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## RESIST-OCCUPY-PRODUCE: LESSONS FROM FACTORY TAKE-OVERS AND WORKER COOPERATIVES IN ARGENTINA

In Argentina economic crisis saw a collapse in working class conditions. High unemployment, low wages, attacks on social services: familiar things in South Africa. But in Argentina, from the 1990s, something very different started happening.

### RESIST-OCCUPY-PRODUCE

The "recovered factories" movement saw hundreds of closed factories reopened by the workers, run democratically, creating jobs and helping working class communities. For example, the former Zanon tile factory was reopened under workers' control. It created jobs, restored dignity and helped build a community clinic. Many of these worker-run sites are still running; linked together through two national networks.

This experience shows the limitations of protest – and the need to discuss alternative production sites. To move beyond saying what we do not want, and making limited demands, to creating something new. Workers in Argentina helped show an alternative from below. They rewrote the economics textbook. The experience shows the immense role and creativity of the productive classes. That it is possible to produce for need, not profit. Something totally different to the two false choices we are given today: top-down exploitative wage labour under private companies (and privatisation) or state companies (and nationalisation).

### SELF-ACTIVITY NOT ELECTIONS

It represents a profound challenge to the system that leaves factories closed, while people need the goods, jobs and services they produce; that closes brickyards and hotels while people are homeless. It shows how democratic discussion and assemblies, choices based on meeting needs rather than profiting can work – better than the current system's mess.

### BEING EMBEDDED

The "recovered factory movement" also shows such alternative production sites must form alliances with working class and poor movements, including unions, community movements, unemployed movements, and popular struggles. They must be embedded in the popular classes' movements, for protection and for building struggles. In 2003, community protests plus a strike by a union federation prevented Zanon being evicted. And in 2007, Zanon workers joined mass protests after police killed a demonstrator.

Embedded like this, alternative production sites can also be somewhat protected from the logic of capitalism, which forces wages down and imposes authoritarian management systems. But "recovered factories" still exist within capitalism. They face ongoing pressures: for example, the Argentinean government refuses to provide contracts and bans bank loans; cheaper tiles can be sourced elsewhere. Unless they have support from movements that creates breathing space to operate differently to capitalist and state firms, they can either collapse, degenerate into worker-run capitalist firms, or get captured by states, and forced to operate on business lines.

### SOLIDARITY PRICING

Such embeddedness enables a situation where customers – especially larger organisations, like unions – can pay "solidarity" prices. This means paying above market prices, to protect them from capitalist market pressures, and state regulations, that otherwise force alternative production sites to cut wages and jobs, and replace democracy with authoritarian management.

Embedding alternative production sites within mass movements also helps avoid a situation where their survival rests upon support from wealthy strata, who can afford higher prices, and pay them as a matter of conscience – while the masses, who cannot pay these premiums, rather choose cheaper products made in capitalist sweatshops. In this situation alternative production depends on class inequalities to survive – on ethical "middle class" consumerism – rather than on class struggle.

### AFRICAN EXAMPLES

We have wonderful examples of such solidarity in 1980s South Africa. The National Union of Mineworkers (NUM) set up cooperatives among retrenched workers, while the National Union of Metalworkers of South Africa (NUMSA) did the same among workers fired during a major strike. These cooperatives were given contracts to supply union t-shirts and similar goods. The Food and Canning Workers Union (FCWU) ran its own medical aid in the 1970s and 1980s, using this to set up a workers' clinic. Union aid kept these afloat, and showed workers an alternative.



Today, sadly, unions generally use the cheapest products, usually from union-bashing, worker-repressing capitalist sweatshops; and, for commissions, sell members medical aid and insurance funds, which are invested in capitalist firms.

Developing and demonstrating real alternatives is possible, but requires class-struggle politics. Union investment funds should stop being invested in profit-making firms – a recipe for corruption and a loss of vision. They should prioritise spending on worker-run clinics, worker cooperatives, working class mass media, large-scale popular education and mass organising.

### PREFIGURE EVERYWHERE

It is essential to prefigure a better future everywhere, not just in “recovered factories,” cooperatives, social centres etc., but in mass formations of struggle, like unions, and protest movements in communities and schools. This means radically democratic organising, solidarity ethics and mass education against the ideas, attitudes and behaviours of the existing order.

### NOT ENOUGH

We cannot escape capitalism by creating a few sites of alternative production, even occupied “recovered factories,” nor through “ethical” consumerism. Building a “solidarity economy” cannot defeat the existing system. Most means of production remain in the hands of private corporations and states, representing ruling classes backed by armies, police and massive bureaucracies that will crush any significant threat.

Capitalism and state will never be suffocated by a proliferation of alternative sites. Even a massive amount of collectives and land occupations is inadequate. While capital and state command the heights of production, coercion and administration, the system will capture or crush alternatives.

### THE NEED FOR RUPTURE

The aim is not to choose between capitalists: “Buy South Africa” or “Buy Black”.

It is to link alternatives to capitalism and states together, coordinate them, with a mass revolutionary front of unions, social movements, people’s media and education and other bottom-up social services. It is

to build this in mass struggle. It is to institute complete socialisation of the economy and administration – a new system based on assemblies, federations of community and workers’ councils, and serious, coordinated defence of the new system.

This means a final showdown: a radical rupture, abolition of state and capitalism, complete socialisation. Otherwise the ongoing pressures of state and capitalism, and the ruling classes they represent, will corrupt, kill off or crush what is different, better, democratic. And the old world of suffering will grind on.

### NO EXIT: RIDE THROUGH

The solution is not to “exit” the system, through refusal to consume or work, which is impossible. It is confrontation, building a massive, unified counter-power based on radically democratic structures, direct action, and a revolutionary counter-culture based on widespread acceptance of a revolutionary worldview.

Alternative production sites, and bottom-up education, media and services, can play an important role. As part of a larger movement, such alternatives are shielded, assume enormous symbolic power and help inspire fundamental change. But the system will never slowly and quietly disintegrate because of a few cooperatives, “recovered factories” and worker-clinics.

An alternative must mean something new, from roots to branches, a new society that replaces the old. It is no change if we keep relying on the system’s leaders, its institutions, its elections, its stress on what divides us like colour and country, and its aims: power and profit for a few.

As anarchist luminary Mikhail Bakunin argued:

*“The various forms of co-operation are incontestably one of the most equitable and rational ways of organizing the future system of production. But before it can realize its aim of emancipating the labouring masses so that they will receive the full product of their labour, ... land and all forms of capital must be converted into collective property. As long as this is not accomplished... co-operatives will be overwhelmed by the all-powerful competition of monopoly capital and vast landed property;... even in the unlikely event that a small group of co-operatives should somehow surmount the competition, their success would only beget a new class of prosperous co-operators in the midst of a poverty-stricken mass of proletarians”.*

**HUNDREDS OF CLOSED FACTORIES WERE  
REOPENED BY THE WORKERS, RUN  
DEMOCRATICALLY, CREATING JOBS AND  
HELPING WORKING CLASS COMMUNITIES**

