world at the time, prompting the World Bank to re-categorize all Latin American countries (Haiti excepted) as either 'middle income' or 'upper middle income' (Bulmer-Thomas, 2014, pp. 330-331). In addition, most of the region witnessed major improvements in the areas of labour productivity, employment generation, and significant reductions in levels of underemployment and poverty (Cárdenas et al., 2000, 18-22).

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[10] These included many communist parties (as well as other leftist parties) that justified a pro-capitalist growth strategy in Latin America on the Marxist orthodoxy of stagism (discussed earlier). Consequently, communist parties throughout the region found themselves supporting the local bourgeoisie and even populist dictators (Grosfoguel, 2000, p. 357).

State-led industrialization during this period also resulted in important improvements in public services, including social security, health, education and labour training. Combined, all of these changes resulted in significant improvements in the regional standard of living relative to the US, particularly in Argentina, Brazil, Mexico, Chile, Colombia and Venezuela (Cárdenas et al., 2000, pp. 20-21). Behind many of these changes were important improvements in the region's productive sector, including strong growth in manufacturing, and partial diversification in agricultural production (Cárdenas et al., 2000 p. 20). In other words, as Wiarda notes, many Latin American countries began breaking from their historical dependence on the production and sale of a single crop (Wiarda, 1990, p. 97).

However, the ISI model also ran into a number of challenges. As Albert Hirschman (1968) notes, although ISI did manage to develop core industries, it had problems developing spin-off industries. This is because the import protections provided by ISI became an incentive for the new industrialists to rely on cheap imported inputs rather than the more expensive domestic alternatives. In other words, import protection simply became a pure source of rent and/or a protection from exchange rate overvaluation (Cárdenas et al., 2000, p. 24). Thus, contrary to the goals of ISI, import protection may have increased dependence on imported inputs and technology (Cárdenas et al., 2000, p. 25).

Another crucial problem with the ISI model was its inability to induce a sufficient export drive, a result of a lack of cohesion in the domestic capitalist classes, insufficient spinoff industries, and overvalued currencies. Indeed, following the postwar boom in commodity prices, Latin America's share in world trade declined from 7 to about 4 percent by the 1970s, while its ratio of exports to GDP fell dramatically to below 20 percent by the early 1970's (Cárdenas et al., 2000, pp. 22-23). Lastly, the application of ISI brought forth rising inflation, a result of a

neglected agricultural sector, underdeveloped infrastructure, shortages of skilled labour, inadequacies in fiscal systems, and the intensification of government investments (Furtado, 1976, p. 120-124).

The problems that the ISI model was experiencing by the late 1960s coincided with an immense political event: the Cuban revolution. These two factors, along with a new layer of critical intellectuals that entered ECLAC, became the driving forces behind renewed criticisms of modernization and ISI by what became known as the dependency school (Grosfoguel, 2000).[11] The *dependentistas* core argument was that the underdevelopment of Latin America could be explained not by the idea that it remained stuck in a feudal or semifeudal state, but rather because of its particular position within a single capitalist world system. In other words, Latin America was already fully inserted into global capitalism, and its position within the global social division of labour is what explained its underdevelopment.

Consequently, for the *dependentistas*, the application of modernization theory and ISI to the region was bound to fail. The solution was rather to de-link from the capitalist world system in order to apply a new and superior system: socialism (Furtado, 1964; Cardoso and Faletto, 1979; Frank, 1971; Quijano, 1966; Dos Santos, 1968). The *dependentistas*' Marxist inspired argument became the source of a split within the communist movement in Latin America. Rather than pursuing alliances with the national bourgeoisie under the framework of further developing the forces of production in the region, many leftist groups and currents in the 1960s attempted to replicate the Cuban experience through guerilla movements (Grosfoguel, 2000, p. 357). However, as history has shown, the guerrilla strategy adopted by leftist groups during this period proved fruitless.

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[11] Not all *dependentistas* were critical of ISI, however. As Grosfoguel (2000) notes, some (most notably Cardoso) became strong promoters of the model.

Transition to Neoliberalism

The challenges the ISI model began to face in Latin America in the late 1960s were aggravated by the dismantling of the global economic framework known as the Bretton Woods system. Instituted in 1944, the Bretton Woods system consisted of three pillars: a gold standard based on the US dollar, controls on the international movement of capital, and a progression toward free trade (Sens and Stoett, 2002; Gowan, 1999; Rowbotham, 2000; Soederberg, 2005). Importantly, the Bretton Woods system institutionalized the hegemonic position in which the US economy found itself in relation to the rest of the world following the Second World War. As a producer of one third of the world's economic output and more than half of its production in manufactured goods (Rapley, 2002 p. 32), US industry stood to easily outcompete international rivals under a regime of free trade. In addition, pegging global currencies to the US dollar meant that the US acquired political control over global currencies. This political control came through the US Federal Reserve, as well as the International Monetary fund and World Bank.

However, by the late 1960s America's global economic dominance became threatened by intensified competition from the European and Japanese economies. In addition, expenditures on the Vietnam War were significantly expanding the US deficit, and US gold reserves were becoming insufficient to convert other nations' surplus dollars into gold (Gowan, 1999, p. 17). As a result of these new pressures, the US began to dismantle the Bretton Woods system. Two key moves are associated with this process. First, in 1971, President Nixon removed the US dollar from the gold standard (Soederberg, 2005). Second, in 1974, amidst the global economic depression that resulted from the 1973 OPEC (Organization of the Petroleum Exporting Countries) oil embargo, the Nixon administration unilaterally abolished restrictions on capital flows in and out of the Unites States. As Gowan (1999) notes, this move led to a dramatic shift in

the scale of these flows, bringing international private finance into the very center of the global monetary system (Panitch, 2000; Panitch and Gindin, 2005). Indeed, in the mid-1970s, private US banks found themselves flooded with petrodollars from the OPEC countries and (now freed from capital controls) proceeded to make massive loans to third world governments, who were eager to take up loans to compensate for export losses in primary products.

The loans made by the banks to developing countries in general and Latin America specifically were highly questionable. As Rapley notes, "so flooded were they with money that many banks threw caution to the wind in their hunt for borrowers and offered low-interest loans for questionable projects" (2002, p. 34). In some cases, capital flight was the result. As Prabirjit Sarkar and Hans Wolfgang Singer (1992) point out, capital flight from Mexico, Venezuela and Argentina between 1974 and 1982 amounted to $32.7 billion, $10.8 billion and $15.3 billion respectively, representing over 40 percent of the combined total of loans received by the three countries.

In 1979, two events combined to further sink the developing world into deep debt. The first was the second oil shock following the Iranian Revolution. Second, this was the year the US Comptroller of the Currency, John Heimann, adjusted accounting rules to allow US banks to increase their lending to the Third World. As in the first oil shock, petrodollars in Western banks were quickly turned into loans to already highly indebted Third World countries. Indeed, as of 1979, the 9 largest US banks had committed 113 percent of their capital in loans to just six countries Argentina, Brazil, Mexico, Taiwan, South Korea and Philippines (Soederberg, 2005).

The rising cost of oil also triggered a sharp rise of inflation in the First World and governments in the 1980s proceeded to fight this by raising interest rates. In the US, this took the form of 'Volcker Shocks', a dramatic increase in interest rates by Chairman Paul Volcker of the

US Federal Reserve (Rapley, 2002; Soederberg, 2005). The rise in interest rates directly affected

Latin America as a large portion of its debt was incurred at floating interest rates. Thus, the cost

of servicing the debt skyrocketed. In 1985, the debt service ratio – debt service payments as a

proportion of export earnings – for Argentina, Chile, Brazil and Mexico was 41.8, 26.2, 26.5 and

44.4 percent respectively. By 1986, the debt service ratio for both Mexico and Argentina was

over 50 per cent (Sarkar and Singer, 1992; Haynes, 1996). As intended by Volcker, higher

interest rates also caused the value of the dollar to increase, as investors seeking high returns on

their money increased the demand for US currency. This effectively hiked the Third World debt

as most of it was denotated in dollars (Rapley, 2002).

By the early 1980s, the debt was too much to bear for a number of Third World countries.

By now, the price of primary products in the global market had collapsed as a result of a

recession in the West (Rapley, 2002), leaving Latin America in an impossible position. Thus, in

1982, Mexico, Argentina and Brazil announced they could not meet their current debt

obligations (Haynes, 1996). Fearing a global monetary collapse, the World Bank and

International Monetary Fund (IMF) intervened by promoting structural adjustment programs on

deficit countries, what would soon become known as the 'Washington Consensus' (Williamson,

1990). First tested in Chile by the Augusto Pinochet dictatorship (1973-1990) (Klein, 2007;

Grandin, 2006), Structural Adjustment Programs (SAPs) are based on neoclassical economic

theory and contain five general elements: fiscal austerity, privatization of state owned

enterprises, trade liberalization, de-regulation of the economy and labour market flexibility

(Collins and Lear, 1995; Cook, 1998; Harris, 2003).

Guided in part by the ideas of Friedrich Hayek, Miltion Friedman and Robert Nozick, the

fundamental assumption behind neoliberal policies is that the market, rather than the state, is the

most efficient way to allocate resources (Albo, 2002). Hence, as Robert Gwynne and Cristóbal

Kay (2000) argue in their analysis of neoliberalism in Latin America, the state has reduced its

commitment to social provision in diverse areas such as pensions, health and education, while

creating more market driven forms of social support (p. 150). In addition, neoliberalism believes

that domestic economies should adapt to the demands of international capital and that states

should therefore simply restrict themselves to facilitating this process. Thus, neoliberalism calls

for monetary policies that cater to financial markets, in particular, interest rate manipulation

aimed at delivering a balanced trade account, low inflation and economic stability (Rapley, 2002;

Saad-Filho et al., 2007). Finally, under the neoliberal model, states are encouraged to produce

balance budgets under the guidance of an independent central bank (Gwynne and Kay, 2000).

However, the promise of modernization made by neoliberalism never materialized, as

indicated by a wide range of indicators, such as income inequality, poverty and crime (Portes,

1997; United Nations Development Programme, 1999; Gwynne and Kay 2000; Portes and

Hoffman, 2003; Soederberg, 2003). There are a number of reasons for this. First, as James Crotty

(2000) notes, neoliberal policies provide chronically weak aggregate demand, which, in turn,

produce low levels of economic growth. This creates a vicious circle as capitalists, in response to

low demand, seek to increase their competitive advantages, which only exacerbates the problem

further. Second, they led to desperation exports in the part of debtor nations who, in seeking to

individually increase their exports to service their loans, flooded the global market with goods.

This simply depreciated the value of such goods, producing less net revenue for each country.

Given the contradictions of the neoliberal model, between 1980 and 1986, all of the

Highly Indebted Countries expanded their exports and all suffered a loss of unit value, the

market price for their exports (Sarkar and Singer, 1992). For Argentina, Chile, Peru and

Uruguay, the authors continue, "the loss in unit values of exports was so sharp as to reduce their total export earnings" (p. 15). In other words, SAPs, as Susanne Soederberg (2003) argues, resulted in a massive transfer of wealth from debtor countries to the developed world (p. 98). Finally, because SAPs decrease the state's revenue-generating capacities, particularly in the long-term, the result is that the state is less able to provide social programs for those most negatively affected by neoliberalism. For these reasons, structural adjustment and neoliberalism in Latin America should be understood as a vehicle for accumulation by dispossession and a new form of imperialism, as wealth is systematically transferred from the public to the private sector, for the benefit of US led transnational capital (Harvey, 2003, 2010; Soederberg, 2003, 2005).

The implementation of neoliberal structural adjustment in the region proved to be a significant victory for the region's capitalist classes. According to Alejandro Portes and Kelly Hoffman's (2003) comparative analysis of class structures in Latin America, the capitalist classes in the region saw their earnings significantly increase relative to the subordinate classes during the 1980s and 1990s, a result of a decrease in public sector employment, stagnation in the private sector and growth in the informal proletariat. However, capital's victory in Latin America was also political. As Richard Harris (2003) notes, neoliberalism excluded or marginalized the masses from political participation, concentrating power among political and economic elites (pp. 369-370).

In addition, as Maria Victoria Murillo (2000) shows in his study of Argentina, Venezuela and Mexico, organized labour in these three countries largely facilitated the transition to neoliberal reforms out of loyalty to political parties and leaders formerly supportive of labour but now turned neoliberal. This forms part of a wider trend of labour retreat in Latin America in the face of neoliberal policies, evidenced by, among other things, loss of union membership

reduction in strikes, and ideological vacillation (for various cases see Drake, 2003; Galvão, 2004; Palomino, 2005). In other words, in Latin America Margaret Thatcher's proclamation that there is no alternative to neoliberalism had seemingly taken hold.

Neostructuralism and the Pink Tide

As might be expected, the social devastation produced by neoliberalism did not go uncontested, particularly in cases where structural adjustment was so severe as to produce significant crises at either the local or national levels. As Harris (2003) outlines in his detailed survey of resistance movements during the neoliberal period, nothing short of a flood of struggles emerged throughout the region. These included everything from court actions and electoral activity, to mass demonstrations, riots, building occupations and people's parliaments (p. 373). As highlighted earlier, some of the most notable struggles during this period included the Zapatistas fight against the North American Free Trdae Agreement (NAFTA), *el Caracazo* in Venezuela, the gas and water wars in Bolivia, and the *cacerolazos* during the 2001 Argentinian crisis. Other important movements could also be highlighted, namely the *Movimento Sem Terra* (Movement of Landless Rural Laborers or MST) in Brazil and the *Confederación de Nacionalidades Indígenas del Ecuador* (Petras and Veltmeyer, 2001; Harris, 2003).

As Harris (2003) notes, the variety and quantity of these struggles reveal the high degree of opposition to neoliberalism in the region (p. 392). However, one needs to add that these struggles largely departed from more traditional forms of resistance, expressing novel forms of democratic and political participation.[12] Hence, during this time period, it wasn't unions, leftist parties, or guerilla groups leading the way, but diverse and often heterogeneous groups

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[12] This is not to say that resistance of a similar character did not occur during previous moments in Latin American history (for examples of various forms of worker self-organization see Barcelli, 1957; Hart, 1989; Drake, 2003; Murmis and Portantiero, 2011). However, it is clear that neoliberal reforms produced a unique wave of these types of struggles.

experimenting with more direct and local democratic forms of participation (Vanden, 2003; Petras and Veltmeyer, 2006; Kay, 2008). As Harry Vanden argues, the political and economic threats posed by neoliberalism to various popular sectors of Latin American society has driven these sectors to seek forms of political organization that "they can call their own" (p. 310). In short, this wave of movements across the region point beyond both the impositions of neoliberalism and previous histories of leftist struggles in the region.

By the late 1990s, many of these new struggles became articulated within existing political systems. In some cases, movements became allies or supportive of already existing leftist parties. For example, following the 2001 crisis, sections of the *piquetero* or unemployed workers movement in Argentina came to support the Kirchner governments (*Partido Justicialista*) out of a sense that these governments would reinstate some of the principles and values associated with Peronism (Pérez and Natalucci, 2010). Similarly, in Brazil, the MST developed close relations with the PT out of the hope that this would lead to agrarian reform, the movement's central demand (Carter, 2010). However, in other cases, these new movements and struggles became or were central in the creation of new political parties, such as the *Movimiento al Socialismo* in Bolivia (Webber, 2011) and *Movimiento Quinta República* in Venezuela (Wilpert, 2007). In any case, by the turn of the century, the result of these processes was a wave of electoral victories for left and centre left parties across the region, a phenomenon known as the 'pink tide'.

However, the pink tide is far from a homogeneous block. Indeed, its arrival to the political scene prompted many commentators to assess and classify the various left governments in power. Some favoured the more 'moderate' governments of Luiz Inácio Lula da Silva (or Lula, as he is commonly known) in Brazil, Michelle Bachelet in Chile and Tabaré Vázquez in

Uruguay (Castañeda, 2006; Llosa, 2007), while others supported the more 'radical' governments of Hugo Chávez in Venezuela, Rafael Correa in Ecuador and Evo Morales in Bolivia (Lebowitz, 2007; Ciccariello-Maher, 2013). However, as Steve Ellner (2013) argues, even if one focuses on the more radical governments, one finds an embrace of heterogeneity. In other words, as Striffler (2017) suggests, it seems that if anything unites the new left in Latin America it is its diverse and flexible approach that constantly interrogates the Marxist orthodoxies of the past (p. 8). Despite the many differences displayed by the pink tide, broad political and economic patterns have nevertheless emerged in the region, prompting many to understand the changes in the region over the last decade and a half as encompassing a new phase of development, often labelled neostructuralism or neodevelopmentalism.

As Leiva (2008) outlines, the neostructural model began to be developed in Chile under the first government of the *Concertación*, and contains four political and economic pillars. First, it attempts to induce a more balanced export drive when compared to the neoliberal period, aiming to move up the value added chain through alliances with transnational capital. Second, it gives up the currency devaluation shocks of the neoliberal period in favour of a more gradual devaluation. Third, it combines the neoliberal demand of labour market flexibility with new forms of participatory governance. Finally, it introduces a new discourse of social cohesion backed by ameliorative economic measures for vulnerable populations. Neostructuralism, Leiva (2008) tells us, therefore departs from both neoliberalism and classical structuralism, convincingly combining the concept of growth and equity, while eschewing discussions of power relations.

Central to the neostructuralist model is also a new role of the state. In contrast to the neoliberal period in which the state's primary role was to implement and manage the

dispossession associated with structural adjustment, the neostructuralist state plays a more active role in social provision and welfare. In large part, this has been possible through increased state spending, taxation, and most importantly, tighter control over the use of revenues from natural resources (Gudynas, 2009, Grugel and Riggirozzi, 2012; Rosales, 2013). This new economic approach has in turn allowed the new left to distance itself from the debt regime of the Washington Consensus.

Indeed, since coming to power, there has been a tendency in the new left to not renew agreements with the IMF and in the cases of Brazil and Argentina to settle its outstanding debt (Moreno-Brid and Paunovic, 2006). With this in mind, it is notable that unlike previous economic collapses since the Great Depression, the 2008 economic crisis led neither to bank failures or a renewed debt crisis in the region (Katz, 2015, p. 14). These new economic measures taken by the state are accompanied by a new political outlook that enhances citizenship through cultural recognition, evident in institutional reforms and, sometimes, new constitutions (Grugel and Riggirozzi, 2012). All in all, as Jean Grugel and Pía Riggirozzi (2012) argue, the pink tide seems to promote new forms of democratic belonging by establishing new state–society relationships (p. 3).[13]

The application of neostructuralism in the region has resulted in important successes based on its stated aims. Indeed, since the early 2000s, the region has experienced significant improvements in a number of social indicators, including poverty, inequality and unemployment. As Nora Lustig and Eduardo Ortiz-Juarez (2013) note, on average, the Gini coefficient in the

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[13] It's worth noting that, to some extent, these new progressive policies have transcended the individual nation-state. This is the case with the creation of the *Alianza Bolivariana para los Pueblos de Nuestra América* (Bolivarian Alliance for the Peoples of Our America, later renamed Alba). Founded in 2004, this organization promotes regional integration through alternative trade patterns and development projects, particularly in education and health (Kellog, 2007).

region fell from 0.530 in the 1990s to 0.497 in the 2000s (see also Cornia, 2010).[14] Similarly, the

percentage of people living in poverty and extreme poverty fell significantly between 2002 and

2010, from 44 to 23.1 per cent and 19.4 to 12.9 per cent respectively (Grugel y Riggirozzi,

2012). During the same time period, unemployment also fell significantly from 11 per cent to 7.4

per cent (Bárcena, 2010). Although unevenly, improvements have also been made in women's

rights, particularly in the areas of political participation and sexual violence (Friedman, 2009).

In part, these improvements have been the result of what are known as 'pro poor

policies', most notably, conditional cash transfers aimed at vulnerable populations (Bulmer-

Thomas, 2014, pp. 432-433). Examples of this include the *Bolsa Familia* program developed by

the PT (Hall, 2006; 2008), *Jefes y Jefas de Hogar Desocupados* introduced by the Kirchner

governments (Pautassi, 2004) and *Chile Solidario* introduced by the *Concertación* (Serrano,

2005; Larrañaga y Contreras, 2010). Other initiatives combine a pro-poor outlook with

participatory governance. These include municipal participatory budgeting (for specific cases see

Ford, 2008; Fedozzi, 2001) and communal councils in Venezuela (El Troudi, 2005; Burbach and

Piñeiro, 2007; Ellner, 2009). The second factor behind the success of neostructuralism is

consistent growth. As Alicia Bárcena (2010) notes, from 2002 to 2008, the region achieved

levels of growth comparable to the 1970s, peaking at an average of 5 per cent annually between

2003 and 2007 (p. 9). Much of this growth can be explained by a massive expansion in the

region's international trade, which rose by 138 per cent during this period, and a strong

improvement in its terms of trade (Bárcena, 2010, p. 10).

However, a closer look at growth and trade patterns in the region reveals some of the

shortcomings of the neostructural model. As Leiva (2008) argues, the neostructuralist promise of

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[14] However, as Katz (2015) notes, these reductions in inequality have not changed Latin America's position in the global inequality rankings.

moving up the value chain ladder through an export drive ignores the pressures that international trade organizations impose on this strategy and wrongly assumes capitalists will choose to innovate rather than cost cut. Not surprisingly, the result has been a decline in industrial production (Katz, 2015), and an overwhelming reliance on the export of primary goods, particularly as a result of strong demand from Asia (Bárcena, 2010). Indeed as Eduardo Gudynas (2009) argues, the new left in Latin America has become an active promoter of extractivism, natural resource extraction geared toward international markets and largely based on mono-cropping (see also Robinson, 2008; Katz, 2008; Rosales, 2013; Chiasson-LeBel, 2016).

As Caludio Katz (2015) notes, in Brazil and Argentina, the spread of soy cultivation is a particularly damaging example, relying on minimial labour, displacing other crops and depending on a transnational corporation (Monsanto) for seeds (p. 11). In other words, neostructuralism is simply reproducing, if not deepening, the region's historic dependence on primary resources, even as it channels some of the earnings of this model to social development. For these reasons, as Maristella Svampa (2013, 2012) argues, we can understand the period of the pink tide in Latin America as representing at least a partial shift from accumulation based on finance (the Washington Consesus) to accumulation based on the exploitation of land, what she calls the 'commodities consensus'.

The participatory governance model pursued by neostructuralism also displays a number of contradictions, most notably that democracy is supposed to coexist with the social domination underpinning the requirements of accumulation (Leiva, 2008). Hence, Leiva continues, the promotion of participatory governance may simply have the effect of weakening autonomous forms of organization that question the imperatives of accumulation. In addition, forms of participatory governance reinforce the neoliberal imperatives of decentralization, which seek to

reduce the role of the state in social provision. Because of this participatory governance tends to be weakly instituted within state structures and is therefore prone to the control of local municipal leaders who may not always be supportive (Andersson and Van Laerhoven, 2007). Given all these factors, it is not surprising that, as Daniel Chavez (2008) notes, the World Bank, in the name of 'good governance', began promoting 'lite' versions of participatory budgeting in Latin America. This offer was then taken up by many local right wing administrations in order to legitimize neoliberal policies, including the emblematic case of Porto Alegre, (Chavez, 2008).

Given the contradictions found at the core of the neostructuralist model, it is not surprising to see continued struggles taking place in its context. Indeed, in recent years a substantial amount of literature has emerged examining these (Svampa, 2011; Gordon and Webber, 2011; Becker, 2011, 2013; Kowalczyk, 2013; Peña, 2016). Of note is that that many of these struggles resist various forms of dispossession. This shows that although the neostructuralist model seems to avoid more systemic forms of dispossession associated with structural adjustment and debt, more localized or sectorial forms of dispossession that target the exploitation of land are a continued reality (Borras et al., 2012).

These struggles have been interpreted in a number of ways. For some, they reveal that the progressive governments in the region betrayed social movements and are simply pursuing a new form of neoliberalism (Webber, 2011, 2011; Gutiérez Aguilar, 2011; Ospina and Lalander, 2012; Zibechi, 2015, 2016). For others, these struggles represent a productive dialectic with left governments in which demands and struggles from below fuel progressive changes from above (Ciccariello-Maher, 2007; Harnecker, 2010; García Linera, 2011; Sader, 2013b). García Linera's (2011) concept of 'creative tensions' in the case of Bolivia and Ciccariello-Maher's (2007) notion of a new form of 'dual power' in Venezuela best exemplify this perspective.

However, as I will argue in the following Chapters, this tense relationship between movements and left governments in the region is best understood by referring to what I call the 'neostructuralist bargain'. As we will see, through the neostructuralist bargain, pink tide governments provide partial material concessions to vulnerable populations. In return for these concessions, social movements are asked to give up their aspirations for forms of democracy and cooperation that point beyond neostructuralism, toward a post-capitalist future. This shows that rather than internalizing the experiences of social movements in a virtuous dialectic toward socialism, as the concept of creative tensions argues, pink tide governments leave this bargain less capable of moving toward a post-capitalist future. On the other hand, the material concessions provided by these governments demonstrate a break from the neoliberal model of the past, disputing the thesis of 'reconstituted neoliberalism' (Webber, 2011).

Case Studies in Historical and Comparative Perspective

The four countries in which my case studies are located occupy different development trajectories from ISI to the present. Argentina pursued one of the most successful ISI programs, giving the country some of the highest levels of industrialization and standards of living in the region. The implementation of ISI occurred under the leadership of Juan Perón (1946-1955 and 1973-1974) and the Peronist movement more broadly. During the early years (1946-1955), Argentina's *Partido Justicialista*, founded by Juan Perón, brought together the urban working class, the provincial middle classes and the new industrialists of the time (Snow and Wynia, 1990). After 1955, Peronism becomes more clearly a working class movement with its most important ally becoming the *Confederación General del Trabajo de la República Argentina* (General Confederation of Labour or CGT). After the death of Juan Perón in 1974 and the subsequent arrest of his successor and wife, Isabel Martínez de Perón (1974-1976), by the

incoming military regime, the party goes through a crisis of leadership until the 1983 elections. Nevertheless, Peronism loses the elections to the *Unión Cívica Radical*, Argentina's second most important party (Snow and Wynia, 1990).

In 1989, Peronism bounces back under the leadership of Carlos Menem (1989-1999) who becomes President for two consecutive terms. Despite campaigning on a traditional Peronist platform of strong social spending, industrial development and an alliance with organized labor, Carlos Menem, once elected, began to aggressively apply neoliberal policies (Fair, 2008). Paradoxically, these policies were supported by organized labor who received a wide range of 'selective incentives' from the government, such as stock options of privatized companies, retirement insurance and control over specific social programs (Fair, 2008). In addition, the Convertibility Plan introduced in 1991, in which the Peso was pegged to the dollar in a 1:1 ratio, appealed to broad sectors of the Argentinian society who were facing economic instability from bouts of hyperinflation (Fair, 2008).

However, by the late 1990s, the neoliberal reforms had severely weakened the labour movement and the state's role in social provisions. This led to perhaps the biggest political and economic crisis of Argentina's history in 2001. Furthermore, left political alternatives to the neoliberal revolution started by Carlos Menem seemed to be lacking. After all, it was the Peronist party with substantial support from the labour movement that introduced the reforms that quickly devastated the country's working and popular classes. It is in this context that we can fully understand the emergence of the ERT movement. The ERT movement, as we will see, poses a direct, if incomplete, challenge to the collapse of traditional Peronism in the country, as expressed in the Carlos Menem years.

The arrival of the Kirchner governments (2003-2015) marked a new phase of development for Argentina. On paper, the values of social justice and democratic governance espoused by the Kirchner administrations, which echo elements of classic Peronism, should have addressed the demands of the ERT movement. However, the movement has largely been ignored by the Kirchner governments. Indeed, as we will see, the ERT movement's values of democracy and cooperation go well beyond the boundaries set by the neostructural model of the Kirchner governments.

Venezuela's encounter with ISI in the postwar period was heavily conditioned by its status as a major oil-producing nation. Indeed, unlike Argentina and other countries in the region that were attempting to industrialize, Venezuela, under the dictatorial regime of Marcos Pérez Jiménez (1952-1958), simply used oil revenues to fund ever increasing volumes of imported goods (Myers, 1990, p. 292). It was not until democracy was consolidated with the election of Rómulo Betancourt (1945-1948 and 1959-1964) as President of the country in 1959 that ISI actually began being implemented (Myers, 1990). Nevertheless, ISI policies were built in the context of a relatively weak labour movement. It was at this moment in history that Venezuela established the *Punto Fijo,* a power sharing pact between the country's three main parties: *Acción Democrática*, *Partido Social Cristiano*, and *Unión Republicana Democrática*.

By the 1970s, the expansion and nationalization of oil production coupled with increasing state expenditures in health education and public works saw a notable improvement in social indicators, making Venezuela's goal to modernization seemingly well within grasp (Lander, 2005, pp. 25-26). However, unlike Argentina, Venezuela possessed a relatively weak labour movement that was not integral to state's oil based developmental approach. Indeed, the state developed a seemingly infinite capacity to harness oil revenues to fund a myriad of often-

outlandish development initiatives with no organic endogenous links. As Fernando Coronil (1997) argues, this gave the Venezuelan state the illusion of possessing magical properties that created the expectation among broad layers of society that the state on its own could solve any number of social and economic problems (pp. 4-5). However, the fall of oil prices in the mid 1980s confirmed Venezuela's status as an oil dependent nation suffering from a classic case of so-called 'Dutch disease', in which the abundance of natural resources blocks rather than facilitates industrial diversification and development over the long run (Ross, 1999; Bresser-Pereira, 2008)

By the late 1980s, facing revenue shortfalls and increasing debt as a result of the fall of oil prices, the government of Carlos Andrés Pérez (*Acción Democrática*) introduced a neoliberal package of structural reforms (Lander, 2005). These reforms were not well received by the popular classes who had come to rely on the state for basic survival and had only minimal connections to labour unions and the protections they typically offer. As Lander (2005) notes, the introduction of these reforms and the social economic decay that ensued as a result triggered a decline in the legitimacy of the political system (p. 27). This crisis of legitimacy was first evident in the 1989 popular rebellion known as *el Caracazo*. It is in the context of this social unrest that the *Movimiento Bolivariano Revolucionario 200* (Revolutionary Bolivarian Movement 200, or MBR 200), a clandestine military-political organization formed by Hugo Chávez, performed a failed coup in 1992 (Maya, 2008).

After receiving a pardon for his involvement in the attempted coup, Hugo Chávez (1999-2013) launches a successful presidential campaign and becomes president of Venezuela in 1999. His electoral victory officially ends the 40-year-old *Punto Fijo* pact and starts Latin America's pink tide. At first Hugo Chávez seeks to reverse some of the neoliberal measures applied by the

previous governments and becomes an outspoken critic of the policies of the Washington

Consensus. However, following the 2002 attempted coup on his government, Hugo Chávez takes

a radical turn and by 2005 is openly calling for a transition to socialism in the country (El

Troudi, 2005). It is out of this context that the Chávez government begins to actively promote the

popular economy and the Socialist Production Enterprises (SPEs). In other words, unlike ERTs

in Argentina, which continue to struggle to find expression within the state, SPEs are a

workplace experiment created by the state. However, in comparison to Argentina, the

Venezuelan state historically had considerably weaker links to the labour movement. As such,

the SPEs represent a continuation of ambitious state led development projects of the ISI period.

However, this time, because of the participatory role of communities and workers, this form of

development takes a less magical and more endogenous character.

Brazil's process of modernization began primarily under the leadership of Getúlio Vargas

in the 1930s. In power first as a revolutionary leader turned dictator (1930-1945) and then as

elected President (1951-1954), he adopted nationalist policies and a pro-labor stance with a

corporatist character (Wiarda, 1990; pp. 179-180). His policies and those of his first successor,

Eurico Gaspar Dutra (1946-1951), led to the development of the country's social security, health

care and transportation systems (Wiarda, 1990, p. 180). Brazil's economic development was

intensified in the 1950s under the leadership of Juscelino Kubitschek (1956-1961). During this

period, ISI policies were particularly effective. They created or expanded a range of dynamic

industries, including automobile, shipbuilding, steel and petroleum (Tavares, 1964, p. 18), as

well as led to the creation of universities, highways and airports (Wiarda, 1990, p. 1981).

However, ISI policies soon faced heavy inflationary pressures and growing social unrest, leading

to the 1964 military coup.

Through technocratic and often brutal rule that opened the country to foreign investment, the dictatorship achieved dramatic levels of economic growth, an achievement often referred to as the 'Brazilian Miracle' (Weisskoff, 1980). However, the oil shocks of the 1970s brought the miracle to an abrupt end and the dictatorship began taking steps toward a return to democracy, notably, through the introduction of a multi-party system (Wiarda, 1990, p. 1984). It was in this context that the PT began to emerge as an umbrella for a number of socialist groups, the labour movement and the Catholic Church's liberation theology wing (Wiarda, 1990, p. 185). Although unambiguously a socialist party, the PT was highly novel. As French and Fortes (2005) note, the PT's brand of socialism went beyond the social democratic and Leninist tendencies, relying on a participatory, bottom-up approach with a mass base (French and Fortes, 2005). Using this approach, the PT became central in the struggle against the dictatorship, which officially ended with the victory of the *Partido do Movimento Democrático Brasileiro* (PMDB) in the 1985 general elections (Wiarda, 1990, p. 1985).

Although making important electoral inroads at the municipal level in 1989, the PT, led by Lula (2003-2011) failed to make sufficient gains at the national level. In the 1990s the governments of Fernando Collor de Mello (1990-1992)[15] and Fernando Henrique Cardoso (1994-1998) would move to consolidate the neoliberal model that was spreading throughout the region. However, the failure of the neoliberal model coupled with corruption scandals helped the PTs popularity grow over this period. This occurred as the PT moved closer to the center. As a result of these shifts, Lula, in his third attempt at the presidency, went on to win the 2002 elections with a decisive 61.3 per cent of the vote (Samuels, 2004). Thus, in 2002, Brazil, now led by a former union leader in the Latin America's largest leftist party, joined the ranks of the

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[15] Fernando Collor de Mello resigned in 1992 and his Vice President Itamar Franco succeeded him until 1995.

region's pink tide. Under the leadership of Lula (2002-2010) and then Dilma Rousseff (2010-2015), the PT would become the dominant political force in Brazil for a decade and a half.

Although the PTs adherence to the neostructural framework lead to significant improvements in a variety of social indicators, the limits of the model would slowly unravel, particularly following the 2008 economic crisis. It is out of this context that the 2013 free transit movement would emerge. The transit movement, the largest in a generation, became a critique of the neoliberal continuities in the PTs management of the country. However, like Argentina in 2001, the transit movement was also a critique of the political system more broadly, evident in its desire for new forms of the democracy. The difference is that in the case of Brazil, the transit movement emerged in the context of a left government that, unlike in Argentina, had instituted sufficient progressive labour measures to appease its union base. This helps explains why the transit movement emerged exclusively in civil society, while resistance during the 2001 crisis in Argentina, in contrast, also featured the workplace, taking the particular form of ERTs.

Chile's first attempt at implementing ISI policies came in the 1930s, under the government of Arturo Alessandri (1932–1938). These took the form of deficit spending, public projects, and protections and support for industry and landowners (Silva, 2007, p. 72). These policies gained greater cohesion during the period between 1938 and 1952, during which the *Corporación de Fomento de la Producción* (Chilean Development Corporation, or CORFO) was created. Through CORFO, the state acquired greater control over the economy (Sigmund, 1990, p. 207) and Chile successfully developed a variety of non-traditional manufacturing sectors, including textiles, chemical products and metallic products (Silva, 2007, p. 73). From 1952 to 1964 development policies shifted gears toward a more market friendly approach, particularly during the government of Jorge Alessandri (1958-1964) (Sigmund, 1990, p. 201).

However, the government of Eduardo Frei (1964-1970) shifted gears again to a more progressive development approach, including the partial nationalization of US-owned copper mines, the passing of aggressive land reform legislation and the implementation of government programs for marginalized sectors of the country (Sigmund, 1990, p. 203). The surprise victory of Salvador Allende (1970-1973) in 1970 meant the radicalization of development policies under the framework of an eventual transition to socialism. In practice this meant the full nationalization (via confiscation) of US-owned mines, aggressive wage rises coupled with price controls and the encouragement of open class conflict (Sigmund, 1990, p. 209). This experiment would come to an end with the 1973 US backed coup against Salvador Allende, which installed Augusto Pinochet as dictator.

As is well documented, Augusto Pinochet's brutal and murderous regime reversed the policies pursued by Salvador Allende and imposed a neoliberal program of the most aggressive kind (Wiarda, 1990; Grandin, 2006; Klein, 2007). In the process, the dictatorship decimated the labour movement and existing leftist parties, successfully reconfiguring the country's left for decades to come (Drake, 2003). The neoliberal shock to the country was backed by a new constitution, passed in a fraudulent plebiscite in 1980 (see: Wiarda, 1990; Pastor, 2004). The new constitution had a highly authoritarian character that gave strengthened powers to the military (Pastor, 2004). In addition, it imposed a binominal electoral system that would favour the right in an eventual return to democracy (Pastor, 2004). Nevertheless the constitution also contained provisions for a possible return to democracy via a plebiscite in 1988 (Wiarda, 1990, pp. 218-219). The collapse of the economy in 1982 triggered a wave of mobilizations by diverse sectors of society, leading to the rejection of continued military rule in the 1988 plebiscite. Democracy officially returned to Chile in 1989 with the election of Patricio Aylwin (1990-1994) of the

Christian Democratic Party (which formed part of the *Concertación* coalition) to the Presidency (Wiarda, 1990; p. 219).

For the next 20 years the *Concertación* ruled Chile under a system of free elections yet remained hampered by the continuation of Augusto Pinochet's 1980 constitution (one of Augusto Pinochet's conditions for ending the dictatorship) (Pastor, 2004). Not surprisingly, despite using a new rhetoric of social justice and inclusion, the *Concertación* only managed minor changes to the neoliberal model, what would slowly evolve into neostructuralism (Leiva, 2008). It is in this context that the first signs of the student movement began to emerge, fully materializing in 2011 under the Conservative neoliberal government of Sebastián Piñera. Put in this context the student movement's demands for free, public education and political reform can be understood as a direct critique of the neoliberal legacy of Augusto Pinochet still present in the country. Given the decimation of the labour movement under Augusto Pinochet, it is not surprising that this challenge to neoliberalism would emerge primarily from civil society. Furthermore, because of how deeply neoliberalism was institutionalized in the state, the student movement targeted the state much more directly than the more autonomous Brazilian transit movement, even when both shared an overall critique of the political system.

Chapter 3: Argentina's Worker Recuperated Enterprises: Redefining the Peronist Class Bargain

One of the countries to embrace most fully the neoliberal promise of progress and modernization was Argentina in the 1990s. During that decade, under the leadership of President Carlos Menem and his successor, Fernando de la Rúa (1999-2011), Argentina became nothing short of the poster child for the 'Washington Consensus'. Closely following the advice of the World Bank and IMF, the reforms applied in the country included the well-known neoliberal recipe of deregulation, privatization and labour market flexibilization. However, the neoliberal reforms went further than other cases in the region, featuring the so-called 'convertibility plan', which pegged the Argentinian peso to the US dollar.

Although at first the neoliberal reforms acquired some legitimacy in the country, stabilizing inflation and generating growth, by the late 1990s, their contradictions became evident. Unemployment, poverty, and debt soon spiraled out of control. Wages fell and growth began to slow down, as capital began to exit the country (Carranza, 2005; Vilas, 2006). Urban centers were particularly affected. For example, in Buenos Aires, precarious employment rose to 40 per cent by the year 2000, while the combination of unemployment and underemployment affected 36.4 per cent of the workforce by 2001 (Patroni, 2004, p.111). In other words, rather than putting Argentina onto a path of progress and modernization, neoliberal 'structural adjustment' became a new form of 'accumulation by dispossession' (Harvey, 2003, 2010).

As the country plunged into a crisis, signs of unrest began to emerge. At first, this unrest came primarily from sectors outside the traditional labour movement, large sections of which paradoxically had come to support Carlos Menem's reforms in return for selective economic incentives (Fair, 2008). One of these new movements was the *piqueteros*, unemployed workers,

who showed their discontent by regularly organizing road blockades through community organizations (Dinerstein, 2003b, 2013; Campione and Rajland, 2006). [16] By late 2001, it became clear that the system was broken. In an attempt to prevent the financial system from collapsing, savings accounts were frozen by the government (an event known as *el corralito*). This triggered widespread anger among the middle classes who began organizing *cacerolazos* (banging of pots and pans). On December 19 and 20, people from wide sectors of Argentinian society poured into city squares, resulting in mass demonstrations and an insurgency-like environment that some began to describe as akin to the Paris Commune of 1871 (Moreno, 2011).

It was out of this political environment that the now famous demand, '*que se vayan todos*' (they all must go), was produced. This demand, aimed at all of Argentina's established political class, succeeded in toppling five presidents in less than two weeks. The result was that a power vacuum was created in the state, one that was eventually filled with the election of Néstor Kirchner as president in 2003. In the meantime, *asambleas barriales,* popular neighborhood assemblies, began to pop up all over the country (Dinerstein, 2003a). Through them, people began to self organize, often forming *clubes de trueque*, barter clubs, to meet people's everyday material needs (Cassano et al., 2003). [17] In other words, in reaction to the collapse of the neoliberal edifice and the shock of dispossession, people began to find alternative forms of organizing economic and political life.

Although the popular assemblies and barter clubs became relatively short-lived experiments, other initiatives proved more sustainable. The most durable of these became the Worker Recuperated Enterprises (*Empresas Recuperadas por sus Trabajadores* or ERTs). ERTs

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[16] It is worth noting that, as Benclowicz (2011) shows, the piquetero movement first emerged in a more localized form as early as the late 1980s.

[17] As with the piquetero movement, the clubes the trueque preceeded the 2001 crisis, but were greatly intensified during that period (Hintze, 2003).

are worker cooperatives that were previously traditional capitalist firms. Typically, these firms were unionized and formed part of the Peronist labour structures. In other words, unlike other new forms of resistance that emerged during this time period, ERTs emerged from the core of the Peronist labour movement. During the crisis, these firms were abandoned by their original owners, most of whom were facing bankruptcy, leaving workers out of a job and often out of months of unpaid wages.

With the immediate goal of 'recuperating' their livelihoods, workers at these firms decided to take over their workplaces. In other words, the factory takeovers became a way for workers to challenge dispossession and avoid joining the growing 'reserve army of labour' in the country. Borrowing a page from the landless workers movement in Brazil, their slogan became 'occupy, resist, produce'. As worker cooperatives, ERTs are managed by the workers themselves under the principle of 'one person, one vote'. This makes ERTs unusual examples of collective property in the context of a capitalist market. Because of this, ERTs exist in a legal gray zone in relation to the liberal conception of private property in Argentina, are therefore under the permanent threat of eviction. As we will see in the following Chapter, this is quite different from the case of Venezuela in which the state is actively promoting similar workplace experiments.

Closely following the growing unemployment, poverty and business closure rates, the number of ERTs in Argentina increased rapidly after 2001, extending across a variety of sectors, including service, manufacturing and construction (Vieta, 2014). Many ERTs had a long and important history in the country. For example, in the 1980s, Zanon was one of Latin America's most important ceramics factories. Similarly, Hotel Bauen was one of Argentina's most luxurious and well-known hotels when it opened in 1978. In many cases, these businesses were originally started with the help of the state who provided the private owners with, for example, donated

land and/or generous loans. However, many of these loans were never repaid, as owners found various financial loopholes to avoid repayment.

In taking over their workplaces, workers had to struggle against not only the former bosses and the state, but also often their own unions who, when push came to shove, either sided with the bosses or remained indifferent to the demands of workers. Although the number of ERTs is relatively small, the movement has garnered broad support in Argentina. People began to see the movement as a feasible solution to the problem of unemployment, and a better alternative to state welfare programs. The best and most up to date figures put the number of ERTs at 314 with a total workforce of 13,462, continuing a trend of strong growth since 2001 (Ruggeri, 2014).[18] Nevertheless, ERTs continue to represent a tiny fraction of Argentina's economy.

In this Chapter, I argue that ERTs articulate forms of democracy and inclusion that radically depart from the fragmentation, division and alienation of the traditional capitalist firm as it developed in Argentina. In doing so, ERTs express the latent powers of what Marx calls 'the collective worker' and therefore prefigure an alternative to capitalism within the capitalist present. However, to adequately understand these transformations, it is important to put them in the context of capital-labour relations in Argentina. This, in turn, demands a basic understanding of Peronism and how it became the most important political force in the country during the postwar period.[19] As will be seen, this allows us to understand the ERT movement as more than strictly a workplace movement, but one that attempts to redefine the Peronist class bargain from below. For these reasons, the ERT movement is an example of a post-capitalist struggle.

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[18] Other figures are more optimistic. The Ministry of Labour estimates there are 350 ERTs in Argentina, while *la Unión Productiva de Empresas Autogestionadas*, one of the ERT associations, puts their total workforce at 25,000 ("En Argentina hay 350", 2013).

[19] The term Peronism is a reference to Juan Domingo Perón, President of Argentina from 1946 to 1955 and 1973 to 1974.

The Peronist Class Bargain

In their classic and highly influential work on the origins of Peronism, Miguel Murmis and Juan Carlos Portantiero (2011) argue that at the core of Peronism was an alliance between the dominant and subordinate classes in which the state played a crucial mediating role. Importantly, for the authors, this alliance was the result of the strength of the organized working-class rather than its weakness. In other words, rather than seeing Peronism as an example of how the working class can be co-opted and manipulated by a political elite (a competing interpretation to this date) Murmis and Portantiero (2011) saw it as the outcome of workers looking to forward their own interests. Indeed, central to the authors' argument is that significant working-class mobilization preceded Juan Perón, demonstrating that Peronism was more the result of, rather than the cause of working-class action and organization.

As Murmis and Portantiero (2011) show us, although the labour movement in the 1930s was well organized and maintained a great degree of autonomy from the state, it nevertheless failed at winning their central demand for higher wages. Their gains came later, once Juan Perón became Minister of labour following the military coup in 1944. For example, as Peter Snow and Gary Wynia (1990, p. 138) note, under Juan Perón's influence, union membership in the textile and metal sectors rose dramatically between 1943 and 1946. Not surprisingly, by 1946, the labour movement began to see Juan Perón as their opportunity for making further economic and political gains.

With the arrival of Juan Perón to Argentina's political scene, a particular relationship between the state and the working class began to develop. For the working class, this was based on the real gains they had begun to make, gains which re-vindicated workers' long-held demands and values of dignity and hard work. For example, as Murmis and Portantiero (2011) tell us, on

the eve of the 1946 elections, the country's biggest union, *Confederación General de Trabajo* (CGT), defended the political direction Juan Perón had taken as labour Minister, stating that:

> Working conditions, housing, health, workday and compensation positively improved for large masses of workers in the sugar and forestry sectors in the northern provinces and territories; many thousands of workers in the various industries in the capital and surroundings obtained, with the tenacious support of the Confederación General de Trabajo, substantial improvements for a life of greater well-being and dignity (p. 163).

Similarly, the *Partido Labourista* (Workers Party), expressing the most radical section of the labour movement at that time, and an important political force that supported Juan Perón's presidential campaign, stated in its Declaration of Principles (approved in 1945):

> That the Argentinian nation, within its representative and republican form of government, should ensure to all of its inhabitants the greatest well-being that is compatible with the times, the immense richness of its prodigal land and the exemplary spirit of work and sacrifice of its working population. ("Documentos", 1945)

Once elected president in 1946, Juan Perón continued to deliver gains for the working class. As highlighted by Hugo Gambini (1983), affiliates to the CGT's retirement fund increased from 300,000 to 3.5 million between 1944 to 1949, social benefits were extended to all unions, not only those linked to the state, and collective agreements were reached under an industrial union model, rather than one merely based on profession, as was previously the case (p. 37).

Reflecting on this crucial period in Argentinian history, Viviana Patroni (2004) accurately summarizes:

> As in no other country in Latin America, Peronism granted the working class a political homogeneity and organizational capability that transformed it into a key political actor. Equally important, Peronism provided the terms around which the notion of a more socially just capitalist development persistently and consistently found expression. (p. 94)

However, there was a flipside to the political homogeneity acquired by the working class. First, because the workplace (and therefore unions) was largely male-dominated, women could not as easily gain access to the benefits made available by the state. This system was different from, for example, the social democratic model of universal benefits that emerged in Europe. The result was that patriarchal social relations were further entrenched in the Argentinian working class, as women found themselves having to access social benefits primarily as dependents of men, rather than independently through paid labour, a reality that continued in subsequent decades (Gimenez, 2005, p. 46). Secondly, labour unions developed a highly insular approach to organizing, failing to develop connections with the unemployed or precarious workers. In both cases, the degree of separation within the working class, what Lebowitz (2006b) calls the 'x-factor', was increased, facilitating the accumulation of capital during Peronism.

In addition, organized labour paid a price for its newfound political and economic status. Once elected president in 1946, Juan Perón quickly moved to dissolve the three party coalition that brought him into power, including the staunchly independent *Partido Labourista* (Workers Party). In doing so, Juan Perón successfully incorporated labour into the state's hierarchical

structure, marginalizing its most critical elements. In addition, although Juan Perón provided the

institutional mechanisms for further organizing the labour movement, he did so using a top down

militaristic model. As he told rail workers at one of their assemblies in 1943: "The best union,

the most well organized guild is us, the soldiers, and I recommend you go in this direction so that

you [the labour movement] can achieve the cohesion and the strength that we [the soldiers]

obtained" (Gambini, p. 27).

In other words, the particular arrangement between the working class and the state in

Peronism consisted of a range of quantitative gains for workers, which organized labour had

been (without success) fighting for since the 1930s, coupled with increased institutional strength

for the labour movement. In return, the working class would give up a certain degree of political

independence as political decisions became concentrated within the top down and pseudo-

militaristic structure of the *Partido Unico de la Revolución* (Single Party of the Revolution),

what later became the *Partido Peronista* (Peronist Party).

Juan Perón's vertical approach was heavily criticized by the liberal opposition in

parliament, often comparing Peronism with Naziism and totalitarianism. According to Gambini

(1983, p. 82), Juan Perón would typically respond to these accusations by the opposition with

comments such as:

> The new politics is to be of truth and of work. There are few naive people left in
>
> our country. We have to act with new patterns, more honorable and more modern
>
> ones. I have asked all Argentinians, even our adversaries, to look at reality. If they
>
> continue in their old procedures, they are going to end up without people. The
>
> people have reached the age of majority and don't want politicking nor nonsense,
>
> but rather want real and effective work for their benefit.

Do not reduce this to simply a confrontational approach from a military strong man. What is most important about this typical comment, is that in justifying his top down approach, Juan Perón makes an appeal to 'real and effective work', an appeal his working-class base would immediately understand as a re-vindication of their historic demands and values which stand in sharp opposition to the 'politicking' and 'nonsense' of previous governments. However, in appealing to the already existing values held by workers, Juan Perón also re-articulates them, adding a strong element of hierarchy and verticalism inspired by his military experience.

In short, Peronism was neither mere manipulation of the working class to support a movement against its own interests, nor was it an expression of a revolutionary working class that wanted to do away with capitalism. It was a class alliance (albeit a tumultuous and unstable one) based on a particular bargain. For the working class, at the core of this bargain was the re-vindication of their deeply held value of work as a dignified human activity. In practice, this meant that workers increasingly looked to the state to guarantee a number of specific demands, namely high levels of employment, rising standards of living, and a degree of political influence over national politics.[20]

Hence, we can understand the 2001 crisis as the result of the complete breakdown in the country's historic class bargain, one that was driven by neoliberal state policies (from above) for over two decades. This means that the ERT movement is not only a specific workplace reaction to the dispossession generated by structural adjustment, but also a broader reaction (from below) to the unmet expectations generated by neoliberalism. Lastly, although a worker movement, the ERT movement challenges the organizational structures and politics of the Peronist labour movement, a movement that had been both greatly weakened by neoliberalism and effectively

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[20] Although beyond the scope of this work, these demands and expectations held by workers could be thought of as what Thompson (1971) and Lebowitz (2012), in different contexts, describe as the "moral economy."

coopted by Carlos Menem. From this perspective, we can understand the practices and goals of the ERT movement, as embryonic as they remain, as an attempt to not only redefine the workplace, but indeed also Argentina's political economy. However, as we will see, the movement remains politically ambiguous about what this means exactly, with sections of it retaining an allegiance to classic Peronism, and other sections looking to build something fundamentally new.

Redefining the Peronist Class Bargain from Below

As discussed above, one of the key features of Peronism is that although workers made important gains, they did so under the highly vertical and bureaucratic structures of the union movement and the state. One of the most important features of ERTs is that they break from the verticalism of the past by organizing themselves on the basis of participatory democracy. In addition, participatory democracy also challenges the social relations of the traditional capitalist enterprise, fostering new values, such as collective responsibility, collective management, and freedom. These findings are consistent with the recent work of Marcelo Vieta (2014) who describes ERTs as 'transformative learning organizations' for their capacity to transform subjectivities through a process of informal learning.

However, the ERT movement does not confine itself to the workplace. ERTs are spaces that also look to the state for support and recognition in a manner consistent with the history of Peronism in the country. In other words, the demands and struggles of the ERT movement traverse the state. Given this, rather than thinking of ERTs as examples of value struggles, Real Utopias or cracks in capitalism, we can think of them as attempting to redefine the Peronist class bargain. This suggests the need for a clear political strategy in Argentina, one that neither the autonomists nor the Real Utopias framework are capable of capturing or providing. Indeed, as I

will discuss in the conclusion, sectors of the ERT movement are at the forefront of building a new political party that brings some of the values and practices of the ERT movement into the state. For its capacity to transform the workplace and make incursions into the existing state structures through clear political strategies, the ERT movement is therefore best thought of as a post-capitalist struggle.

Challenging Union Bureaucracy

Before taking over their workplaces, ERT workers had to, in many cases, challenge their own unions.[21] Many of these unions had historically formed part of the bureaucratic and top down Peronist structure and, as noted above, had come to collaborate with Carlos Menem in the implementation of neoliberal reforms. As Dario Rosales (Interview 23), one of the workers at Hotel Bauen, put it: "The union worked for him [the owner]. It put itself at the service of what he [the owner] said."[22] Dario explained how every time a worker went to the union office with a complaint or a grievance, the union would not take any action, telling the workers to "take what you can get" because the business is not in good shape. The message from the union was clear: don't complain and just be happy that you have a job. Then, when the hotel filed for bankruptcy, Dario continued, the union simply administered the bankruptcy without putting up a fight.

However, what became most shocking to the workers was that they spotted union representatives sneaking into the hotel late at night taking couches and other furniture. It was at this moment, Dario explained, that workers realized that they were never going to be compensated for what they were owed, and were able to overcome their fears and take the

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[21] Although it should be noted that in recent years better relations between unions and the ERT movement have developed (Itzigsohn and Rebón, 2015).
[22] To protect the identity of research participants, names used throughout the text are pseudonyms except for public figures.

decisive step of occupying the hotel. In other words, their decision to recuperate the hotel was inspired as much by the actions of the owner as those of the existing union structure.

It was a similar case at Maderera Cordoba, a woodworking shop and retail outlet in Buenos Aires. When I asked Mateo Pérez (Interview 27), one of the workers there, if there existed a union in the shop before the takeover, he said:

> Yes, but here unions are not very effective for certain things… They [the woodworkers] were affiliated with the woodworking union and us [administration and sales] were affiliated with the commerce union, but they never made themselves present. They literally erased themselves during the bankruptcy. The only ones that helped were [the people from] the movement of recuperated enterprises (Interview 27).

Hence, in both the cases of Maderera Cordoba and Hotel Bauen, the old union structures were part of the problem and ultimately had to be replaced by new organizations that represent recuperated factories.[23]

A somewhat different situation took place at Zanon. When I asked Raúl Godoy (Interview 20), one of the workers there, to tell me how he became politically active within the plant, he expressed the difficult political climate he confronted when he was hired in the early 1990s. As he explained, the employers didn't allow the workers to express any political views or join any groups. If the business found out that workers were involved in any political activities, Raúl continued, they would simply get fired. Making reference to Argentina's return to

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[23] The two organizations representing recuperated factories in Argentina are called *Movimiento Nacional de Fábricas Recuperadas* (National Movement of Recuperated Factories) and *Unión Productiva de Empresas Autogestionadas* (Productive Union of Self Managed Enterprises).

democracy in the early 1980s, he sums up the workplace atmosphere at the time: "it was formal democracy outside but inside the plant there continued to be a dictatorship." I then asked him if the union helped the workers through this situation. His response was:

> No, the union was a 'yellow union'. It was the opposite. The union collaborated with the owners. They signed productivity agreements, signed downsizing agreements, 'restructuring agreements' as they were called. But, they always gave the arguments of the owners: "The business can't, we have to tighten our belts." They also pinpointed the more rebellious workers and they would give them [the owners] this information... for them [the union] it was normal. [They saw themselves] as a serious and responsible union... So, we organized against the owners and the union (Interview 20).

At first, Raúl continues, organizing was difficult. Workers often met in secret and political discussions often took place in the context of broader conversations about music or sports. Indeed, workers organized a football league, which became essential for having political discussions. After years of this, workers were able to organize a slate to run against the existing union leadership. The union and the owners responded aggressively:

> When there was going to be elections at the internal commission and the union heard something, that there were people that were organizing, there were mass firings. 38 workers [were fired], the ones they [the union and the owners] calculated were the most dangerous (Interview 20).

However, unlike other cases in which workers, facing a hostile union, simply began to organize outside of the union, in the case of Zanon, workers organized within the union and eventually completely transformed it. Indeed, for Raúl, transforming the union was an essential step toward taking over the factory later on.

Workplace Democracy

As takeovers began to spread in Argentina after 2001, workers found themselves having to reorganize their workplaces and forming worker cooperatives. This means that workers suddenly became collective owners and directly participated in the decision-making at their workplaces. For the overwhelming majority of workers interviewed, the experience of running the workplace collectively is what they value most about their cooperative. Not surprisingly, as Andrés Ruggeri (2014) notes, the assembly is the most important decision making mechanism at ERTs. For example, when I asked Eliana Carbajal (Interview 11), a worker at Zanon, what the purpose of her cooperative was, she told me that it was to demonstrate to the whole of the working class that they could run the workplace without exploiting one another. Curious as to what exactly this meant in practice, I asked her to expand.

Eliana proceeded to immediately highlight the process of participatory democracy. She explained that, when big decisions need to be made, production is stopped and all workers join an assembly, which can sometimes last for one or two days. For less important decisions, weekly or biweekly assemblies of one or two hours are organized. During the assemblies, workers put forth motions, openly discuss them and then vote. Motions with the largest number of votes carry.[24] Finally, workers also get together by sector of production (i.e. quality-control, packing, shipping etc.). As she explained, every sector has an elected coordinator and once a week

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[24] This is typical of how decisions are made at the ERTs I visited.

coordinators of all the sectors get together to discuss and try to solve a particular problem. These meetings are open to all workers. This is important because, as she explained, every worker should have access to all of the same information.

Also highlighting the process of participatory democracy, when I asked Magali Súarez (Interview 26), a shipping person at Maderera Cordoba, to compare her current experience as a cooperative member to her previous job at a traditional private firm, she said:

> I prefer a cooperative, it's more complex. It's a lot of responsibility, but it's good.
> It's easier to work with a boss, and make good money [at a traditional firm], but
> you don't make any decisions, or participate in absolutely anything. You only do
> your work, put in your hours and behave as best as possible. We do the same
> thing here but it's more complex because the responsibility is bigger. Even though
> there's a directive committee that makes most of the decisions, the rest of the
> cooperative members vote them in and the most important decisions are decided
> by all. Not the everyday decisions because then it would be a permanent meeting
> and nobody can live like that either. But basically, the most interesting part is the
> decision-making process (Interview 26).

I also asked two of Magali's coworkers the same question. Mateo responded by saying:

> Before things were more centered on the managers. Without exception there was
> a manager of sales... a workshop manager, which exists now also but now the
> workshop manager is simply one more of us… He is not a boss. There's no boss.
> He has the responsibility and obligation of organizing work, but he's also one of
> us (Interview 27).

Similarly, Claudio Salinas (Interview 25) stated:

> This [the cooperative] is much better. There is no comparison because before you
> had to work with a manager… You were under the orders of the manager. It's not
> the case now... there is no manager on top of you that is looking at you and
> bossing you around. There is a coordinator [now]. He coordinates work. He gives
> you a paper that says you should do this and that. But he's not going to make
> demands of you. He's not going to be behind you looking at you [telling you that]
> you should do it faster (Interview 25).

Eliana, from Zanon, also appreciated the new found freedom of working without a boss.
When I asked her if participatory democracy was a good way to manage the workplace, she said
that there definitely are problems and things can be difficult and tiring sometimes, but that it had
important benefits. For her, the greatest benefit was the satisfaction of meeting an objective or
changing an attitude without anybody being "behind you with the whip." She then compared
what work and life was outside of Zanon with the way it is now. She said:

> I've seen what the world is like outside, I know the injustices. It is not fair that
> they oppress us in this way and that they take arbitrary decisions... firing a person
> without justification, as if we were merely numbers and nothing else. Here, no!
> Here you have all the possibilities. We've had *compañeros* that have gotten
> themselves in difficult situations.[25] They have damaged machines... But if
> he...recognizes his responsibility and he is willing to change, we give him the

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[25] There is no English word for *compañero*. Its meaning is somewhere between friend and partner.

possibility. For us the *compañero* is not a number... he is a *compañero*, a person.

He has feelings. Behind him he has a responsibility with a family (Interview 11).

Similar themes were brought up in a focus group by female workers I spoke with at Hotel Bauen (Interview 22). I asked them to compare their experience before the take over with their experience now, and one woman said: "It's a big change because we wouldn't be drinking *mate*[26] at this time [Approximately 10 a.m.]." Another woman jumped in: "You couldn't walk around, you had to stay in your section." Then, the first woman clarified that even though they have the freedom to drink mate whenever they want, if there was a big workload, they wouldn't be drinking it. For her, the point was that *they* were the ones who decided. "Nobody comes and give you orders," she said. In contrast, "If you're under a boss, they come and they suspend you for 15 days."

I then asked the focus group about some of the advantages and disadvantages of running an enterprise by assembly. The third woman said it was a great advantage to work through an assembly because that's how people got to know each other, and how different people think. Under the boss, they explained, they had no right to have any opinions. "The boss says no, and it's no," she explained. In contrast, she continued, under self-management "anyone can give their opinion and express what she feels and sees."

Learning New Values and Capacities

As workers began to organize themselves and run the workplace collectively, they also unleashed a process of learning through which they began to acquire new values and subjectivities that counter the fragmentation, division and competition of the traditional capitalist

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[26] *Mate* is a popular Argentinian beverage usually shared among friends.

workplace. These include democratic management, collective responsibility and freedom. For example, I asked Mateo at Maderera Cordoba what was the most valuable thing he had learned at the cooperative. He said:

> Coexistence and the challenge to carry forward an enterprise amongst ourselves. One was always accustomed to working with the boss. One would arrive, work, meet the required hours and leave. Here you have a responsibility. If a sale is lost, you're also losing what's yours. For us it was a big shock, for example, I had never worked in a cooperative (Interview 27).

I asked Magali, also at Maderera Cordoba, the same question and she said:

> The most valuable thing I learned is that something that appeared impossible to me, works. That's what I value the most. Imagine that one day this cooperative didn't exist anymore, it has demonstrated that even though they tell you that you are dumb, that you weren't born to manage anything, that you come from a low class, when you have drive and are decent you can do things better than anybody, especially those that aren't decent [the previous owners]. Because sometimes you can make a mistake because of something you didn't know. That's one thing. But it's another thing to do something wrong on purpose [another reference to the previous owners]. We don't owe a penny to anybody, we don't owe any taxes, we have everything up to date. There are few enterprises that can say that (Interview 26).

I then asked her what the most memorable thing during her time at the cooperative was. Her answer highlights the learning that occurs when different opinions are shared: "The fights... between members, not fights, discussions. The different points of view. You learn to look at things from a different side… Not only your point of view. When you are listening to two *compañeros* that are arguing, perhaps both are right" (Interview 26).

At Hotel Bauen, I also asked the two women of the focus group what the most valuable thing they had learned at the cooperative was. One of them said, "Being free, totally free. I'm not your boss, and you're not mine. Working in freedom." Another woman interjected, "being free and being responsible for what we're doing." The first woman then explained that although you still need to be responsible under a boss, you have to be even more so in the cooperative because "if you do something wrong it hurts everybody, and if you do something right it benefits everybody, and we are always thinking about that (Interview 22)."

Puzzled by how exactly they regulate the amount of work and effort each person puts in, I asked them to explain this point. One of the women responded: "whoever finds himself having to work more, works more, and whoever finds themselves having to work less, works less." Her coworker interjected: "that's why I say the responsibility belongs to each person. One knows if they find themselves having to work more or less." In other words, unlike traditional workplaces, in which work is regulated by an outside force (the boss), in this cooperative, work is regulated by each individual person who nevertheless has the whole of the cooperative in mind. In other words, there's a sense of collective self-regulation that was developed.

Nevertheless, as I was told by one of the workers at the Hotel, there are cases where people feel others lack a certain amount of discipline. Some people sometimes arrive late to work or don't show up. These types of issues are worked out at the assemblies. Indeed work discipline

is one of the most heated issues, with older workers sometimes complaining that newer workers aren't pulling their weight. When I asked them how the assembly dealt with these situations, they said that they haven't found a solution that works for everybody and that ultimately people vote and the majority wins. In other words, in the cases where a more informal method for regulating work is not sufficient, the assembly becomes the space where specific guidelines or sanctions are developed and workers learn a collective sense of responsibility.

At Zanon, Eliana brought up a similar theme. When I asked her how success is measured at the factory, she explained that like all companies they have production and sales targets, but that the most important thing was a sense of collective motivation among workers. She explained that sometimes one worker will become extremely negative and that this negativity can become contagious. But then when that worker changes his attitude and becomes more motivated, that is a sign of success. For her, that change has to do with the process of dialogue in the factory in which everybody shares their views and opinions freely. I then asked her if she ever works more than is expected from her. She said: "Always." I then asked how this is different from the pressure to overwork that is endemic in traditional capitalist firms. She responded, "for me, it is different because I do it out of conviction. So for me it is a pleasure, not an obligation." In other words, it is herself, not a boss, who decides her work rhythm.

Another interesting feature of ERTs is that they sometimes implement work rotation schemes, which allow workers more freedom to switch positions within their workplace. However, it is important to recognize that the existence of work rotation that goes beyond the normal patterns of a traditional capitalist workplace is relatively limited (Ruggeri, 2014). Nevertheless, when workers do establish more flexible job duties, they can learn new skills and abilities that break down the typical division of labour found in capitalist firms. For example, at

Zanon, although workers join the cooperative to fulfill a particular vacancy at a given sector, once this happens, they sometimes move around to different sectors. For example, Eliana began in production doing manual labour and now works in the *prensa* (press) sector doing more political work.

Similarly, she noted how Raúl and Alejandro López (Interview 21), two of her coworkers, began doing manual labour and also went on to do work in the press sector. However, as Eliana told me, political positions are to be rotated and therefore both Raúl and Armando are now back working in production sectors. When I asked Eliana if she liked this option to rotate positions, she said:

> I like it because first of all I always like to learn, to learn something new. Then, I think it's excellent that we have a great deal of capacity as humans and we demonstrate it by doing different labours. We are not machines that have to do the whole day and every day of our lives the same thing. We are human beings (Interview 11).

Given how transformative the experience of working in a cooperative has been for many workers, it is not surprising to find that they have developed a strong commitment to their jobs. For example, I asked Magali at Maderera Cordoba if she would switch jobs if she found one that paid her more, even if it wasn't a cooperative. She said: "No. It depends. Neither yes nor no. They would have to offer me something concrete. No, I don't know." Her doubt is certainly telling of how important the cooperative experience has been for her. Others are less doubtful. In the focus group at Hotel Bauen, I asked the same question I asked Magali. This time, the answer

was a resounding no. The three women preferred the freedom of not having a boss to a higher income.

Indeed, the women told me of several people who had left the cooperative for jobs that paid more, in one case triple the amount they made at the hotel. All of them, they told me, came back to work at the cooperative, often citing tight workplace control as the main grievance at the other jobs. Eliana, from Zanon, was also firm in her commitment to stay at the factory. When asked if she would leave the cooperative for a higher paying job, she said: "I think that not everything is money. Money doesn't give you happiness. If one sells one's ideals for money, it doesn't lead anywhere." Indeed, her plan is to become a lawyer and use her knowledge "for the benefit of the working class" while remaining a worker at Zanon.

Inclusivity

As with the industrialized world, the typical capitalist workplace in Argentina during the post-war era was divisive and exclusionary in two important ways. First, it was male-dominated, meaning women were largely excluded from the workforce or were relegated to lower skilled and precarious work. A second feature of the Peronist workplace was that labor unions became highly insular, mostly working within the state's vertical structures and failing to reach out to the broader community. An important aspect of ERTs is that they take meaningful steps to address these two forms of division and exclusion.

First, as Vieta (2014) notes, ERTs display a fusion of community and enterprise and this is why an ERT is often referred to as a *fábrica abierta* (open factory) (p. 206). On the gender front, ERTs give women the freedom to combine work responsibilities with parental ones, helping to redefine the limits between the workplace and the home (Fernández Alvarez and Partenio, 2010). In addition, the participation of women in the initial struggle gave them a new

sense of empowerment that challenges machismo in the workplace (see also Dicapua and PerBellini, 2010).[27]

Focusing first on the topic of gender, my interviews revealed how many women had acquired a new sense of empowerment through their experience at ERTs. For example, I asked Magali, from Maderera Cordoba, if she had experienced machismo or had any difficulties participating at her cooperative in which only 4 out of 19 workers are women[28]. She answered with a confident voice: "No. If they have machismo, I feel sorry for them. We are four real bitches here. There is no problem with that [machismo]. We are a small minority here...but I never felt discrimination of any kind...Really, we are all equal here!" (Interview 26).

I asked the same question to the focus group at Hotel Bauen, and one woman responded: "At the beginning yes they [the men] tried...but we wouldn't let them. We told them, we are women and we are fighting side-by-side with you…let's struggle together. "I'll tell you," she continued, "women are always more fierce than men… It comes from the family because in the family it's always the woman that takes the household forward. It's rare that a man takes care of the household." She then explained how she was able to use her skills and knowledge of running the household to run the cooperative. "It's the same thing," she said.

I then asked them whether under self-management they had established new benefits for women. One of the women explained how the cooperative provides much more flexibility for women. For example, women can freely leave work in the middle of the day to pick up their children from school and then later come back to work again alongside them. Although this flexible arrangement for women does not address the broader sexual division of labour in which

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[27] This in no way means that the challenges associated with traditional gender roles and divisions inside the workplace have disappeared at ERTs. Indeed, as Peréz Bancalari et al. (2008) argue, women's experience of patriarchy and empowerment appear to co-exist inside ERTs.

[28] This gender distribution is typical of the ERT movement as a whole. As Ruggeri (2014) notes in his latest study, 75per cent of ERT workers are male.

it is women rather than men that are responsible for childcare, it nevertheless does encourage women to enter a traditionally male workplace. In contrast, under a boss, their children weren't allowed in the hotel. Before, if women had to be with their children, for whatever reason, they had to take a day off work. Not only did they lose pay for this, they also faced a 'latent danger' of being fired. As one woman put it, "with a boss, they always try to find a motive to fire you."

When I asked Eliana, from Zanon, what difficulties or challenges she might have encountered as one of 40 women in a factory of 400, she told me that machismo does exist at the plant. Although many workers, she continues, have developed progressive ideas about gender relations, not everyone has.[29] Before, there were fewer women at the factory, she told me. During those days, many men saw the role of women as staying at home taking care of the children, while the men engaged in politics. She then told me a personal incident she experienced:

> One day a *compañero* said to me "what are you speaking for, your husband used
> to hit you and you just shut your mouth." Then I told him, "You know what,
> you're right, but he was my husband, and I let him do that because I loved him.
> But now, no! That ended. I am no longer that person. I am changing and I will
> continue to change." So, it's difficult but it's made easier when you have
> *compañero* that have a different logic of thinking, and they support you and give
> you encouragement (Interview 11).

In addition to finding supportive *compañeros*, women at the plant formed a committee dedicated specially to addressing their needs. Through that committee, women instituted 'women's day', which gives all women at the plant a paid day off.

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[29] Indeed, at several of the break rooms I visited at the plant, the walls were covered with sexually explicit posters of women.

In addition to fostering a more inclusive environment toward women, ERTs are much more open to the broader community than the traditional unionized workplace. For example, when I asked Eliana if she feels that the factory is truly hers, she said that she does, but that it was not a sense of personal ownership, but a collective one. "I even feel that [the factory] belongs to the community, which supported and sustained us so that this factory could go forward," she told me. As she explained, many people come to Zanon to buy products simply because they support workers management, even if they live very far. "There is a value people put in us."

Indeed, a few days later, a community member told me that when he got his house re-tiled a few years ago he went out of his way to go to Zanon. He even had to drive back-and-forth several times to get all the tiles he needed, even though it wasn't close to where he lived. He told me he believed in Zanon because after the 2001 crisis, they were the only ones that demonstrated a realistic alternative. In recognition of this kind of community support Zanon receives, workers have made it a political priority to support communities. For example, on a monthly basis, the plant donates ceramics to hospitals, libraries and community centers. As Eliana explained, there is one person at the factory whose job is to visit various communities and assess their level of need so that adequate donations can be made. In addition to donations, she continued, the factory opened a high school (*bachillerato popular*) that is open to the public and aimed at reaching poor and marginalized communities.

Opening the high school wasn't easy, however. As Eliana explained: "It was a struggle that we had to undertake because first we had to fight [with the government] to get the high school and then we had to make it open to the community, because they [the government] wanted it to be only for the ceramics workers, but we said no: If the plant is open to the

community, then the school must also be." It was the same case in Maderera Cordoba, which donated part of its space to a group of progressive teachers who volunteered their time to run a high school program open to the community. For its part, Hotel Bauen donates space for community meetings and often allows workers from other recuperated factories to stay at the hotel for free during particular events.

The State

As they redefine the workplace, ERTs also continue to look to the state for support and recognition, a theme largely overlooked or de-emphasized in empirical studies of ERTs. Workers continue to look to the state partly because of the precarious legal status many ERTs continue to exist in, which has resulted in numerous eviction threats by the government. More broadly, many workers continue to believe that the state, as it had done during the Peronist era, should do its part to guarantee the dignity and well being of the working class. This sentiment reflects, not only the historical expectations of workers about the state, but also their profound connection to work as a dignified human activity.[30] For example, in discussing what the goals for the cooperative are at the moment, Milagro Aguero (Interview 22), from Hotel Bauen, said:

> Our struggle today is because we want this to become ours. Being able to win the
> expropriation is very difficult but today the state is working toward this. I hear
> their president [Cristina Kirchner] talk about cooperatives something that before
> wasn't mentioned. As I said, I'm a Peronist, they [my colleagues] are Kirchneristas
> [Laughs]. So, you hear talk of cooperatives, they [the government] visits us. One
> feels a bit flattered by the fact that the government is [paying attention]. But we

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[30] For similar findings about how ERT participants understand their relationship to work, see Itzigsohn and Rebón (2015). However, the authors don't detect, as I do, that workers' views about work are in turn connected to specific demands and expectation of the state.

have that thing that the work is ours but the building is still disputed (Interview 22).

I then asked her what exactly was being 'recuperated' when they took over their workplace. Her answer was, "the culture of work." She then explained what this meant by telling me how when she was a kid she always wondered why her mother used to always keep the dining table very clean and organized. One day, she continued, her mother explained:

This [table] is life. We eat here, we drink mate here...This part of the table [the top] is the powerful people, the ones who have money, the business people. And this table leg is the working class, the worker who works and provides for a country. This part [the top] doesn't work without this [the leg]... Never forget that you belong to this part [the leg] (Interview 22).

Maria Fornari (Interview 22) then told me how some time ago the cooperative had a discussion with members of a Maoist organization. The visitors made the suggestion that perhaps workers at the hotel should start engaging in armed struggle. She told him: "Here, we don't hold machine guns. We hold vacuum cleaners, pens, trays, forks…what we have here is a productive revolution." Then, she affirmed to me: "the only flag we uphold is the culture of work."

Maria then began to reflect on the events of the 2001 crisis, a deeply traumatic event for workers, which, as noted above, marked the complete breakdown of the Peronist class bargain. She commented:

I thought it was like a puzzle that wasn't going to be put together, and well at that moment a person appears [Néstor Kirchner] who didn't have all the solutions, he

wasn't mandrake the magician. He was a person, a citizen. A citizen with

progressive ideas, with good ideas, with a political history that well…like I

explained to you about the Pope, If the Pope gave communion to Videla it doesn't

matter to me because I saw that he got covered in mud taking out a poor child out

of a slum (Interview 22).[31]

The sentiment here is clear. Like the Pope, Néstor Kirchner was not perfect. However, for

Milagro, Néstor Kirchner played an important role in getting Argentina out of the crisis. She and

many of her coworkers looked to Christina Kirchner, successor and widow of Néstor Kirchner,

for recognition and support.

Then, as if to emphasize her point even more, Milagro showed me a piece of paper with

some words written on it. "We wrote it down because we really feel it," she told me. She read the

words out loud to me: "In moments like these, in which one's work is valued, recognized, it is

when one recognizes that so much effort is not in vain." These words belong to Raquel Morales,

an independent artisan in a social enterprise in the city of Moreno. They were Morales' response

upon receiving the news that it was her *mate* that the president gave the Pope during their first

meeting in Rome on March 21, 2013. Morales' words are vintage Peronism, reflecting the deeply

held belief among the Argentinian working class that work is to be valued and that the state is to

guarantee the dignity and well being of workers. Milagro keeps that piece of paper with Morales'

words in her wallet.

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[31] Jorge Rafael Videla was an Argentinian military dictator between 1976 a 1981. He was sentenced to life in prison for crimes against humanity. Soon after the Argentinian born Jorge Mario Bergoglio became Pope, a photograph of him giving communion to Videla circulated the internet. This picture was proven to be a fake.

Political Organization and State Transformations

I began this Chapter by discussing how neoliberal policies of dispossession created the context out of which the ERT movement emerged in Argentina. I then situated the ERT movement within the history of Peronism in the country. During the Peronist phase, I noted, Argentinian workers came to expect that the state should guarantee high levels of employment and increasing standards of living. From this perspective, we can understand Argentina's 2001 crisis as a complete breakdown of the Peronist bargain, one that paradoxically was facilitated by significant sections of the Peronist union movement. Thus, we can understand the emergence of ERTs as an attempt to redefine the Peronist bargain from below by creating new forms of labour. Indeed, my research on ERTs shows that they are spaces in which people develop new values and subjectivities that counter those of capital and breakdown the bureaucratic and vertical structures of the Peronist era. These include collective responsibility, equality and freedom. In addition, ERTs are highly democratic and inclusive spaces that take steps to promote gender equality and community participation.

My research also shows that workers continue to look to the state for support and recognition, be it to acquire full legal ownership of the cooperatives or to re-vindicate the importance of working-class values in Argentinian society. This latter point, the re-vindication of working class values ('the culture of work'), can be contrasted to the case of Venezuela, in which the labour movement, and the culture of work more generally, have historically taken a back seat to the rentier culture based on oil revenues. In addition, the ERT movement's yearning for state recognition and support means that the relatively diffuse strategic approaches presented by autonomism and the Real Utopias Project are not fully adequate to the ERT movement. What the case of the ERTs show is that the state needs to be at the center of strategic discussions about

how to forward an alternative to capitalism in the country. Indeed, if ERTs are to ever grow beyond small islands in a sea of capitalism, the state will need to take concrete steps to nurture them.

Unfortunately, under the Kirchner administrations (2003-2015), the Argentinian state did little to support ERTs. Indeed, although adopting a neostructuralist development model that breaks from the orthodox neoliberal policies of decades past, Kirchnerism maintained a commitment to labour precarity as a strategy for accumulation (Féliz, 2012). Not surprisingly, the help the state gave ERTs usually came in the form of small, temporary subsidies and worker education. The biggest change at the level of the state was the modification made to the national bankruptcy law in 2011, which is supposed to make it easier for workers to form a cooperative and continue running a business in situations where the original owner is threatening bankruptcy. However, this has not helped already existing ERTs that continue to face challenges to their legal status. In addition, the new bankruptcy law, as Ruggeri notes, has benefited prospective ERTs in merely 10 to 20 per cent of disputed cases (2014). In other words, ERTs, both already existing and prospective, continue to face a highly precarious legal status. For this reason, Hotel Bauen continues to put forward its central demand that the state fully expropriate the business from its previous owners and hand it over to the workers to manage.

In an interview with Marta Firelli (Interview 29), head of the government team responsible for supporting ERTs at the national level,[32] I asked what she thought of Hotel Bauen's demand for expropriation. She said that her team is there to provide ERTs with legal assistance, education and even small subsidies, but that "expropriation was impossible," as that

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[32] The government agency responsible for providing support to the social economy sector is Instituto Nacional de Asociativismo y Economía Social (National Institute of Asociativism and Social Economy). Within this government body, a specific team was created that works only with the ERT sector, an initiative from the Crisitina Kirchner government.

would require changing the constitution. These kinds of limits the ERT movement faces at the level of the state means that the movement will have to build the political capacities needed to make inroads into the existing state structures in order to transform it. This is the central strategic task if the 'impossible' can be made possible. This task raises key political challenges. As Anna Popovitch (2014) notes, the key question dividing the Argentinian left in the 20th century became whether to 'deperonize' the masses, or join the masses in their embrace of Peronism (p. 207). This research suggests that the ERT movement continues to struggle with this question. Indeed, although challenging the vertical structures that made up the Peronist class bargain, many ERT participants, as my interviews revealed, continue to politically identify with some version of Peronism.

However, a politics beyond Peronism is also evident in the movement. The most important example of this comes out of Zanon. As Raúl Godoy (Interview 20) and Alejandro Lopez (Interview 21) outlined, for a number of years, Zanon has been at the forefront of building a new 'political grouping', as it is called, which now consists of an alliance of three radical political parties in the province of Neuquén. Going by the name, *Frente de Izquierda y de los Trabajadores* (Workers Left Front), the organization won a single seat in the provincial legislature in 2011. Further electoral gains were made in the 2013 legislative elections, where the Workers Left Front achieved historic results throughout the country. Although a Trotskyist party wanting nothing to do with Peronism, the Workers Left Front does not hold to the Leninist line of smashing the state. Their goal is rather to use the state to mobilize the working class and further the demands of the ERT movement.

What's most innovative about this political initiative is that it borrows from the values of the cooperative movement. For example, the single seat at the provincial legislature in Neuquén

is rotated among the three parties that form the alliance. So far, two workers from Zanon have held the seat, Raúl Godoy and Alejandro López. In addition to wearing their traditional worker slacks at the legislature, their salaries are capped to that of a worker at Zanon. The rest of the money goes to a 'struggle fund'. The point of this, Raúl explained, is to avoid being co-opted by the state. Through these initiatives, the transformations achieved by ERTs within the workplace are extended within the state structures, helping to erode the division between mental and manual labour incarnated in the state. Put differently, Raúl Godoy and Alejandro López are embodiments of a new merging unity between politician (intellectual labour) and worker (manual labour).

The efforts of the Workers Left Front in Neuquén are important because they show that it is possible to think of radical political parties that break from the top-down models of the 20th century. In other words, this political project is not simply a nostalgic attempt to re-create a Peronist class bargain of decades past, but rather an attempt to redefine it by transforming the state from below. This is why I consider it a post-capitalist struggle. Indeed, in Argentina, it is this kind of political initiative, drawing on the experience of the ERT movement, that becomes strategically central if an alternative to capitalism in the country is to one day fully emerge. Although in Argentina the cooperative movement is still struggling to find expression within a state that is committed to labour precarity, the case is different in Venezuela. As we will see in the next Chapter, the Bolivarian state, as part of its strategy to build 21st century socialism, is actively promoting cooperative workplace experiments.

Chapter 4: Human Development and Class Struggle in Venezuela's Popular Economy: The Paradox of '21st Century Socialism'

In protest against the incoming economic package developed by the administration of President Carlos Andrés Pérez, in 1989, thousands of Venezuela's poor climbed down from the country's barrios and into city centers. With its epicenter in Venezuela's capital city of Caracas and surrounding popular neighbourhood, this event, now known as '*el Caracazo*', became the region's first mass insurgency against the now familiar neoliberal policies of 'accumulation by dispossession' (Harvey, 2003). This popular rebellion, which ended with the death of up to thousands of poor people to the hands of police repression (Martínez, 2008), intensified a political process that nine years later would see the election of Hugo Chávez to the Venezuelan presidency, an event that marked the beginning of the country's Bolivarian Revolution and the region's 'pink tide'.[33]

As with many of the pink tide countries, Venezuela experienced positive changes in many social indicators, particularly during approximately the first decade of Chavismo.[34] Data from the United Nations Human Development Reports shows that, for the period between 2001 and 2009, Venezuela experienced a meaningful decrease in inequality and, according to some figures, had the lowest Gini index value in the region (Eastwood, 2011, p. 6). Furthermore, poverty and unemployment rates, although fluctuating considerably at times, have continuously declined in Venezuela since Hugo Chávez took office, as public and social spending as a

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[33] As Maya (2008) notes, although el caracazo was a crucial moment in the rise of Hugo Chávez as the leader of the country's Bolivarian Revolution, this process began in 1983 with the formation of *Movimiento Bolivariano Revolucionario 200* (Revolutionary Bolivarian Movement 200, or MBR 200), a clandestine military-political organization that Chávez helped form.

[34] However, as Maya (2014) notes, although accurate data for the last few years is not available, there has likely been a recent deterioration of social indicators as a result of inflation and currency devaluation.

percentage of GDP have increased (Weisbrot, 2011, pp. 204-205). Central to these changes has been the creation of a number of anti-neoliberal social programs geared toward helping the country's poor, most notably the country's community-based social 'missions' in areas including health care and education (Parker, 2005; Alvarado Chacín, 2009; López, 2012; Motta, 2013).

However, Venezuela's Bolivarian Revolution stands for more than just anti-neoliberalism. Since 2005, Venezuela's government and supporters have been openly embarked on a project to transition into what they call '21st century socialism' (El Troudi, 2005). In contrast to examples of 20th century socialisms, such as Cuba and the Soviet Union, that emphasized the formal socialization of the means of production via centralized state power, at the centre of the Bolivarian Revolution is the goal of developing 'popular power', that is, power at the level of both workplace and community. This is to happen through the country's social or popular economy, comprised of a variety of new democratically run organizations and institutions, including cooperatives, communal councils, and co-managed enterprises (El Troudi, 2005).

This new transition to socialism is conceptualized by Lebowitz as a triangle that includes social ownership of the means of production, social production organized by workers, and production for social needs and purposes (Lebowitz, 2010). For Lebowitz, 21st century socialism is therefore centred on the concept of human development through praxis, whereby people simultaneously change themselves as well as their circumstances, to paraphrase Marx's third thesis on Feuerbach (Marx and Engels, 1970). In other words, socialism does not drop from the sky, but is rather a process of destroying the old while building new human beings (Marx and Engels, 1970, p. 64). Central to this process is democracy in production through experiments in self-management and co-management. Through these initiatives, Lebowitz continues, people can

draw upon their hidden human resources and capacities and begin to eliminate the division

between mental and manual labour so characteristic of the capitalist workplace (Braverman,

1974; Burawoy, 1985).

Similarly, Víctor Álvarez (2007), one of the central figures within the Venezuelan

government promoting the popular economy, understands co-managed enterprises as key to

transforming capitalism in Venezuela, allowing the human being to reach their full potential

through productive activities imbued with social meaning and communitarian values (p. 19).

Also supporting this view, Gregory Wilpert (2007) conceptualizes Venezuela's social-economy

initiatives as the embryo of a new socialist state characterized by the emerging values of

participatory democracy, solidarity and social justice. For her part, Marta Harnecker (2010)

points to organizations, such as the communal councils, as constituting a new state that begins to

be born from below (p. 62).

This takes us to the other key aspect of 21st century socialism, namely the role of the

state in the process of transition. For many supporters of the Venezuelan process, the state is

understood in a Poulantzian manner, as the articulation of class forces. It therefore differs from

both the Leninist and autonomist strategies outlined in earlier Chapters. Hence, Lebowitz (2005)

argues that acquiring state power in order to transform the state is central to a transition to

socialism. For him, the can and should be used to fight capital by building counter-power

through it (p. 228). Following this view, George Ciccariello-Maher (2007) conceptualizes

Venezuela's state-supported popular economy as the basis of a popular power that represents a

new form of dual power. Ciccariello-Maher argues that the Chávez government is the direct

outcome of popular power from below as expressed in the 1989 uprisings of *el Caracazo*, the

Bolivarian Circles and pro-Chávez mass mobilizations. Hence popular-economy initiatives, such

as the communal councils, can be thought of as forming the basis for dual power in spite of the fact that they are state-supported. In other words, in a reformulation of Lenin's classic concept, in Venezuela, dual power is occurring *through* the state, and not against it.

From here, debates tend to centre on what the relationship should be between the state and the new state-supported popular institutions. Ellner (2010), for example, argues for a strategy that reconciles the two dominant political strains within the Chavista movement, namely the 'realists', who call for a gradual transition to socialism via market incentives, and the 'cultural optimists', who demand an immediate transition through popular-economy experiments. Harnecker (2010) goes even further, arguing that, in Venezuela, it is now possible to speak of a *transition to*, rather than a *struggle for* socialism, and that the goal is to develop a complementary, rather than a conflictual, relationship between the old state structures and the new (p. 62).

Others supporters of 21st century socialism are more critical. For example, Carlos Martínez *et al.* (2010) highlight the need for grassroots struggles against "a corrupt and disempowering bureaucracy" as a way to fight "the errors and deviations" (pp. 7-8) in the Venezuelan process and "the legacies of the old regime" (p. viii). Similarly, Iain Bruce (2008) understands the tensions that exist between popular-economy organizations and the government as an inherent antagonism between the new democratic institutions and the old state (p. 138). Although these authors do better in highlighting the importance of struggles by workers and communities against the government, they nevertheless fall short of conceptualizing them as class struggles per se, an important point I will come back to later.

Having outlined what I take to be the two innovations of socialism in the 21st century, namely an emphasis on human development and a Poulantzian approach to state theory and a

transition to socialism, this Chapter will present research on Venezuela's popular economy, specifically its Socialist Production Units (SPUs). As co-managed enterprises, SPUs are an ideal case study for critically assessing how 21st century socialism is developing in Venezuela. I argue that Venezuela's state-supported popular economy is a site of human development. As such, it expresses a sharpened class contradiction, not only challenging the dominant values of capital, but also articulating new ones, such as cooperation, solidarity and active participation. In other words, Venezuela's popular economy is an example of a post-capitalist struggle, allowing us to see a glimpse of a future post-capitalist society being built within the present.

Importantly, Venezuela's popular economy is also a site riddled with class struggle in which the state emerges as the central barrier to overcoming the class relation. Herein, lies the paradox of 21st century socialism, namely that the Venezuelan state simultaneously opens spaces for human development, and entrenches the class relation. I proceed by providing a brief historical background to Venezuela's popular economy, and institutional outline of my case studies. I then present qualitative data on three of Venezuela's SPUs. I conclude with a brief discussion that reflects back on the main concepts and debates presented above, and provides some strategic and theoretical implications.

From Cooperatives To Socialist Production Units

Although the presence of cooperatives in Venezuela has been strong since the 1960s, since the Chávez administration took office in 1999, there has been nothing less than an explosion of both worker and consumer cooperatives. According to Camila Harnecker, in 1998, there were 877 cooperatives, while in September 2006 that number grew to 158,917 (2007). However, since then, many of the cooperatives that were the first to be formed were discovered to be non-functioning or simply fronts created for the purpose of accessing government funds.

Some were also traditional businesses operating under the legal framework of a cooperative in order to avoid taxes, while others were created by sections of the government for the purpose of outsourcing in order to avoid the higher labour costs associated with hiring workers directly into the public sector. Still others may have been started by people with good intentions who were not able to find adequate support from the government (Graterol and Díaz, 2007). In 2008, the estimated number of active cooperatives was between 30,000 and 60,000 (Harnecker, 2007). The cooperative sector is governed by the *Ley General de Asociaciones Cooperativas y su Reglamento* (General Law of Cooperative Associations) and is supervised by the *Superintendencia Nacional de Cooperativas* (National Superintendence of Cooperatives, or SUNACOOP).

Venezuela has also witnessed the appearance of Factory Recuperated Enterprises or *Empresas Recuperadas por sus Trabajadores* (ERTs), a phenomenon that, as discussed in the previous Chapter, began in Argentina during its 2000-2001 economic crisis. ERTs began to appear in Venezuela between 2002 and 2003, with their numbers reaching a total of between 20 and 30 by 2006 (Lucena and Carmona, 2006; Vieta and Ruggeri, 2009). Most of these ERTs, Lucena and Carmona outline, are small or medium in size, employing a total of a few thousand workers. ERTs, they note, surged as a reaction on the part of workers and the government to the political and economic crisis that the country was undergoing in 2002 and 2003, in which many owners, for political reasons, decided to temporarily paralyze their businesses. These actions conducted by the business sector coincided with the government opposition's attempt to paralyze the country's economy in order to oust Hugo Chávez from power.

Once the crisis was averted, the government began to take a greater interest in ERTs and began expropriating contested enterprises, such as *Industria Venezolana Endógena de Papel*

(INVEPAL) in 2005 Lucena and Carmona, 2006). That same year, the government also hosted the first Latin American Encounter of Worker-Recovered Enterprises, attended by 400 workers, unionists and government representatives from several Latin American countries (Vieta and Ruggeri, 2009, p. 30). However, since then, the ERT fizzled away, having witnessed ongoing conflicts between workers and the state bureaucracy, as has been the case with INVEPAL since 2006 (Lucena and Carmona, 2006; Rodriguez, 2006).

What is important to note is that, in contrast to the Argentinian case, the huge overall growth of cooperatives in Venezuela during the last few years, as Harnecker (2007) notes, has been the result of official public policy. This is reflected in, for example, the 2001 Special Law of Cooperative Associations and the *Vuelvan Caras* (About Face) cooperative-development government program. The proactive role the government has taken in relation to the cooperatives is also evident in its economic support for the sector, which includes substantial financing ($1 billion between 2003 and 2008), preferential aid, tax exemptions, increased access to government contracts, logistical and political assistance, and education (Llerena, 2006; Díaz, 2006; Graterol and Díaz, 2007; Azzellini, 2011). Lastly, in contrast to ERTs in Argentina, Venezuela's cooperative sector was never embedded in the structures of the already existing labour movement. In other words, cooperative members in Venezuela are not former unionists, but rather previously unemployed or precarious workers from diverse backgrounds.

However, in the last two years, due in part to the problems associated with the cooperative sector mentioned above, there has been a shift in government policy from supporting the traditional cooperative model toward the creation of what are known as *Unidades de Producción Socialista* or Socialist Production Units (SPU). This shift has also been a product of the government's progressive move toward the left, going from an anti-neoliberal stance toward

openly socialist politics (El Troudi, 2005). In addition, their development has been posited by the Venezuelan government as central to the country's transition to 21st Century Socialism. Indeed, Hugo Chávez's 2012 campaign proposal called for an increase in the number of *Empresas de Propiedad Social* (Social Property Enterprises) to 30,000 by the year 2019 (Chávez, 2012). However, this seems highly optimistic given that in 2008–2009 the number of SPUs was somewhere between 1,000 and 3,000 (Albert, 2008; Azzellini, 2011).

In sum, SPUs are specific state-led response to the crisis created by neoliberalism. This contrasts the case of Argentina's ERTs, which emerged from below with no state support. In addition, although a workplace initiative, SPUs, unlike ERTs, have no links to the country's labour movement. SPUs therefore represent a continuation of Venezuela's history of (over)ambitious state led development projects from above. Yet, it simultaneously attempts to depart from this history, as it relies on the active participation of workers and local communities.

Socialist Production Units: Institutional Features

SPUs are small to medium enterprises dedicated to the production of goods or services. At an institutional level, SPUs are state-owned, non-profit and managed democratically by a combination of their workers, local communities and the state. At the production stage, SPUs work closely with small and medium-sized local private producers. The goods they produce are then distributed through Mercal and *Producción y Distribución Venezolana de Alimentos* (Venezulan Food Production and Distribution or PDVAL), state-run discount stores located throughout the country. The support the state gives SPUs is perhaps most evident in what can be called a 'triple subsidy': workers' wages are well above the minimum; the inputs obtained from local small and medium producers are purchased at above-market prices; the goods produced are

sold at considerably below market prices through Mercal and PDVAL. This means that SPUs are 'in the red', dependent on state funds to remain in operation.

Each SPU is funded through the larger institutional bodies known as *Empresas de Propiedad Social* or Social Property Enterprises (SPE). In addition to funding individual SPUs, SPEs are responsible for their longer-term management, a point of contention, as we will see. SPEs, in turn, are funded through the state-owned oil company, *Petróleos de Venezuela S.A.* or PDVSA, whose role is to help SPEs through, among other things, preferential contracts, and financing (PDVSA, 2006). This means that, to a significant extent, these enterprises are dependent on the sale of oil in the world market. In addition, each SPE is administered by a state corporation and receives political guidance from a corresponding government ministry. For example, the three SPUs in this study belong to one single state corporation, namely the *Corporación Venezolana Agicola* (Venezuelan Agrarian Corporation), recently absorbed by the *Ministerio del Poder Popular de Agricultura y Tierras* (Ministry of Popular Power for Agriculture and Land).

Like a worker cooperative, decisions about many of the SPU's day-to-day activities are made democratically by all of their workers through the SPU's Workers' Council, an assembly-style political body based on participatory democracy. However, the state is also an important decision maker. Hence, at each SPU there exists at least one 'coordinator'. This person is not democratically selected, but hired by managers working at the SPE level. This puts the coordinator in a position of having to answer to both the demands of workers and those of management, another source of conflict, as we will see. The third, and weakest, decision-making party are the local communities. These are comprised of communal councils, neighbourhood organizations that function on the basis of participatory democracy, and local producers. These

two constituencies participate in each single SPU through the Socialist Council of Participation, the local political body responsible for, among other things, nominating potential new hires into the SPU.

Like all social-economy organizations, SPUs possess a social mission that is foundational to their existence. The SPUs' social mission is complex, emanating from various government levels as well as from workers themselves (Empresas de Propiedad Social; Corporación Venezolana Agraria, abc). The government's executive level provides the long-term vision, which has an internal and an external dimension. The internal dimension relates to key goals and principles of SPUs: non-alienated labour, no discrimination, no hierarchies, gender equity, adherence to labour rights (including a fair salary, the elimination of exploitation and access to social security), fiscal responsibility, and equality based on participation. The external dimension relates to the contribution of SPUs to Venezuelan society as a whole, and can be summarized as attempting to move beyond market relations while promoting local community development and participation. SPUs in the agricultural sector are also expected to contribute to the mission of the Venezuelan Agrarian Corporation, namely to achieve food sovereignty and avoid dependence on food imports.

Human Development at Socialist Production Units

In my study, I found three main areas of learning that reflect human development: worker and community needs; collective management and organization; and active participation, or 'protagonism'. Most of this learning was acquired through informal interactions or through participation in the Workers' Council and its various committees (i.e. health, housing, food). These findings are therefore consistent with the human-development approach of supporters of 21st century socialism. Consequently, SPUs, I argue, express a sharpened class contradiction, not

only challenging the dominant values of capital, but also articulating new ones, such as

cooperation, solidarity and production for needs.

Worker and Community Needs

Many participants reported that they learned a great deal about each other's needs,

particularly through their participation in the various committees of the Workers' Council. For

instance, one of the SPUs distributes food stamps (that can be used only in certain grocery stores

and restaurants) to workers as part of their salaries. Marisa Magas (Interview 31), one of the

workers, explained that her colleagues often did not know what to do with the food stamps

because in the surrounding area it is difficult to find establishments to use them in. After careful

examination and discussion, the food committee proposed that the SPU buy a certain amount of

basic foodstuffs such as cooking oil and flour from one of the state-run discount stores, so that

workers could use their food stamps right on location. Committees, then, are crucial spaces

where workers can discuss their needs, consider options and propose actions. Indeed, the

capacity to meet needs seems to be one of the most important functions of the SPUs. For

example, when asked about how success is measured in her SPU, Yolanda Acosta (Interview 33)

answered: "little by little we've been making progress. We have managed to satisfy many needs,

family needs, personal needs and community needs."

Workers also reported learning about the needs of their communities, especially through

the active role SPUs play in them. One of the central aspects of the SPUs' social mission is to

help communities in need. Marisa noted that one way in which her SPU fulfills this mission is by

transporting the foods they and other SPUs produce to isolated communities that cannot access

them. These often include staples, such as rice, pasta, fruits and vegetables. Where exactly the

food is taken is often the decision of the communal councils, that determine which communities

are most in need. The communal councils then communicate this information to the SPUs

through the regular dialogue that takes place between the two organizations. Therefore, as SPU

workers service communities in this way, they begin to learn what their collective necessities are.

In other cases, it is the communities in need that directly approach the SPU. As Yolanda

revealed:

Many people have come here [the SPU] asking for economic help and we have

never turned our backs on them. Many times they have come after payday. ... few

of us have enough resources but we always give something. It's not a lot, but we

do give them something. Those who come here [asking for help] never leave

empty-handed.

SPUs also have more formal means of helping the community. One SPU, for instance,

provides an ambulance to anybody from the nearby communities that requests it. Another way

participants learn about the needs of surrounding communities is through their SPU's hiring

process, which involves SPU workers, communal councils, and the state. Take, for instance, the

case of Jorge Montiel (Interview 38), a candidate for a job at one of the SPUs. Several communal

council representatives argued against hiring him because he did not live in the community

immediately nearby, an important criterion established by the hiring committee. However, when

they learned that Jorge was a young, single father of two and that the SPU's Workers' Council

considered him an appropriate candidate for the job, they changed their minds and voted for him.

To be fair, Jorge did possess many of the skills that the job required, contributing to him getting

the job. But the important point is that the democratic hiring process allows for all parties

involved to learn about the needs of community members and to listen to each other's arguments.

For Jorge, the outcome of the process meant that he is now better able to meet the needs of his family.

Collective Management and Organisation

The second learning area most frequently mentioned by SPU workers was collective management and organization. Some reported that such learning helped them in reducing the rigid division between intellectual and manual labour found in traditional capitalist firms (Braverman, 1974; Burawoy, 1985), and in experimenting with a new social organization where people can contribute according to their own abilities. When we asked Enrique Machado (Interview 35) the most valuable thing he had learned, he said:

> Organization, that is, how to organize production and advance toward a socialist
>
> mode of production. A year and a half ago I had no idea what the Workers'
>
> Council was or how it was going to be organized. Maybe I knew what I had read,
>
> that the Workers' Council was a tool for moving toward worker self-management.
>
> But how it was to be organized, what was its function, what was collective
>
> planning ... I didn't know, so this learning has been very productive (Interview
>
> 35).

Later in the conversation, Enrique expanded:

> Collective planning by the workers was not easy. It was a process that we
>
> acquired through sweat and tears. Even the discussions with management, the
>
> administration and the presidency in those days were difficult, but it was the most
>
> important accomplishment. That workers plan their own work, that workers arrive

on Monday to work already knowing what they are going to do and where they

are going to do it ... because it was a product of their own intellect (Interview 35).

Another outcome of workers learning to collectively plan and organize their own work,
Enrique revealed, is decreased tension and conflict in the workplace:

When some people make decisions and others have to execute them, of course

sometimes I'm not happy. I disagree with impositions. They generate tension and

conflict at work. From the time we began planning things collectively, these

tensions have been eliminated. Because if I am working at the pool [washing

tomatoes], or working in reception, this is the result of my decision, which I

proposed and accepted in the assembly, or, if I didn't propose it, perhaps

somebody else did and I accepted (Interview 35).

Learning to organize and plan collectively also helped to increase productivity. One SPU
had to suddenly operate without a state coordinator because the government was reorganizing the
whole management structure and was unable to find a coordinator for approximately six months.
The workers dealt with the situation by having meetings and developing a strategic plan for their
SPU. The results were impressive. When there was a coordinator, the maximum amount of
tomatoes they had managed to process in a month was 90,000kg. Under self-management, the
workers pushed this number up to 150,000kg. Juan Cortéz (Interview 36) commented on this
experience:

This gives a sign that indeed we can, and that this is the way it should be because

this gives encouragement to workers, because we participate and stand behind

everything we do, and because we were part of the planning process. There is no need for 'an enlightened' one to come and decide things! Because that's when the problems begin (Interview 36).

Indeed, workers, through their own process of collective planning and management, have also learned to find leaders from among their own ranks, avoiding the imposition of 'an enlightened' leader from above. To give an example, Juan described democratic participation as 'a learning process' that has allowed SPU workers to identify particular people demonstrating a high level of clarity to take on a leadership role, serving as 'teachers' that are able to explain things that sometimes others do not understand. Importantly, Juan explains, workers begin to recognize these leaders by putting aside skin colour, formal-education level and other superficial factors that often "do not let us see that a diamond in the rough exists among us." These are people, Juan continues, that never had the opportunity to study but who have certain capacities that have been learned in the 'school of life'. It is clear, then, that as workers learn to democratically and collectively plan and manage their workplace, organic leaders emerge, eliminating the need for an artificial boss. In the process, workers also learn to look beyond superficial divisions amongst them, therefore increasing their degree of unity, or 'x factor' (Lebowitz, 2006b).

Active Participation, 'Protagonism'

In recent years, the concept of 'protagonism' has become widely used in Venezuela and is an important part of the Chavista government discourse of 21st century socialism. The concept means being a protagonist, a leading figure or an active participant in the workplace, community or in any other space associated with the Bolivarian Revolution. In part, the concept and practice

of protagonism is meant to address the passive and often undemocratic character of social relations under twentieth century socialism, as well as the 'contemplative' character of the capitalist workplace (Lukács, 1968, p. 89). In addition, in the context of the popular economy, it can be interepreted as an attempt by the Chavista government to integrate sectors of society historically outside the formal sector into new forms of productive activity. Indeed, active participation or protagonism is another important area of learning being acquired by SPU participants. This learning is helping SPU participants challenge capitalist social relations, while fulfilling their mission to eliminate workplace alienation.

One case that demonstrates the learning of protagonism is that of Alegre Ávila (Interview 37). When I asked her what was one of the most important challenges she has experienced in terms of being able to fulfill her SPUs mission, she replied:

Well, the challenge many times has been overcoming our stage fright because there are people who have stage fright. And there we have learned and continue to learn to move forward, to face people, to deal with people from the streets, to know them well ... that is something that is learnt every day (Interview 37).

Later in the interview, I asked Alegre what was the most valuable thing she had learned while participating at her SPU, and her response was, "being a protagonist, that has been very valuable." "How have you managed to learn this?" I then asked. She replied,

Through my colleagues who tell me 'you are good with words, you express yourself and try to reach people without humiliating them, without offending them. You think about the people, you speak very well what you want to say'.

And well I learned little by little. 'I am not perfect', I tell them. In high school and

university I actually didn't participate in anything (Interview 37).

Alegre gives us further insights into her learning when discussing participation in the Workers'

Council: "Yes, we have assemblies here. People vote. Here we elect whoever wants to do

something. We have had colleagues that did not want to participate in something, including

myself, but here I am participating because in the end, one is convinced" (Interview 37).

Juan Cortéz, one of Alegre's coworkers, gives us more evidence of similar changes at

their SPU. When I asked him if he had noticed any changes in the way democracy is practiced at

his SPU throughout his time there, he replied:

Yes, well look, we have seen many changes since we first arrived here. The truth

is that when we arrived here there existed a 'boss' culture, exactly the same as any

private company as such. Then, after we all began learning, reading, studying,

interchanging ideas, debating, we have seen a radical change (Interview 36).

The Spanish word Juan used to describe the 'boss culture' that existed at his SPU was

'*Jefesismo*'. Like 'protagonism', this is another popular word used in Venezuela to describe

authoritarian-like relationships between people in a variety of circumstances, but especially at

work. To expand, the word refers not only to the existence of an authoritarian boss but also to

that of a docile and submissive worker. Therefore, the existence of *Jefesismo* implies a lack of

protagonism on the part of workers. But, as Juan implies in his comments, *Jefesismo* no longer

seems to be as much of a problem at his SPU.

As SPU participants learn to become protagonists, they begin to erode alienated workplace-relations in which workers are not the subjects of their production process but merely objects, or 'abstract labour'. As noted above, this can be a slow learning process for SPU participants, but it is a powerful one capable of achieving, as Juan from *Complejo Agroindustrial Socialista de Quíbor* (CASQ) put it, "radical changes." Radical changes are not the norm, however. At the other two SPUs I looked at, Tomas Montilla and Pedro Camejo, similar changes in this area of learning were more modest. At Pedro Camejo, for example, my observations clearly pointed to a continuing rigid hierarchy between the administrative staff and the rest of the personnel working in the fields as tractor drivers.

Class Struggle at Socialist Production Units

Another salient feature of SPUs is ongoing conflicts between workers and communities, and the state bureaucracy. As we will see, workers and communities find themselves struggling for, among other things, substantive equality, improved labour rights, deeper forms of workplace democracy and the elimination of the social division of labour. Crucial to emphasize is that these are fundamentally class struggles, rather than simply cases of 'too much bureaucracy', 'corruption', or 'legacies of the old state' getting in the way of workers, as they are most often understood. This is not to say that bureaucracy and corruption are not also at work here, but that the class dimension of these struggles is most important. Also important to note is that only in one case did struggles resemble traditional union concerns (labour rights), while the rest were based on more radical demands that expressed a sharpened class contradiction at SPUs. In all cases, it is the state that emerges as the barrier to overcoming the class contradiction.

Responding to my question of what would make her SPU more successful, Alegre Ávila gives us an initial sense of the differences that exist between workers and management:

Well, that management would unite with us. Because … for us to achieve the

revolutionary process, we would have to be all united. Sadly we have different

ways of thinking… you know about how what divides people is different thinking

but I say that here we should all have the same thinking and that is to help your

neighbour, and sadly the ones above [management] don't see it that way. It is sad

to say really (Interview 37).

When I asked this participant what this lack of unity between the workers and

management was all about, she replied that it was not about how the SPU related to the outside

world but about its internal organization. Juan displayed a similar sentiment. When asked to

comment about some of the challenges he has experienced as an SPU worker, he replied,

Well, the first challenge as such is the organizational part that we have here at the

SPU. It is what we've had since the beginning. It is a tough struggle. There is a

great deal of bureaucracy in this country still. We have advanced a great deal but

still within our institutions we see encrusted people, let's not say people, but

capitalist thinking… and they don't seek to give power to the producers, workers

and to all the organs to which this power should be given… [As a response to

this] we have organized the Workers' Council as such, and we are in struggle

(Interview 36).

When asked to give concrete examples of how bureaucracy and capitalist thinking manifest themselves at his SPU, Juan once again reveals a tension between workers and management:

> Well here we see it a lot when a person refuses to discuss an issue with the workers and he simply goes to the boss. For example the workers decide on something at the assembly so then this person [one of the workers] goes and tells the boss, you see! So then the boss gives this person a contradictory order. That's when the confrontations come and fortunately the workers have taken on a protagonist role in all of this (Interview 36).

Interesting to note in this comment is that the scenario described very much resembles the divide-and-conquer strategies that are traditionally used by managers against workers in private firms. The main difference of course is that, formally, 'the boss' (the SPU's Coordinator) responds to the state bureaucracy rather than to private owners.

The conflictual relationship that sometimes exists between SPU workers and the state is also evident in the way management envisions the SPU's relationship with producers. As Enrique Machado explains, his SPU is trying to develop a producer network that tries to incorporate the producers into the SPU. As he put it, "they [the producers] have to be a power within the plant [the SPU]." But the SPU's management, he continues, has a technocratic vision that sees the relationship between SPUs and producers as simply a commercial, buy-and-sell one. And this technocratic vision, Enrique continues, "talks in the name of science" and puts "what is technical, what they learned in university, above the human."

The areas of labour rights and social security are yet another source of tension. At one SPU, as one worker revealed, management had not fulfilled its duty to provide workers with a series of benefits including health care as well as a savings and housing fund. As Gerardo Marino (Interview 40) detailed, management discounts a percentage of the workers' salaries every month and puts it toward a workers' housing and savings fund, but workers had not been able to access these funds for over six months. In addition, management had not been providing adequate health care for the workers. The workers responded to the situation by shutting down the plant, demanding that their rights be returned to them. As Gerardo put it,

> For more than six months we have asked them for explanations… but nobody has
> had the dignity to come. So, this [the plant shutdown] is a way to pressure them to
> sit down to dialogue with us and resolve all the problems we have been
> presenting… which are an insecurity at work (Interview 40).

Commenting specifically on the health and safety grievances, Gerardo expands,

> For example, if one goes to the clinic but does not have an emergency you are not
> attended to. That's why we are fighting. One has to be dying in order to be
> attended to. Here [at the SPU] we should have a paramedic… it has been a week
> since our friend died. When they brought him here before he died he was choking
> and here we needed a paramedic… This is what led us to doing this [the factory
> shutdown] and we [the Workers' Council] all decided this (Interview 40).

Interesting to note is that although SPU workers are not unionized, the factory shutdown very much resembled a strike action, demonstrating how the class dynamics at SPUs can, at times, resemble those found in traditional capitalist enterprises. Also important to note is that, in this particular case, the coordinators did not participate in the shutdown. Although, interestingly, one of the coordinators I spoke with that day said he supported the action, but felt it was not his place to take sides in the dispute. Ultimately, as Julio Chávez (former mayor of Carora and legislator for the state of Lara, Interview 52) communicated to me, the dispute was resolved after heated discussions between SPU workers and state managers and government representatives, who promised to meet the workers' demands.[35]

The social division of labour within SPUs is another area that expresses class conflicts between SPU workers and the state. Contradicting their explicit mission, SPUs maintain a social division of labour characteristic of private enterprises, which includes a division between mental and manual labour. Enrique Machado comments on this issue,

> The social division of labour… a division between those in charge of executing
>
> the intellectual work of planning, of giving orders and those who are seen as
>
> simply extensions of machines that do not think but simply execute the orders of
>
> others. So, to change those relations, to advance toward the construction of
>
> socialism, we have to eliminate that social division of labour. Let's all plan, think
>
> and execute. Let's all be subjects of the production process! (Interview 35)

When asked to expand, Enrique highlights the connection between the SPUs' social division of labour and the educational system,

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[35] Unfortunately, I was not able to obtain more information relevant to the resolution of this dispute.

They [management] don't realize that that way to organize work comes from

those assholes that spent all their life studying how to organize work in order to

exploit the worker more, like Ford and Taylor… So then a tension is produced

between those who give orders, or those who think that it is they that have to do

the planning because that's what they learned in university… and the workers that

say no (Interview 35).

One way this social division of labour concretely manifests itself at SPUs is through the

existence of rigid hierarchical ranks, not only between management and workers but also

amongst the workers themselves. Hence, different workers get paid differently according to the

positions they hold. Some of the different positions include operators (these are manual labourers

such as tractor drivers and machine operators), analysts, supervisors, and coordinators, who have

the highest rank. And it is the state that determines the positions and the salaries, which to a large

degree are based on level of formal education. At the time, as one participant revealed, there

existed approximately a 3:1 ratio between the lowest and highest-paid SPU worker or manager, a

situation that caused a great deal of debate and tension amongst workers.[36]

As a response to this situation, in two out of the three SPUs I visited, the Workers'

Council had brought forward to management an initiative called the 'integral worker'. This

initiative proposed that salary ranks based on job description be abolished. This would mean that

all workers, irrespective of job duties, would be considered integral workers and would therefore

earn the same wage. As Marisa, an administrative worker, put it, the goal is that "the accountant

and the tractor driver are considered equal." Her reasoning behind this is quite telling: "The

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[36] It should be noted that by any cooperative standard a 3:1 salary ratio is extremely egalitarian.

operator [the tractor driver] leaves for work at 4 a.m., while I, because I have an education, start work at 8 a.m. ... But I am not more than the operator who works more than me." What Marisa's comments reveal is recognition that the work an 'uneducated' tractor driver performs is no less important than the work of an 'educated' administrator. In fact, as Marisa recognized, in terms of concrete labour time, the tractor driver actually works more than she does. Marisa concludes her comments on this issue by attacking the meritocracy argument that says those with more education deserve higher compensation: "We have to change that old view, because many get sick with that whole [university] degree thing and they think they're above the rest… in this enterprise we want to treat each other as equals, we are all equals! (Interview 31)"

Of course, not every worker interviewed shared this opinion. Several of them supported salary ranks using educational level and degree of responsibility as a justification. Interestingly, even those with lower formal-education levels sometimes supported salary ranks, commenting that those who had acquired more education had made a 'sacrifice' and therefore deserved being paid more. Given these differing views, it is not surprising then that only two out of the three SPUs I visited had brought forward the integral worker proposition. And even then, only at one of the two SPUs where the proposition had been brought forward was it being considered seriously. The problem, according to one worker, is that management does not approve of the initiative. In the case of this SPU, this rift between the workers, who wanted a more egalitarian and democratic internal workplace organization, and management, who wanted to keep the status quo, was another of the driving forces behind the worker-led factory shutdown mentioned above.

Another example of how class contradictions express themselves through conflict between workers and management is evident in the SPUs' hiring process. As mentioned above, the SPUs' democratic structure involves participation from its own workers, state managers, and

members of local communal councils. Participation by all three parties extends into the SPUs'

hiring process. Throughout this process one sees a tension between the SPUs' goal of helping

communities in need, and the logic of the market, which dictates that only those capable of

generating the most surplus value should find employment. For example, for a new employee to

be hired, he or she must first be nominated by the local communal councils who choose people

on the basis of need. Once a number of candidates have been nominated by the communal

councils, a hiring decision is made by the SPU. When discussing with Ina Perez (Interview 42)

whether there exists a tension between hiring on the basis of need and hiring on the basis of

qualifications, she responded:

> Yes… it depends on what we are hiring for… For example, if it is a mechanic,
>
> then he [the candidate] has to know about mechanics and if he has few resources
>
> we hire him quicker still. But if he doesn't [have few resources] we bring on
>
> someone that knows, that has experience in that area [mechanics]. For other
>
> positions … like a general labourer [experience] does not matter (Interview 42).

This tension between looking for a candidate's capacities and also to his needs is present

also during the job interview process. During an interview, as Eduardo Escamilla (Interview 39)

explained, the SPU not only looks for a candidate's particular capacities and how these will be

suited for the job opening, but also for the candidate's level of need. And this is why he calls the

interview a 'social interview':

> We conduct a socioeconomic assessment. That's why there is a sociopolitical
>
> interview. It is a technique, a social interview… "How many kids do you have, are

you a single mother or father?" things like that… if he lives with his parents. All

of this is taken into account. That is a social interview (Interview 39).

Once a new employee has been hired, the tension between capacities and needs again

comes to the fore. As mentioned above, it is the SPU, specifically the coordinator who responds

to the state, that makes the final hiring decision. And sometimes the communal councils are not

happy with the decision made. As Alegre Ávila explained, the communal councils have the

knowledge regarding who in the community has necessities, but the SPU's decision-making

model allows management to choose a person different from the one that the communal councils

chose. The result of this has been many debates and disagreements between the SPU and the

communal councils. As Alegre put it, "there hasn't been much unity… as I told you, the

communal council knows who needs, but those above [management] don't. They just grab a

curriculum but they don't know if what the curriculum says is true." Enrique Machado

comments on the same issue:

Because the SPU has the last word [on hiring], many people nominated by

communal councils that were in need were not taken… we had tensions there that

lasted a while because the communal councils complained that they were

deceived because some of those who were hired were not nominated by them

(Interview 35).

When asked to expand, Enrique told me that even though his SPU has a 'community

committee' that is responsible for communicating and responding to the communal councils, the

one who makes the final hiring decision is not this committee but the office of human resources

at the SPU's management level. But, as he put it, "the people in that office don't know anything." What happens then is that when human resources makes decisions that contradict the will of the communal councils, the communal councils blame the SPU's community committee, which is the body responsible for interacting with them. In other words, the communal councils, according to this one participant, end up blaming the wrong people. This friction between the communal councils and SPUs around the issue of hiring reached a climax when several members of local communal councils physically occupied one SPU in protest at the hiring choices made by management.

The Popular Economy and the Bolivarian State

I started this Chapter by outlining what I took to be the most important theoretical innovations of 21st century socialism. Focusing on Venezuela, these innovations consist of an emphasis on human development through popular-economy initiatives, and the need to build popular power through the state, rather than by disregarding or fighting against it. After providing a brief background to Venezuela's popular economy, I presented evidence on the newly emerging Socialist Production Units, as a case study from which to assess the central claims of the 21st century socialism approach, as well as its progress on the ground.

My case study suggests that Venezuela's state-supported popular economy is indeed a site of human development, in which participants challenge capitalist social relations while establishing new values and practices. As such, Venezuela's popular economy is an example of a post-capitalist struggle, through which a future post-capitalist society becomes evident within the capitalist present. Specifically, I argued that participants are learning about their own needs and those of the community, collective management abilities, and active participation, or protagonism, therefore challenging the social division of labour and alienation in the workplace.

Importantly, much of this learning was acquired through the process of participatory democracy. These findings, I argue, are consistent with the views of Lebowitz and other supporters of 21st century socialism, namely that the state should be understood not simply as an instrument of the capitalist class, but also as the articulation of class forces, and that it can therefore be used to challenge capital.

However, my case study also shows that holding the hand of human development is class struggle directed against the state, taking the form of struggles against the state bureaucracy. This reveals a central paradox in 21st century socialism, namely that the Venezuelan state nurtures human development while simultaneously cementing the class relation, thus emerging as an important barrier to continued transformations. This is in contrast to the case of ERTs in Argentina, in which it is the lack of state intervention (against the wishes of the movement) that keeps the sector in a precarious state. The Bolivarian state's continued imposition of the class relation within the popular economy is therefore inconsistent with the views of many supporters of 21st century socialism. For example, although Lebowitz is explicit in making the connection between struggle and human development (Lebowitz, 2003, 2005, 2006) he does not highlight how this includes struggles against the Venezuelan state. A similar point can be made about Harnecker (2010) who argued that it was possible to speak of a "transition to" rather than a "struggle for" socialism in Venezuela (p. 62).

These findings are also not wholly consistent with the view that, in Venezuela, we are witnessing a new form of dual power, in which the new state structures (i.e. the popular economy) stand in irreconcilable opposition to the old ones, forming some kind of parallel state. Indeed, if one takes this point of view, it becomes easy to downplay struggles within the popular economy (the new state) as a result of corruption, bureaucracy, or legacies of the old state, as is

often done. After all, why would there be class struggles taking place here if the popular economy is the expression of a new socialist state? However, what I have tried to show is that these struggles are fundamentally class struggles in which the existing state emerges as the central barrier to overcoming the class relation. In other words, if a new form of dual power exists through the state, it is one in which the old structures are deeply embedded within the new, and vice-versa. In other words, class struggle reveals the dialectical character of capitalist development, as the future comes into sharper relief against the present. In Venezuela we therefore see not two states, the old capitalist one and a new socialist one, but rather one capitalist state that articulates different class contradictions at different times and places within the Venezuelan process.

From this point of view, what is unique about the popular economy is that, within the capitalist state, it articulates a sharpened class contradiction. Herein, new forms of struggle fuel new values and practices, while the old values and practices simultaneously emerge with greater clarity, relying on the state for their survival. This also reveals the position of the current Venezuelan state in relation to its historic role, caught somewhere between fulfilling its expected role of provider from above, and attempting to build new and endogenous labour capacities from below. These contradictions evident in SPUs means that struggles between popular-economy participants and the Venezuelan state cannot be avoided. Indeed, in the context of an emerging right wing in the country, these struggles will need to be fostered, although perhaps in new forms, if the project of 21st century socialism is to continue.

Chapter 5: The 2011 Chilean Student Movement and the Struggle for a New Left

Following the 2008 economic crisis that began in the United States, the world has witnessed a resurgence of mass social movements (Occupy, *Indignados*, Arab Spring, etc.). Many of these movements brought forward demands and issues traditionally associated with the political left, such as democracy, inequality and use of public space. However, what is innovative about them is that their tactics, forms of organization and participants often depart from those of the traditional 20th century left, which gave labour unions and the top-down revolutionary party a prominent role. In this Chapter, I look at the Chilean student movement as an example of one such civil society struggle. I do so by tracing its relationship to the traditional Chilean left and the evolution of the country's education system.

The *Partido Comunista de Chile* (Communist Party of Chile, or PCCh) has historically been the most important anti-capitalist political force in the Chile. Founded in 1912, the PCCh has actively promoted workers' rights for over 100 years, and developed a strong base in unions, universities and working-class neighborhoods. In the 1930s, the PCCh adopted a Stalinist organizational structure, characterized by a vertical model through which the Central Committee dominates decision-making at all levels of the party (Bernard, 1978; Roberts, 1995, Furci, 2008). The Central Committee is elected in the national congress by delegates from local and regional branches, not by direct vote of the general membership, and is alone responsible for appointing the Secretary-General.

In the 1960s, the PCCh became one of Salvador Allende's key allies in his short-lived socialist government. Following the coup against Salvador Allende on September 11, 1973, the PCCh (along with other leftist groups and individuals) became the target of brutal repression by

the Pinochet dictatorship, a process that ended with the imprisonment, forced exile, torture and death of thousands of PCCh members or suspected sympathizers and allies (Sigmund, 1990; Roberts, 1995; Klein, 2007; Wright and Zúñiga, 2007). In 1977, the PCCh regrouped and led a clandestine resistance against the dictatorship, and in the 1980s, guided by a strategy known as *Política de Rebelión Popular de Masas* (Mass Popular Rebellion), it went on to become an important figure in the massive anti-Pinochet protests (Furci, 2008; Reyes Soriano, 2016).

Parallel to this, a coalition led by *Democracia Cristiana* (Christian Democracy) is formed in the mid 1980s. This coalition led the successful campaign to end Augusto Pinochet's rule in the 1988 plebiscite, and subsequently took the name of the *Concertación* (Roberts, 1995). Also part of this coalition was what Leiva (2012) calls the 'permitted left', namely the *Partido Socialista* (Socialist Party), *Partido por la Democracia* (Party for Democracy) and the *Partido Radical Social Democrata* (Radical Social Democratic Party), 'permitted' because they accepted the military's wishes to maintain Augusto Pinochet's neoliberal framework for the country as a condition for the transition to democracy.

Because of its support for the activities of the urban militia *Frente Patriotico Manuel Rodriguez* (Manuel Rodriguez Patriotic Front), the PCCh was left outside the *Concertación*. Nevertheless, they ultimately supported the vote against Augusto Pinochet. In 1989, Patricio Aylwin won the presidential elections, beginning a cycle of four *Concertación* governments, including the first presidency of Michelle Bachelet (2006-2010). Throughout this period, the *Concertación* offers no more than to put a 'human face' on neoliberal policies, while conducting negotiations in a top-down manner, known popularly as *cupulismo* (Carruthers and Rodriguez, 2009). Indeed, as Leiva (2008) argues, through its four consecutive mandates, the *Concertación*

becomes the pioneer of Latin American neostructuralism, offering small social reforms while adhering to a neoliberal economic framework.

Throughout the 1990s, the PCCh remained marginalized, running presidential candidates during elections, but ultimately supporting *Concertación* candidates to avoid a victory by the right. This strategy did not prevent the victory of President Sebastian Piñera in 2010, however. Then, in the context of the student mobilizations that began in 2011, the PCCh began to toy with the idea of 'a new majority' capable of forming a 'new type of government' (something the party began to publicly discuss in 2009). This idea would come to fruition in 2013 with the creation of the *Nueva Mayoría* (New Majority), the political coalition replacing the *Concertación*, now including the PCCh, as well as other left political parties and individuals. Led by the now President of Chile, Michelle Bachelet, the *Nueva Mayoría* became the country's ruling government in 2014. This is the political backdrop that the Chilean student movement now finds itself articulated within.

One of the debates about the student movement is whether it expresses something new within the country's political landscape, or whether it is simply a continuation of traditional demands and forms of organization of the historic left. Those emphasizing its traditional elements (see Guzmán-Concha, 2012)[37] remind us that student activism has a long history in Chile, and that, indeed, there is nothing new about student bodies such as the *Federación de Estudiantes de la Universidad de Chile* (University of Chile Student Federation, or FECH) having a prominent role in the country's politics. They also point to the important role that the *Central Unitaria de Trabajadores de Chile* (United Workers Central of Chile, or CUT), Chile's oldest union central, played during the mobilizations of 2011. Lastly, they highlight how the

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[37] This article compares the Chilean student movement with recent movements, including Occupy Wall Street, the *Indignados* and the Arab Spring.

movement's most emblematic leader, Camila Vallejo, is a member of the PCCh, as well as how

the memory of Salvador Allende became routinely honored on the streets through a variety of

posters and costumes.

I fully agree that the student movement is indeed very much the expression of Chile's

particular left history. Indeed, its use of already established political organizations and

institutions is an important point of contrast with the case of Brazil, as we will see. However,

although certainly tied to Chile's particular left history, the student movement, I argue,

simultaneously goes beyond it. By demanding free public education, public control of strategic

domestic industries, and political reform, the movement stood in sharp opposition to both the

Piñera government and the *Concertación*. However, the movement goes further than this. As we

will see, by relying on an organizational approach that emphasizes participatory democracy, anti-

sectarianism and encourages working class convergence and solidarity in various spheres of civil

society, the movement challenges the traditional practices of the country's anti-capitalist left.

Indeed, the movement is not only anti-capitalist, but is best thought of as an example of a post-

capitalist struggle, giving us a glimpse of a post-capitalist future within the capitalist present. Not

surprisingly, this has made the movement's relationship to the PCCh particularly complex, at

times accepting some of its positions and leaders, but at others rejecting them in favour of the

Izquierda Autónoma (Autonomous Left, or IA).

Although still emerging, the IA is an organized, anti-capitalist political current that

practices direct democracy and horizontalism, and has a significant base in several of the

country's most important universities. As such, it is an important player within the student

movement. Unlike the PCCh, which is committed to pursuing the electoral path, the IA, and the

student movement more broadly, has an ambiguous and even contradictory relationship to

political parties and the state. As we will see, this means that, while clear in its attempt to make inroads within the existing state structures, the movement nevertheless remains suspect of these.

This contradictory posture the movements has taken toward the state can be understood to reflect the particularly pernicious way in which neoliberalism was entrenched within the state by the Pinochet dictatorship. Hence, on the one hand, the continuation of Augusto Pinochet's 1980 Constitution to this day makes the state a central target in the struggle to overcome neoliberalism. On the other hand, the authoritarian and exclusionary character acquired by the Chilean state during the dictatorship makes it an unappealing avenue for highly democratic movements to pursue. The result is that the movement is still struggling to reinvent the Chilean left in a way that can address this contradiction. Before discussing this in more depth, we look at how Chile's education system developed in recent decades.

The Neoliberal Education System in Chile

During the neoliberal period, the Chilean education system took a decisively neoliberal turn based on privatization, de-centralization, deregulation and cuts to the public sector (Torres and Schugurensky, 2002). [38] At the elementary and secondary levels this was accomplished via the transfer of fiscal responsibility from the national to the municipal level, and the creation of new state subsidized private schools. This model largely succeeded in expanding private education in the country. For example, in 1981, 78 per cent of students attended the public system, a figure that dropped to 50 per cent by 2004. This trend continued into the *Concertación*'s last government so that, by 2008, enrollment in subsidized private schools actually surpassed that of public ones (Chovanec and Benitez, 2008; Burton, 2012). This is not

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[38] As Torres and Schugurensky (2002) note, this was the case not only in Chile but throughout Latin America, only that in Chile neoliberal reforms to education took a particularly advanced form.

surprising given that the *Concertación*'s education policies, though shifting somewhat over the years, nevertheless remained within the bounds of the *Ley Orgánica Constitucional de Enseñanza* (Constitutional Statutory Law of Education or LOCE) developed by the Pinochet regime (see Burton, 2012). Sensing a growing discontent with the education system in much of the population, the right wing government led by the billionaire, Sebastián Piñera, proceeded to deepen the privatization of the sector even further, particularly in primary and secondary schooling.

A similar situation took place at the post-secondary level. Following aggressive cuts to public universities and the deregulation of the sector (Torres and Schugurensky, 2002), the ratio between students attending public vs. private institutions decreased dramatically in recent decades. Indeed, by 2010, the number of students attending private universities (305,769) for the first time surpassed those attending the public ones (281,528) (Aguayo Ormeño, 2011). In addition, the government has allowed a steady increase in tuition fees, 60 per cent in 12 years. In 2011, the average annual tuition was US $6150.[39] This made it the most expensive in the world, comprising no less than 40 per cent of the family income of those at the bottom three quintiles of the income ladder (Fontaine, 2011).

At the heart of the problem is that the ratio between public and private spending in education dramatically tilted toward the latter, especially when compared to the Organization for Economic Co-operation and Development (OECD) average (Confederación de Estudiantes de Chile, 2011). In addition, Chile was spending merely 0.5 per cent of its GDP on post-secondary education, ranking lowest in the world (Castillo Melgarejo, 2012, p. 7). Indeed, in a comparative

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[39] Tuition fees only vary slightly between private and public universities. For example, minimum and maximum tuitions at the public *Universidad de Chile* are approximately US $4400 (Arts) and US $9100 (Medicine), while at the private *Pontifica Universidad Católica de Chile* they are US $4000 (Arts) and US $10,700 (Medicine). Some universities do offer specialized programs at lower tuition, such as Social Work at *Universidad Internacional SEK*, which costs approximately US $1380 (Ministerio de Educación, 2013).

study carried out by UNESCO, Chile is singled out for allowing the private sector to have excessive participation in the education system and for failing to meet the standards of 'free education', as outlined in Article 13 of the United Nation's International Covenant on Economic, Social and Cultural Rights (Muñoz, 2011). In sum, the education system in Chile became a crucial sector for the systemic transfer of wealth from the public to the private sector, or the policies of 'accumulation by dispossession'.

Deepening privatization, in turn, opened the door to transnational capitalists, particularly banks who have been more than happy to provide students with ample debt loads to finance their studies. As of 2011, approximately 350,000 Chileans held a student loan from a private financial institution and debt loads often reach US $30,000 for professional programs, such as engineering (do Rosario, 2012). Students can also get government-guaranteed loans from *Crédito con Aval del Estado* (State Guaranteed Loans) that, in response to the movement, recently lowered its interest rate from 5.8 per cent to 2 per cent (interest rates from private institutions are usually around 7 per cent). Debt loads can be so high, however, that loans can take several years to repay. Indeed, debt loads reached such a level that Chilean students began to migrate to neighboring countries in search for more accessible education. As a result of this 'educational exile', by 2011, 10,000 Chileans studied in Argentina (Marin, 2011).

In addition, the post-secondary system is highly class-divided. At both the public and state-subsidized schools, working-class students receive a second-rate elementary and secondary education. Those that move on to post-secondary studies find themselves in underfunded public universities, or in poor quality private ones, in programs that offer highly uncertain opportunities in the labour market. Following graduation, the outcome for these students can often be unskilled, low-wage and precarious employment, if not unemployment. In contrast, upper-class

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In addition, the post-secondary system is highly class-divided. At both the public and state-subsidized schools, working-class students receive a second-rate elementary and secondary education. Those that move on to post-secondary studies find themselves in underfunded public universities, or in poor quality private ones, in programs that offer highly uncertain opportunities in the labour market. Following graduation, the outcome for these students can often be unskilled, low-wage and precarious employment, if not unemployment. In contrast, upper-class

students attend private schools and universities where they are socialized to internalize the prevailing values of free markets and individual success. These students have a much better chance of obtaining a management position at a large corporation, or a prominent position in the public sector.

The inequalities that developed in the education system are a reflection of Chile's status as one of the most unequal Latin American societies. In fact, in 2011, Chile was the most unequal country in the OECD, with a Gini coefficient of 0.50 (Organization for Economic Cooperation and Development, 2011). Indeed, Using United Nations (UN) development indicators, one study shows that while 20 per cent of Chile's population has incomes comparable to those in 'rich countries', such the United States, two thirds of the population has incomes comparable to countries considered 'very poor', such as Angola (Guzmán, 2011). In addition, between 2006 and 2009, the level of poverty increased from 13.7 to 15.1 per cent, even as social spending was increased significantly by the administration of Michelle Bachelet (World Bank, 2013; Economic Commission for Latin America and the Caribbean, 2010). Importantly, all this happened despite high levels of annual growth in Chile, indeed among the highest in Latin America during that period. Hence, while the so-called 'Chilean miracle' blessed the rich, it has been a curse for the popular classes, with students being some of the hardest hit.

Students Fight Back

Neoliberal education in Chile led to a growing consciousness among secondary and university students that the entire educational system needs to be radically changed in favour of a more inclusive and democratic public one. The first signs of this growing unrest occurred in 2006, during the secondary student rebellions against the neoliberal education law originally created by Augusto Pinochet, and maintained by the *Concertación* governments. Importantly,

these took place in the context of wider social unrest, most notably, environmental and anti-mining mobilizations led by citizens groups and Mapuche indigenous communities (Gordon and Webber, 2008; Carruthers and Rodriguez, 2009), but also subsequent mobilizations by subcontracted workers, and public transit activists (Ruiz, 2012). The student movement, or 'Penguin Revolution' (a reference to the students' uniform design) as it became known, caught most by surprise, including many Chilean intellectuals who argued that the youth in the country were only interested in parties and soccer (Valdebenito, 2009).

The students began with two modest demands: a free bus pass to get to school and free mandatory tests for entering university (Torres, 2010). They organized themselves through the Asamblea Coordinadora de Estudiantes Secundarios (Coordinating Assembly of High School Students), based on direct participation and the use of rotating spokespeople who were tasked with voicing the assembly's decisions (Gómez Leyton, 2006, p.113). This is very different from the traditional way democracy is practiced within the institutions of liberal democracy, such as parliaments, parties and unions, in which, once elected, political leaders can make decisions without consulting the base. In addition, the assemblies brought together students of diverse political backgrounds, allowing competing political visions to coexist (Valdebenito, 2009; Chovanec and Benitez, 2008). Importantly, these organizational features of the movement, were to continue during the mobilizations that began in 2011.

As the movement developed, students quickly expanded their demands to include that education be considered a right, not a commodity, and an end to the subsidiary role of the state in its provision and delivery. In other words, students came to demand nothing less than the transformation of the neoliberal education system (Gómez Leyton, 2006, p.113). To this end, on May 30, 2006, close to a million students and supporters participated in a general strike that

combined street mobilizations and high school seizures, shaking the Bachelet government and forcing it to offer partial concessions (Torres, 2010, pp. 16-17). However, facing police repression and difficult negotiations with the government, the movement quickly faded in the following days (Torres, 2010, pp. 16-17). Nevertheless, the students forced the Bachelet administration to recognize the crisis in education was real, as well as the deeply authoritarian character of the education laws inherited from the military.

In 2011, the second phase of the movement got underway. This occurred in the context of levels of social mobilization not seen since the 1990s by different sectors of the Chilean working-class, including struggles against poverty, labour flexibilization and hydroelectric development (Segovia and Gamboa, 2012, Leiva and Campos, 2013). Notably, on January 11th, in the southern province of Magallanes, communities declared a civil strike to protest the abrupt hike in gas prices, as decreed by the Piñera government. On this opportunity, twenty-four social organizations created the *Asamblea Ciudadana de Magallanes* (Magallanes Citizens Assembly). The Assembly, experimenting with new forms of democratic participation, took direct control of the main cities, blocking highways, building urban barricades, even declaring a curfew on vehicles and demanding the government to annul the price increase. For seven days, the Assembly operated independent of political parties, and was able to mobilize tens of thousands of people on a daily basis, asserting itself as a temporary government in Magallanes (Rodríguez and Rodríguez, 2011; Campos and Ruiz, 2011).

Adding to the momentum, on May 12th, secondary and university students called a national day of protest against the poor quality of the education system ("Cronología", 2011; Vera, 2013; "Cronología", 2011). Coordinating through their respective student bodies and the use of social media, they took the streets on the main Chilean cities from Northern Arica to

Southern Punta Arenas. The mobilization received the support or endorsement of the CUT, the *Colegio de Profesores de Chile* (Teachers Association of Chile), the main university student federations, and the *Asociación Nacional de Empleados Fiscales* (National Association of Public Servant) ("Cronología", 2011). In Santiago alone, 30,000 demonstrators voiced their demands: an end to 'market education', reductions of student debts, increased funds for public universities, and the democratization of educational institutions ("Comunicado", 2011; "Cronología", 2011). It has been estimated that more than 100,000 students and supporters across the country participated in this day of protest (Vera, 2013; "Cronología", 2011).

Tired of waiting for a meaningful response by the government, the students proceeded to call a national strike for June 30th (Vera, 2013; "Cronología", 2011). The mobilizations on this day occurred in the context of increased levels of militancy. In the run up to the march secondary students in Santiago seized more than 200 high schools ("Conoce la lista", 2011), some of which continued to operate, only this time under the democratic management of teachers and students ("Colectivo Diatriba", 2011; Suárez, 2016). In the capital alone, more than 200,000 people took to the streets while another 400,000 did the same in the rest of the country (Vera, 2013; "Cronología", 2011).

It is at this point that Camila Vallejo, president of the FECH and PCCh member, became the leading voice of the movement, garnering the attention of the national and international media. She was even named 'person of the year' by readers of the influential British paper *The Guardian* (Oliver, 2011). Her leadership role would reveal a complex relationship between her, the movement, and the PCCh. The relationship can be summarized as follows: the more she distanced herself from the PCCh and its traditional practices and politics, the more acceptance she received from the movement. However, the closer she moved to the PCCh, the less credible

she was considered. Hence, at the height of her popularity, she would often refuse to take ownership over the movement, and even publicly criticized the PCCh's leadership for sending condolences to the North Korean government after the death of Kim Jong Il ("Camila Vallejo", 2011). This relative distance she maintained from the party would prove difficult to sustain, as will be seen.

In a matter of months, then, a struggle to improve education had quickly evolved into a movement that struck at the heart of the neoliberal model in Chile, namely its natural resource industries, which unambiguously favor foreign corporations (Webber and Gordon, 2008). The student movement reached its first victory in July when Sebastián Piñera was forced to change his education minister, Joaquín Lavín, a former junior minister in the Pinochet governments and member of the Opus Dei, whose personal popularity had declined radically due to the student conflict (Labra, 2011; "CERC", 2011). Lavín was supposed to be the next presidential candidate of the right wing alliance still in office then.

More Than a Student Movement

Since the return of liberal democracy to Chile, the country has witnessed what some have called 'the neoliberalization of solidarity' (Dockendorff et al., 2010), meaning the concept and practice has been progressively linked to the interests of the private sector via corporate social responsibility schemes and 'social marketing'. With this in mind, another crucial achievement of the student movement was its ability to go beyond itself and garner support from broad sectors of the population, helping to re-articulate solidarity as a public and working-class value. Parents, teachers, and copper miners openly and actively expressed their support, recognizing that all their grievances against the neoliberal regime were being expressed in the student strike. In other words, the student struggle soon became the vehicle through which broad-based popular

dissatisfaction became articulated, successfully reducing the 'x factor', the degree of separation amongst the working class (Lebowitz, 2006b).

The government responded quickly by threatening to declare an early winter break to the school year, and even its possible cancellation. In addition, the corporate media began its demonization campaign against the students, using isolated incidents of violence conducted by *los encapuchados* (the black bloc) to delegitimize the whole movement. Responding to these attacks, Camila Vallejo rejected these acts of violence, arguing that the encapuchados don't 'represent the spirit of the majority of students' ("Camila Vallejo Denuncia", 2011). Furthermore she suggested that many of these groups were the target of infiltration and were paid to incite violence ("Camilla Vallejo Dice", 2011). Indeed, adding to the suspicion, a group of *encapuchados* were found attempting to torch the central offices of the *Colegio de Profesores* (Candia, 2011), a staunch ally of the student movement.

Between August 10th and 18th, gigantic demonstrations took place in Santiago and in the main Chilean cities (Vera, 2013; "Cronología", 2011). Over 200,000 marched throughout the country during this week of actions, in which student's decided not to accept the government's proposals for education reform ("Marcha de los Paraguas", 2011). The week of actions ended with a demonstration in Santiago known as '*la marcha de los paraguas*' (the march of the umbrellas), which attracted over 100,000 participants despite heavy rain (Vera, 2013; "Cronología", 2011). Families with small children, artists, teachers and workers expressed their commitment to be part of this democratic movement that demands a democratic society and the end of 30 years of neoliberalism in the country. Even elite private secondary high school students joined the movement.

At the height of the movement, it was estimated that out of the 4 million students in Chile, 500,000 actively participated in the struggle. However, it is clear that many layers of society were also actively involved. For example, after facing heavy police repression at a demonstration, the movement's call for people to show their solidarity by banging pots and pans (*cacerolazos*) at night was taken up by entire neighborhoods who mobilized to public squares, streets and highways, bringing memories of the anti-Pinochet struggle in the 1980s ("Histórico Cacerolazo", 2011). Further proof of the movement's wide appeal was evident during a meeting held by 'families for education' on August 21st in Santiago's main central park. The meeting attracted 1 million people in support of the students' demands.

The next wave of actions unfolded on August 24 and 25 leading to the movement's first national strike, called by the CUT (Vera, 2013; "Cronología", 2011). The strike was supported fully by 80 organizations, including student bodies, teachers, civil servants, human rights organizations, intellectuals, artisans, artists, shantytown dwellers, and physician associations ("Chile: Paro Nacional", 2011; "Chile: 48 horas", 2011). In addition to their more traditional demands of better salaries, a new labour code and an end to precarious jobs, the CUT also demanded free and quality education. The demonstrations were some of the largest yet, bringing together up to 600,000 people across the country ("Más de", 2011). Despite heavy police repression and mass arrests, the organizers of the demonstrations called the events a great success and promised further actions if their demands were not met. The strike was particularly significant because it took the CUT out of the relatively narrow scope of action it had settled into since 1988, the year it was re-founded on a more reformist platform that fit more closely the *Concertación*'s political goals (Drake, 2003). At the same time, the strike had a bureaucratic

character, lacking the creativity and audacity of the students, which shows some the CUT's limits in supporting the student struggle up to this point.

Demonstrating a high level of intergenerational working-class solidarity, when the media asked the leaders of the student movement why they supported the CUT, they simply explained that much of the CUT's membership are the students' parents. The simplicity of this answer begins to make sense when we look back at the start of the movement. As Donna Chovanec and Alexandra Benitez (2008) note in their case study in the province of Arica, the sudden reemergence of social action in Chile during the first phase of the student movement in 2006 can be in part attributed to the intergenerational learning that took place as a result of the women's movement who fought against the Pinochet dictatorship, and passed on a 'critical social consciousness' to the new generation.[40] In other words, although tensions between the younger students and the older generations may not completely be avoided, a thread of solidarity runs through, in part explaining the broad-based support for the movement. Empowered by this support, the students began to intensify their demands, calling for a constituent assembly through which to do away with Augusto Pinochet's education law, and strengthen the state's roll in the provision of education.

The Struggle for a New Left

One of the key features of the movement is its disdain for pre-established elite political institutions and parties (Núñez, 2012, p. 69), demonstrating its desire to create a politics that goes beyond the modes of organization and resistance of the traditional Chilean left. For example, during the mobilizations, students occupied the headquarters of both right wing and

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[40] As Chovanec and Benitez suggest, this phenomenon is not to be taken as a full explanation for the reemergence of social action in Chile, but it does provide important clues for the continuity of social movements in the country.

socialist parties ("Universitarios", 2011). In addition, consistent with the democratic and participatory history of the movement, students debate and discuss through horizontal assemblies through which the leadership remains in constant consultation with the demands of the base (Pulgar, 2011; Avendaño, 2014). Another key organ of the struggle became the *Mesa Social Por La Educación* (Social Table for Education), an innovative traversal organization which for the first time brought together students, teachers, workers, and environmental and human rights organizations (Núñez, 2012, p. 68).

Importantly, the assemblies bring together students of different socio-economic backgrounds, political stripes and even party affiliations (Avendaño, 2014), at times helping to break down sectarian tendencies. Assemblies are not held on fixed schedules, but when they are deemed needed by the movement. Hence, during periods of particular importance, several assemblies might be held in a single week. Although this format allows for large numbers of people to actively participate in decision-making, there are some disadvantages. First, it requires a great deal of stamina by the participants, something that may not always be available at a given point in the struggle. Second, the locations where the assemblies are held (tilted toward city centers) tend to exclude people living in the peripheries.

Another example of the students' search for a new left was evident in their reworking of the historic chant, '*El pueblo unido jamás sera vencido*', (The people united will never be defeated) modified to, '*El pueblo unido avanza sin partidos*' (The people united advance without parties) ("El pueblo unido", 2011; "Estimadas comunistas", 2011). Indeed, later in the struggle, the students engaged in a successful anti-voting campaign, once again expressing their distrust of electoral politics. The editor of *Le Monde Diplomatique* Chile perhaps best captured the sentiment: "the youth trust only in their own strength" (de la Fuente, 2011, p. 5). The distaste for

the political class went beyond the student population, however. At this stage in the conflict, surveys showed the popularity of Sebastián Piñera, his government, and all major parties and institutions at historic lows (Segovia and Gamboa, 2012; "Partidos politicos", 2012). Not surprisingly, students rejected calls for dialogue made by politicians from the *Concertación*, as well as the reform proposals presented by the Minister of Education. Faced with these co-optation attempts, the students reiterated their demand for a radically different educational system that is linked to an alternative development model based on the recuperation of national resources and tax reform.

The movement also displayed a remarkable level of tactical creativity. For example, as a response to the government's declaration of early holidays, the students took to the streets in bathing suits and snorkel equipment, that is, in the middle of winter! ("Chile Mobs", 2011). The student movement turned whole sections of cities into surrealist carnivals that even the mainstream media could not resist. Some of the students' most memorable performances included *el gagazo* ("Gagazo", 2011), a dance-a-thon to the music of Lady Gaga in the capital's central square, *el besaton* ("Manifestación estudiantes", 2011) a mass kissing marathon, and flash mobs of mock suicides ("Suicidio masivo", 2011). Some of these actions were coordinated with the help of social media, through the use of instructional dance videos ("Coreografía Judas", 2011), for example. Lastly, in response to the media's incorrect depiction of the movement as essentially violent, the students took the time to collect hundreds of teargas canisters and used them to form giant peace signs on the streets ("Dirigentes llevan", 2011). Some students even took the time to repaint houses damaged during the protests and collect funds to compensate individuals whose cars had been torched by the *encapuchados.* These are tactics that have been traditionally difficult for both the union movement and left parties to implement.

By September 2011, the movement began to face stronger co-optation attempts by the government. The government agreed to meet with the *Colegio de Profesores*, the *Consejo de Rectores de las Universidades Chilenas* (Council of Chilean University Rectors), the national confederation of secondary students, and the *Confederación de Estudiantes de Chile* (Student Confederation of Chile, or CONFECH), the student body representing the country's public universities, to initiate a round of talks. However, the dialogue proved that the government had no serious intention to consider the main demand of the students, namely free public education for all, making the ludicrous argument that it would be unfair if the taxes paid by the poor went to financing the education of the rich. Fearing a huge hole might be opened in the neoliberal edifice, Sebastián Piñera offered instead to increase the number of grants the state guarantees for student loans, write off low-income students' debts, and increase funding for public universities. The students left the negotiation table feeling the government was not negotiating in good faith. By persistently rejecting the students' demands, the government attempted to prevent an avalanche of new related demands, such as the 're-nationalization' of the copper industry (which since 1992 has featured extensive participation of multinationals through 'joint ventures' and other mechanisms), tax reform and a constituent assembly, all which had begun to enter the public debate as a result of the student movement.

The opposition, the PCCh included, soon entered into Sebastián Piñera's negotiation tactics, submitting a counterproposal demanding free post-secondary education for only part of the student body, which was not what the CONFECH was demanding. In other words, the opposition attempted to co-opt the movement by presenting a watered-down version of the demands developed by the CONFECH, one of the key organs through which the university student movement democratically developed and expressed itself. By negotiating with the

opposition, the government succeeded in temporarily weakening the movement. Important to note is that, as revealed by Camilo Ballesteros (Interview 56), a prominent student leader at the time and member of the PCCh, the party's strategy or 'formula', as he called it, consists of utilizing all available political spaces, even those initiated by the government. Not in the formula, he explained during our interview, was the creation of parallel political forums, the approach preferred by the IA.

Whatever one may think of it, the PCCh's willingness to negotiate with the government and attempt to represent the students' demands is far from the sentiment on the streets. This sentiment was nicely captured by Cristián Cuevas, former president of the *Confederación de Trabajadores del Cobre* (Confederation of Copper Workers) and PCCh member,[41] who accurately noted that what is new about the movement is that it expresses people's desire to do away with political mediators, and be protagonists of their own history (Cuevas, 2011, p. 18). With this in mind, it is not surprising that, in a joint declaration, CONFECH, the *Asamblea Coordinadora de Estudiantes Secundarios* (Coordinating Assembly of Secondary Students, or ACES) and the *Coordinadora Nacional de Estudiantes Secundarios* (National Coordinator of Secondary Students, or CONES) rejected both government and opposition proposals. This was an important moment of unity for the movement, in particular, for the two competing secondary education bodies.[42] However, it was starting to be evident that the student movement was unable to break the stubborn, dogmatic ideology of the government. Sebastián Piñera's government went on the offensive by sending a bill to parliament that would make it more difficult for people to protest freely on the streets, obviously seeking to restrict student activism. Sebastián Piñera's

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[41] That Cuevas is also a prominent PCCh member highlights the real tensions within the party as far as how it understands and relates to the movement, tensions that the PCCH publically downplays or denies.

[42] CONES coordinates the "prestigious schools" and is usually favored by the government, while ACES coordinates the more radical "underprivileged groups" (Pousadela, 2012).

strategy relied on the natural erosion of the already long student mobilization, which had become trapped in routine tactics, was facing the end of academic year, and had split in its position toward the parliamentarian commission discussing the budget.

In addition, university student federations traditionally enter into an election period at the end of December. The fact that several of the most prominent student leaders belong to different political parties or groups, sometimes with contradictory visions of how to continue the struggle, generated deep tensions within the movement. These tensions came to the surface in the 2011 elections at the emblematic *Universidad de Chile* (University of Chile). In the 2010 elections, united leftist groups won the majority in the FECH, electing Camila Vallejo as president. This demonstrated the capacity for various left currents to cooperate, an approach that the movement greatly favours over the traditional sectarian approach of the left. However, in late 2011, *Juventudes Comunistas de Chile* (Young Communists of Chile, or JJCC) decided to present Camila Vallejo's candidature for the presidency in a separate bid from their former leftist allies. This was an attempt by the JJCC to capitalize on Vallejo's popularity, which they thought would bring them certain victory in the elections. In other words, the JJCC attempted to take ownership over the movement, a move that ignited infighting among all the leftist groups. Reverting to their old practices, the left went into the election divided into seven separate slates ("Informativo", 2011).

In a surprising result, Camila Vallejo, the most charismatic leader of the student movement, was defeated in the second round by Gabriel Boric, a member of the IA who was elected as the new president of the FECH ("FECH", 2011). Vallejo settled for the vice presidency. Furthermore, the JJCC was also defeated in *Universidad de Concepción* (University of Concepción) and *Universidad de Santiago* (University of Santiago) (Avendaño, 2014).

Revealing of the tensions that exist within the movement, in our interview, Camilo Ballesteros downplayed Boric's victory, noting that the PCCh nevertheless received the majority of overall votes. Furthermore, he described the IA as an elite minority that is generally not well regarded by the popular classes.

The result of these elections is less surprising, however, once we recognize that, unlike the PCCh, the IA did have its pulse on the student movement, and understood its desire for a new left politics. Francisco Figueroa Cerda, member of the IA and former vice-president of the FECH, demonstrates this in his criticism of what he sees as the PCCh's simplistic nostalgia for Salvador Allende, and its willingness to uncritically integrate themselves within the 'political system'. For him, the real Salvador Allende lives in the building of a new politics adequate to the times, not as part of a sad wax museum that no longer represents those on the streets (Figueroa Cerda, 2011).

Indeed, the IA once again captured the FECH presidency in 2012, this time with Andrés Fielbaum, demonstrating that their anti-systemic and anti-party stance has strong appeal in at least the university sector. Like Gabriel Boric, Fielbaum has emphasized the need for continued struggle and to reach out to students in the private universities, a task that began to bare fruit in a massive private student demonstration in March 2013 (Vila, 2013). Tellingly, the victory of the IA over the JJCC in late 2012 came at a time when several Communist student leaders, including Ballesteros, decided to pursue the electoral path in the municipal elections of October 2012. In addition, Camilla Vallejo had already begun to move closer to the PCCh traditional practices. For example, in April 2012, she was part of a delegation that traveled to Cuba for the 50th year anniversary celebration of the country's *Unión de Jovenes Communistas* (Young Communists League), where she was part of a three hour meeting with Fidel Castro ("Camilla Vallejo:

Castro", 2012). Not surprisingly, soon after, she announced her congressional candidacy with the PCCh for the then upcoming national elections held in November 2013.

Despite some of the movement's challenges, one thing was clear at this point in time: the movement had inflicted strategic blows against the Piñera government, challenged the system of inequalities, and in so doing attracted the support of the majority of Chileans. Never before had a social movement, directed by democratic assemblies from below, developed with such success. The question then became whether the movement could build on its momentum while avoiding co-optation by la *Concertación*. Indeed, signs of unrest persisted. In the Patagonian region of Aysen, citizens organized themselves in the transversal movement called *Tu Problema es mi Problema* (Your Problem is my Problem). In 2012, they temporarily paralyzed the region, demanding from the central government a reduction in fuel prices; an increase in the minimum regional salary; higher pensions for retirees; citizen participation through binding consultations; higher quotas for artisan fishermen; subsidies for electricity and drinking water; a regionalized food basket and a good quality public university for the region ("Declaración Pública", 2012)

In addition, important changes within the CUT began to take place. On August 23, 2012, the CUT elected Barbara Figueroa as president, the first time a woman has been elected to this position. Figueroa is a PCCh member and one of the leaders of the teacher's college. She is therefore well versed in the issues students are dealing with and has played a highly supportive role throughout the demonstrations. In addition, she recently proposed a major change within the CUT, namely that future elections are conducted by the direct vote of the membership, rather than the current delegate system. Figueroa has also proposed as urgent the need to increase union membership while building a strong, autonomous and independent union movement (Becerra, 2012).

These proposed changes were very much in the direction of the kind of democracy being practiced by the students, namely an active and participatory one. Indeed, on June 26, 2012, the copper workers and students successfully organized a national strike demanding the nationalization of the copper industry and free and quality education, an event supported by the CUT. At the same time, however, Figueroa, following the PCCh's strategy, went on to openly support Michelle Bachelet's candidature for the *Nueva Mayoría*, that is, even before knowing her presidential program. Hence, the question remains as to whether Figueroa's affiliation to the PCCh will at some point generate distance between her and the movement, as was the case with Vallejo, or conversely, whether it can lead to democratic renovation within the PCCh.

The Nueva Mayoría and Beyond

Beginning in May 2011, the Chilean student movement presented the neoliberal administration of Sebastián Piñera with a major political challenge. Their demand for free and quality education aims to overturn the neoliberal educational model first entrenched in the state by the Pinochet dictatorship, but it goes further than this. By proposing the re-nationalization of the copper industry as a way to fund public education, the movement, I argued, indeed strikes at the heart of Chilean neoliberalism, anchored in foreign control of natural resources industries facilitated by an authoritarian and exclusionary state. In addition, the student movement has developed a new sense of power that cuts across broad sectors of society, reestablishing solidarity as a popular, working-class value, rather than its neoliberal version that had developed over the last 20 years. Lastly, the movement is actively trying to articulate a new left politics in the country, one that highlights the necessity for active struggle, participatory democracy, and new political alliances as engines of social change. For these reasons, the movement can indeed be said to prefigure a post-capitalist future.

However, as mere prefiguration, the movement faces many obstacles and ambiguities. These have become evident in the outcome of the most recent municipal and congressional elections. The winner of the 2012 municipal elections was the *Concertación*. It defeated the Sebastián Piñera-led coalition by almost 6 points, 43.21 per cent to 37.52 per cent, while winning 106 of 345 municipalities (Servel, 2012). PCCh candidates only managed to win 6 municipalities (Servel, 2012). The loss of 21 municipalities forced Sebastián Piñera to immediately shuffle his cabinet. However, the real story of the elections is that absenteeism reached a dramatic 57 per cent (Servel, 2012). This can partly be explained by the anti-voting campaign organized by several student bodies, expressing, once again, their rejection of the established political class, including the PCCh, which simultaneously engaged in a pro-voting campaign, once again revealing its disconnection from the movement's base. In other words, the outcome of the election reflects the movement's commitment to extra-parliamentary politics, and the *Concertación*'s ability to capitalize on the anti-Piñera sentiments of the voting population. In short, it is clear that the student movement, at this point, was not able (or was unwilling) to crystallize its demands and ambitions into a new political organ they can trust and, as a result, the neoliberal *Concertación* gained ground.

On the other hand, after boycotting the June 30 primaries, the IA decided to run three congressional candidates in the 2013 parliamentary elections, namely Francisco Figueroa (Ñuñoa), Daniela López (Valparaíso), and Gabriel Boric (Magallanes). The three candidates were elected at the organization's general meeting held in January 2013. However, the candidates technically ran as independents, as the IA is not a party, but a political organization. Nevertheless, this expressed a major shift, indeed a step forward, in the IA's politics, a step that, as we will see, proved more difficult in the case of the Brazilian transit movement.

However, the IA move into electoral politics also reflects the organization's continued ambiguity about its relationship to the state and political parties. On the one hand, the IA promotes a politics that is vehemently independent from the established 'political system', and based on direct and participatory democracy. Hence, they refuse to work with the *Nueva Mayoría*, and have endorsed only one of its candidates, namely Cristián Cuevas, one of the PCCh's most left wing members. As Boric (2012) puts it in his 'manifesto', "Nothing that is born out of the *Concertación* is born with life." The IA also publicly criticized Camilo Ballesteros for cheerleading Michelle Bachelet's candidacy in 2013 primaries, revealing the increasing tensions at that time between them and the PCCh.

On the other hand, the IA became open to electing candidates who are tasked with 'representing' the organization within the 'political system'. This ambiguity in their political identity is also expressed in their own documents, which display a heterodox Marxist approach with a degree of affinity for a number of political figures whose ideas are not easily reconcilable, including Che Guevara, Subcomandante Marcos, and Antonio Gramsci. Hence, it is not surprising that their demand for the formation of a constituent assembly remains vague, and sits (at least) somewhat uneasily with their proposal for political decentralization. Of the three congressional candidates they ran in November 2013, only one was victorious, namely Gabriel Boric. Three other student leaders were elected also: Camila Vallejo (PCCh), Karol Cariola (PCCh), and Giorgio Jackson of *Revolución Democrática* (Democratic Revolution).

Overall, the results of the election were positive for the PCCh who doubled their seats in congress, going from 3 to 6 (Servel, 2012). However, the big winner was Michelle Bachelet and the *Nueva Mayoría*. Receiving 62.16 per cent of the vote during the second round of voting, Michelle Bachelet comfortably defeated Evelyn Matthei of the right wing*Alianza* (Alliance)

(Servel, 2012). However, abstention was even higher than in the 2012 municipal elections, reaching 58 per cent (Servel, 2012). This again shows widespread dissatisfaction with the political system among the population. Nevertheless, it is clear that Michelle Bachelet managed to capture the imagination of the voting population with a message of change.

Michelle Bachelet's campaign promised reforms in three key areas: education, the constitution, and the taxation system. In the area of education, Michelle Bachelet promised to eliminate profit at all levels of the public education system. This means that only nonprofit educational institutions will receive government funding. In addition, education would become the responsibility of the national government rather than individual municipalities. Lastly, she promised to make post-secondary education free within six years. In the area of the Constitution, Michelle Bachelet most notable promise is to change the electoral system to proportional representation, from the current binomial system developed by the dictatorship. This change would have to be approved via a referendum. Importantly, she specifies that any proposed changes to the constitution would have to come from the National Congress, making no mention of a constituent assembly. Finally, Michelle Bachelet promised to reform the tax code so as to increase public funds available for social programs, in particular, the reforms to the education system. Specifically, the reform aims to raise total tax revenue by a sum equal to 3 per cent of the country's GDP (Bachelet, 2013).

To date, Michelle Bachelet and the *Nueva Mayoría* are on track to meeting their promises and are therefore going some way in meeting the demands of the student movement. However, it is important to highlight how they also fall short. Free education is granted but it is pushed six years into the future, that is, two years past Michelle Bachelet's current presidential term. This can only leave a high degree of uncertainty as to her commitment to carry out reforms during her

current term as president. In other words, what will happen to education reform if she is not re-elected in 2017? In addition, the person responsible for leading the proposed changes to the education system is Nicolás Eyzaguirre, designated by Michelle Bachelet as Minister of Education. Eyzaguirre is a former director of the IMF and was the architect of the *Crédito con Aval del Estado*, the student loan system, which, as mentioned above, was partly responsible for the mushrooming debt loads of the student population in Chile.

Michelle Bachelet's promises in the areas of taxation and constitutional reform are also problematic. Michelle Bachelet promised to raise taxes to pay for education, certainly a step in the right direction. However, this leaves out the students' more radical proposal for how to fund free education, namely nationalizing the copper industry. Similarly, Michelle Bachelet's proposal for constitutional reform gives the initiative to the National Congress and is focused on electoral reform. All citizens would do in the end is approve or reject the proposal it comes up with via a referendum. The student movement's more radical proposal of a constituent assembly through which citizens themselves can develop a variety of proposals for constitutional change is left out. This is important because one of the students' key demands was to do away with the current education law developed by Augusto Pinochet. Michelle Bachelet's proposal for constitutional reform may not necessarily do away with it.

The contradictory response of Michelle Bachelet and the *Nueva Mayoría* to the demands of the student movement is consistent with the politics of neostructuralism developed by the *Concertación* in previous decades. This means we can expect both continuities and changes to the politics of orthodox neoliberalism promoted by the Piñera government. Although it is unclear how the student movement will respond to a renewed neostructuralism in Chile, its desire to create a new politics has made its mark inside the Chilean state. For example, Gabriel Boric and

Giorgio Jackson recently proposed a 50 per cent reduction in salary for elected parliamentarians, sparking fierce debates about the elite character of the Chilean parliament ("El Proyecto", 2014).

In addition, in 2014, at a parliamentary homage for Jaime Guzmán, a former senator and key ideologue during the Pinochet dictatorship, Camila Vallejo alone remained seated in protest ("Camilla Vallejo No Se Puso", 2014). It is by combining these acts of dissent inside parliament with a new cycle of dissent outside it that a new Chilean left can continue to grow, and with it, the creative potential for a new post-capitalist future. However, an important challenge also remains for these new student leaders. Compared to the case of Raul Godoy and Alejandro Lopez in Argentina, these new student politicians are at a higher risk reproducing the division between mental and manual labour, which gives rise to the professional politician. To avoid this, these new student politicians will have to continue to develop new forms of representation and leadership through deeper connections to the working class. Given the labour movement's near decimation to the hands of Augusto Pinochet, and its subsequent incorporation within the politics of the *Concertación* during the pro-democracy struggles, building closer ties with labour certainly presents a difficult challenge for the movement. However, 2011 has a promising legacy from which to build on.

Chapter 6: The 2013 Brazilian Free Transit Movement

Like the Chilean student movement, the 2013 Brazilian transit movement took place in the context of a wave of global struggles that began following the global economic crisis in 2008. The case of Brazil poses an interesting analytical challenge, however. Unlike the Occupy movement in the US, the Spanish *Indignados*, or many of the Arab Springs, which occurred in the context of deep political and economic uncertainty, the recent Brazilian uprising took place in the context of relative economic prosperity and political stability. In the decade leading up to 2013, Brazil experienced some of the highest growth rates in the world, historic levels of employment, decreasing poverty and inequality, and rising real incomes, all while maintaining high levels of democratic legitimacy. Much of this has been the result of economic and social policy developed by the *Partido dos Trabalhadores* (Workers Party or PT) since taking power at the federal level in 2003 (Barbosa, 2013; Faria, 2010).

Faced with the paradox between economic success and rising social tension in 2013, the PT tried to explain the latter as a result of the first, echoing the 'creative tensions' thesis developed by Gárcia Linera in the case of Bolivia. As Dilma Rousseff, President of Brazil at the time, put it in a lengthy interview concerning the 2013 uprisings: "Those demonstrations were the fruit of two processes: a process of democratization and also the processes of social inclusion and growth in salaries, employment, growth in social policy, that brought millions of people into the middle class" (Moreno, 2013). [43]

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[43] See also transcript of her widely viewed televised speech on June 21, 2013 (Rouseff, 2013).

Reflecting on the lessons that can be learned from the demonstrations, Dilma Rousseff then frames the social unrest as part of a mutually reinforcing dynamic between democracy and protest, making reference to social improvements under the PT government:

> I think that we can learn two things. First, we learn that when people have democracy, they always want more democracy. When they have social inclusion they want more social inclusion. In other words, that in politics and in government action when you obtain a goal you can be sure that this is only the start. Just as escaping misery is only the start. It is the start of other demands. This is what the protests demonstrate. Second, that a government has to listen to the voices of the streets. A government can't stay isolated listening to itself. It is intrinsic to democracy being capable of coexisting with demonstrations. It is not a fortuitous episode, or a point outside of the curve – it is the curve. It is the curve!
>
> (Moreno, 2013)

Hence, for the then President, the protests were ultimately part of a continuous process moving toward progress and improvement, one in which the PT government was doing its part. Similar views were expressed by other prominent PT members and supporters.[44]

Against the above-mentioned views, I argue that the 2013 protests were a reaction to (i) the neoliberal continuities in Brazil's political economy over the last decade and the specific contradictions posed by the 2010 global crisis, and (ii) the limits of the PT strategy for social transformation. However, the protest also went beyond this. By developing forms of organizing that emphasize active and participatory democracy, building new alliances between different

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[44] For example, see interview with Flavio Koutzii, long-time PT leader, on July 1, 2013 (Weissheimer, 2013) and discussion by Emir Sader (2013a), prominent PT supporter, on July 3, 2013.

social and political groups, and making incursions into the existing state structures, the free

transit movement began to prefigure post-capitalist social relations. In other words, it is an

example of a post-capitalist struggle.

My interpretation of the protests as a post-capitalist struggle challenges some left wing

analyzes that see them as yet another set of diffuse social movements with little or no political

content to offer. For example, Alfredo Saad-Filho (2013) described the movement as

'amorphous' and 'infantile', prone to easy manipulation by the right wing media (p. 664). For

him, the protests ultimately showed that: "Without organization, dissatisfaction – however

legitimate, wide and deeply felt it may be – tends to be fruitless, and that spontaneous mass

movements with a mixed class base and fuelled by unfocused anger can be destabilizing without

being constructive" (p. 664).

For his part, Emir Sadr (2013) describes political currents within the movement that are

critical of the PT as 'ultra-leftist', and goes on to criticize them for failing to offer an alternative

program.[45] As I will show through my case study, these interpretations of the movement are one-

sided and overly simplistic, relying on a superficial understanding of its dynamics on the ground.

It is what leads Saad-Filho (2013) to also take an uncritical position of Brazil's PT, rejecting the

movement's targeting of the former federal government based on the fear that it would ultimately

empower the right wing (p. 664).

Nevertheless, it is important to recognize that, as mere prefiguration, the movement

contained many tensions and contradictions. Most notably, it did not fully find the new forms of

democratic participation that it sought. As a result, like the Chilean student movement discussed

earlier, it remained caught somewhere between the negation of the existing Brazilian political

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[45] Sadr did not specify who exactly he was referring to. However, it is safe to assume Sadr was referring to PSOL, PSTU and the autonomist organizations.

system and the affirmation of something fundamentally new. However, in comparison to the Chilean case, it remained even more tentative in its outlook toward the state and labour organizations. Part of the problem was that the Brazilian movement, under the influence of autonomism too readily dismissed the possibility of creating a political organ that might be consistent with its own values and practices, something that was partly overcome in the case of Chile through the use of more established institutions.

In addition, the transit movement oversimplified the role of organized labour in the struggle for a post-capitalist future.[46] Part of this can be explained by the fact that under the PT government, labour had achieved meaningful gains since 2003. Consequently, until approximately the beginning of the global crisis, organized labour displayed relatively low levels of struggle, something that made the creation of strong connections between labour and the transit movement in 2013 somewhat challenging. Lastly, as we will see, the ambiguities and contradictions of the movement also opened up spaces for the emerging right wing forces that in 2016 successfully removed Dilma Rousseff from office.

The PT, Neoliberal Continuities and Growing Frustrations

Rather than taking the path of the old Latin American vanguardist left, in the form of the guerrilla movement, or the Stalinist party, Brazil's PT, decided to try something new. Strongly backed by organized labour and a variety of social movements, the PT's central strategic challenge became to somehow combine the institutions of liberal democracy with popular participation by communities and movements. As Tarso Genro (2002), one of the PT's intellectual founders and former Governor of the state of Rio Grande do Sul put it: "It's about

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[46] It is interesting to note that the work of Holloway (2010) was particularly influential in the movement. Indeed, a number of activists organized a reading group on one of his books, *Crack Capitalism*, translated into Portuguese by one of the organizers. Holloway himself even spoke via Skype at one of the meetings.

opening the possibility of an indeterminate future that combines the predictability of political representation with the original indeterminacy of direct democracy" (p. 32). For Genro (and important sections within the PT), the call for direct democracy was also meant to challenge the neoliberal 'consumer citizen' whose democratic participation is reduced to market choices. To operationalize their strategy, the PT created new institutional mechanisms for popular participation, the most emblematic of which became Participatory Budgeting (PB).

Introduced in the city of Porto Alegre in 1989, PB was an innovative experiment in co-management and de-centralization (Weyh, 2011). Spreading to over 100 municipalities, it allowed communities of diverse political stripes to democratically manage a small portion of their city's budget. Not only did this result in more and better services for poor communities, it also opened a space where people could learn new democratic skills and build new solidarities (Baiocchi, 2003; Weyh, 2011). In PB, a virtuous cycle of democracy was unleashed: the more people participated, the more people learned to participate. Add to this a number of poverty reducing programs at the national level, such as *Bolsa Familia* (Family Basket), and *Minha Casa Minha Vida* (My House, My Life), and new policies of full employment, and a new path to social transformation was seemingly created: peaceful, gradual and democratic.

However, it wasn't long after the PT acquired power at the national level in 2003 that contradictions in its political strategy became more apparent. As is well documented, led by Lula, the PT adopted a mainstream macroeconomic approach that, as Perry Anderson (2011) notes, went beyond even what the IMF demanded. It was within this macroeconomic framework that the PT, in line with the neostructuralist model, then tried to introduce a number of redistributive measures, while increasing the state's regulatory capacities (Fortes, 2009). In other

words, the PT attempted to combine neoliberalism with a measure of equity, a new development approach that Leiva (2008) calls neostructuralism.

The contradictions of the neostructuralist path pursued by the PT soon began to take a toll on many of the party's progressive initiatives and commitments. As Goldfrank (2012) notes, the PT lost some of its enthusiasm for PB and failed to extend it to the national level. In addition, municipal PB became more bureaucratic and in many cases more open to the participation of NGOs and the business sector. In other words, PB began shedding some of its original social movement and community focus. Using the case of Porto Alegre, Chavez (2008) describes this process as the 'watering down' of PB. Indeed, even the World Bank jumped on the PB bandwagon, praising it for encouraging transparency and minimizing corruption. After all, despite many of its progressive characteristics, PB fit nicely with neoliberal policies of decentralization and the downloading of fiscal responsibilities to lower levels of government.

Also problematic was how the PT dealt with the issue of agrarian reform. Agrarian reform, the key demand of one of its most important early allies, the Brazilian Landless Workers Movement (MST), was effectively dropped from the PT's program. More accurately, the PT re-articulated the MST's demand for agrarian reform by strengthening the productive capacities of existing MST lands, rather than addressing Brazil's highly unequal land ownership structure, in which the top 1 per cent own 50 per cent of the land. In other words, of the three key elements of the MSTs program, namely 'occupy, resist, produce', the PT opted to act only on the last point. It did so by opening avenues for the sale of MST products throughout the country. The PT's re-articulation of the MST's demands has created ongoing conflict between the government and the rural movement (Ferrero, 2012).

Traditionally, the PT had also found electoral support in the middle class, particularly in the Southeast and urban centers. This layer of PT supporters is highly educated and politically engaged, strongly identifying with the party's social justice platform (Bohn, 2011). Although benefiting from Brazil's strong growth record for over a decade, this middle class began to face growing economic uncertainty, particularly as it became evident the country was not immune to the 2008 global economic crash.[47] This came at a time when the government was spending billions of dollars on the 2014 World Cup and the 2016 Olympics, a decision difficult to justify on social justice grounds.

Unions, another traditional bastion of PT support, also went on board with this anti-World Cup sentiment, several of them threatening strike actions during the tournament if their demands were not met. The proactive stance many unions took in relation to the World Cup was more than just conjecture. Indeed, since 2008, Brazil has witnessed an upswing of strike activity, which culminated in a yearly average of 560 strikes by 2012, a record since 1998 (Ribeiro da Costa, 2013). This development could be interpreted as reflecting rising tensions in the labour movement model that developed in the 1990s under the right wing neoliberal administration of Fernando Henrique Cardoso (popularly known as FHC).

Under FHC, the labour movement began to take on a more conciliatory and collaborative approach toward both capital and the state. This 'social partnership', as Andréia Galvão (2014) calls these new labour relations, was strengthened by the PT when it came to power in 2003, with the difference that this time it yielded concrete economic gains for labour. One can contrast this to the case of Argentina, in which the Kirchner administrations, despite holding up the

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[47] After registering 7.6 per cent growth in 2010, surpassing even its pre-crash growth levels, the Brazilian economy once again began to slow down, registering 3.9 per cent growth in 2011 and only 1.8 per cent in 2012. After a small rebound in 2013 (2.7per cent), growth all but disappeared in 2014 (0.1 per cent). Nevertheless, compared to the rest of the world, Brazil shows one of the strongest growth records since 2004 (World Bank, 2015).

Peronist banner, did relatively little to strengthen the economic or organizational power of labour

following the neoliberal reforms of the 1990s. There was a price to pay for the economic and

political gains made by Brazilian labour under the PT, however. As Antunes and Santana (2014)

argue, in comparison to its 'golden years' of the 1980s, Brazil's labour movement had been re-

oriented away from its emphasis on union freedom and autonomy and toward institutionalized

spaces with a bureaucratized union leadership (p. 18). How far the wave of labour action went in

disrupting this 'social partnership' remains difficult to say, however.

Precarious workers and marginalized groups also faced challenges in relation to the

World Cup. For example, people living in favelas and indigenous groups were displaced around

the country, as new stadiums and infrastructure were built. According to one report, 19,000

families had been displaced in Rio de Janeiro to make way for construction projects (Gibson and

Watts, 2013). The World Cup and the summer Olympics in Rio de Janeiro also attracted a wave

of speculative activity in the housing market, particularly in urban centers. In Rio, for example,

foreign capitalists bought up favelas with the hope that the value of the land will go up as the

government continues it's 'clean up' of the city.[48]

However, these mega events are merely the tip of the iceberg. In the lead up to these

mega events, the country experienced a growing bubble in the housing market. In part, this was

aided by the government program known as *Minha Casa Minha Vida*. Launched in 2009, *Minha

Casa Minha Vida* was aimed at helping poor and middle-class people purchase their own homes.

However, as Ermínia Maricato (2013) notes, the program was designed in conjunction with

business leaders in the housing and construction sectors. The result was a massive growth in

private investment in the residential housing market, from approximately $1 billion in 2002 to

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[48] For an excellent journalistic account of how the World Cup was used as a vehicle for dispossession in
Brazil, see Dave Zirin (2014).

$40 billion in 2011 (Maricato, 2013). Although the housing boom created a growth in employment in the construction sector and allowed a layer of the middle class to achieve homeownership, many have been left out and are now facing sharply rising housing prices. For example, in São Paulo and in Rio de Janeiro housing prices increased by 153 per cent and 183 per cent respectively between 2009 and 2012 (Maricato, 2013).

This housing boom also attracted a flow of foreign capital into the real estate market. Although investments in the more volatile mortgage-backed securities remain very low at the moment, these have been expected to grow once the government-subsidized savings program expires (Coppola and Brandt, 2012). In other words, what Brazil witnessed at that time was the start of what Harvey (2003) calls a 'spatio-temporal fix', meaning an outlet for highly mobile investments at a time of low growth and austerity elsewhere in the world. Indeed, for over a decade, Brazil has been one of the largest recipients of foreign direct investment in the world, an important reason why in 2013 the developing world, for the first time, surpassed the developed world in attracting global investment (UNCTAD, 2013).

As housing prices in Brazilian cities began to rise, people flocked to the peripheries. However, unlike countries such as Spain or Greece, Brazil has in recent years been experiencing historically high levels of employment, a result of the concerted effort by the PT government to break from the neoliberal labour policies of the FHC government. Indeed, after merely one year of being in power, the PT, under the leadership of Lula, created as many jobs as FHC had created in eight, in part, the result of significant changes to the Ministry of Labour (Berzoini, 2010). Improvements in the labour market continued throughout Lula's presidency. Under the PT's pro-labour policies, by 2009, Brazil had generated a total of 12 million jobs in the formal sector, and

by 2012 the unemployment rate had reached a historic low of 5.5 per cent (Lupi, 2010; Barbosa, 2013).

The coincidence of a booming labour market and skyrocketing housing prices means large sections of the Brazilian working class have to commute in and out of the city in order to work, putting tremendous pressure onto an already fragile transit system. In other words, the global capitalist crisis expressed itself in Brazil as a specific 'mutation' (McNally, 2011), one in which urban mobility became central. For example, in São Paulo the average commute time in 2007 was more than 2.5 hours. Yet, in 12 Brazilian cities, the number of motor vehicles doubled between 2001 and 2011 from approximately 20 million to approximately 40 million (Maricato, 2013). In other words, in many Brazilian cities transportation has become truly chaotic.

Importantly, not everyone is affected equally by the heavy traffic. In São Paulo, for example, it has become commonplace for the rich to commute by helicopter. That they do so without paying any extra taxes has only served to increase the outrage of the working classes and poor. Unlike the rich, workers face impossibly long commutes in a transportation system that is privately run by a few large companies. In addition, these companies are heavily subsidized by the state. Indeed, in São Paulo, two owners control 7000 buses, approximately 50 per cent of the city's fleet, and the transportation companies as a whole receive a 20 per cent subsidy from the city (Bava, 2013, "Mercadoria"; Bava, 2013, "Sem Catracas").

As reflected in progressive sectors of the Brazilian media, people also grew frustrated with the PT's 'strategic alliances' and concessions to the right wing and capitalist class. For example, despite the PT's constant complaining about the corporate media in the country, these two supposed foes developed what can be called a tacit alliance. As Magalhães (2003) tells us, beginning in the 1990s, the corporate media, sensing an eventual PT victory, decided to soften

their stance on Lula. Their hope was that, if elected, the PT would return the favor by rescuing the communications sector from the crisis it was experiencing at the time. The strategy worked. Lula won the 2002 elections and proceeded to rescue the industry through deregulation and the courting of foreign investment. However, since then, the corporate media only grew more powerful and, somewhat ironically, resumed its highly critical postion towards the PT.

Similar concessions were made in the area of social policy. A recent example is the PT's decision in 2013 to allow Marco Feliciano to be chair of the Brazil's Human Rights Commission ("Pastor Marco", 2013; Watts, 2013; "PSOL apresenta", 2013). To the outrage of the LGBTQ community (and progressive sectors more generally), Feliciano led an initiative that encouraged gay people to undergo psychological treatment, the so-called 'gay cure' (Foreque and Falcão, 2013). This concession to the homophobic right wing became an important rallying cry during the 2013 uprisings.

In short, in 2013, a variety of sectors normally supportive of the PT had real reasons for being dissatisfied with the government's handling of a number of issues. This relatively widespread dissatisfaction coupled with the more passive role labour took under the PT, explains why the transit movement articulated itself primarily within civil society. As we will see, the movement also showed that, far from being part of a 'post-neoliberal' era of steady progress and inclusive development, as the PT and its supporters argue (Sader, 2013b), Brazil had been facing important contradictions rooted in neoliberal continuities. Not surprisingly, this resulted in growing frustrations. In June 2013, these contradictions began to the surface, revealing the limits of the PT's strategy for social transformation.

The June Revolt: Between Negation and Affirmation

One of the key epicenters of the June revolts was the city of Porto Alegre. Although relatively small in comparison to other Brazilian cities, Porto Alegre remains, politically, one of the most important cities in the country. For example, Porto Alegre has hosted the World Social Forum five times and was the birthplace of participatory budgeting. Porto Alegre's home state, Rio Grande do Sul, is also where the MST's origins can be traced. Lastly, historically, it has been a bastion of support for the PT. For these reasons, the city has been considered an important international reference point for progressive politics. Not surprisingly, Porto Alegre played a leading role during the uprisings.

To the surprise of many, Porto Alegre elected a right wing government in 2004, that is, after 16 consecutive years of PT rule. Since then, the municipal government has been less inclined to continue with the city's history of progressive experiments. In 2012, the city began a number of projects related to the World Cup. Among them was the privatization of some of the space surrounding the city's *Mercado Publico* (public market). In addition, a park near the *Gasômetro*, one of the city's most important public areas, was targeted by the city for modification so as to allow for the expansion of a highway. In both cases, relatively small groups of students occupied the spaces in order to stop the projects. However, their efforts failed and the projects went ahead. The actions did however manage to raise awareness about some of the negative impacts of the World Cup.

Parallel to this, the *Comitê Popular da Copa* (World Cup Popular Committee), composed of several groups including the MST, began organizing against the football tournament and what they saw as the municipal government's mistaken priorities. For example, participatory budgeting was noticeably weakened. Indeed, by June of 2012, only 17 per cent of the money

allocated through the city's PB had actually been spent ("Prefeitura investiu", 2012). This continued a trend of marked under-execution of PB projects in the city since 2005 (Chavez, 2008). In addition, there was a growing discontent about the city's public transportation, resulting in large mobilizations in April 2013. These mobilizations were organized by the *Bloco de Luta Pelo Transporte Público* (Struggle Block for Public Transit), and managed to stop the scheduled 20-cent hike in transit fares. This victory marked a qualitative shift in the movement.

Inspired by the victory in Porto Alegre, the transit movement took root in São Paulo, where it grew quickly and became strengthened by the participation of the Subway Workers Union (Costa, 2013). The transit movement is led by *Movimento Passe Livre* (Free Fare Movement), or MPL. Formed in the 2005 World Social Forum in Porto Alegre, and with roots also in the north of Brazil, the MPL considers itself a horizontal, autonomous, and non-partisan movement. The movement operates throughout the country but is strongest in São Paulo. Importantly, although non-partisan, the MPL does not consider itself anti-party, a distinction that became more meaningful in the movement as events progressed. Part of the MPL's success can be attributed to their clear demand, namely free public transit. This demand resonated throughout the country, posing a direct challenge to Brazil's private transit system (Gibb, 2013).

The magnitude of the mobilizations caught the PT totally by surprise. Indeed, during the first large demonstrations on June 17, there was no visible PT presence in Porto Alegre. The demonstration was organized by *Bloco de Luta*, and greatly amplified via social media networks. About five to seven thousand people amassed at *Prefeitura Municipal de Porto Alegre* (City Hall). The mood was confident, energetic and inspiring. Youth between 15-25 years of age were in the majority. People freely experimented with various chants, including, '*Sem partido*' (Without a party), '*Não nos representam*' (They don't represent us), '*Brasil acordou*' (Brazil

woke up), '*Acabou o amor, Brasil vai virar Turquia*', (The love is over, Brazil will turn into Turkey), '*Vem pra rua*' (Come to the streets), and '*Sem violencia*' (Without violence). Street slogans also appeared on Twitter in the form of #vemprarua and #PasseLivre, for example.

Some people held Brazilian flags with the words, '*primaveira brasilera*' (Brazilian spring) written on them, while others held up Turkish flags.[49] Clearly, in addition to the national context, protestors had similar global revolts in mind. In other words, this sense of international solidarity wasn't simply spin developed by the Brazilian right wing media, as Saad-Filho argues (2013, 658). Finally, placards demanded better public education, health care and an end to the World Cup. Interestingly, despite an anti party sentiment in sections of the crowd, party flags were in plain view, including those of the *Partido Socialismo e Liberdade* (Socialism and Freedom Party, PSOL), and the *Partido Socialista dos Trabalhadores Unificado* (Unified Socialist Workers Party, PSTU), socialist parties to the left of the PT. As with all subsequent demonstrations, protestors were met with police repression, which included the use of tear gas and rubber bullets.

The next demonstration took place on June 20, only this time it brought together close to 10,000 people. Overall, over a million people took to the streets in over 100 cities that night. Reflecting their relatively slow reaction to the unfolding movement (when compared to broader layers of civil society), it was only at this point that unions had a significant presence in demonstrations in Porto Alegre. This included members of *Sinidcato dos Municipários de Porto Alegre* (Municipal Workers Union of Porto Alegre or SIMPA), representing the city's municipal workers. Also of note is that this time, few if any party flags were in view. This was also the case during the following demonstrations on June 24th and 27th. However, gone were also the anti-

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[49] A similar movement was unfolding in Turkey at exactly the same time. The Turkish movement began as a reaction to the attempted privatization of Gezi park in Istanbul. Interestingly, pictures of the Turkish protests circulating the internet at the time would sometimes feature Brazilian flags.

party chants. Interviews revealed that at this point in the mobilizations the movement began to recognize that the anti-party sentiments were being actively spread by the corporate media as a way to impose their own right wing agenda. As a result, the movement consciously dropped its simplistic anti-party position. Indeed, they recognized that a number of parties had been part of the initial organizing.

The movement's rapid learning was evident at a student assembly held at *Universidade Federal do Rio Grande do Sul* (Federal University of Rio Grande do Sul, UFRGS) on June 27th, where activists from a variety of groups suggested that the way forward was to develop a more coherent political program. In addition, at the demonstration later that night, a mysterious plane or helicopter was flown over the protestors, projecting a number of political messages, including '*Sem partido*'. It was widely suspected by activists present that night that the plane was owned by a media company who was attempting to spread right wing, libertarian ideas. For example, Paulo, a former member of PSOL and now independent transit activist, thought the phrase '*Sem partido*' was little more than an empty slogan that was encouraged by the corporate media to discredit left wing parties that were part of the movement, and create a sense of political nihilism among the protesters.

That night, the crowds responded to the anti-party sentiments being spread by the media by borrowing a slogan from the Spanish *Indignados*, which most accurately captures their political sentiment: '*Não nos representam*' (They don't represent us). Later, I asked Carla Fernandes (Interview 59), a former MST member and prominent transit activist, if this meant the movement was against political parties. Her response was: "I'm not against parties…parties are an important tool, they are part of a historic process…One can't ignore that. But the way in which they organize themselves today, the way they project themselves doesn't represent me." A

similar sentiment was expressed by Paulo Ferreira (Interview 62), whose skepticism of political parties was intermixed with recognition that they can sometimes be important tools for social change, citing the cases of Venezuela and Bolivia. He therefore remains strategically ambiguous: "I don't like to follow clear formulas for social change because they don't exist."

The ambiguity toward political parties evident in Paulo and Carla's comments explains why protesters ultimately transformed a simplistic '*Sem partido*' to '*Não nos representam*'. In doing so, the movement avoided co-optation by the right while asserting their commitment to new forms of political participation, even if these remained only partially articulated. Bruno Cabral (Interview 72), a founding member of PSOL, best captures the movement's tentative steps forward: "It's consciousness in motion. The first thing is to negate. And it's important to negate. The next step, the step of affirmation, is in dispute." In other words, the movement was caught somewhere between negation and affirmation.

Although slow to respond to the mobilizations, in late June, organized labour began to prepare for a general strike. The call was made by the *Central Única dos Trabalhadores* (Unified Workers' Central, CUT) and many of its affiliates. The CUT is the most important union in Brazil with a historic relationship to the PT. As Marcelo Da Costa (Interview 78) a union representative for CUT's secretary of health in Porto Alegre and long time labour activist put it, "The PT was born out of the CUT." According to this CUT representative, the call for the general strike was motivated in part by the desire to give the protests a clearer political orientation and a recognizable leadership. The strike was also an opportunity for the CUT to forward a number of demands, both traditional (i.e. reduction of the work week and agrarian reform), and new (i.e. quality public transportation and new investments in health and

education). The first since 1991 (and the fourth in Brazil's history), the general strike took place

on July 11, 2013, and successfully brought much of the country to a standstill.

Diverse actions were undertaken throughout the country by both workers and social

movements, including road blockades, building occupations, demonstrations and marches. Porto

Alegre was one of the cities most affected by the strike. The public transportation system was

almost completely paralyzed and practically all businesses were closed. The strike also featured

an action organized by *Bloco de Luta*, namely the occupation (on the night of the 10th) of the

Câmara Municipal (Municipal Chamber). The idea was to make the Municipal Chamber a

meeting point for the marches scheduled by both the unions and *Bloco de Luta* the next day. As

expected, on the 11th, hundreds of unionists gathered in several spots throughout the city and

marched toward the city center. In the early afternoon, *Bloco de Luta* asked the unions to

continue their march all the way to the Municipal Chamber, where the occupation was ongoing.

Once under way, the march split downtown, with about 3000 people continuing to the Municipal

Chamber and 2000 remaining near City Hall.

Surprisingly, the number of people on the streets was lower than in previous marches and

demonstrations. Although organized workers were much more visible than in previous days, it

seems the vast majority decided to stay home rather than go out to the streets. The CUT's

explanation for this low turn out on the streets was that the transit system was paralyzed (by the

strike), making it difficult for many workers to commute downtown. However, turnout was also

relatively low at the meeting points outside the downtown area. In addition, the 2000 unionists

that stayed at City Hall staged a less than energetic demonstration that lasted only a couple of

hours. It is no surprise that, when asked about the role of unions in the movement, one prominent

activist from *Bloco de Luta* later complained that their marches were "beyond boring." Clearly,

Bloco de Luta weren't content with the type of leadership the CUT was looking to provide. This became most evident in the following ten days.

The Struggle for the Future

In addition to being a reaction against neoliberal continuities in Brazil and the demands of global capital, the June uprisings displayed a high degree of political creativity, going beyond the forms organization and tactics of the traditional Brazilian left. In Porto Alegre, this was most evident in the ten-day occupation of the *Câmara Municipal* (Municipal Chamber).[50] This is the place where municipal representatives pass legislation. As we will see, the occupation is an example of a post-capitalist struggle. As such, the occupation began to reconfigure left politics in the city, creating new alliances and carving new paths for the left to pursue. However, as merely a glimpse of the future, this process is necessarily ambiguous, contradictory and fraught with tensions. This is most evident in the movement's struggle to develop new forms of political participation, which attempt to redefine leadership and political representation.

The occupation was organized by *Bloco de Luta*, an innovative anti-capitalist political body created in January 2013 in Porto Alegre. *Bloco de Luta* is comprised of individuals from a variety of left wing organizations and groups, labour unions, and political parties, as well as nonaffiliated activists. Political parties present within the organization include PSOL and PSTU. Although a few individuals from the PT (including elected municipal representatives) were also present at first, in July 2013, activists voted to formally ban the PT from further participation, citing examples of repression and co-optation of the movement by the party. Groups also present included *Frente Autónomo* (Autonomous Front) and *Federação Anarquista Gaúcha*. Although many individual union members were supportive of *Bloco de Luta,* union locals were hesitant to

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[50] Following Porto Alegre's lead, several other cities also witnessed occupations of their municipal chambers.

give formal support. The one exception was SIMPA, the municipal workers union, which from the very beginning gave the *Bloco de Luta* access to free meeting space.

Bloco de Luta was created as a response to a perceived need by the left to create an organization capable of facing the growing social and political challenges in the city. Sensing a growing discontent about the increasing cost of public transportation, *Bloco de Luta* decided to focus specifically on this issue. Their central demand became *passe livre* or free fare. However, other issues such as healthcare and education also became part of the organization's discourse. The most important area of political tension within *Bloco de Luta* was its relationship to political parties. Approximately half of the individuals in *Bloco de Luta* were members or supporters of political parties, while the other half remained suspicious or rejected them. Nevertheless, these two groups were able to coexist in relative peace. As one party skeptic participant put it, the two opposing positions canceled each other out to create what he called a 'tense equilibrium'. Another pro party participant described the situation similarly, as one of 'necessary tension'.

Based on my observations, the majority of activists within *Bloco de Luta* were high school and university students. The gender composition of the organization was well-balanced, at times perhaps even slightly tilted toward women. *Bloco de Luta's* politics were varied, encompassing the whole spectrum of anti-capitalist currents, from anarchism to communism. One of its strongest currents is autonomism. Reflecting this, *Bloco de Luta* organized itself through assemblies based on participatory democracy, meaning political representation is at least kept to a minimum. The size of the assemblies varies considerably, ranging from a couple of dozen people to close to 500. Decisions are made by attempting to reach consensus on a given issue. However, consensus building is not romanticized. As Carla put it, "my god, if it was only

consensus, we wouldn't get much accomplished!" Hence, once debate has been exhausted and consensus cannot be reached, the assembly moves to a vote.

To allow for maximum participation and inclusivity, *Bloco de Luta* didn't require formal membership. This means anybody can participate by showing up to an assembly. Although participants are often members of other organizations, they don't represent these, but rather participate as individuals. Nevertheless, affiliation to other groups or parties is not hidden, creating an interesting and fluid dynamic in individuals as they shift between identification with *Bloco de Luta* and their 'home' organizations. For example, Roberto Henriques (Interview 66), a member of the *Partido Comunista Brasileiro* (Brazilian Communist Party, PCB), told me how, while participating in *Bloco de Luta*, the PCB leadership told him to deliver the 'party line' on a number of issues. Rather than following their sectarian commands, Roberto grew frustrated and eventually told the party leadership that, if they wanted the party line delivered, they should join *Bloco de Luta* and do it themselves. As a result, Roberto was kicked out of the PCB.

Roberto's example reveals how participation in *Bloco de Luta* has the effect of countering sectarian and vanguardist tendencies within the traditional left. Indeed, as Roberto revealed, the atmosphere within *Bloco de Luta* was such that, when he arrived at a meeting, people would joke around and say, "here comes the Stalinist" (a reference to his affiliation to the PCB). In most situations of this nature, this type of comment would have certainly been sufficient cause for a war of words, if not a fistfight! The fact that this was considered an affectionate joke by all (including Roberto), demonstrates the high-level of solidarity and trust developed by all the different organizations participating in *Bloco de Luta*. For Roberto, this process of collective learning was indeed the most important aspect of the organization.

Similarly, when I asked Carla about some of the most important things she learned as an activist within *Bloco de Luta*, she said: "Patience! Not everybody has the same experience and those that don't have it need to be helped so that they do. Those that are more advanced can't be allowed to run ahead because then the ones behind won't come along." In other words, as an experienced activist, rather than playing the role of the vanguard, Carla had to learn to move at a more moderate pace, simultaneously slowing herself down and speeding up less experienced activists. For Carla, this process created a sense of unity in the organization. In her words: "Despite all the internal disputes that are there I saw that everybody was there with the feeling of trying to build something. The points of unity were strengthened. Where there was consensus things were strengthened."

Bloco de Luta does not elect representatives and many participants claim it to be leaderless. However, some participants disagreed, arguing that leadership exists in a informal manner, what one participant called 'leaderless leaders'. Critics of this 'informal leadership' argue that this reflects poor democratic practice, as it can lead to a lack of accountability. Faced with this argument, supporters of *Bloco de Luta's* organizational approach claim that what is perceived as an informal leadership is really a more fluid leadership style when compared to those of traditional parties and unions. Bruno tries to explain this approach to leadership: "When [*Bloco de Luta*] was formed, nobody could lift themselves up to be the leader of everyone. It was a very spontaneous process on the streets and therefore in order to be a leader you had to dialogue with that spontaneous sentiment." In other words, rather than rejecting all leadership, *Bloco de Luta* struggled to develop a new form of leadership, one that could adapt quickly and continuously to the changing conditions on the ground. Not surprisingly, as my observations also

showed, even at more important meetings, one could see a number of different individuals leading a conversation or debate.

Bloco de Luta's attempt to develop a more dynamic approach to leadership is also evident in how people participate within the smaller and relatively autonomous committees formed by the assembly. These include, communication, food, health, legal and organization. The committees are fluid, forming and dissolving themselves depending on the situation. Committee members are not elected. To form or join, one simply has to volunteer. For Danilo Campos (Interview 58), a self-described autonomist, the volunteer-based committees were part of the beauty of *Bloco de Luta*. As he told me, each person is able to assess his or her own skills and immediately contribute to the organization. This is the case even for politically sensitive tasks, such as communications, the area he chose to work within.

According to Carla, the most important committee was the "organization committee." This committee was responsible for developing the political direction of the assembly and consisted largely of more experienced activists who already belonged to political parties or other groups. Hence, as Carla noted, "It wouldn't be true to say that there is no leadership." However, any of their proposals would have to be approved by the assembly. As Bruno makes clear, "The organization committee didn't have a mandate to decide things by majority...so internally it had a vision of consensus." Once again, we see here the complexities and difficulties of attempting to create a new, albeit still under-developed democratic form.

Reflecting on *Bloco de Luta's* organizational approach, and overall politics, it is important to highlight one of its weaknesses, namely that, in trying to do away with the vanguardist approach of the revolutionary party, it may have simply created a new type of vanguard. Indeed, the number of people that participate within *Bloco de Luta* was relatively

small. In addition, those who participate are largely middle class students that are already politically engaged and live in the urban core. Lastly, its 'fluid leadership' style may, in practice, simply empower an even smaller group of highly politicized individuals from other political organizations. This small informal leadership would of course be unaccountable to not only *Bloco de Luta* but also the broader population. These are serious concerns for developing a democratic movement that in someway pre-figures a post-capitalist society.

On the flipside, *Bloco de Luta* does differ from the classic vanguard party in an important way, namely that it does not see itself as the more advanced layer of society that has to deliver the party line to others. Hence, *Bloco de Luta* made significant attempts to expand participation beyond its student core. For example, *Bloco de Luta* organized several actions and meetings in the periphery of the city that addressed issues relevant in those areas, such as police repression. It also reached out to indigenous communities, and Afro-Brazilian groups. Based on my observations, the MST also played an important role, sending representatives to many meetings and making rural issues also part of the discussion. In other words, although the core of the organization was largely students from the city's downtown, this was largely seen as a deficiency. Attempting to correct this deficiency yielded positive results that made *Bloco de Luta's* demands appealing not only to students, but to broader layers of the population, as I will discuss below. Nevertheless, it remains unclear how the informal leadership working within the organization could become more accountable to the larger group. It is here that the greatest possibility of reproducing the vanguard lies.

The occupation of the Municipal Chamber on July 10 was *Bloco de Luta's* boldest action during these months. The Chamber is a large space (about the size of a lecture hall) that seats approximately 200 people and contains offices for each of the elected representatives. The

chamber is surrounded by a large garden, which leads to a single entrance guarded by security personnel. *Bloco de Luta* surprised the authorities by occupying the space late at night with about 100 activists. Once inside, they mobilized supporters via social media. Given the high risk of police intervention, they knew the occupation depended on the participation of a large number of activists. Almost immediately, supporters began arriving at the chamber. Some stayed and others delivered supplies such as food and medicine. At this point, the challenge was to make it through the first night, and wait for reinforcements to arrive the next day (the day of the general strike).

The activist's strategy worked. More supporters began arriving at the chamber in the morning of the 11th. As news of the occupation spread, supporters began to organize a march toward the Chamber that would coincide with the marches planned by the unions. Despite logistical problems, by approximately 5 p.m., about 5000 people headed toward the Municipal Chamber. Upon arrival, people flooded the garden and quickly began to pour into the main hall, now renamed, *Casa do Povo* (people's house). Immediately, activists began 'redecorating' the space. Dozens of posters containing a variety of messages, such as,'*Passe Livre'* (Free Fare), '*Vamos a Luta'* (Let's go to the struggle), were put up across all the main walls. One activist put up a cardboard poster at the entrance of the hall, next to the photographs of all the elected politicians. It read: '*Não Nos Representam*' (They Don't Represent Us). It became clear that from the get-go activists wanted to do democracy differently.

From the first day of the occupation, activists organized general assemblies. Through them, people democratically decided everything from the general political direction of the movement to logistical issues such as meals and cleaning. Anybody who arrived at the Municipal Chamber was welcome to participate. The format of assemblies was open and fluid. Individuals would volunteer to chair the meetings and everybody was allowed to speak in front of the

microphone. Typically, meetings would begin with report backs from the various committees formed. Often, these committees would present the room with decision-making opportunities. This would lead to a period of discussion through which consensus was developed. If consensus was not reached, voting would follow. To vote, individuals would simply raise their hands. However, as several participants revealed, situations in which voting was needed were somewhat rare. Assemblies would last 2 to 3 hours. At any given time there would be anywhere from 100 to 500 activists occupying the Municipal Chamber.

On day two or three of the occupation, *Bloco de Luta* decided to undertake what became its most important political project, namely the creation of a public transit law. To accomplish this, the general assembly decided to form specialized committees. As usual, everybody was welcome to participate. Demonstrating the movement's desire to include diverse sectors of society, talks were soon organized with university professors, union representatives, indigenous leaders, and community organizers with the purpose of assessing the possibilities for creating a new transit system in the city. For the next few days, the Municipal Chamber became a laboratory of ideas, proposals and plans. People quickly agreed on the idea of free transit, demonstrating the movement's capacity for political coherence and organization. The biggest point of contention became how to pay for it. There were two sides. The first wanted the city to pay for it through increased taxes. The second wanted the bus companies to pay for it. After much debate and discussion, the second side won, and on July 15, 2013, *Lei Passe Livre* (Free Fare Law) was approved by the general assembly ("Projecto de Lei", 2013)

The law had two components to it. The first stipulated free transit in the city for students and the unemployed. Since the law was first drafted, and as a result of subsequent discussions, *Bloco de Luta* also added indigenous communities and *quilombolas* (slave descendent black

communities) to the list (Andrade, 2013). The law made clear that the money to pay for this must come from the profit margin of the bus companies, and that the regular bus fare cannot be increased. The law also prohibits the city from subsidizing bus companies to pay for the new service. In addition, the law creates a municipal mobility fund for the purpose of investing in collective transportation, including trains, subways and bicycle lanes. This has the longer-term goals of reducing the number of vehicles on the roads and preserving the environment. The money for this fund would be raised by increasing property taxes on shopping malls, parking lots, unused buildings, banks and real estate ventures. As we can see, although the law focuses on one issue (free transit), the way it approaches it also addresses other issues, such as the environment and tax reform. In addition, the law includes a number of vulnerable layers of society beyond *Bloco de Luta's* student core.

The second component of the law mandates that the accounts for all public transportation in the city be made public. The motivation behind this was to find out, to paraphrase one activist who spoke from the microphone at a demonstration, how much money was going to workers and how much was being spent by the owners on champagne. The law also states that if any transportation company does not make its accounts public, its concession will be revoked. The mechanism for this, the law states, should be a public meeting held at the Municipal Chamber that includes participation by workers, popular movements and youth that have been elected in grassroots assemblies. This meeting should have a deliberative character, which would allow participants to revoke concessions held by any transportation company. Any transportation company whose concession has been revoked would temporarily become administered by public transportation users (workers, popular movements and youth) elected in assemblies, and

participants of the public audience. Lastly, if irregularities surface in the accounts of any company, the city is to start the process of canceling those business licenses.

Once developed, the new law was circulated through social media. It then became a bargaining chip for *Bloco de Luta* who promised to end the occupation if the law was formally read and approved in the Municipal Chamber immediately after the occupation ended. At this point, Thiago Duarte, the President of the Municipal Chamber, accused activists of being anti-democratic and called the occupation a coup d'état (Fogliatto, 2013). However, as one activist posted on Facebook, "Never did that house [the Municipal Chamber] work so much and was so open to the people." Indeed, many activists felt that the most important thing about developing this law was showing people that not only professional politicians were capable of doing this work. In other words, one of the important accomplishments of the occupation was breaking down the division between professional politician (intellectual labour) and worker (manual labour).

The accusations launched by Thiago Duarte and other authorities against *Bloco de Luta* revealed that during the occupation, not one, but two municipal chambers existed. Outside the Municipal Chamber were the politicians, police and the corporate media, all calling for a return to 'normal', meaning representative democracy. Inside the occupied Municipal Chamber, on the other hand, hundreds of activists had taking politics into their own hands and began to redefine democratic participation. In doing so, activists had not only created a new law that addresses one of the key public problems to emerge as a result of neoliberal continuities in Brazil, they had also built new solidarities and new subjectivities that pre-figured a post-capitalist society. In other words, from within the old society, a glimpse of a new one came to the surface.

Yet, serious contradictions remained. Bruno, described the occupation as "more of a vanguardist measure," an attempt by the more conscious sectors of the movement to keep the struggle going at a time when broader mobilizations appeared to be waning. The occupation also revealed the individualistic tendencies of certain autonomists currents. Bruno refers specifically to the actions of a small group of activists who took nude 'selfies' inside the Chamber as the occupation was ending. These pictures made the front page of every local paper the following day and made the whole of the movement an easy target for those who opposed it. For Bruno, this incident "took a bit of the shine from the victories accumulated". Nevertheless, as a participant in the occupation, he also described the experience as "political education for the vanguard," citing examples of cooperation among the different currents and groups. He also thought the occupation was a learning moment for the broader population, as it helped to unmask a "crisis of representation," with the majority of elected politicians revealing themselves to be "quite absent from the political life of the city".

Facing growing threats of forcible removal by the municipal authorities, activists formed negotiation teams, which included activists from a variety of political currents, and progressive lawyers. Even anarchists and autonomists, usually not prone to negotiate with government, actively participated in this process, demonstrating a high level of maturity. As Bruno put it, "[They] negotiated very well...with confidence, clear lines. They could've in that moment ended up putting their feet in their mouths and accepted anything, but that wasn't the case." A deal was reached. Activists agreed to end the occupation of the Municipal Chamber and the municipal authorities agreed to vote in the Free Fare Law. Parallel to this, Tarso Genro, Governor of the state of Rio Grande do Sul, began developing his own Free Fare Law. The law (passed

unanimously on September 17, 2013) gives free transit to students from low income families in 63 municipalities in the state.

Although the free fare law developed by Tarso Genro meets some of the activists' demands, it nevertheless leaves some out. First, not all students are covered by it. Second, the unemployed and marginalized communities are left out. Third, the law will be funded by the state's metropolitan transportation system, not by reducing the profit margin of the bus companies. Lastly, Tarso Genro's Law makes no mention of the activists' demand for public accountability of the transportation system. In other words, the PT managed to successfully re-articulate the movement's demands, ending or at least cooling off the conflict.

A similar strategy was employed by Thiago Duarte at the municipal level. Once the occupation was ended, he argued that a public accountability law similar to the one developed by activists had already been tabled in the Municipal Chamber and therefore had priority. However, the law Thiago Duarte referred to (PL 244/2013) simply stated that 30 days prior to a fare increase the bus companies should make public their fare calculations. In other words, the law lacked all of the democratic and participatory content of the original Free Fare Law and, if it had been approved, it would have automatically annuled the law developed by *Bloco de Luta*. As the movement slowed down over the following weeks and months, it seemed it had settled for partial victories.

Beyond the PT?

After a week of intense street protests, in late June 2013, Dilma Rousseff invited activists from the *Movimento Passe Livre* (MPL) to a meeting in order to find a negotiated solution to the growing social unrest. This resulted in a number of proposals by the national government, with the two most important ones being: a popular plebiscite for a constitutional reform, and a public

transportation plan with 25 billion dollars of new funding. Of the two proposals, only the funding was approved by the government. The popular plebiscite, on the other hand, was rejected in favor of the formation of a 'working table' to discuss the issue in the future.[51]

The outcome of the negotiations means that, unlike the right wing FHC administration of the 1990s, which focused on minimizing the role of the state in the country, the PT was indeed responsive to progressive social movements and capable of incorporating some of their demands into its political and economic program.[52] This put the PT squarely within the neostructuralist framework. However, the outcome of the negotiations also makes clear that there are certain grievances and demands that it could not handle, namely those relating to democratic participation.

Indeed, the PT didn't seem to fully grasp the participatory character of the movement's democratic demands. For example, during the protests, Dilma Rousseff was interviewed as saying: "The streets are telling us that the country wants quality public services, more effective measures to combat corruption and responsive political representation." However, to say that the movement wants 'responsive political representation' does not quite capture the sentiment on the streets. As I have argued, the movement is not interested simply in better representation, but rather in developing new forms of democratic expression. Although still tentative, these new democratic forms certainly point to a more active and participatory democracy that attempts to redefine traditional meanings of leadership and representation.

However, a new kind of democracy was not something the state institutions were able to provide at that time, not even the most progressive ones, such as participatory budgeting. Hence, when the mayor of Porto Alegre, José Fortunati, speaking at a participatory budgeting session

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[51] To my knowledge, this working table never materialized.
[52] See also Levy (2012).

following the uprisings, made a call for the movement to bring their demands and concerns into

PB, Paulo responded angrily when I spoke to him after the session. He perhaps best summed it

up: "Of course the mayor wants us to go to PB, PB has not accomplished anything in three

years." Although an exaggeration on this person's part, his comments nevertheless reveal a deep

dissatisfaction with how democracy is supposed to happen in the city.

Not surprisingly, throughout the protests, support for the PT dropped considerably. A poll

of Brazilian voters taken immediately after the protests shows Dilma Rousseff's ratings had

dropped from 57 per cent to 30 per cent, while 81 per cent said they supported the protests

(Cascione and Benson, 2013). Importantly though, as *Le Monde* reports, for 70 per cent of the

youth on the streets, these protests were their first (Bava, "governo"). This means it will likely

take many years for the movement to develop a fully cohesive set of politics. The danger here is

that, in the meantime, this can create new spaces for the right wing to gain ground, a point made

by the PT and its supporters at the time.

Indeed, the rising strength of the right wing became evident in the outcome of the 2014

elections. Although Dilma Rousseff was reelected President with 51.6 per cent of the vote, the

right wing did make substantial gains at the National Congress and subnational levels. In

addition, the right wing organized large anti-PT demonstrations throughout the country in 2014

and 2015, some of them openly calling for a military coup. As I will further discuss in a later

Chapter, this successful mobilization by the right eventually led to the ousting of Dilma Rousseff

as President in 2016.

Finally, it is also important to recognize the political innovations to the left of the PT that

began to occur as a result of the 2013 mobilizations. For example, in São Paulo, PSOL and

PTSU formed an alliance ("PSOL e PSTU", 2014), something discussed in other cities as well.

Although presenting no immediate electoral threat, the alliance between these two parties could perhaps represent the germ of an alternative to the PT that can better express the anti-systemic sentiments of the movement. However, for this to happen, the movement and any political organizations involved would have to jointly refine the tentative new forms of democratic participation developed so far.

Suggesting a new fusion between movement and party raises important challenges to the autonomist sections of the movement. It asks them to recognize that the existing Brazilian state (as evidenced by how the PT responded to the transit movement) has a significant capacity to re-articulate popular demands, even when these became tilted toward the status quo. Hence, by choosing to work 'independently' of the state, autonomism practically guarantees merely partial victories. In addition, although partial, these victories are real and demonstrate the state's capacity to express working class demands through its structures. Indeed, despite its autonomist tendencies, the movement at least tacitly understands the importance of the state in the process of social transformation. After all, activists occupied Municipal Chambers rather than shopping centers. They wrote a law rather than a manifesto. In other words, already implicit in the movement is the possibility of transforming the state. However, when comparing this to the case of Chile, the transit movement in Brazil had greater difficulties articulating its vision of free public transit through the state. This can partly be explained by the fact that in Chile the historic role the state has played in the entrenchment of neoliberalism in the country is crystal clear, whereas in Brazil the PT did manage to institute ove a decade's worth of progressive reforms.

Another challenge for autonomists is to better theorize the role of the organized working-class in struggles for a post-capitalist future. As seen in this case study, the CUT supported the movement by organizing a general strike that included demands for better public transportation.

However, it did so under the assumption that its more vertical form of leadership would be accepted by the movement. In addition, the CUT also failed to mobilize significant number of workers to the Municipal Chamber occupation in Porto Alegre, choosing instead to organize a relatively small and short-lived demonstration the day of the strike. The CUT would have done well to take a cue from SIMPA, the municipal workers union in Porto Alegre, which supported the movement from its infancy. Another example is the transit workers union that went on strike on January 2014 demanding, among other things, free transit for the city (Paim, 2014).[53] In other words, within the labour movement there are gaps in which genuine solidarity will need to be developed.

Ultimately, the challenge for the movement will therefore be to develop a highly democratic, mass political organ that is capable of forwarding long term demands through the state, while simultaneously transforming it. This means questioning the anti-statist views held by many autonomists that largely reject the possibility of making significant gains within the existing state apparatus, including the creation of new spaces for the development of worker self-governance. As my case study shows, the state is a crucial arena where class forces become articulated and re-articulated, and where gains can be made, even if these remain partial and contradictory.

At the strategic level, the challenge for the movement will be to learn how to walk a political tightrope between further empowering the right, and politely sweeping under the rug legitimate criticisms of the PT. This means the movement will need to continue delivering an anti-neoliberal and anti-systemic message, even if this means criticizing the PT. However, given the relative weaknesses of the left outside the PT, the movement will need to deliver their anti-

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[53] Indeed, the bus drivers union (*Sindicato Dos Trabalhadores Em Transportes Rodoviários*) made citywide free transit a condition for ending their strike. Unfortunately, they were eventually legislated back to work.

systemic message in a way that steers the newly politicized away from the re-invigorated right wing. This might mean, at times, defending the PT against further right wing incursions. Building this kind of organization is a long-term project that will require the building of new solidarities and alliances between different sectors of the working class and political organizations committed to social transformation. It will also require continued patience, and humility as the movement experiments with new forms of democracy and continues the difficult journey from negation to affirmation.

Chapter 7: Post-capitalist Struggles, the Neostructuralist Bargin and the Emerging Right: Possibilities and Challenges

After almost a decade and a half, Latin America's pink tide is now encountering serious setbacks at the hands of the right wing. The most important setbacks have occurred in Brazil, Argentina and Venezuela (with notable setbacks also in Bolivia and Ecuador). In the Brazilian 2014 general elections, the right wing made major gains in both the national and subnational levels and came within 2 per cent of defeating the incumbent President and PT candidate, Dilma Rousseff. Her narrow victory triggered massive right wing mobilizations throughout the country calling for her impeachment. Despite subsequent mobilizations lead by the CUT in support of Dilma Roussef, by mid 2016, she was successfully removed from office, continuing a trend towards institutional coups in the region (Katz, 2015).[54] Dilma Rouseff's successor is the right wing Michel Temer (2016-2018). Lastly, in the 2016 local elections, the PT suffered serious defeats throughout the country, confirming the right wing swing.

In Venezuela's 2015 parliamentary elections, Chavismo took a crushing defeat to the right wing *Mesa de la Unidad* (Unity Table, MUD), who now holds a super majority in the National Assembly. This victory occurred in the context of renewed right wing mobilizations. Their 2015 electoral success emboldened the right wing that subsequently attempted to remove President Nicolás Maduro from office via a recall referendum and renewed street mobilizations. Finally, in Argentina's 2015 presidential election, the right wing candidate, Mauricio Macri, defeated the Peronist candidate, Daniel Scioli, in a second round of voting. The defeat of Daniel Scioli came only months after massive national strikes that were highly critical of the incumbent leftist administration.

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[54] Katz highlights three cases: Haiti in 2004, Paraguay in 2012 and Honduras in 2013.

Immediately upon assuming power, Presidents Mauricio Macri in Argentina and Michel Temer in Brazil began implementing aggressive neoliberal measures, including the dismissal of tens of thousands of public sector workers, reforms to labour laws, and new rounds of privatizations (Fabry, 2016; Saad-Filho, 2016). In Brazil, the stakes are particularly high as President Michel Temer has begun to set the stage for the full privatization of Petrobras. There is no doubt that this is the path the Venezuelan right will also take if it takes power in the country. In other words, Latin America is currently sitting at the brink of the biggest round of accumulation by dispossession since the 1990s.

In recent months, a number of explanations for the rise of the right have emerged (Prieto, 2015; Webber, 2015; Zibechi, 2015; Katz, 2016). First, it is argued that leftist governments have failed to overcome the region's dependency on primary exports, and in some cases have even deepened this dependency. Consequently, the recent downturn in global commodity prices have undermined the capacity of these governments to continue providing the popular classes with the kind of material benefits that they have come to expect.

Some cases are particularly acute, notably that of Venezuela. As Edgardo Lander argues in a recent interview, through massive public expenditures funded by oil revenues, the Chavista government simply reinforced the damaging rentier logic that has been part of the country's DNA for over a century (Prieto, 2015, pp. 2-3). Not surprisingly, Lander continues, the fall of oil prices triggered highly individualistic and competitive responses from the popular classes, such as the *bachaquero* phenomenon (Prieto, 2015, p. 6), in which people make a living by buying and then reselling the now scarcer government subsidized goods at a profit.

A second explanation given for the receding strength of the pink tide are the continued concessions given to the business-class by these governments, particularly following the recent

economic downturn in the region, and growing pressures from the right. Brazil is a notable example of this. Following over a decade of strong growth and economic stability, the country faced a sharp economic downturn beginning in 2014. In response to this, Dilma Rousseff, once reelected president in 2015, went back on her campaign promises and appointed the 'ultra-liberal' Joaquim Levy as economic minister. Amidst mass right wing protests calling for her impeachment, what followed was the introduction of a series of orthodox austerity measures for the benefit of financiers and international markets (Katz, 2016, p. 4).

A third explanation given is the top-down and sometimes even authoritarian elements present within some of the pink tide governments. Perhaps the most acute case of this is evident in Venezuela, where Hugo Chávez (a former military man) gave the military a prominent role in the government's vision of 21st century socialism by, among other things, appointing it to manage the functioning of various social programs under the concept of civic-military unity. However, as Lander argues, the verticalism that the military, by definition, represents is not easily reconciled with the horizontal and participatory character of community organizations such as the communal councils (Prieto, 2015, p. 70).

Lastly, the recent failures of the pink tide are attributed to their apparent disconnection to the demands and desires of the same social movements that helped to put them in power in the first place. As Katz (2016) notes, during the 2014-2015 national strikes in Argentina, the government along with progressive sectors of society denounced the workers as egotistic and under the influenced of the right (pp. 5-10). We have already seen a similar disconnection between the left in power and social movements at the base in the case of the 2013 transit uprisings in Brazil. Webber (2015) and Raúl Zibechi (2015, 2016) seperatley point to similar

disconnections evident in recent indigenous uprisings against various policies pursued by President Rafael Correa (2007-2017) in Ecuador.

The significant setbacks experienced by the pink tide in the last three years force us to grapple with the question of how to understand the pink tide cycle as a whole, in particular, its limitations for social transformation. Reflecting on the pink tide's shortcomings outlined above, some of the same commentators conclude that the last 15 years have been largely a failure for the working class and oppressed. In a recent interview, Lander, for example, denounces the project of 21st century socialism in Venezuela as the victory of a rigid logic in which the state tries to control and manage from above (Prieto, 2015, p. 5-6). For Zibechi (2016) the real winner during this period was extractivism, which left social movements weaker and more fragmented than before the pink tide arrived (p. 3). Similarly, for Webber (2015) the pink tide represents a 'passive revolution' in which left governments coopted and then exhausted social movements to guarantee continued domination by capital (pp. 16-21).

However, understanding the pink tide as simply a failure for exploited and oppressed workers and communities conceals just as much as it reveals, risking overly simplistic strategic prescriptions. These include calls for autonomous forms of local resistance independently of the state (Zibechi, 2007, 2015; Gutiérrez Aguilar, 2011), or the pursuit of a decisive rupture against the capitalist state through the creation of a revolutionary party (Webber, 2011). However, as my case studies show, the pink tide has at various moments been able to articulate, though certainly in a distorted and partial form, the demands of the popular classes. This reality undermines strategies that dismiss a battle through the capitalist state.

Furthermore, workers and communities have made important advances independently of the reforms implemented by the pink tide governments. As I discussed throughout this thesis,

these consisted of prefiguring a post-capitalist future by articulating new forms of cooperation and democracy. In other words, these movements are building a post-capitalist future despite the lack of a revolutionary rupture. In addition, they are doing this, not by retreating into local forms of resistance or building a new vanguard, but by building new political capacities through the existing state. As ambigious and contradictory as these processes have been, they nevertheless represent an important qualitative advance for the radical left, as they point beyond the limitations of vanguardism, autonomism and social democracy.

The partial and contradictory character of both post-capitalist struggles and pink tide governments is best understood through the concept of the neostructuralist bargain. Faced with post-capitalist struggles, the pink responded with a specific bargain. Consistent with the central goals of neostructuralism, as outlined in Chapter 2, this bargain consisted of the implementation of a number of economic reforms that successfully diminished poverty and inequality in the region, and therefore helped to incorporate into the new political project the more vulnerable sectors of the population. In other words, the neostructuralist bargain emerged as an important tactic through which the pink tide attempted to patch up the contradictions inherent in the neostructuralist model, or as Leiva (2008) puts it, an attempt to extend neostructuralism's 'shelf life' by closing the gap between political rhetoric and economic reality (p. xxxii).

However, given the contradictory character of neostructuralism, this political bargain generated a number of fault lines and therefore by no means guaranteed continued legitimacy for the pink tide. Indeed, as Cavooris (2017) suggests, the ambivalence and moderation of pink tide governments became an important factor behind the rise of the right (p. 14). This becomes clearer once we understand the divisive character of the neostructuralist bargain pursued by the pink tide. In this bargain, the most vulnerable received small material gains, while the radical

alternatives beyond liberal democracy demanded by post-capitalist struggles were sidelined. In short, some got more of what they already knew, while others faced the disappointment of unmet demands and expectations. This is of course the opposite of a productive dialectic based on 'creative tensions' between movements and left governments (Gárcia Linera, 2011).

The Neostructuralist Bargain

The fault lines created by the divisive and partial character of the neostructuralist bargain varied depending on the country and demanded that pink tide governments walk a delicate political tight rope in order to stay in power. This political tight rope, I argue, is the key to understanding both the advances the Latin American right has made recently, as well as the possibilities and challenges post-capitalist struggles faced under the pink tide and continue to experience in the current conjuncture. We can see this political tightrope at work in the cases of Chile, Brazil and Argentina (I discuss Venezuela separately).

Brazil

In Brazil, the neostructuralist bargain was evident in how the PT government responded to the transit movement. Through the *Lei Passe Livre* (Free Transit Law), developed by *Bloco de Luta* during its City Hall occupation, the transit movement in Porto Alegre combined a material demand, free public transportation in the city for students and oppressed communities, with a political demand, the democratization of the transit system via the use of a popular assembly based on participatory democracy. Similar demands were made by the transit movement in other cities as well. The demands of the transit movement represented a direct challenge to the market-based logic of neoliberalism, while simultaneously pointing to a post-capitalist future.

Of the demands developed by the movement, the PT partially met the first one. At the state level, the PT governor, Tarso Genro, drafted a new transit law that gave free transit to low income students in 63 cities, to be paid for through the state's transportation fund. At the national level, then President Dilma Rousseff approved US$25 billion of new funding for urban transportation. However, the PT did not make any movement on the demand to democratize the transit system and Dilma Rousseff's proposal of constitutional reform via popular plebiscite was postponed. The moves made by the PT were successful in temporarily ending the conflict. In other words, the PT was able to successfully manage a political bargain: those most in need would see a better standard of living. In return, the existing institutions of liberal democracy were protected as a result of the legitimacy acquired by their capacity to meet some popular demands.

The reelection of Dilma Rousseff (51.6 per cent of the vote) in 2014 confirmed the success of the neostructuralist bargain and the PT's capacity to extend neostructuralism's 'shelf life' in the short-term. However, the narrow margin of Dilma Rousseff's victory, as well as the subsequent right wing mobilizations showed the fragility of the bargain struck. Dilma Rousseff's reelection was clinched by the more impoverished north of the country, while the PTs traditional base in the south continued to gravitate to the right (with small movement also to the left). Indeed, the 2014 election re-affirms the progressive shift in the PTs social base since coming to power (Katz, 2015, p. 27). The election also shows the dangers of the divisive and partial character of the bargain struck.

To better manage this political bargain, the PT would have had to solidify its base in the north of Brazil by quickly expanding national pro-poor programs such as *Bolsa Familia*, *Mais Médicos* and *Minha Casa Minha Vida*, which target low income populations. However, this

became increasingly difficult as the economic conditions for neostructuralism (commodities boom, high growth, and a relatively high exchange rate) rapidly worsened. In addition, the middle class, highly susceptible to right wing ideology, began mobilizing against the PT and its pro-poor programs, mistakenly equating these with Venezuelan Bolivarianism.

In short, from 2013 to 2015, the PT struggled to walk the fragile political tight rope between the popular classes, a section of which slowly gravitated to parties to the left of the PT, and the new middle classes who are rapidly gravitating toward the right. Just how fragile this tight rope became was evident during the massive right wing protests that took place in March 2015 and again in early 2016. The right wing movement called for the impeachment of Dilma Rousseff, the arrest of Lula, and sections of it even openly called for military intervention against the PT. This phenomenon demonstrates the rapid growth of extreme right wing sectors since they became relatively more visible during the uprisings in 2013.

The right wing upheaval that began in early 2015 also demonstrates the PT's incapacity to sufficiently adapt neostructuralism to provide longer-term progressive solutions Brazil's ongoing political and economic problems. Hence, facing growing right wing critique, the PT responded by implementing fiscal austerity measures (Romero, 2015). These measures disproportionately hurt the working class, something that likely further undermined the PT's left-wing base, but also failed to appease the right wing middle class that, looking to restore orthodox neoliberalism, continued to antagonize the PT. Consequently, in 2016, it was the right wing that was able to break through the contradictions of the neostructuralist bargain, successfully removing Dilma Rousseff from power via a parliamentary coup, and later making further electoral gains in the 2016 local elections.

Given the PTs inability to find progressive solutions to Brazil's current political and economic conjuncture means that these will have to be found elsewhere. Unfortunately, despite recent small electoral gains by PSOL and PSTU as well as some attempts of cooperation between these two anti-capitalist parties, the left outside of the PT remains extremely weak. Their weakness can be explained by the continued historic alliance between the PT and labour, which leaves the radical left having to appeal to more diffuse and inexperienced movements in civil society. Furthermore its interpretation of the recent political situation seems out right baffling, with PSOL's leadership tacitly supporting the anti-PT demonstrations on the grounds that they represent a '*que se vayan todos*' (everyone must go) moment in Brazil (Assuncão, 2016). It is therefore difficult to see how further right wing victories in the country can be avoided in the coming years.

Chile

In Chile, the new *Nueva Mayoría* government, led by Michelle Bachelet, expresses a similar political bargain. The 2011 student movement demanded free education, to be funded through nationalization of the copper industry. The movement also included a political demand, namely a constituent assembly. For the movement, this implied the opportunity to repeal the existing education law originally developed by the Pinochet regime as part of the 1980 constitution. However, a constituent assembly would also open up the possibility for potentially far-reaching reforms and transformations to the political system in the country. Responding to these demands, in her election campaign, Michelle Bachelet promised three things: tax reform, electoral reform, and free education by 2019. To date all three promises have been kept.

This means that the Bachelet government has succeeded in meeting some, but importantly, not all of the student movement's demands. Left out from the reforms implemented

is the demand for a constituent assembly. Instead, Michelle Bachelet will implement electoral reform, specifically, a switch to proportional representation. Although this reform breaks from the binomial system developed by Augusto Pinochet, which disproportionately favors right wing parties, other changes to the constitution, including the elimination of Augusto Pinochet's education law, are not addressed.

Also left out from the bargain is the demand for the nationalization of the copper industry, as a way to pay for free education. This is replaced by progressive tax reform. In short, the Bachelet government is making a neostructuralist bargain: material improvements to some of those most affected by neoliberalism in return for the safeguarding of existing liberal democratic institutions. Paradoxically, however, to safeguard the existing democratic institutions in Chile is to legitimize the highly authoritarian character of Pinochet's 1980 Constitution.

At first glance, Chile's neostructuralist bargain is more stable in comparison to Brazil's. The *Nueva Mayoría* convincingly defeated the right wing in the 2013 elections (Michelle Bachelet won with 62 per cent of the vote). This suggests that, unlike the PT in Brazil, the *Nueva Mayoría* has successfully extended neostructuralism's shelf life, at least in the short term. However, a closer look reveals a more complex situation. Michelle Bachelet's victory occurred in the context of shocking degrees of electoral absenteeism (58 per cent), largely a result of the deep mistrust the student movement has of electoral politics, and the state more generally. Michelle Bachelet's biggest immediate threat is therefore not the almost completely discredited right wing, but the possibility of further alienating the student movement and triggering another cycle of mass mobilizations. However, without a clear and viable political alternative to the *Nueva Mayoría*, it is difficult to see what could come of this.

On the other hand, and somewhat paradoxically, the outcome of the 2013 elections

witnessed important changes that could give the anti-capitalist left new opportunities within the

state. Most notably, unlike previous center left coalitions, such as la *Concertación*, the *Nueva*

Mayoría now includes the Communist Party. In addition a number of young student movement

leaders were elected to parliament, most notably, Camila Vallejo (PCCh) and Gabriel Boric, who

ran as an independent as part of a political group called *Izquierda Autónoma* (Autonomist Left).

It is perhaps through these new left forces within parliament, working alongside

movements outside it, that a better articulated anti-capitalist left can eventually emerge.

However, for this to happen, the *Izquierda Autónoma* will have to develop a base beyond its

current student core, or else it risks reproducing the capitalist division between mental and

manual labour, in which it is educated intellectuals, rather than workers, that become political

leaders within the state structures.

Argentina

In Argentina, looking at the Kirchner administrations in relation to the ERT movement

also reveals a neostructuralist bargain, one in which material gains trump demands for new forms

of democracy and collective participation. The upsurge in grassroots democracy throughout the

country following the 2001 political and economic collapse expressed a tentative alternative to

the institutions of liberal democracy, the most lasting of which became the ERT movement.

Specifically, their struggle for the expropriation of bankrupted firms and the formation of a

collective workplace is a direct challenge to the liberal institution of private property.

Although the new bankruptcy law passed in 2011 is supposed to help workers form

cooperatives at firms threatening bankruptcy, its implementation has actually benefited workers

in merely a fraction of disputed cases (Ruggeri, 2014). Additionally, it only addresses new cases,

leaving out those ERTs that have already been formed and continue to exist in a precarious legal status. The 2011 bankruptcy law can therefore in no way be interpreted as a transformation in the institution of private property within the state. At best, it represents a small opening for workers under threat of unemployment to pursue legal battles they are not likely to win. At worst, because it only applies to new cases, it actually legitimizes the precarious legal status of already existing ERTs, meaning it ultimately reinforces the notion of private property the movement challenges.

The Kirchner government made two more changes in relation to the ERT movement. First, it created a new division within the *Instituto Nacional de Asociativismo y Economía Social* (National Institute for Associations and the Social Economy or INAES) that is responsible solely for the ERT movement. This new division provides the ERT movement legal assistance, small subsidies and education on the formation of cooperatives. Given that INAES oversees the solidarity economy as a whole in the country, the creation of this new division to oversee a small fraction of this sector is not insignificant. However, the support that INAES provides the ERT movement is of course bound by the 2011 bankruptcy law and therefore expresses all of its limitations.

Second, before its defeat to current President Mauricio Macri (2015-2019) in 2015, the Kirchner government began to propose modifications to the public pension system that would allow cooperative workers easier access to it. This is a demand the ERT movement has been fighting for sometime and in theory would give individual ERT workers important material gains while also giving a material incentive to prospective ERTs. However, these changes to the pension system are likely to never materialize under President Mauricio Macri.

More broadly, the Kirchner administrations, like all other pink tide governments, engaged in number of economic reforms aimed at the unemployed, poor and marginalized. These include subsidies through a number of social programs, such as *Plan Jefes y Jefas de Hogar Desocupados*, *Programa de Capacitación y Empleo* and *Plan Manos a la Obra*. The result of these programs has been twofold: small material gains for the most vulnerable sections of the population and also containment of the social unrest that exploded in 2001.

However, as Féliz (2012) argues, these small economic reforms have been coupled with the continuation and intensification of precarious labour as the basis for accumulation, a posture that directly undermines classic Peronist principles. In other words, the application of the neostructuralist bargain sowed a division between Kirchnerism's own base of support, namely labour and more marginalized sectors. However, in the short/medium term the result was nevertheless a growth in the popularity of Kirchnerism, reaching its peak in 2011 when Christina Kirchner was elected President with 54 per cent of the vote.

The overwhelming skepticism of the political system that Argentinians held in 2001 had no doubt dissipated by 2011. The neostructuralist bargain had worked: the lives of some of the most vulnerable were improved while the institutions of liberal democracy acquired a new legitimacy. As the economic conditions for neostructuralism began to weaken, the appeal of Kirchnerism would also start to wane, however. In the 2013 parliamentary elections, both the right wing and the left outside of Kirchnerism made important gains, demonstrating the Cristina Kirchner government's inability to sufficiently adapt neostructuralism to changing circumstances. National strikes critical of the Kirchner government in 2014 would confirm the long-term dangers of the divisions sown by the neostructuralist bargain in the previous decade.

Where might progressive alternatives to Kirchnerism emerge from in the current Argentinan context? As Pozzi and Nigra (2015) argue, the Argentine electorate is divided into three parts: 30 per cent pro Kirchner, 30 per cent center-right and a 30 per cent heterogeneous anti-Peronist left. It is within this latter third that a new left capable of articulating an alternative to capitalism could emerge. Particularly notable is the Workers Left Front in Neuquén. The Workers Left Front has been drawing on the experiences of the recuperated factory movement to build a new kind of party based on the values of cooperation and participatory democracy, values that redefine classic Peronism. However, its relative small size will likely require alliances with other left parties in the coming years. In the meantime, it was the right that capitalized the most on the waning popularity of Kirchnerism, evidenced by the presidential victory of right wing candidate Mauricio Macri in 2015.

Beyond Neostructuralism: Venezuela and 21st Century Socialism

As mentioned above, the case of Venezuela departs from the three previous cases. In the last 15 years, Chavismo has not only strengthened the institutions of liberal democracy through, for example, the increased use of referenda and plebiscites, it has also tried to transform them. It has done so by actively supporting experiments in participatory democracy, such as cooperatives, co-managed enterprises and communal councils. In recent years, these have consolidated into the creation of communes, new political economic entities that seek to replace the traditional political institutions of liberal democracy. Today these communes amount to 1620 throughout the country (Pearson, 2016).

In addition, Chavismo has delivered significant material gains to the working classes through a variety of *misiones* (missions) in areas such as health, education, food and housing. The funds for all of these new initiatives come from the country's oil sector, re-nationalized

under Hugo Chávez for the purpose of distributing wealth to the poor. The result has been a dramatic decrease in poverty and inequality in the country. For all of these reasons, Venezuela can be said to be the only one of my cases to go beyond the neostructuralist model.

On the other hand, the Chavista government has encountered important structural and political limits to further transformations in Venezuela. Structurally, despite its efforts, the Venezuelan government has not been able to break, or even significantly reduce, the country's import dependency. In other words, as a whole, its efforts in creating a new endogenous economic model that breaks from the legacy of the magical state have largely failed.

In addition, the new spaces for popular democratic participation remain embedded within the structures of the capitalist state, which continues to promote capitalist accumulation. As such, they simultaneously promote human development and cement the logic of technocracy and modernization as part the project for 21st century socialism. In other words, these new popular power institutions only partially break from the Venezuelan state's legacy of ambitious modernization projects from above. It is therefore not surprising that the emerging 'communal state' in the country has become increasingly subject to bureaucratic, authoritarian and militaristic tendencies within the Chavista government and the *Partido Socialista Unido de Venezuela* (United Socialist Party of Venezuela, PSUV) (Maya, 2014). Indeed, as Striffler (2017) notes, significant sections of the state remain hostile to communal power (p. 19).[55]

The coexistence of an embryonic socialist future with the capitalist present within the state makes Venezuela the most volatile of my case studies. Venezuela's extreme import dependency means that economic stability is in turn dependent on a highly unstable global oil market. The plunge of oil prices in recent years has unleashed economic chaos in the country, as

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[55] For this reason, the post-capitalist phase seems to be coming to an end in Venezuela. However, traces of post-capitalism are still present and it remains unclear how these might re-emerge in future struggles.

the government struggles to acquire the foreign currency needed to pay for its social programs and the middle class struggles to maintain its consumption patterns based on imported goods. This is all aggraveated by the right wing's campaign of economic sabotage, including the reduction of production and/or the limiting of imports for the domestic market (Striffler, 2017, p. 12).

This economic chaos has forced the government into a constant cycle of drastic currency devaluations, which have only increased currency speculation in the country. The result has been the erosion of the government's Chavista base and the political empowerment of the capitalist and middle classes. This became evident in the 2012 national elections in which Chavismo won by the narrowest margins yet, electing Nicolás Maduro (2013-2018) as President with 51 per cent of the vote. However, Chavismo recovered in 2013, winning the parliamentary elections with 56 per cent of the popular vote. The result was in part due to President Nicolás Maduro's progressive popular measures in the face of a sinking local currency, including significant price regulation and a temporary takeover of businesses deemed to be engaged in speculation (Striffler, 2017).

Nicolás Maduro's, victory, however, only intensified Venezuela's volatile political climate, triggering one the most significant right wing demonstrations yet, in late 2013 and early 2014. Led by the middle class in the state of Merida, historically a bastion of right wing support, the demonstrations spread to other provinces and cities, including the capital. Although the demonstrations eventually subsided, the plunge in oil prices that began in late 2014 unleashed another cycle of political volatility, this time including a renewed coup attempt led by retired generals that was thwarted by the government. Adding to the volatility, the United States

temporarily categorized Venezuela as a threat to national security, raising the possibility of an intervention similar to the failed coup of 2002.

Facing a growing political crisis and the growing possibility of electoral defeat, some currents within Chavismo came to embrace the *Golpe de Timón* (Change of Course) strategy developed by former President Hugo Chávez, which calls for a direct confrontation with the capitalist class ("Golpe de Timón", 2015). However these forces remain small. Consequently, in the 2015 parliamentary elections, it became clear that right wing had the momentum, as the MUD convincingly defeated Chavismo and began leading a campaign (to this date unsussesful) to remove President Nicolás Maduro from office via a recall referendum.

Despite these recent right wing victories in Venezuela, the Bolivarian Revolution has shown that building an alternative to neoliberalism, and indeed capitalism, is possible and that the state is central for accomplishing this. Venezuela is the only case in which the popular classes not only got more from the state, but in which the state also opened new avenues through which horizons beyond capitalism could be pursued. The case of Venezuela therefore reinforces the position that the left cannot adhere to a functionalist view of the state, meaning one in which state action is always seen as functional to the reproduction of capital and therefore needs to be either smashed by a vanguard or altogether avoided. The case of Venezuela best demonstrates that the state is the articulation of class forces (even when tilted in favor of capital). As Poulantzas (2000) put it:

> The state takes into account the relationship of forces with the dominated classes
> as well as their specific resistances. But within this framework, it adopts essential
> measures in favor of expanded reproduction of capital, elaborating them in a
> political manner such that, through certain concessions to the dominated classes

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(popular conquests), they may guarantee the reproduction of the class hegemony

and domination exercised by the bourgeoisie as a whole over the popular masses.

(p. 185)

For Poulantzas, the strategic implication of this for the dominated classes was the need to

develop an alliance between left governments and social movements in what he called a

'democratic road to socialism'. This strategy pushes us to think about what kind of parties and

movements are needed in the process of social transformation, something Poulantzas was

ultimately not able to do. However, the cases I have presented here, of which Venezuela is

particularly notable, allow us to think through some of the silences left by Poulantzas on this

issue.

As I have argued in this thesis, the seeds of a post-capitalist future can be found in the

present, in struggles against various forms of dispossession that are simultaneously able to

articulate the powers of the collective worker through new forms of cooperation and democracy.

In addition, we saw how an important aspect of these struggles was their ability to articulate, to

various degrees of success, new forms of political organization that can contest state power while

challenging traditional forms of leadership and representation.

In other words, Poulanzas's 'alliance' between left government and movement can be

best thought of as a fusion between them, one in which it is post-capitalist struggles that emerge

as central to the task of transforming the state. Therefore, to echo Robert Cavooris (2017), it is

by drawing on forces that express new forms of reproducing their material lives that the divisions

held and reproduced by the capitalist state can be overcome. This is what a 'new democratic road

to socialism' would have to consist of. Unfortunately, the increasingly authoritarian character of

the Chavista government and the PSUV is greatly limiting this path.

Possibilities and Challenges on the Road to Socialism

In this section, I draw on my case studies to discuss the possibilities and challenges of how a 'new democratic road to socialism' could be built in Latin America in the current conjuncture. As I argued earlier in this Chapter, the neostructuralist bargain's partial and divisive character created a delicate political tight rope for the pink tide, a situation that opened the doors for the right wing.

The ability of the right to more successfully break through this bargain forces us to also reflect on the internal weaknesses and challenges of the movements discussed, which restricted their ability to resolve their ambiguities and tensions in their struggle for a post-capitalist future. However, as will be seen, these weaknesses and tensions are intertwined with new possibilities for greater unity and cohesion. Given these contradictions, in the context of the current historical moment in Latin America, a 'new democratic road to socialism' must necessarily remain a tentative proposition.

As my case studies show, post-capitalist struggles experience challenges and weaknesses in the areas of leadership, democratic participation and political representation. In addition, my case studies reveal important differences and challenges relating to where movements originate as well as their social and political composition. These include the speed at which movements can develop significant political cohesion in relation to opposing forces and the institutional stability through which fragmentation and division can be overcome. In what remains of this chapter, I address each of these themes.

Democratic Participation: Representative or Direct?

One of the areas of tension evident in my case studies is the relationship between representative and direct or participatory democracy. Representative democracy refers to the

process in which individual leaders are elected to politically represent a group. Once elected, leaders are free to make decisions for the group without the need for further consultation with the group that elected them. Representative democracy is therefore relatively vertical as decisions made at the top are supposed to be followed by the bottom with little or no further discussion. In addition, a number of formal processes are associated with representative democracy. These include competitive elections and voting. Lastly, representative democracy tends to rely on fixed dates and preplanning for elections. On the other hand, direct democracy means people make decisions directly without the need of a representative. It is therefore a more horizontal form of democracy. In addition, rather than using elections and voting, it often on voluntary spokes people and consensus building. Direct democracy also tends to happen more spontaneously, with dates and locations being more fluid.

All of my case studies demonstrate that although tensions often exist between direct and representative democracy, it is possible to combine them. In addition, the tensions that exist between these two forms of democracy can be productive and lead to unity, even if fragile and contradictory at times. In Venezuela, workers at SPUs practiced participatory democracy within a workplace that is owned and partially managed by a representative state. In Argentina, the productive combination of direct and representative democracy was even more marked. Workers at recuperated factories made decisions directly through assemblies, but they often also elected leaders to different positions of increased responsibility. In one case, Zanon, elections of the leadership even took place through competing slates that resemble traditional partisan politics. Workers at Zanon even went as far as electing one member, Raúl Godoy, to run for the provincial legislature, a position Godoy won and went on to share with other coworkers while

retaining his status as worker at the factory. In other words, at Zanon, we see the unusual combination of direct workplace democracy with representative democracy through the state.

We see a similar situation outside of the workplace. In Chile, the student movement combined relatively spontaneous popular assemblies on the streets or at university campuses with the formal representational mechanisms of the university student bodies. In other words, the president of the CONFECH could on the same day be making decisions for the students that elected him or her for that position, and participating in campus assemblies based on direct democracy. This mix between representative and direct democracy is also evident in the Autonomous Left, a political group (not exactly a party) that promotes horizontal politics but nevertheless helped elect one of its members, Gabriel Borich, to the CONFECH presidency and later to the Chilean national Parliament. In Brazil, *Bloco de Luta* expressed a mix of representational politics and horizontality that yielded a 'tense equilibrium' through which clear demands were pursued that resulted in victories. Rather than rejecting all leadership, activists struggled with developing new forms of leadership and representation. Party members commingled with party skeptics. At assemblies, activists developed consensus and voted. Their demand for public accountability of the city's transit system included the call for a popular assembly, to be comprised in part by representatives from key sectors.

The often-productive combination of representative with more direct forms of democracy means that debates that try to polarize and mutually exclude the two are problematic. We can see this polarization in much of the autonomist literature. For example, in a left forum on Venezuela published in *Historical Materialism*, Motta emphasizes the need to create forms of self-government through which to overcome alienation and the dualisms, which internally divide the proletariat. Doing this, Motta continues, would involve: "transcending 'old' forms of politics

based on relationships of representation in which people's intellectual and political powers are delegated to a minority in a party or the state, and instead forming processes of mass-intellectuality" (Spronk et al., 2011, p. 239). As my research suggests, positing self-governance and the overcoming of alienation against forms of political representation through a party or state is too simplistic. Instead, what my research suggests is that we ask, what mix of each form of democracy is most adequate to a given situation so that positive tensions and political coherence can be maximized? We can begin to answer this question by making a distinction between homogeneous and heterogeneous political spaces.

Homogeneity or Heterogeneity?

When a space is relatively homogeneous, I mean that its participants closely share a political framework and possess similar characteristics in terms of race, gender, age, occupation etc. A relatively homogeneous space is, in theory, therefore more united and expresses fewer differences. It also tends to be smaller. In contrast, a heterogeneous space displays more differences along the same categories and also tends to be larger in size. My two cases on workplace democracy (Argentina and Venezuela) can be said to be relatively homogeneous. In both cases, participants united around a clear political ideology. This was most noticeable in the case of Venezuela, where most SPU workers at each workplace tended to have very favorable opinions toward Chavismo. Indeed, in some cases, SPUs became sites from which pro Chávez political campaigns were conducted. The case of Argentina is slightly more complex. In most cases, workers at recovered Enterprises described themselves as Peronist and showed some degree of support for the government of Cristina Kirchner. However, in comparison to Chavismo, it is important to recognize that Peronism is much more diverse. In addition, at one particular ERT, Zanon, most workers favored the Workers United Front over any Peronist party.

Of course, this makes Zanon, just as politically homogeneous and perhaps even more so than other ERTs.

ERTs and SPUs are also relatively homogeneous from a demographic perspective. This is most evident in Argentina. ERT participants are overwhelmingly middle-aged, white and male. The exception is Bruckman, which is comprised of mostly women. Of course, this doesn't make Bruckman any less homogeneous in terms of gender. At each workplace, most workers have the same occupation (ceramicists, woodworkers, seamstress etc.) and very similar levels of education (usually, high school). Workers overwhelmingly come from a working class background. The Venezuelan case displays slightly more diversity. The gender and racial composition is more balanced. There is more variety in education levels, with a slightly bigger layer of university-educated workers. However, like in ERTs, socioeconomic background in SPUs is mostly working class. Occupational differences are also minimal within each SPU, with differences mostly in the types of tasks carried out by different workers.

By comparison, my case studies of Chile and Brazil, which take place primarily in civil society, can be described as relatively more heterogeneous. This is not surprising given that these two cases are mass movements comprised of wider layers of the population in each country. In addition, the spaces for democratic participation in each case were more public (the streets, universities, City Hall). Heterogeneity is more pronounced in the Brazilian case. Spaces for democratic deliberation were, in principle, completely open. In other words, anybody who showed up to a meeting was allowed to participate, no questions asked. However, it is important to note that, in practice, to attend a meeting, one had to know where and when it was happening, and this information was not necessarily easily available.

The most public place where this information was available was social media (specifically Facebook). In addition, the information was usually posted with a few days notice (sometimes less) and locations and times could often change with little notice. Lastly, most meetings were held in the urban core. All these factors amounted to a bias toward middle class white students, most of who live downtown, are highly connected and have flexible schedules. However, the open format of the meetings ensured that, despite this bias, often, meetings featured the participation of diverse sectors of society. In other words, at various times, in addition to students, meetings included unionized workers, indigenous communities, Afro Brazilian groups, University professors, rural workers and more. Not surprisingly, this social diversity meant significant political diversity also. In Brazil, it would be impossible to point to a unifying political ideology in the movement akin to Chavismo or Peronism.

The case of Chile was slightly more homogeneous. This is because decision-making mostly took place through the established universities bodies. This of course makes sense since this was explicitly a student movement. This means the movement was less diverse in some categories, particularly age, occupation, class background and race. However, given its size, the student population displays significant political diversity, that is, despite its relative social homogeneity. Indeed, elections at a number of student bodies often featured the participation of a number of different political slates. In other words, although slightly more homogeneous than the Brazilian case, in the Chilean student movement one is also not able to find a stable and unifying political ideology. Indeed, the movement featured a sharp division between autonomists and Communists. In addition, autonomism in Chile (and Brazil) is a highly unstable political category, evidenced by its ambiguous position toward parties and the state.

What do these differences between heterogeneity and homogeneity in my case studies tell us about democracy in post-capitalist struggles? First, they tell us that, the more homogeneous a political space is, the easier it is to combine direct and representative democracy. On the other hand, the more heterogeneous the political space is, the more likely these two forms of democracy will produce an increased level of tension. To expand, in relatively homogeneous spaces, direct democracy tends to create a certain level of political unity, which makes the use of representative democracy in these same spaces relatively uncontroversial. Hence, in both Argentina and Venezuela, SPUs and ERTs are spaces where factory floor assemblies combine relatively smoothly with electoral campaigns at various levels in the two countries. Particularly notable is the case of Zanon in Argentina who helped elect one of its workers into the provincial legislature as part of the Workers Left Front, an innovative coalition of three radical parties in the province. This is not to say that political differences at SPUs or ERTs do not exist. However, these are less pronounced and therefore allow for more cohesive political action.

In contrast, in Chile and Brazil, the use of direct democracy tends to produce significant political tensions and ambiguities, which make the use of representative democracy relatively more suspect among its participants. Hence, the movements in Chile and Brazil, despite important advances, are having a more difficult time trying to articulate some kind of coherent political program and are more suspect of the possibility of forming a political organ capable of forwarding long-term demands through the state. In other words, in these cases, the combination of heterogeneity and significant use of direct democracy tend to produce differences that are more difficult to overcome. This makes the time span of social movements an important factor here. Hence, in Chile, where the student movement has managed a certain level of continuity over a number of years, we can see evidence of political progress in the Autonomist Left, a

pseudo-party that produced Gabriel Borich, who now sits in the national Parliament. In contrast, the Brazilian case seems to be more short-lived and therefore political progress is more limited.

This should not be taken as an argument for homogeneity over heterogeneity in the construction of democratic political spaces. Neither should it be taken as an argument for or against either form of democracy. However, a comparison of these four cases reveals important political implications. Because relatively heterogeneous struggles that rely heavily on direct democracy have a harder time articulating a coherent political program, they open a space for more established political forces. In Chile, the student movement totally discredited the country's right wing, which resulted in the eventual election of the centre-left *Nueva Mayoría*, comprised of the country's historic left parties. In Brazil, the opposite occurred. The right wing was strengthened at the expense of the centre-left PT. The implications of this are that heterogeneous struggles that rely heavily on direct democracy in the context of a left government will have to develop the capacities to defend the existing left government if the right wing seems to be gaining considerable strength. By comparison, the same kind of struggles in the context of a right wing government have more room to be uncompromising.

Institutional Continuity

Another important insight that we can draw when comparing these cases is that post-capitalist struggles benefit from some kind of institutional continuity. In the cases of Venezuela and Argentina, this institutional continuity is itself part of the inherent purpose of ERTs and SPUs. In Venezuela, SPUs are part of the government's goal of 21st century socialism. As a result, the state provides significant funding and political leadership. In Argentina, the original and continuing purpose of ERTs was to keep workers working. In other words, the continuity of ERTs as institutions that provide ongoing work is in many ways their raison d'être. In addition,

the ERT movement has created institutions that represent the movement as a whole. These organizations provide a variety of services, including legal and technical help, and also political support for the movement. They also work with INAES, the state agency that oversees the solidarity economy in general and the ERT sector specifically. All this means that the ERT movement has the institutional capacities and continuities that have helped its political development.

In contrast, the cases of Chile and Brazil display relatively less institutional continuity and capacities. This is particularly so in the case of the transit movement in Brazil that, unlike the student movement in Chile, relied almost exclusively on improvised and ad hoc forms of organization. Indeed, the transit movement continues to operate more or less spontaneously with its most visible presence outside of particular demonstrations being its website and related social media pages. More importantly, the lack of institutional capacities means that transit activists don't themselves have the space for ongoing, collective political development. The relatively slow pace of political development in the transit movement became apparent in 2015 and 2016, when it did relatively little to mobilize against the right wing forces that went on to successfully impeach Dilma Rousseff. In other words, it did not develop the political sophistication to see Brazil's right wing, part of which openly calls for a return to dictatorship, as a bigger threat to its own goals than the PT.

The Chilean case is somewhat different. Institutional continuity is provided by the student bodies at universities. These student bodies have existed for decades and are the go to spaces for students to get involved in campus politics. They have also historically been the recruitment grounds for a variety of political parties (particularly those on the left). For this reason, student bodies are institutions where left parties compete for recruitment and influence.

This pattern was broken in 2011 when the left presented a united slate that brought together the different currents within the campus around a clear set of demands, most notably, free tuition. This proved to be a rare and historic moment however, as the following year featured no less than seven different competing slates. In other words, although these student bodies are important spaces where the student movement can develop political capacities and coherent political programs, they may need to be complemented by new spaces that are less influenced by the competing interests of different left currents or parties which tend to fragment political will.

Production or Reproduction?

As discussed earlier, one of the axes that post-capitalist struggles go through is that between the sphere of production and reproduction. What my case studies show is that we cannot make a rigid division between the two. Indeed, as Lebowitz (2003) argues, each circuit forms part of capitalism's organic whole. Not surprisingly, in moments of significant struggle, the one tends to reach out to the other. In Chile, student strike combined with general strike and proposed solutions to the neoliberal education system included the nationalization of the copper industry, an industry students have seemingly no direct connection to. Similarly, in Brazil, demands for free transit on the streets fueled a general strike and workers joined students in the occupation of public space. In addition, to a certain extent, the union movement even internalized the transit movement's demand for free transit, a demand that was totally foreign to the union movement until then.

In Venezuela, workplace transformations at SPUs included within their framework participation from surrounding communities. Communities participated in the hiring process at each SPU, in identifying community needs to be met by the enterprise and in the organization of small producers that work with the SPU. Not only did community participation help

communities, it is also what helped redefine each workplace. In Argentina, ERTs would simply not have gotten off the ground without community support, which included not only political support but also material support. Once more fully established, ERTs became 'open factories', undertaking initiatives such as community high schools and cafeterias, and opening their doors to academic conferences and community meetings. This was not only a way to give back to the communities that supported them, it was also a strategy to acquire legitimacy from the broader public, legitimacy that was essential given the precarious legal status of ERTs.

This positive relationship between the circuits of production and reproduction is evident in my case studies suggests that Holloway's view that the labour movement is simply a movement of abstract labour and therefore cannot contribute anything to post-capitalist struggles is too simplistic. Indeed, even in the case of Argentina's ERTs whose workers in many cases had to fight the old union structures before transforming their workplaces, the workers that led these struggles were long time unionists. Furthermore, in the case of Zanon, the union structures were not removed, but rather transformed to better fit the needs of the cooperative. Although autonomists relying on Holloway can now praise ERTs for being post-capitalist, their framework would not have allowed us to see the potential inherent in those unionized workplaces before they were transformed to cooperatives.

Conversely, it is also not possible, based on my case studies, to hold on to the view of some, such as Saad Filho (2013) or Sader (2013a), for whom the transit movement in Brazil was seen merely as largely a destabilizing force, mostly lacking any constructive qualities. It is true, the combination of heterogeneity, strong reliance on direct democracy, short lifespan and institutional weakness, means movements in the sphere of reproduction can sometimes open significant space for the right wing to maneuver in. However, as we have seen, this is only part

of the story. Just as crucial is that these movements are also capable of creating new spaces for the left, spaces where leadership and participation can begin to be redefined. Hence, to call those who engage in these democratic experiments 'elitist', to use Ballesteros (PCCh) reference to the Autonomist Left in Chile, misses the opportunity to begin to break from vanguardist and bureaucratic tendencies of the traditional left. No doubt, given the characteristics of movements in the circuit of reproduction, building a new left that can articulate the values of a post-capitalist society in a sufficiently coherent fashion so as to not get absorbed by right wing maneuvering will be almost impossible without reaching out to movements that originate at the point of production.

Conclusion

With the aim of better understanding the possibilities and challenges to social transformation in Latin America, this dissertation examined four social movements: Argentina's recuperated factory movement, Venezuela's socialist enterprises, the Chilean student movement and the Brazilian transit movement. I argued that these movements should be thought of as examples of post-capitalist struggles. In other words, not only do they express struggles against capital, they also give us a glimpse of a post-capitalist future by expressing the latent powers of what Marx called the collective worker. Post-capitalist struggles are therefore those situations in which the working class begins to learn new social relations that go beyond the fragmentation and alienation imposed by capital. These new relations are those that emphasize values and practices, such as cooperation, inclusivity and solidarity.

The existence of post-capitalist struggles within capitalism forces us to rethink linear and stagist interpretations of capitalist development evident in both pro-capitalist modernization theory and strains of Marxism. Indeed, my case studies reveal the dialectical character of capitalist development in which its origins and future are recurring aspects within the present. Central to this dialectic is the process of dispossession, which deepens the fragmentation and alienation of the working class, yet simultaneously creates the conditions out of which the dispossessed can begin to build a new society. This means that capitalism's future negation depends on the recurring assertion of its origins, a paradox that reveals both the enormous challenges and immanent possibilities of building a new society.

The concept of post-capitalist struggles also challenges the two dominant approaches to social transformation in the 20th century, social democracy and dual power. Relying on a

vanguard, in the form of either bureaucrats or a revolutionary political elite, social democracy and dual power excluded the masses from participating in the process of transformation. In other words, in these two approaches to social transformation, the vanguard acts *for* the masses. Post-capitalist struggles rather emphasize the creation of new forms of democratic participation through which workers and communities *themselves,* rather than the vanguard, become the leading agents of change. However, this does not mean simply doing away with leadership and representation, but rather that these are redefined to ensure that leaders act not *for* the oppressed, but *with* them.

Importantly, unlike similar arguments in favour of more direct and participatory forms of democracy offered by autonomism and Analytical Marxism, the concept of post-capitalist struggles acknowledges that the state is both central to the reproduction of capitalism and to moving beyond it. This is because the capitalist state is itself an expression of the contradictory character of capitalist social relations. Specifically, the capitalist state incarnates the division between mental and manual labour by separating the worker (manual labour) from the politician (intellectual labour). In addition, in the hands of capital, the state can become a powerful tool capable of overwhelming any challenge to its rule.

In other words, for a post-capitalist future to develop beyond short-lived and localized experiences, the working class will need to both capture and transform the state. This will require developing new political parties that can express the new values and practices created by workers and communities from below, a process I refer to as a 'new democratic road to socialism'. This new path to social transformation differs from the one outlined by Poulantzas in that it requires not simply an alliance between left government and movements, but rather a new fusion between

them. It is also a path that, in contrast to autonomism, emphasizes the need for the dispossessed to *converge* with more organized sectors of the working class.

In the struggle for a post-capitalist future, Latin America occupies a particularly important place. This is because the region has been on the receiving end of aggressive policies of dispossession demanded by the contradictions inherent in neoliberal globalization. These policies, which reached their apex in the 1990s in the form of structural adjustment, then triggered a wave of popular resistance of unprecedented dimensions in the region. Importantly, these struggles not only challenged dispossession but also began to articulate new social relations that point beyond capitalism. Indeed, not long after the turn of the century, Latin America had become ground zero in the battle against neoliberalism, and indeed for 'another world'.

The wave of resistance unleashed by neoliberal dispossession in Latin America soon translated into unprecedented electoral victories for the region's left. This new left responded to the demands and struggles of movements by pursuing a new model of development known as neostructuralism. This new model of development sought to mix elements of neoliberalism, most notably an export drive and alliances with transnational capital, with new policies of equity and participatory governance (Leiva, 2008). Although highly contradictory this new model nevertheless achieved achieved high levels of economic growth and notable improvement in a number of social indicators.

A key feature of this new model analyzed in this thesis was its ability to strike a specific bargain with social movements. In this bargain, movements were granted small but meaningful material gains targeted to the most vulnerable sectors of the working class. However, with the aim of reinforcing the existing institutions of liberal democracy movements were asked to, in return, give up their demands for more direct and horizontal forms of democratic participation

that pointed to a post-capitalist future. These two sides of the bargain explain both the relative stability of neostructuralism and the continuation of struggles within this 15-year cycle of development.

Recognizing this bargain allows us to see how the pink tide broke from the neoliberal model in two key respects. First, neoliberalism had little or no concern for equity policies, reducing society to market outcomes only. Second, neoliberalism showed little concern for the institutions and principles of liberal democracy, often disregarding human rights principles and sometimes even relying on dictatorship to promote its agenda (Klein, 2007; Harvey, 2007; Grandin, 2008). In other words, under neoliberalism the state did not actively seek to legitimate its policies (Saad-Filho et al, 2017).

However, given the contradictory character of neostructuralism, the specific bargains developed between the pink tide and social movements took on a highly divisive and partial character that in many cases compromised the new left's own social base. In other words, this bargain became a far cry from what these left governments, if interested in pursuing a transformative project, would've had to do in the face of movements from below, namely persuade and organize them to occupy and transform the state, while creating new sources of popular power (Striffler, 2017, p. 7).

Instead, the neostructuralist bargain forced the pink tide to walk a delicate tight rope between merely appeasing its base with partial reforms and triggering a reaction by the right wing who wanted nothing less than a return to orthodox neoliberalism. However, as the conditions for neostructuralism (commodity boom, high exchange rates, and steady growth) began to deteriorate, managing this political tightrope became increasingly difficult. The result was that new avenues were opened for the right wing.

The pink tide's failure to manage this political tightrope only partially explains the rise of the right, however. The ambiguities, contradictions and weaknesses of post-capitalist struggles are the other half of this equation. Specifically, their difficulties in developing a coherent political bloc or pole with sufficient institutional continuities meant that their capacities to contest state power remained insufficient, being limited to relatively small groupings in comparison to the traditional left. These difficulties, as we have seen, varied depending on the case. Hence, it is useful here to reflect on the analytical matrix presented in the introduction.

The movements that experienced the most difficulties and challenges were those that made demands in the sphere of capitalist reproduction and expressed themselves primarily in civil society. These movements tended to rely more exclusively on direct democracy and had a highly heterogeneous social composition. Brazil is the best example of this case. The transit movement's deep ambiguities about the state and its inability to make inroads into the PTs historic relationship with labour greatly limited its ability to extend its most radical ambitions to broad layers of the population. This resulted in major victories by the country's right.

Although similar, the Chilean case featured a greater engagement with the state. This can be explained by the fact that the country's education system is the direct outgrowth of Pinochet's 1980 Constitution, which entrenched neoliberalism into every corner of the Chilean state. In addition the Chilean student movement relied on a more balanced combination of direct and representative democracy, utilizing both new and more traditional spaces for student activism. These differences go a along way to explain the greater success of the student movement in comparison to the Brazilian case.

Unlike the case of Brazil and Chile, the ERT movement in Argentina articulates itself primarily in the sphere of production. Its relatively homogeneous social composition and smooth

combination of participatory and representative forms of democracy helped it to better articulate itself politically through new representative bodies. However, the movement faced a significant political conundrum. On the one hand, its re-vindication of the values of labour gave it a path through which to reach out to more traditional sectors of labour under attack by the Kirchner government. On the other hand, the ERT movement's challenge to Peronism made connections with traditional labour inherently difficult, a reality the right wing easily capitalized on.

Finally, in contrast to the other cases, Venezuela's popular economy is, to a significant degree, the direct outgrowth of public policy. As a phenomenon primarily emerging in the workplace, SPUs are relatively more homogenous than Chilean and Brazilian cases, and also featured a more balanced combination of representative and participatory democracy. Consequently, SPUs (along with related popular economy organizations) have progressed into an impressive network of communes. However, the country's popular economy remains hampered by Venezuela's legacy of 'magical' oil-dependent development from above, a legacy that expresses itself in continued struggles for deeper forms of democracy against the Bolivarian state and, more broadly, the economic chaos that ensued following the collapse of oil prices.

The new rounds of attacks that workers and communities are now facing in Latin America at the hands of a reinvigorated right wing will likely result in massive resistance. I thus fully concord with Zibechi (2015) who predicts that the new right in Latin America will not be able to govern with even minimal consensus (p. 2). This means that, as in the 1990s, these struggles will open new post-capitalist windows. The difference is that this time, they will have a clearer path to build on. This path, albeit still tentative and uncertain, is the positive legacy left by post-capitalist struggles over the last decade and a half, even when its existence will now coincide with the threats posed to it by an ascending right.

Will the new mass of unemployed workers in Argentina be able to connect with the ERT movement? Will the ERT movement, in turn, make a decisive break from Peronism? Will the popular base of Chavismo use the democratic and cooperative organs created in the last 15 years to challenge the right as well as the rising authoritarianism and persistent class contradictions within the Bolivarian state? Will the democratic struggles of the newly dispossessed in Brazil find expression in new radical political alliances outside of the PT? These are the key questions revealed by the contradictory character of the neostructuralist baragain and, in turn, demanded by the prospect of a 'new democratic road to socialism'. As such, they are an important part of the legacy left by both the successes and failures of post-capitalist struggles during the pink tide cycle. Along with these questions, a more ominous one also comes to the fore in this present conjuncture: will the new right successfully fragment or destroy these movements in its pursuit of new forms of accumulation?

However, it is important to also recognize that this right wing resurgence in the region is still in contestation. Upcoming presidential elections in Brazil and Venezuela will surely be decisive in the balance of forces. However, even if the right emerges victorious in these countries, a right wing wave is unlikely to be uniform (just as the pink tide was not). The *Nueva Mayoría* in Chile is a case in point. The *Nueva Mayoria* is currently governing in the context of a disarticulated and largely de-legitimized right wing. Furthermore, the *Nueva Mayoría* has promised to fulfill the student movement's demand for free education. Lastly, for the first time since the coup against Salvador Allende, radical political forces are now present in government, both within and outside the *Nueva Mayoría*.

However, how will the *Nueva Mayoría* fulfill its promises in the context of the fall of commodity prices? Could neostructuralism be capable of re-articulating itself in Chile to extend

its 'shelf-life'? If so, what might be the mechanisms through which it accomplishes this, and the contradictions this process might face? Looking at the response from the student movement will also be critical. As 2011 demonstrated, through the student movement, broad sectors of Chilean society have become deeply dissatisfied with the neoliberal and authoritarian character of Augusto Pinochet's 1980 constitution, still in effect today. Might unfulfilled promises by the *Nueva Mayoría* trigger a new wave of mobilizations by the student movement? Given's Chile's historic role both in the development and struggle against neoliberalism, the country provides a key entry point to study Latin America's current fragile political conjuncture.

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Appendix: Methodology and Data Collection

The aim of this dissertation was to understand the possibilities and challenges to social transformation expressed by Latin American social movements in the context of the pink tide. From this general question, three more specific questions arise: i) how did the movements studied emerge; ii) what are their specific demands and practices, and iii) how do the pink tide governments respond to them? To answer these questions, this dissertation uses a qualitative case study approach that involves situating a particular activity or event with its related social, historical and economic setting (Creswell, 1998, p. 61). In doing so, I treat the particular or 'concrete' dialectically, with the understanding that, in capitalism, subjectivities and individuals are normally dominated by the value form (Ollman, 2003). This means that the study of concrete experiences or events cannot be treated as isolated phenomena, but rather as necessarily related to the dominant forces and structures associated with the reproduction of capital.

Conversely, my approach also treats the categories of political economy (i.e. value, capital, labor etc.) merely as 'real abstractions', meaning that, although dominant, they are nevertheless dependent on concrete experience. This approach avoids two potential traps. First it avoids romanticizing concrete experience by delinking it from value relations in capitalism. Second it does not treat the categories of political economy as ultimately what is 'real' in capitalism and therefore drifting into economism. Bertell Ollman (2003) refers to this dialectical approach to treating the relationship between concrete and abstract as "structured interdependence." Epistemologically, this means combining induction with deduction in order to generate new theories and concepts from the empirical material and relevant already-existing theory.

My research also draws from learning methodologies that understand learning to be a social practice that takes place both formally and informally within particular institutions or social groups (Hall, 1993; Wenger, 1998; Foley, 1999; Wenger and Snyder, 1999; Quarter and Midha, 2001; Eraut, 2004; Schoening, 2006). Following the insights of critical pedagogy, I understand learning as praxis in which theory and practice, thought and action, are seen as dialectically related.

This dialectical approach to understanding learning breaks from vanguardist positions that assume a "banking" model of education in which political experts simply deposit revolutionary knowledge into the oppressed and exploited, an approach that reinforces a dualism between knowing and being (Freire, 1970; Motta, 2011). The reason critical pedagogy is an important aspect of my methodology is because it is useful for identifying subjective and objective changes that might point to the development of social relations that are distinct from those of capital. In other words, to identify learning of the kind suggested by critical pedagogy, that is, learning that challenges existing structures of oppression, is to identify the new forming within the old.

My research also relies on comparisons. It utilizes both the single and multiple forms of 'incorporated comparison', as outlined by Phillip McMichael (1990). I engage in comparisons at four different levels. At the most abstract level, I compare the logic and practices of capital with those expressed by the subject matter (social movements). I do this at both the level of the individual case studies and the four cases as a whole. The strategy of comparing the logic of capital with a distinct logic is not new. As McMichael notes, this was performed by Karl Polanyi (1957) in *The Great Transformation*, which compared the precapitalist logic of "society" with the utilitarian logic of the "economy" (394).

More recently, debates within political Marxism also rely heavily on comparisons between capitalism and precapitalist societies. For example, in his work on the origins of capitalism, Brenner (1986) engages in comparisons between the capitalist logic and precapitalist feudal society in rural England. Similarly, in her influential book, *Democracy Against Capitalism*, Ellen Wood (1995) compares ancient Greek society to capitalism. Indeed, Marx (1976a) himself engaged in a similar move in *Capital Volume 1*, comparing the "capitalist mode of production" to ancient precapitalist societies.

For the theorists listed above, comparing the logic of capital to a distinct logic was essential for establishing the historical specificity of capitalism. My comparison differs in one fundamental way, however. While these theorists compared capitalist relations in the present to distinct social relations in the past, I compare capitalist social relations in the present with the future. It is worth noting that, at times, Marx (1976a) did in fact perform this move in *Capital Volume 1,* making references to an imaginary future communist society.

However, my approach differs in that my comparison to the future will rely not on an imaginary society, but on empirical material from a present in which the future is potentially prefigured. Hence, rather than looking to establish the historical specificity of capitalism, as comparisons to pre-capitalist societies aim to do, this kind of comparison looks to establish the historical possibility and challenges of a post-capitalist society. This approach is in accordance with Marx's philosophy of internal relations in which both the past and the future are understood as essential moments in the present (Ollman, 2003, p.121). It is through this approach to understanding capitalist development that I developed the concept of 'post-capitalist struggles', a prefigurative spatio-temporal moment that would remain hidden from view using an empiricist methodology.

Although the type of comparisons mentioned above are at the center of my research, I also make comparisons at a lower level of abstraction. I compare four different movements, each with its own history, challenges and contradictions. This revealed key areas of difference between my case studies, particularly in terms of social composition, institutional continuity, and democratic form. However, in addition to revealing points of difference, comparison between my four case studies helped to shed light on two areas of unity in the development of a potential post-capitalist future. The first can be found in the concept of participatory democracy, which, although varying in specific form from case to case, nevertheless offers a consistent challenge to the more rigid forms of leadership and representation of liberal democracy. Second is primitive accumulation and the dispossessed as the catalyst and agent for social transformation.

Next, I compare the differences and similarities between my case studies along four dimensions: production, reproduction, civil society and state. I do this in the context of historical analysis of each country's development trajectory since the ISI period. This comparison helped me reveal the specific challenges associated with movements in each sphere, such as the development of political coherence. Finally, I compare neoliberalism in Latin America with the current changes in the region's political economy under the 'pink tide'. This involves comparing each of the four countries to each other as well as comparing the four countries as a group or individually to the history of neoliberalism in the region. This allowed me to develop the concept of the 'neostructuralist bargain' as a key moment of unity in the politics of the pink tide.

Data Collection and Analysis

As is typical with the case study approach (Creswell, 1998; Berg, 2004), my data collection tools were varied, included in-depth, semi-structured interviews, focus group discussions, participant observation, textual analysis and a survey instrument. All interviews

followed the ethical standards set out by York University's Human Participants Review

Subcommittee (HPRC). All interviews were conducted in either Spanish or Portuguese. With the

exception of public figures, pseudonyms are used to protect the identity of research participants.

In all cases, interviews were acquired by approaching the research sites directly. Selection of

participants took place through a combination of the 'snowball method' (asking the first

participant to suggest a second and so on), and 'purposeful selection' to best acquire

representation of the social composition at each site (Berg, 2004, p. 36). Overall, 80 interviews

were conducted for all case studies.

Textual analysis included relevant government literature, including policy and strategic

documents, relevant academic research, media coverage as well as any literature developed by

the participants and organizations in question. Although the ethnographic data collected provides

a rich account of the specific research sites, these findings are not necessarily generalizable to

each movement as a whole. In addition, the use of interview data has an inherent weakness,

namely that this data expresses the research subject's particular recollection and interpretation of

events and not necessarily the events themselves. In other words, interviews are an 'indirect'

source of information (Creswell, 2003, p. 186) that is less reliable than first hand observation.

For this reason, to maximize reliability, events discussed by any single research subject have

been cross-referenced with other interviews and, where possible, observation and already

existing published literature on the subject.

In my workplace studies, interviews were conducted with workers at each organization as

well as community members and relevant government employees and officials. Each interview

lasted from approximately 30 minutes to two hours. The survey is based on the work of Josh

Lerner and Daniel Schugurensky (2007) who use a series of indicators to assess the impact of

democratic participation on individuals' learning. This survey was useful in helping me unlock the often-unconscious learning processes behind participants' day-to-day activities.[56]

The survey examines learning in four main areas: knowledge, skills, attitudes and values, and practices. It does so by asking participants to identify the degree of change (either positive or negative) they experienced in relation to a series of indicators, such as collective management, knowledge of collective needs and connection to surrounding communities. The use of the survey has quantitative and qualitative dimensions. It is quantitative because it asks participants to select a number between one and five that corresponds to changes in their learning.

However, the use of the survey is ultimately qualitative because I use it to initiate an open discussion with those participants who indicate a large degree of change since they began working at their organization. In other words, the quantitative responses are not used to establish statistical patterns but rather to identify areas of learning in which a participant experienced a notable degree of subjective change. Once this area of learning was identified, I engaged the participant with follow-up questions, probing him or her to identify potential causal factors behind this learning.

In my Brazilian case study, my data collection was somewhat different. Interview participants were mostly students, which reflected the composition of the movement itself. However, I also interviewed other participants, such as unionized workers and leaders, members of various political parties, and politicians. In addition, I did not use a survey instrument. This is because engagement with participants occurred as the mobilizations were taking place and therefore no 'before and after' existed. In addition, interviews often took place in the midst of a particular demonstration or action. This makes the implementation of the survey, which requires a certain amount of patience, somewhat difficult. To compensate for this problem, my interviews

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[56] See also Pinnington and Schugurensky (2009) and Schugurensky (2006).

included a number of questions that focused on learning. Lastly, these interviews took on a less structured character in order to accommodate the rapidly changing events.

Analysis of interview data sought to uncover particular themes in the experiences of research participants in relation to specific questions. In other words, the themes that were ultimately chosen in each case study can be said to primarily reflect a dialogue between theoretical and empirical knowledge acquired in advance, and participants' own knowledge. This process was facilitated by the semi-structured character of the interviews, which guided discussion around particular themes, yet was open enough to allow for new themes to emerge, or for existing seems to be challenged or fine tuned.

Although the interviews served as the primary vehicle for theme generation, the interview data was triangulated with my own observations and participation, as well as relevant documents produced by the organizations in question. In cases where different data sources produced contradictory, or at least not wholly coherent findings on a certain theme, rather than arbitrarily choosing one interpretation over another, my approach was to generate a theme that would encompass the contradictions in the data sources (see Sen, 2012, p. 321).

My embrace of contradiction in the data sources was perhaps most evident in the case of Brazil, in which research revealed contesting experiences with participatory democracy. In this case, the outcome was an embrace of the theme of ambiguity in relation to new democratic forms being developed by the movement. In other words, rather than arguing that the free transit movement represented a fully formed expression of participatory democracy or, conversely, that it was the expression of disorganization and vanguardism, I settled for the combination of these two interpretations, arguing that the movement found itself "in between" these two poles.

Fieldwork in Argentina took place in three cities between January and April, 2013. In Buenos Aires I looked at Hotel Bauen, Bruckman and Maderera Córdoba. In Rosario, I looked at Lo Mejor del Centro, and Centro Cultural La Toma. Finally, in Neuquén I looked at Zanon/FaSinPat. In interviewed workers, government officials and bureaucrats, including personnel at the *Instituto Nacional de Asociativismo y Economía Social* (National Institute of Associationism and Social Economy, INAES). In total, I conducted 29 interviews. Pseudonyms were not used for the cases of Alejandro López and Raúl Godoy, both elected members in the legislature of the province of Neuquén.

Fieldwork in Venezuela took place in three cities between June and September of 2009 and again between October and December of 2013. I interviewed 21 participants who belong to four SPUs located in the states of Lara, Barinas and Merida: a tomato-processing plant (*Complejo Agroindustrial Socialista de Quíbor*, or CASQ), a coffee-processing plant (Tomás Montilla), and an agricultural equipment service centre (Pedro Camejo) and an electricity company (Corpoelec). In addition to the 21 SPU participants, I informally interviewed several members of the *Corporación Venezolana Agraria*, the state corporation all three SPUs belong to, members of a number of communal councils in Lara and Merida, two employees at SUNACOOP, the national organ responsible for supervision of the cooperative sector and Julio Chavez, legislator for the state of Lara.

Fieldwork in Brazil was conducted in the city of Porto Alegre, between April and September 2013. In total, 23 interviews were conducted. In addition to interviews, I engaged in extensive participant observation at rallies, marches, talks and other events as the movement was unfolding in early June. I also attended the City Hall occupation in late June and the demonstrations during the general strike, including those organized by the CUT and *Bloco de*

Luta. As these events were unfolding, I also paid close attention to media reports (both print and televised) which I used to track the reaction of the government and other relevant political groups or parties to the events, including negotiations, proposals and official statements. Lastly, I attended PSOL's annual congress, a political seminar organized by the PSTU, and a roundtable discussion on organized by a local NGO, which brought together key transit activists.

Finally, in the case of Chile, I did not conduct fieldwork. In this case, data was collected primarily from media coverage (including social media) and documents produced by various organizations involved in the mobilizations (student bodies, unions, political parties etc.). In an attempt to compensate for the lack of direct engagement with participants in the student movement, I prioritized the use of sources that showcased the practices and views of these participants. These included, for example, YouTube videos of assemblies and demonstrations, as well as published interviews, manifestoes, blogs or other documents that featured the participants' own voices. In addition, I conducted one interview with Camilo Ballesteros, student movement leader and PCCh member/politician, during his visit to Toronto, Canada in 2012.

Indicadores de Aprendizaje

Por favor identifique su nivel en las siguientes áreas, y si experimento cambios como resultado de su participación en su empresa desde fue recuperada.

	Antes de la recuperación	Hoy
1. Conocimiento de sus necesidades y las de su comunidad	1 2 3 4 5	1 2 3 4 5
2. Habilidad de organizar y planificar Reuniones	1 2 3 4 5	1 2 3 4 5
3. Habilidad de tomar decisiones en forma colectiva	1 2 3 4 5	1 2 3 4 5
4. Disposición a ayudar a otros	1 2 3 4 5	1 2 3 4 5
5. Confianza en su capacidad de influir decisiones políticas	1 2 3 4 5	1 2 3 4 5
6. Preocupación sobre los problemas de su comunidad	1 2 3 4 5	1 2 3 4 5
7. Preocupación sobre los problemas de la ciudad	1 2 3 4 5	1 2 3 4 5
8. Interés en participación comunitaria	1 2 3 4 5	1 2 3 4 5
9. Me siento conectado a mi comunidad	1 2 3 4 5	1 2 3 4 5
10. Me preocupo por el bien común	1 2 3 4 5	1 2 3 4 5
11. Hablo con mis vecinos sobre los problemas de la comunidad	1 2 3 4 5	1 2 3 4 5
12. Pienso ideas y soluciones para esos problemas	1 2 3 4 5	1 2 3 4 5
13. Voy a reuniones de la comunidad	1 2 3 4 5	1 2 3 4 5
14. Procuro información sobre asuntos políticos y sociales	1 2 3 4 5	1 2 3 4 5

15. Hablar en público con claridad   1 2 3 4 5   1 2 3 4 5

16. Escuchar con atención a otras personas   1 2 3 4 5   1 2 3 4 5

17. Trabajo en grupo, cooperación   1 2 3 4 5   1 2 3 4 5

18. Autoconfianza   1 2 3 4 5   1 2 3 4 5

19. Confianza en los políticos   1 2 3 4 5   1 2 3 4 5

20. Confianza en el gobierno municipal   1 2 3 4 5   1 2 3 4 5

21. Voto en elecciones municipales   1 2 3 4 5   1 2 3 4 5

22. Voto en elecciones nacionales   1 2 3 4 5   1 2 3 4 5

23. Participo en campañas electorales   1 2 3 4 5   1 2 3 4 5

Research Participants

Argentina

Lo Mejor del Centro

1. Name: Nini Ezequiel
    Position: Cook, Spokesperson
    Date of interview: January 12, 2013

2. Name: Sonia Villamonte
    Position: Purchasing, Treasurer
    Date of interview: January 12, 2013

3. Name: Guado Dario Gaspar
    Position: Waiter
    Date of interview: January 15, 2013

4. Name: Sampi Denis Zorro
    Position: Waiter, President
    Date of interview: January 15, 2013

5. Name: Pablo Noruega
    Position: Waiter, Spokesperson
    Date of interview: January 17, 2013

6. Name: Rico Amigo Paredes
    Position: Waiter, Treasurer
    Date of interview: January 17, 2013

Centro Cultural La Toma

7. Name: Sincero Fernandez
    Position: Customer Service
    Date of interview: February 1, 2013

8. Name: Arian Aguero
    Position: Administration, Union Liaison
    Date of interview: February 1, 2013

9. Name: Serena Antigo
    Position: Cashier
    Date of interview: February 3, 2013

10. Name: Hector Calessi
Position: Operator
Date of interview: March 5, 2013

11. Name: Eliana Carbajal
Position: Press, Spokesperson
Date of interview: March 5, 2013

12. Name: Ronaldo Tapia
Position: Washing
Date of interview: March 5, 2013

13. Name: Cabo Melo
Position: Production
Date of interview: March 6, 2013

14. Name: Paulo Rico
Position: Production
Date of interview: March 9, 2013

15. Name: Chaco Aspas Gallo
Position: Operator
Date of interview: March 9, 2013

16. Name: Chichi Emilio Ramos
Position: Mill Operator
Date of interview: March 13, 2013

17. Name: Augusto Iris
Position: Ceramics
Date of interview: March 14, 2013

18. Name: Juancho Sepi
Position: Operator
Date of interview: March 14, 2013

19. Name: Belinda Espinoza
Position: Cook
Date of interview: March 16, 2013

20. Name: Raúl Godoy
Position: Operator/Legislative Representative
Date of interview: March 16, 2013

21. Name: Alejandro López
Position: Press/Legislative Representative
Date of interview: March 12, 2013

Hotel Bauen

22. Focus Group 1
Names: Alicia Palomino, Milagro Aguero and Maria Fornari
Position: Dry Cleaning
Date of interview: March 21, 2013

23. Name: Dario Rosales
Position: Press
Date of interview: March 22, 2013

24. Name: Miguel Rojas
Position: Press
Date of interview: March 24, 2013

Maderera Cordoba

25. Name: Claudio Salinas
Position: Woodworker, President
Date of interview: March 23, 2013

26. Name: Magali Súarez
Position: Shipping
Date of interview: March 23, 2013

27. Name: Mateo Pérez
Position: Sales
Date of interview: March 26, 2013

Brukman

28. Name: Marucha Andali
Position: President
Date of interview: March 22, 2013

Other

29. Name: Marta Firelli
Organization: INAES
Date of interview: March 27, 2013

Venezuela

Pedro Camejo

30. Name: Jaime Batistuta
Position: Mechanic
Date of interview: July 29, 2009

31. Name: Marisa Magas
Position: Administration
Date of interview: July 27, 2009

32. Name: Albert Suñiga
Position: Administration
Date of interview: July 22, 2009

33. Name: Yolanda Acosta
Position: Health and Safety
Date of interview: July 22, 2009

34. Name: Humilde Cachaco
Position: Field Technician
Date of interview: July 22, 2009

CASQ

35. Name: Enrique Machado
Position: Social Activator
Date of interview: August 10, 2009

36. Name: Juan Cortéz
Position: Field Analyst
Date of interview: August 10, 2009

37. Name: Alegre Ávila
Position: Social Activator
Date of interview: August 12, 2009

38. Name: Jorge Montiel
Position: Warehouse
Date of interview: August 13, 2009

39. Name: Eduardo Escamilla
Position: Production Supervisor
Date of interview: August 13, 2009

40. Name: Gerardo Marino

Position: Operator
Date of interview: August 13, 2009

Tomas Montilla

41. Name: Lucho Gallego
Position: Coordinator
Date of interview: August 25, 2009

42. Name: Ina Pérez
Position: Supervisor
Date of interview: August 27, 2009

43. Name: Arilio Migas
Position: Purchasing
Date of interview: August 25, 2009

44. Name: Mara Tata
Position: Community Development
Date of interview: August 28, 2009

45. Name: Anibal Astro
Position: Maintenance
Date of interview: August 25, 2009

46. Name: Cantero Luz
Position: Warehouse
Date of interview: August 27, 2009

Corpoelec

47. Name: Javier Lara
Position: Technician
Date of interview: November 18, 2013

48. Name: Lusto Fabian
Position: Administration
Date of interview: November 4, 2013

49. Name: Mabel Sacarias
Position: Coordinator
Date of interview: November 4, 2013

50. Name: Ollanta Bastas
Position: Coordinator
Date of interview: October 31, 2013

Other

    51. Name: Julio Ronero
Occupation: Teacher
Organization: Communal Council Los Olivos
Date of interview: July 29, 2009

    52. Name: Julio Chávez
Occupation: Former mayor of Carora and legislator for the state of Lara
Organization: PSUV
Date of interview: August 20, 2009

    53. Name: Zarina Duke
Organization: Ministerio de Comunas
Position: Lawyer
December 12, 2013

    54. Name: Mariela Ochoa
Organization: Communal Council La Milagrosa (Parte Baja 2)/Comuna Simon Bolivar
Date of interview: November 2, 2013

    55. Name: Juevez Danilo
Organization: Consejo Comunal
Position: Vocero de Turismo
Date of Interview: November 4, 2013

Chile

    56. Name: Camilo Ballesteros
Organization: PCCh, Chilean student movemet
Date of interview: October 11, 2012

Brazil

    57. Name: Valerie Butragueño
Date of interview: July 15, 2013
Occupation: Student
Organization: None

    58. Name: Danilo Campos
Date of interview: June 20, 2013
Occupation: Engineer
Organization: MPL

    59. Name: Carisa Filha
Date of interview: July 13, 2013

Occupation: Student
Organization: MPL

60. Name: Vera Mechado
Date of interview: July 30, 2013
Occupation: Student/Journalist
Organization: Jornal Tabare

61. Name: Kara Buen dia
Date of interview: July 30, 2013
Occupation: Student/Journalist
Organization: Jornal Tabare

62. Name: Paulo Ferreira
Date of interview: July 28, 2013
Occupation: Student/Journalist
Organization: Jornal Tabaré

63. Name: Manolo Rosalda
Date of interview: July 11, 2013
Occupation: Union Rep.
Organization: CUT

64. Name: Lalo Mendez
Date of interview: June 20, 2013
Occupation: Student
Organization: PSOL

65. Name: Gaba Gonzales Amarro
Date of interview: August 9, 2013
Occupation: Student
Organization: Passe Livre/Bloco de Luta

66. Name: Roberto Henriques
Date of interview: July 17, 2013
Occupation: Student
Organization: PCB/Bloco de Luta

67. Name: Cristobal Ortega
Date of interview: July 17, 2013
Occupation: Student
Organization: Bloco de Luta

68. Name: Gabriela Guzman
Date of interview: July 20, 2013
Occupation: Administrator
Organization: Cidade

69. Name: Maria Tardado
Date of interview: July 20, 2013
Occupation: Administrator
Organization: Cidade

70. Name: Lugo Carbajal
Date of interview: August 6, 2013
Occupation: none
Organization: Passe Livre

71. Name: Miguel Gameiro
Date of interview: July 17, 2013
Occupation: Student
Organization: PSTU

72. Name: Bruno Cabral
Date of interview: August 1, 2013
Occupation: Student
Organization: PSOL

73. Name: Nero Costa
Date of interview: Augut 10, 2013
Occupation: Unknown
Organization: PSOL

74. Name: Pacheco Muñoz
Date of interview: June 13, 2013
Occupation: Public Servant
Organization: PT

75. Name: Jorge Alvarado
Date of interview: August 7, 2013
Occupation: Union Rep.
Organization: SIMPA

76. Name: Daria Palacios
Date of interview: August 2, 2013
Occupation: Unknown
Organization: MST

77. Name: Romulo Texeira
Date of interview: August 2, 2013
Occupation: Unknown
Organization: MST

78. Name: Marcelo Da Costa
Date of interview: August 10, 2013
Occupation: Union Representative
Organization: CUT

79. Name: Justo Domingo
Date of interview: August 11, 2013
Occupation: Union Representative
Organization: SIMPA

80. Name: Juanpi Erez
Date of interview: August 11, 2013
Occupation: Union Rep.
Organization: SIMPA/PSOL