Saving More than Jobs: Transforming Workers, Businesses and Communities through Argentina's Worker-Recuperated Enterprises

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This article first introduces Argentina's worker-recuperated enterprises (ERTs) via political economic and sociological frameworks. It then assesses their place in the expansion of the social and solidarity economy in the country. Since their emergence in the late 1990s and early 2000, these firms have proven to be intensely transformative for their workers, faced as they are with having to quickly learn how to self-manage their new worker cooperatives that were the formerly crisis-riddled investor-owned firms or sole proprietorships that had previously employed them. More broadly, Argentina's worker-recuperated enterprises show how the creation of new worker-run firms has many positive externalities for the revitalization and wellbeing of surrounding communities.

1. Setting the Stage

Rooted concurrently in the long and rich history of workers' self-activity, labour organizing, and cooperativism, conversions of investor-owned or proprietary companies into worker cooperatives and other types of labour-managed firms have existed throughout the world since the consolidation of the capitalist economic order in the early 19th century (Atzeni & Vieta, 2013; Ness & Azzellini, 2011). Today, conversions of businesses into labour-managed firms can be found primarily in regions that have experienced acute market failures or macro-economic crises, such as in contemporary Latin America, especially in Argentina, Brazil, Uruguay, and Venezuela; in Southern Europe, particularly in France, Spain, Italy, Greece, in smaller pockets in other European countries, such as Russia, Ireland, and the UK; and, to lesser degrees, in the US, Canada, and Australia. Workplace conversions may also occur in less-conflictive scenarios, such as worker buy-outs when investors or private business owners of sole proprietorships or partnerships have no obvious heirs or, for various

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reasons, decide to sell or bequeath their businesses to employees (e.g., the UK's John Lewis Partnership and Scott Bader Commonwealth, or the US's WW Norton & Company and New Belgium Brewing Company). What motivates workers to take over or buy-out their places of employment is usually most immediately rooted in the employees' desires to save their jobs and the businesses where they work, to avoid the fate of unwanted early retirement, precarious employment, or unemployment. This is all the more so in times of economic uncertainty or a company's imminent closure[2].

The emergence of Argentina's *empreseas recuperadas por sus trabajadores* (worker-recuperated enterprises, or ERTs), the business conversion model at the heart of this article, falls on the more dramatic side of the conversion spectrum; over the past two decades in Argentina, ERTs have become transformative experiences not only for the workers who have gone through these conversions, but also for the communities where these takeovers occur (Vieta, 2012a, 2012b, 2014b). The transformative nature of these experiences is, in part, due to workers and surrounding communities uniting in solidarity to collectively overcome business closures, community depletion, and micro- and macro-economic crises (Vieta, 2012a, 2014b).

The aim of this article is to introduce Argentina's *empresas recuperadas* through a political-economic and sociological overview of the rise and establishment of ERTs in Argentina over the past two decades. The article strives to put their emergence into context by answering the following four key questions: (1) Why have these firms emerged in Argentina in the past two decades? (2) What motivated workers in Argentina to take over their firms in this particular situation? (3) What are the paths and struggles that these workers must go through to win control of their firms? and (4) How do workers, work organizations, and communities transform in the process of converting formerly investor-owned or proprietary companies into worker cooperatives?

Section 2 provides a working definition of ERTs, based on my political-economic, sociological, and ethnographic research work on these companies in Argentina since 2005 (Vieta, 2012a, 2014b). Section 3 then explores the social and political-economic realities underpinning the rise of ERTs in Argentina. Here, I argue that the ERTs of the 1990s and 2000s first emerged as direct worker responses to acute forms of exploitation and crises emanating from one or a combination of: (1) macro-economic crises overflowing onto shop floors and spurred on by broader market failure; (2) administrative or owner ineptitude, mismanagement, or overt exploitation of workers (i.e., under- or un-remunerated work, increasing work demands, cutting

[2] The literature tends to identify five types of scenarios or circumstances for the conversion of businesses into labour-managed firms: (1) conflictive company takeovers by employees in circumstances of socio-economic distress; (2) employee buy-outs of investor-owned businesses in crises; (3) employee buy-outs of businesses when owners retire, leave the firm and are without heirs, where their heirs do not wish to own and manage the firm, or where owners bequeath the firm to employees (i.e., business succession plans); (4) nationalization schemes where employees partly or wholly control or co-own the firm with the state (i.e., self-management in the former Yugoslavia or co-management in Venezuela today); and (5) employees becoming part-owners of the firm via share purchases, as in US and Canadian ESOPs or worker shareholder cooperatives in Quebec (Clarke, 1984; Estrin, 1989; Estrin & Jones, 1992; Gherardi, 1993; Girard, 2008; Jensen, 2011; McCain, 1999; Paton, 1989; Vieta, 2012a; Zevi et al, 2011).

back on employee benefits, practices of asset stripping firms, etc.); (3) or as employees' collective responses to growing rates of under- and unemployment, labour flexibilization, and informality within a context of a collapsing neoliberal economic system. Section 4 assesses ERTs' radical social transformations. First, it examines the transformations that ERT workers themselves go through as they collectively and informally learn the ins and outs of self-management, and as their workers transition from managed employees to self-managed workers. Here, the article also explores the new cooperative organizational structures that emerge as a consequence of ERT workers' personal and collective transformations. Finally, Section 4 delves into the deep connections and practices of community economic development that subsequently arise with surrounding communities. The article concludes by underscoring how ERTs are *transformative organizations* for workers, work organizations, and communities, and how ERTs form an integral part of Latin America's broader movements that fall into what is commonly know in the region as *the social and solidarity economy*.

2. What are Argentina's *Empresas Recuperadas por sus Trabjadores*?

Argentina's *Empresas Recuperadas por sus Trabajadores* are formerly investor- or privately-owned (i.e., proprietary) businesses that were in trouble, had declared or were on the verge of declaring bankruptcy, and that are ultimately taken over by their employees and reopened by them as worker cooperatives, usually in situations of deep conflict on shop floors between workers and managers or owners. In the past 20 years or so, they have emerged as direct worker responses to the worst effects of structural reforms to small- and medium-sized enterprises (SMEs) in Argentina, the decline of traditional union power, and the subsequent rising tide of precarious living conditions and unemployment (Vieta, 2012a, pp. 533-535). Furthermore, they are closely connected to the country's long history of labour militancy and shop floor democracy, as well as the mass mobilizations of poorer and marginalized sectors in recent years (Ruggeri, 2010; Vieta, 2014b). Indeed, in Argentina, the takeover of workplaces by employees, or people occupying land or idle property, have a long tradition. Workplace takeovers, in particular, have emerged historically in Argentina during key periods of political turmoil, market failure, or as labour bargaining tactics at moments of particular tensions between employers, workers and their representatives, and the state (Atzeni, 2010; Atzeni & Vieta, 2013; Munk, Falcón, & Galitelli, 1987; Ruggeri, 2010; Vieta, 2012a)[3].

[3] The ERT phenomenon, like most Argentine labour movements of the past 60 years, also retains tinges of Peronist imaginaries of the "dignity of labour" and the "right" of workers to be central players in the Argentine political economy. These were views strongly articulated by Perón and the Peronist-controlled union movement under the auspices of the CGT, Argentina's union central, in the 1940s, '50s, and '60s. These two common Argentine working-class notions are perhaps the two main imaginaries that remain ensconced in the social and cultural memories of Argentina's ERTs, further colouring their emergence (Munck et al., 1987, pp. 133, 238, 240; Vieta, 2010). Moreover, as Maurizio Atzeni (2010) contextualizes it, *peronismo* and the union bureaucracy it propagated brought with it new forms of "citizenship around workers' rights" as trade unions became de facto state organs "responsible for the administration of substantial financial resources" that would give the CGT, in particular, "tangible power" in the Argentine political economy (p. 55). When these worker-based "state organs" began to collapse during the neoliberal privatizations and anti-labour reforms of the 1990s, some workers, such as ERT protagonists, began to act outside of their unions in order to not only save their jobs but retain the benefits and rights Argentine workers had enjoyed since

Argentina's contemporary ERTs, however, while linked to the militant past of the labour movement and working-class sectors, mark a somewhat unique moment in the history of labour struggles. In recent decades they have emerged as mostly non-union aligned, "bottom-up," and worker-led responses *specifically to the crisis of neoliberal capitalism*. As a phenomenon, they have also lasted much longer than previous waves of workplace recuperations in the country; have, despite their small numbers, influenced the reform of labour, business, insolvency, and cooperative legislation; and have inspired new visions for social change and more egalitarian forms of working and production.

In a nutshell, Argentina's contemporary ERTs began to emerge in the early 1990s as direct worker responses to the anti-labour policies, structural reforms, and ultimate market failures of that decade. With most of Argentina's labour movement leaders co-opted into the neoliberal system that was sold to Argentines as a way to economic stability and prosperity (Felder & Patroni, 2011), and with an increasingly unresponsive state overwhelmed by increasing precariousness in everyday life, employees working in near-insolvent, insolvent, or otherwise failing firms began taking matters into their own hands by occupying and then attempting to self-manage them. The emergence of ERTs would hit its apex during the country's social, political, and financial crisis years of 2001 and 2004 as more and more SMEs began to fail, dismissed workers, or declared bankruptcy.

As of 2010, almost 9,500 workers were self-managing their working lives in 205 ERTs throughout most of the country's urban economic sectors (Ruggeri, 2010) (see Table 1). While representing a fraction of Argentina's broader cooperative sector (INAES, 2008; Vieta, 2009a), and while making up a small number of active participants in its urban-based economy (Ministerio de Trabajo, 2010), ERTs have nevertheless inspired the imaginaries of workers, cooperative practitioners, social justice activists, progressive social science researchers, policymakers, and grassroots groups in Argentina and the world over in the past 15 years or so. This is the case, as I will elaborate in the following pages, because of how ERTs have managed to save jobs and businesses, transcended economic crises, integrated new workers into their workforce, prevented social exclusion, returned control to workers, and saved communities from further socio-economic ruin. Many ERTs have contributed positively to the socio-economic needs of surrounding neighbourhoods by, for instance, allowing other cultural and economic initiatives to operate within the company, while some ERTs have invested part of their surpluses to community economic development and revitalization. Indeed, these new, converted worker cooperatives have punched well

the mid-1940s. As such, these Peronist-tinged imaginaries around the dignity of labour and workers' rights have unsurprisingly flowed over into the ERT phenomenon's cultural, political, and discursive milieus via the memories and past experiences of ERT workers, the management of ERT leaders and umbrella organizations, and some of the phenomenon's most militant protagonists. Many ERT leaders and advocates, for instance, have come from some of the most militant sectors of Peronist and *clasista* (leftist Peronist and non-Peronist) trade unionism that advocated and fought for the institutionalization of these benefits and rights several decades before the neoliberal era. For more on these issues, see the discussion around Tables 1 and 2 below, and Vieta (2012a, Chapter 3).

above their numerical weight in Argentina, instilling "new expectations for [social] change" (Palomino, 2003, p. 71). More concretely, ERTs have been important in motivating Argentina's federal governments since 2003 to return to more pro-labour and heterodox national economic policies (Vieta, 2012a).

ERTs are also said to be forging "new institutional relations" (Palomino, 2003, p. 71). Within the legal and organizational rubrics of a worker cooperative, Argentina's ERTs are beginning to exemplify the innovative ways workers themselves can reorganize production, directly address the inevitable instability wrought by economic downturns and market failure and, move beyond a national economy's over-reliance on the global financial system. Because of this, over the past decade or so, the process of creating ERTs has become increasingly *institutionalized* throughout the country[4]. For instance, today creating an ERT is now another legal option for troubled firms in the country, in addition to receivership, declaring bankruptcy, or permanent closure. The activism of ERT workers themselves, together with efforts by their representative organizations, have directly influenced the reform and creation of new business and cooperative laws that now more strongly favour employees that decide to take over troubled firms and reopen them as worker coops (CNCT, 2011; Feser & Lazarini, 2011; Magnani, 2003).

It is increasingly clear, then, that Argentina's ERTs have not only saved jobs, but also helped to prevent the further depletion of the cities, municipalities, and neighbourhoods where they are located, and bring increased attention to the social decay caused by business closures. There are several reasons why ERTs have been good for local economies and surrounding communities.

Worker cooperatives such as ERTs have particularly shown the social and economic advantages of cooperatives in the face of recent economic crises stemming from the collapse of market liberalizations (Birchall & Hammond Kettilson, 2009); in becoming worker cooperatives, ERTs have tapped into what the cooperative studies literature calls "the cooperative advantage" (Birchall, 2003; MacPherson, 2002; Vieta & Lionais, 2014). Worker coops, for instance, have been shown to be counter-cyclical, growing in number throughout the regions most affected by crises (Birchall, 2012). Such is the case with the emergence of ERTs and other worker cooperatives in Argentina in recent years (see Figure 1), as well as in other national contexts. Worker cooperatives tend to survive economic crises better than investor-owned firms because, on the whole, they favour jobs over profits and wage flexibility over employment flexibility (Pérotin, 2012). ERTs, too, have failed much less than conventional businesses in Argentina, experiencing less than a 10% failure rate

[4] By the "institutionalization" of ERTs, I mean the consolidation and regularization of the social, political, and legal mechanisms, processes, and practices of converting failing private firms into cooperatives (Vieta, 2012a). Undoubtedly, ERTs still face many challenges, as I will show in this paper, and some policy makers and bankruptcy courts, judges, and trustees continue to contest the legality of ERTs because, it is mainly argued, they violate Argentine property law. Increasingly, however, ERTs are seen by the state and the legal system as viable alternatives to business closures, promulgating the legal regularization of these companies. I explore the institutionalization of ERTs in more detail in Vieta (2012a, especially Chapters 5 and 6).

over the past decade. This is an exceptionally low failure rate, especially compared to the extreme rates of business closures in Argentina throughout the 1990s and early 2000s (see Figure 1 and the discussion below)[5]. Also, worker-owners are more connected emotionally, psychologically, and locally to their businesses than dispersed shareholders (Penceval, Pistaferri, & Schivardi, 2006) Workers participate in the running of their companies (Oakeshott, 2000) and live in the same communities where their coops are located, thus having more "intrinsic" motivations for the success of their companies and communities than shareholders (Borzaga & Depedri, 2005, 2009; Navarra, 2010; Pérotin, 2006). Such is also the case with ERTs. As with other worker coops, ERTs also exhibit "positive externalities" for communities. For instance, economic democracy has been linked to workers' improved wellbeing (Theorell, 2003; Wilkinson & Pickett, 2011), and they promote participation beyond the workplace as worker members learn citizenship by "doing" democracy (Daly, Schugurensky, & Lopes, 2008; Erdal, 2000, 2011; Pateman, 1970). Again, ERTs have shown ample evidence of worker-members' growing awareness of community needs and their increased involvement in community participation, as I have shown elsewhere too (Vieta, Larrabure, & Schugurensky, 2011; Vieta, 2014a), and as I will describe in Section 4.

In brief, ERTs (as with other worker cooperatives that emerge during times of distress) are not only palliatives for crises, but also, as I and others have argued elsewhere, are *transformative organizations* for communities (Amulya, O'Campbell, Edoh, & McDowell, 2003; Vieta, 2012b; 2014a). ERTs, as converted workplaces in other contexts in Latin America and Europe, have also recently gone one step further and have been demonstrating (CECOP-CICOPA, 2012) how workers can even take the reigns of failing formerly proprietary firms and turn them around, preserving not only jobs but also sustaining a productive entity and helping to protect local communities from socio-economic ruin.

2.1 How many, where, and ERTs' "symbolic" significance

Covering less than 1% of Argentina's approximately 16.5 million active participants in the urban-based, formal and informal economies (Ministerio de Trabajo, 2010), the most conservative study suggests that, as of late 2009, 9,362 workers were self-managing their working lives in 205 ERTs across Argentina (Ruggeri et al., 2010, p. 9) (see Table 1)[6]. A testament to the extent of the neoliberal crisis of the

[5] Indeed, micro-economic studies of labour-managed firms (LMFs) have shown that they fail less within the first 10 years than conventional firms. Initial empirical evidence shows that Argentine ERTs are comparatively as resilient as, if not more so, than other LMFs in other contexts. For instance, Avner Ben-Ner (1988) found that, whether from "conversion into KMFs [capital-managed firms] [or] out-right dissolution," the annual death rates of European LMFs in the 1970s and 1980s were: 6.9% for French LMFs, 28.6% for Dutch LMFs, 9.3% for Italian LMFs, UK LMFs were at 6.3%, and Swedish LMFs were at 29.5% (p. 208). In comparison, only 20 ERTs that were around during Ruggeri et al.'s (2005) 2004-2005 survey of all existing Argentine ERTs did not exist in the research team's 2009-2010 survey, suggesting roughly, from 2009-2010 numbers, a death rate or non-survival rate of 9.75% among ERTs (Ruggeri et al., 2010, p. 39).

[6] More optimistic journalistic reports and the estimations of ERTs' political lobby organizations suggest that 12,000 or even 15,000 workers currently self-manage 250 or even more than 300 ERTs (e.g., Murúa, 2006; Trigona, 2006; Dellatorre, 2013). There are political, ideological, financial, and psychological reasons for estimating larger numbers of ERTs for Argentine self-managed workers (i.e., the desire to have larger economic relevance, the wish for more

turn of the millennium on Argentina's national economy, Tables 1 and 2 show that ERTs are found in most of the country's regions and provinces and throughout its urban economy in sectors as diverse as printing and publishing, media, metallurgy, foodstuffs, construction, textiles, tourism, education, and health service provision. Indeed, the breadth of the ERT phenomenon, cutting across most of Argentina's economic sectors including heavier industries such as manufacturing, shipbuilding, and hydrocarbons and fuels, suggests that worker cooperatives, at least upon the conversion of a capital-managed firm (KMF) into a labour-managed firm (LMF), when most of its capital assets are still usable to some extent, *can* indeed function in capital-intensive sectors. In this regard, Argentina's ERTs seem to counter the assumption in the mainstream economic literature that worker coops are most adequate for labour-intensive and low-capital enterprises[7].

government subsidies, easier access to loans) and for ERT lobby groups (i.e., increased political legitimacy, gaining easier access to policy makers). Indeed, as Palomino et al. (2010) suggest, as the ERT phenomenon has gained recognition and legitimacy, some self-managed firms and worker coops that did not consider themselves "worker-recuperated" companies a few years ago, now do, thus further expanding the "universe" of ERTs.

[7] For discussions of these assumptions, see Ben-Ner (1984, 1988); Cornforth (1985); Bartlett, Cable, Estrin, Jones, & Smith (1992); Dow (2003); Drèze (1993); Fama & Jensen (1996); Furubotn & Pejovich (1970); Hansmann (1996); Vanek (1975, 1977).

Table 1: Breakdown of ERTs per sector and number of workers per sector, as of 2009

Sector	No. of ERTs	No. of Workers	% of ERTs	% of Workers
Metallurgic Products	48	1,971	23.41%	21.08%
Printing	16	503	7.80%	5.38%
Textiles	13	470	6.34%	5.03%
Gastronomy	4	72	1.95%	0.77%
Glass products	7	264	3.41%	2.82%
Chemicals	3	158	1.46%	1.69%
Plastics	5	85	2.43%	0.91%
Meatpacking and Refrigeration	13	1,353	6.34%	14.63%
Shipbuilding	2	62	0.98%	0.66%
Foodstuffs	26	640	12.86%	6.84%
Construction	12	748	5.85%	8.17%
Leather Products	5	481	2.44%	5.15%
Health	10	431	4.88%	4.61%
Education	4	118	1.95%	1.26%
Hostelry	5	243	2.44%	2.60%
Sport	1	13	0.49%	0.14%
Wood Products and Sawmills	4	74	1.95%	0.79%
Fuel and Hydrocarbons	5	95	2.44%	1.01%
Pulp and Paper	2	71	0.98%	0.76%
Footwear	4	520	1.95%	5.56%
Transportation	6	375	2.93%	4.01%
Maintenance and Logistics	3	316	1.46%	3.70%
Communication & Media	4	181	1.95%	1.83%
Commerce and Finance	2	95	0.98%	1.02%
Rubber	1	23	0.49%	0.25%
Total	**205**	**9,362**	**100%**	**100%**

Source: ***Ruggeri et al., 2010, pp. 10-11***

Additionally, it is worth noting that the economic sectors with the largest conglomeration of ERTs tend to also be those that have come from militant union traditions, suggesting, as I did earlier, the strong connections between ERTs and the country's history of working-class activism. It is no coincidence then that, from Table 1, just over 56% of Argentina's ERTs are found in the metallurgy, printing, meatpacking, construction, and foodstuffs sectors, represented historically by some of the most militant private sector unions in Argentina. More radical ERT workers with past experiences in their unions are often part of an ERT's founding collective, and some of these workers subsequently go on to become leaders of their worker cooperatives. Their early development as radicalized workers often takes place within former union settings, as shop stewards, from having taken part in past strikes and other labour actions, or as workers beginning to learn the ins and outs of militancy from family members with histories of labour activism (Vieta, 2012a, 2014b).

It is also not coincidental that most ERTs, as Table 2 shows, are to be found in the city of Buenos Aires, the capital's greater conurbation, in pockets of the interior of the province of Buenos Aires, and in the provinces of Santa Fe, Córdoba, and Mendoza. These happen to be the country's six major industrial centres. Not surprisingly, they are also the places where most of its working-class struggles have taken place over the past 130 years or so.

Table 2: Breakdown of ERTs and number of ERT workers per region, as of 2009

Region	No. of ERTs	No. of Workers	% of ERTs	% of Workers
City of Buenos Aires	39	1,466	19.0%	15.7%
Greater Buenos Aires	76	3,243	37.1%	34.6%
Interior of Prov. of Buenos Aires	31	1,164	15.1%	12.4%
Chaco	3	182	1.5%	1.9%
Corrientes	4	376	1.9%	4.0%
Entre Rios	5	332	2.4%	3.5%
Santa Fe	20	945	9.8%	10.1%
Chubut	2	24	0.9%	0.3%
Córdoba	5	515	2.4%	5.5%
La Pampa	3	79	1.5%	0.8%
La Rioja	3	100	1.5%	1.1%
Mendoza	7	178	3.4%	1.9%
Neuquén	3	600	1.5%	6.4%
Río Negro	1	30	0.5%	0.3%
San Juan	2	48	0.9%	0.5%
Tierra del Fuego	1	80	0.5%	0.9%
Argentina (Totals)	**205**	**9,362**	**100%**	**100%**

Source: ***Ruggeri et al., 2010, pp. 10-11***

Small in number but powerful in its suggestive force for workers experiencing moments of micro-economic difficulties and potential job loss, Argentina's ERT phenomenon, as Palomino (2003) has also suggested, is more "related to its symbolic dimension" than to the strength of its size or macro-economic force (p. 71). But this certainly does not lessen its significance, especially given, as I will show in Section 4, the social transformations that their worker protagonists have been forging (for instance, as I have already mentioned, in how workers convert a once-capitalist firm into a site for community socio-economic development); the phenomenon's relative longevity when compared to other labour-managed firms in other contexts (see above); and the increasing support for and legitimacy of ERT workers and their self-management projects by the state, legal sphere, and the wider public since the socioeconomic crisis years of 2001-2003 (Vieta, 2013; 2014a, b).

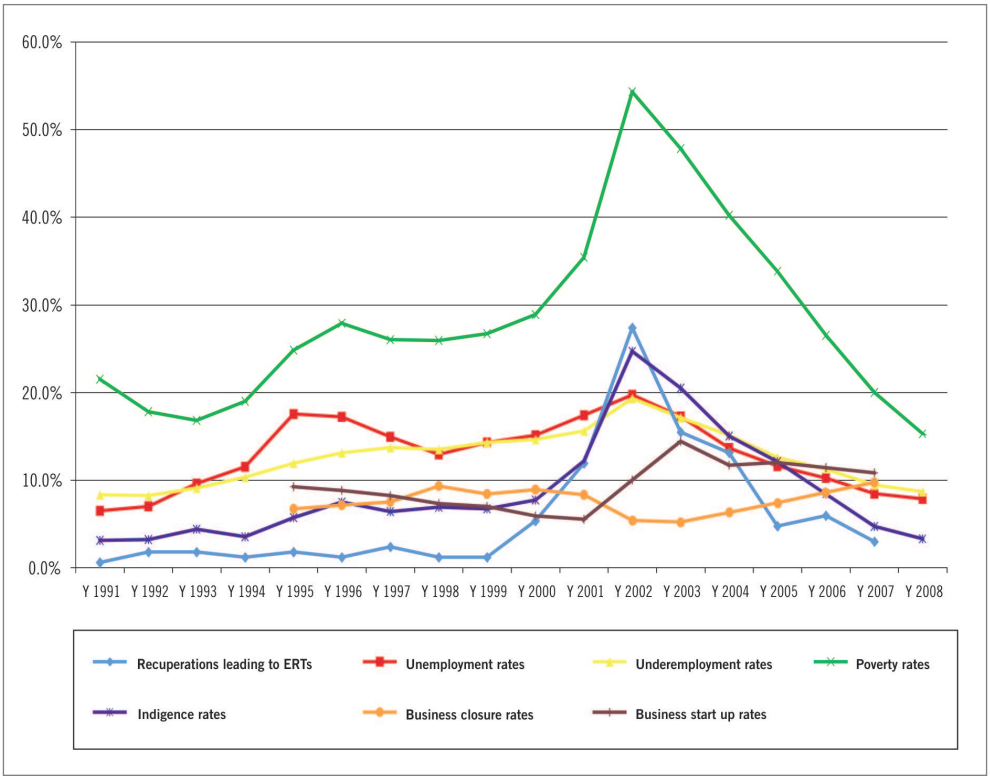
3. The Emergence of Argentina's ERTs

3.1 Political economic context

That ERTs have emerged over the past two decades as worker-led responses to the macro-economic crises of the neoliberal model in Argentina can be inferred from Figure 1, which situates the surge of ERTs with other major key socio-economic trends. Figure 1 clearly shows that the evolution of ERTs is parallel to the rising tide of unemployment, indigence, and business closure rates throughout the 1990s and early 2000s in Argentina. In particular, President Carlos Menem's regime's (1989-1999) IMF-sanctioned neoliberal policies of peso "convertibility" to the US dollar; its selloff of most of Argentina's public assets; the multinationalization of the economy; draconian labour law reforms consolidated further by Menem's successor, Fernando de la Rúa (1999-2001); and the massive trade deficit and rates of underemployment, unemployment, and poverty that subsequently resulted, all served to greatly compromise Argentina's macro-economic reality, organized labour's earlier victories dating back to the first two Peronist presidencies (1946-1955), and the competitive advantage of many of the country's small- and medium-sized enterprises (SMEs) (Atzeni & Vieta, 2014; Gambina & Campione, 2002; Olmedo & Murray, 2002; Palomino, 2003, 2005; Patroni, 2004). Tellingly, for example, Figure 1 also shows that the period between 1998 and 2002 was consistently marked by more business closures and bankruptcies than start-ups, ominously presaging the final implosion of the neoliberal model that was felt with force across all of Argentina's economic and social sectors between late 2001 and mid-2003. Figure 1's parallel trends in business closures, unemployment, poverty, and indigence further suggest that this socio-economic collapse was most strongly felt by the country's workers and the marginalized. It is no coincidence, then, that these years also saw the greatest surge of ERTs.

In short, research into the political economic context of ERTs to date suggests that they began to emerge within the following multifactor scenario: (1) A macro-economic situation of financial, political, and social crises that ultimately saw, as Patroni (2002, 2004) convincingly argues, the negative impacts of currency convertibility on employment security, real wages, and the overall viability of the Argentine economy; (2) The subsequent rise of severe micro-economic crises at the point-of-production or point-of-service delivery in many SMEs cutting across all urban economic sectors that could not compete against cheap foreign products and rising production costs; and, (3) the increasing precariousness of everyday life for most working- and middle-class Argentines that expressed itself in shared existential and actual experiences of fear and despair, as well as a general sense of loss of dignity amongst an increasing number of Argentine workers threatened by business closures, redundancies, and high structural unemployment.

Figure 1: ERT recuperations compared to key socioeconomic indicators in Argentina, 1991-2008

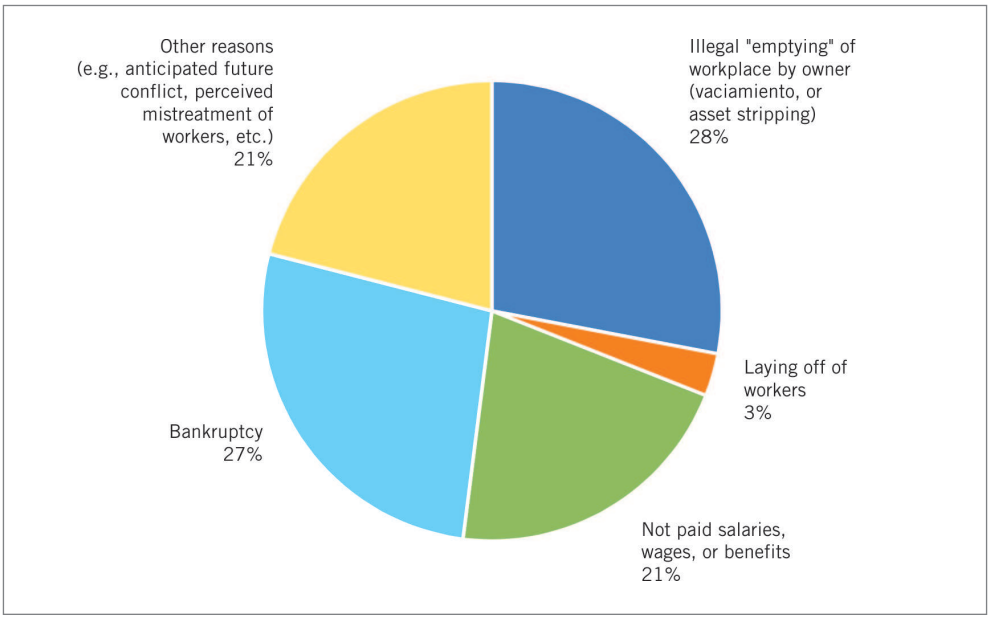


Sources: INDEC (2011), Ministerio de Trabajo (2007, 2008a, 2008b, 2010), World Bank (2011).

3.2 Workers' reasons for workplace takeovers

Variously driven by owner or investor despair; by nefarious business dealings by managers who took advantage of lax labour laws, corrupt legal institutions, indifferent unions, and pro-business policies; or by simple managerial or owner ineptitude, the socio-economic crises of the neoliberal years in Argentina inevitably led to amplified rates of exploitation and the mistreatment of workers at more and more companies across the country (Ruggeri et al., 2005; Palomino, 2003; Patroni, 2004). ERT workers consistently mention five overlapping micro-economic and micro-political experiences that immediately motivated their workplace takeovers: owners' illegal *vaciamiento* (literally, "emptying" or asset stripping) of firms' machines and inventories just before or shortly after bankruptcy is declared, often in collusion with corrupt local officials and court officials; employees' perceived imminence of the bankruptcy or closure of their companies; not being paid salaries, wages, and benefits for weeks or months; actual layoffs and dismissals; and lockouts and other forms of maltreatment (Ruggeri et al., 2005, p. 66).

Figure 2: Perceived reasons for workplace takeovers by ERT workers (N=72 ERTs)



Source: ***Ruggeri et al., 2005, p. 66***

Bottom-up and spontaneous workers' resistance would ultimately arise in more and more companies across Argentina as the rising exploitation workers experienced on shop floors became increasingly unbearable, labour contracts were explicitly violated by employers, and as the political economic system which had delivered workplace security and social benefits in the past evaporated with the neoliberal juggernaut (Atzeni, 2010). In addition, most unions, on the whole, were unresponsive or even hostile to the plight of ERT workers (Clarke & Antivero, 2009). Many of the country's major unions, as well as its central union the CGT, had been co-opted into Menem's neoliberal program (Olmedo & Murray, 2002; Palomino, 2005). This was coupled with the short-sightedness of Argentine organized labour as it failed to see, in the main, its role in these new worker coops without bosses (Fajn, 2003; Rebón, 2007). But, most practically, traditional union tactics proved toothless in these socio-economic circumstances. Slow-downs and soldiering, or putting down tools and strikes are useful methods of protest for demanding better working conditions or wage increases during more stable economic times. These options are less effective during severe economic downturns or crises (Hyman, 1975, 1989; Kelly, 1998). The latter was predominantly the case in Argentina in the years spanning the turn of the millennium, when companies were closing throughout the economy, micro-economic hardship was rampant, and the unemployment rate high (Atzeni, 2010; Atzeni & Vieta, 2014). During these moments of capitalist crises, employers can and often do, with increased impunity, engage in systematic lockouts, asset theft, and other blatant infringements of the standard employment contract. But it is also during these moments that the exploitative social relations of the capitalist labour process

are made visible to workers as employment contracts are broken, work intensified, salaries cut, and redundancies increased. In turn-of-the-millennium Argentina, at a time when the so-called "class compromise" between workers, employers, and the state ruptured, the solution for more and more workers was to partake of spontaneous acts of workplace occupations, relying on the solidarity that workers had already been forging over the years on shop floors, and that had been solidifying during the period of acute economic crisis (Rebón, 2007; Ruggeri, 2006).

By the early 2000s these political-economic and living conditions increasingly motivated some workers with no other options left other than to: (1) *occupy* and *takeover their firms,* (2) *resist repression*, and subsequently (3) *self-manage* their failed or failing firms as worker cooperatives. This three-staged path of struggle on the road to self-management has come to be known among ERT protagonists by the slogan "*ocupar, resistir, producir*" ("occupy, resist, produce") (Murúa, 2005a). Next, I delve into the consequences of this three-staged process of workplace recuperation for workers, work organizations, and communities.

4. The Social Transformations of Argentina's ERT

ERTs show workers' innovative capacities for saving jobs and adeptly self-managing their work without the need for bosses. Unlike other cooperative sectors in other contexts, or state-sanctioned workers' control within nationalization schemes, Argentina's ERT worker cooperatives are the result of spontaneous activity from below as workers first turned to taking over the failing firms that had employed them as defensive measures to save their jobs in the context of massive rates of unemployment and poverty. Moreover, with little support from the state or favourable labour policies, ERT protagonists have taken it mostly upon themselves to restructure their enterprises, resist state repression in some cases, negotiate the legal status of their new cooperatives with bankruptcy courts, restart production, and make these firms economically viable again. Gradually, as these workers live out the daily challenges of self-management, they begin to replace the values of individualism, competitiveness and profit maximization with a new ethos based on cooperativism, equal compensation, and solidarity. By privileging the right to work while not shying away from market interaction, ERTs are also expanding Argentina's burgeoning social and solidarity economy (Fajn, 2003; Coraggio & Arroyo, 2009; Vieta & Ruggeri, 2009; Palomino et al., 2010). Furthermore, many ERTs participate in community economic development projects and open their workplaces to community centres, free health clinics, public schools, or alternative media and art projects (Vieta, 2013a, b; 2014a).

The ethnographic and sociological component of my research in Argentina since 2005 has included almost 60 in-depth interviews with ERT workers, social movement and labour movement participants and leaders, academics, and state officials. My

study also included participant observation in several ERTs, including four extended case studies in the city of Buenos Aires, the greater Buenos Aires region, and the city of Córdoba: the print shop Artés Gráficas Chilavert, the waste disposal and parks maintenance cooperative Unión Solidaria de Trabajadores (UST), the newspaper *Comercio y Justicia*, and the medical clinic Clínica Junín.

Most participants in the ERTs I visited reported positive changes in their values, skills, and practices related to community participation, economic cooperation, collective decision-making, knowledge of their community's needs, and myriad connections to the broader community. The informal and collective learning that occurred among members of the four case studies—gauging the changes that had occurred in workers' perceptions in the process of transitioning their firms from investor-ownership to worker self-management and control—can be organized into two main categories: the *inward-focused transformation of workers and work organizations* (i.e., cooperative attitudes and skills) and the *outward-focused transformation of communities* (i.e., community participation and community economic development).

4.1 The transformation of workers and work organizations

The collective struggle of taking over a bankrupt company and the challenges faced in transforming it into a self-managed space is an important source of learning for ERT workers. This shared experience generates deep transformations, pushing many workers to move away from being individualistic and competitive employees into *socios*, or associate members of a cooperative with a stronger sense of community and common bonds with co-workers. This learning happens informally, by trial and error, and in the actual working out of the processes of self-management. As one worker at UST told me: "*Aprendimos cooperativismo sobre la marcha*" ("We learned cooperativism on the job.")

Their learning within collective struggles tends to also be closely associated by workers themselves to their working-class past. Indeed, most ERT members I spoke to still perceive themselves as *laburantes* (workers) rather than *cooperativistas*: "We became cooperativists out of necessity, not because we wanted to be." Indeed, ERTs did not emerge from Argentina's traditional cooperative movement but mainly from unionized workplaces identifying with Argentina's labour movement. For example, only three of the ERT workers I interviewed had had previous experiences with cooperativism, while a larger number had had previous union organizing experiences. Tellingly, ERT workers who have gone through these previous coop or union organizing experiences are often considered key people within the firm, holding formal or informal positions of importance to teach the rest of their *compañeros* (comrades, or workmates) how to actually go about organizing workers' assemblies and how to carry out democratic decision-making[8].

[8] Argentine syndicalism has a long tradition of shop-floor asambleas (assemblies) and a high turnout rate amongst unionized workers when electing shop stewards and local union delegates that then vote on key national union issues in one of Argentina's two union centrals. While union support for ERTs has been sketchy at best, many ERTs were

The informal means of acquiring cooperativism and self-management skills solidifies within the recuperated workplace in a process the ERT workers themselves call *compañerismo* (a strong attitude of camaraderie). Practically, *compañerismo* is reflected in how ERT workers learn or expand their skills and how they acquire the values of cooperativism together. In the transition to the new organizational structure, workers learn that the cooperative form affords them both a sound business model from which to continue to produce or deliver their services and a viable path for countering the most negative aspects of working under bosses. In this regard, ERT workers have to learn to avoid replicating the management hierarchy and exploitative practices of the former company, and adopt extremely flat self-management structures and democratic practices (e.g. situational decision-making on shop floors, flexible labour processes, workers' assemblies, etc.). At first, these cooperative transformations and work processes are not intentionally planned, but are born out of necessity.

Subsequently, ERT workers are now much more likely to help their workmates in situations when in the past they would have stuck to their own tasks and worried primarily about their own individual interests. As a founding member of Chilavert emphatically told me:

Before, under owner management, there was always someone marking out the rhythm of your work. You would work because you got paid. Things are now different…. Before we were "workmates" but today we aren't workmates anymore. We're now more like socios (partners, or associates), where the problem of one member affects us all…. Before, if something happened to someone it was the owner's responsibility, but now, what binds us together is the fact that we're all responsible for this cooperative.

In the everyday activity of the ERT, most new workers are trained informally and "on-the-job" through apprenticeships. Shadowing more senior members for a period of time on the job or on actual shop floors, I observed, is the key way that ERT workers tend to learn new job tasks and skills. This is not unusual. These practices can be observed in many workplaces, and they were certainly present in the previous private ownership era of each company. In the words of a founding member of UST (the expert bulldozer operator at the plant):

I started as an apprentice here twenty years ago. I wanted to learn how to use the machines here and the old guys taught me as jobs came up. And I do the same with my apprentice now. If a job comes up I try to go but sometimes I can't [because of the other duties I have to do here] so I send [my apprentice]…and he replaces me also during my vacations or when I have meetings. When we have to attend political rallies to support other social movements, we take turns in who goes to the rally and who stays and works…. He's already starting to replace me! Just like the old guys

former union shop stewards and most ERT workers still belong to their unions in order to, at a minimum, retain pension plans and other union-negotiated benefits. ERTs' current practices of holding regular workers' assemblies and electing administrative positions have deep roots in these trade union shop floor practices (Clark & Antivero, 2009).

gave me a chance, I've also been teaching many of the young guys here and giving them a chance.

As we can observe, there are continuities between the old mentor-apprentice relations and the new ones, but it is possible to notice at least two differences from previous shop floor learning. First, in the ERT, the apprentice and the mentor take turns not only in cases of illness or vacation, but also when they need to attend a workers' meeting or participate in a political rally to support other social movements. Secondly, the mentoring process is not only about instrumental knowledge and skills acquisition, but also about learning cooperativist values. Indeed, training on the job is more important to most ERTs than hiring someone just for specific skillsets. Skills can be learned on the job, many of them told me, but guaranteeing the longevity of the ERT is much more difficult. The mentor-apprentice relationship, then, also includes training new members to appreciate and uphold cooperative values, in effect working towards securing the longevity of the ERT after the founders retire.

The specific form that cooperation takes tends to be worked out within each ERT pragmatically as it matures and experiences the intricacies of self-management within its particular economic sector. Informal learning and communication flows are usually mitigated by consensus-based decision making and communication structures that relate to the second and third Rochdale principles of cooperativism: "democratic member control" and "member economic participation" (ICA, 2014). As with other bottom-up worker coops and collectives from around the world, most ERTs tend to be administered by workers' councils made up of at least a president, a treasurer, and a secretary with a mandate of one or two years. Most ERTs also hold regular workers' assemblies that meet either on a regular basis (sometimes weekly, usually monthly) or when major issues arise, or both. Generally, smaller ERTs tend to administer themselves more loosely, relegating minor day-to-day decisions to those most skilled in a particular task.

Moreover, in most ERTs, revenue capitalization, salary amounts, salary adjustments due to ebbs and flows of the firm's business cycles, and the social dividend each member is given at the end of the fiscal year are regularly debated, voted on, and amended by the workers' council or the general assembly. There is no defining trend across ERTs concerning what percentage of revenues should return to the cooperative as capital, how much should be allocated to salaries and benefits, and whether a percentage of revenues should go to local community needs. More financially challenging months, for example, are usually bridged with consensus-based cuts to, most often, salaries and community contributions for those companies that engage in community work. This underscores the wage flexibility, rather than job flexibility, characteristic of worker coops that I addressed in Paragraph 2. In sum, strong cultures of collective planning and organization, and active member participation in policy setting and decision-making predominate in most ERTs.

Last but not least, in the new cooperative organizational model ERT workers learn the importance of accountability. As a founding member of Salud Junín noted, "*recuperated enterprises have managed to sustain themselves most fundamentally because they have a much more honest and transparent administration*." The horizontal reconstruction of their work processes were intimately intertwined with shared stories of intense *compañerismo*, common recollections of the harrowing early days of occupation or political resistance, and many anecdotes of perseverance and resilience in the face of myriad challenges in self-management.

4.2 The transformation of local communities and community economic development

Inter-cooperative learning especially occurs during an ERT's first high-conflict months, when other ERTs and myriad social movement organizations come to support workers occupying a company. During these moments of high political tension and turmoil, these affinity groups help to transfer their knowledge of political and judicial systems and through their actions disseminate solidarity values and cooperativist attitudes among the new ERT workers. Another founding member of Salud Junín remembered the learning that took place in those initial turbulent days:

What continued to strengthen the processes [of workplace takeovers] was the unity and solidarity of other sectors helping out: students, sympathetic unions, neighbourhood groups, human rights organizations. That's what permitted all of these processes to sustain themselves over time. We developed close relations with other ERTs. There is a common saying among ERTs: 'if they touch one of us, they touch us all.' If there was another ERT experience that was being threatened with eviction, many of us would also go to support them. Since then there's been a permanent exchange between many of us.

Most ERT members, I need to underscore again, have had no previous experience with community organizing or activism. It was the specific involvement with the ERT, including their connections with other ERTs during the first period of high conflict that fundamentally sparked the transformations in these workers, in many cases leading to processes of deep political radicalization. This was particularly noticeable in ERTs where doing community work and supporting social movements is part of the daily routine.

4.2.1. Bringing the community into the ERT

Jobs, labour processes, decision-making structures, and surpluses are thus not the only things recuperated and transformed by ERT workers. Like other social economy businesses, many ERTs tend to also have strong social objectives (Vieta, Larrabure, & Schugurensky, 2011). ERTs' new forms of *social production* extend to include provisions for the social, cultural, and economic needs of surrounding communities. Hosting such cultural and community spaces and involving themselves intimately with

the needs of local communities is not just a way of giving back to the neighbourhood out of self-interest or corporate social responsibility. Instead, ERT workers that host community projects tend to see their workspaces as continuations of and integral players in the neighbourhoods they are located in. Again, they gain these values informally and over time, as they enjoy rich experiences of solidarity with workmates, groups in solidarity with them, and the community at large, during the stage of occupation and beyond it as they consolidate their worker cooperative.

For instance, the print shop Chilavert hosts the ERT Documentation Centre, run by activist student volunteers associated with the University of Buenos Aires and used frequently by national and international researchers. A vibrant community centre called Chilavert Recupera (Chilavert Recuperates) also operates on its mezzanine level, hosting plays, art classes, music concerts, and community events often linked to Argentina's social justice movements. Furthermore, Chilavert houses an adult high school equivalency program focused on a popular education curriculum that is heavily used by local marginalized communities. During one of my weekend visits, volunteers from the print shop were giving a class on the dying *porteño*[9] signage art called *fileto*, while workers and visitors from the community were playing table tennis in the cultural centre. On another occasion, I witnessed a community play about the ERT movement whereby Chilavert itself became a living theatre as the play was performed in the midst of stacks of papers and printing machinery. Another emblematic ERT, IMPA, a large metallurgic ERT in the Caballito *barrio* of Buenos Aires, is also known as "The Cultural Factory" because it dedicates a large portion of its space to an art school, silk-screen shop, free health clinic, community theatre, and an adult education high school program. Artes Gráficas Patricios, in the southern Buenos Aires neighbourhood of Barracas, also hosts a popular education school, plus a community radio station and a dental and medical clinic, all run by workers, neighbours, social movement groups, and health practitioners volunteering their time. Vividly capturing the community involvement of ERTs, in August 2007, I attended a community fund-raising concert on the blocked-off streets outside of Patricios, where several thousand spectators listened to numerous bands playing on a temporary stage improvised from the print shop's flatbed truck as local musicians donated their time and equipment to the occasion.

All of this is of course is, again, a marked difference to the possessive individualism that tends to emerge on proprietary shop floors owned by shareholders or managed by bosses. For many workers, there is a tangible sense of the importance of their community projects for a different, less individualistic and more communitarian kind of social and economic project for Argentina. As a nurse member of the health clinic Salud Junín related to me:

[9] "*Porteño,*" literally "one from the port" or "of the port," is the Argentine-Spanish name for a native of the city of Buenos Aires, also applied as an adjective for anything from the "port city" of Buenos Aries.

No, I was never involved in a community project of any sort before helping to start this coop.... I'd like to do more work in a disadvantaged neighbourhood, for example, or some such thing. But time is limited! For us, it's about doing as much as we can for the community from here, our coop.

My data also suggests that, after having worked at the ERT, some workers also experience a strong desire to personally take up community practices beyond the ERT, such as speaking to neighbours about community issues and attending community meetings. As a young and novice 21-year old member of the waste management coop UST told me:

I never worried about community problems or problems in my neighbourhood before coming to work here. I just couldn't see them before, in reality. Now, from here, you start to see these problems and you start to work [to alleviate them].

Save for five of the workers I interviewed that had community activist or union activist backgrounds, most of my key informants did not have previous experiences with community organizing or activism. It was the specific involvement with the ERT project, the overcoming of challenges together, the richer level of association with workmates (i.e., *compañerismo*), and the help received from the communities that surround ERTs from the company's early days, that fundamentally begin to transform these workers into more community-minded individuals, and their workshops into transformative community organizations. A nurse member of Salud Junín emotively related this transformational aspect of community involvement to me:

When we took the clinic none of us had a single cent in our pockets. And suddenly, these young people from several left political parties, social movements, and from the university would come and help us with our strike fund. It was really not much money but, at the time it seemed like lots of money for us, do you know what I mean? From having nothing for more than a year to then having the community come in droves to help you out, to give you a hand, to give you a few pesos to help you out…no, no, really, it is what kept us going, what gave us the energy in those early days to keep on fighting for this.... It was a very precarious time for us all and this also served to bring us together as a group, to look out for each other.

4.2.2. Taking the ERT outwards into the community

While some ERTs open up their doors to the community, the changes in community values and attitudes experienced by workers have encouraged a few ERTs to integrate into their very business practices social missions that see them *sharing* portions of their revenues with the community, which essentially extends their productive efforts out into the surrounding neighbourhoods territorially. Some of the most celebrated ERTs such as Zanón/FaSinPat, UST, and the Hotel BAUEN, for example, have expanded their business focus to include community economic development projects right into their *raison d'être*. As I co-wrote in 2011:

FaSinPat, for instance, frequently donates tiles to community centres and hospitals, organizes cultural activities for the community on its premises, and built a community health clinic in three months in an impoverished neighbourhood that had been demanding such a clinic from the provincial government for two decades without success. (Vieta, Larrabure, & Schugurensky, 2011, pp. 143-144)

Similarly, the waste management cooperative in my study, UST, has not only taken on and trained another 60 cooperative members that were formerly unemployed residents from surrounding *barrios* since its founding as an ERT in 2004, it has also deeply involved itself in numerous neighbourhood development and resident empowerment projects. The UST coop, for example, has already built 100 attractive town homes to replace precarious housing for its own members and other neighbourhood residents. In addition, the coop built and continues to support a youth sports complex in the local neighbourhood, an alternative media workshop and radio program, while also heading a unique plastic recycling initiative for the large low-income housing project located near its plant.

UST's community interventions also tightly interlace its community economic development model (CED) with cultural production, Argentine cultural practices, and popular memory, witnessed in its promotion of traditional Argentine festivals and music; youth education, sports, and theatre; and its workers' daily narratives, which consistently identify their community initiatives with past Argentine workers' struggles and even with the image of Eva Peron. Grounding its CED projects within cultural imaginaries and popular social memories has deeply engrained UST into the heart of the surrounding neighbourhood, becoming one of the most important social and cultural hubs of the *barrio*. The popular social memories and working class imaginaries suffusing the cooperative's CED projects, in sum, seem to play a vital role in mobilizing and sustaining its community projects, measurably improving the quality of life of the neighbourhood. This is especially promising in Argentina given the depleted and neglected reality of many working class neighbourhoods that, unfortunately, still remain far from the reach of government development programs.

In sum, ERT's community practices, acquired over time from having to overcome challenges collectively between workers and between ERTs and communities, in effect return the practices of work and the workplace to the neighbourhoods and communities that surround them. ERTs are transforming the lives of not only its workers, but also the communities they touch, both symbolically and practically breaking down the walls that divide work inside a factory from the rest of life outside of it in the process. Confirmed by my own observations during the time I spent in several Argentine ERTs, these community projects point to the communal values that many ERT protagonists have managed to fuse with work life, further collapsing the paradigm that encloses labour within capitalist logics and work within proprietary walls. That is, they extend *compañerismo* to the communities outside of the walls of the company, and begin to engage in myriad non-marketized forms of social production with surrounding neighbourhoods and groups. Evocatively, such creative fusions being fashioned by ERTs has been said to penetrate and rupture the capitalist "secret" (Ruggeri, 2009, p. 79), the proprietary nature of the capitalistic paradigm enclosing the production and work that occurs within the walls of a company from the community outside. These community-enterprise fusions, it has been further argued, point to productive practices that extend beyond competition. In Argentina, this has been called "*la fabrica abierta*," "the open factory" (Vieta, 2012a, p. 483).

Symbolically tearing down the walls that, in the strictly for-profit economic model, divide the business inside a workplace from the community outside of it is, I have argued elsewhere, among one of Argentina's ERTs most powerful innovations. Summarizing the discussion in this section, this is an innovation that markedly separates these new worker coops from solely for-profit business interests, reclaiming the social wealth and surpluses produced in a socialized business not only for the benefit of a cooperative's members, but also for the myriad communities it touches. In short, this social innovation serves to clearly work through and develop the seventh cooperative principle—"concern for community"—in ways that more traditional cooperatives in other situations have not yet been able to do.

5. Conclusions: ERTs as Transformative Organizations and their Potential for the Social and Solidarity Economy

On first observation, ERTs save jobs. They emerged as workers' bottom-up solutions to the worst effects of neoliberalism in Argentina, reaching their peak during the socio-economic crisis years of 2001-2003. But, subsequently, ERTs have facilitated three broad social transformations for Argentina's workers and communities, inspiring other instances of workers' control, self-activity, and the creation of new bottom-up social and solidarity economy organizations the world over (Vieta, 2010a).

Firstly, ERTs *transform workers*. At times of macro- and micro-economic crises, most poignantly felt by these workers as crises at the point of production, ERT protagonists change from being employees to defensive workers set on saving their jobs, to, ultimately, proactive agents of social change that go on to found cooperatives with positive impacts for surrounding communities. In essence, ERT protagonists' transformed subjectivities first arise out of collective actions in response to situations of micro-economic crises. Their transformations continue to unfold collectively in striving to consolidate their companies and learn the intricacies of self-management. These subjective —"*sobre la marcha*" ("on the job") transformations in the act of collectively taking over a failing company and in the process of learning and carrying out self-management underscore the intimate connections between the myriad challenges ERT workers collectively tackle and the collaborative and informal learning that takes place within each ERT.

Secondly, ERTs *transform work organizations*. With ERTs, hierarchical capitalist workplaces become horizontal and cooperative work arrangements. These transformations evolve as ERT workers engage in working out challenges and learn self-management together. Practically, they can be seen in the regular meeting of workers' assemblies and the transparent and rotating membership of workers' councils, in shop floor practices where workers collaborate to learn new skills and actively practice on-the-job mentoring, in the use of ad hoc work groups specially catering to production needs, in their flexible production processes moving beyond alienating capitalist specialization, in their more humanized work environments, and most radically, in opening up companies to the community. Here, my study's qualitative findings coincide with heterodox economic research that explores the increase in worker wellbeing that comes with democratic governance structures and workplace participation (Erdal, 2011; Pérotin, 2012), and the higher degrees of worker satisfaction, motivation, and even productivity in self-managed companies (Becchetti et al., 2012; Erdal, 2000, 2011; Oakeshott, 2000; Pérotin, 2006, 2012).

Thirdly, ERTs *transform communities*. ERTs have, as cooperatives tend to show, positive externalities for community wellbeing and local development (Erdal, 2011; Pérotin, 2012; Wilkinson & Picket, 2011). ERTs both symbolically and practically break down

the walls that divide work inside a factory from the rest of life outside of it. That is, ERT workers extend their *compañerismo* to the communities outside of the firm and begin to engage in myriad non-marketized, solidarity-based forms of social production with surrounding neighbourhoods and community groups. This is because, firstly, ERT workers have a vested interest in surrounding communities; ERT workers tend to live in the very communities where ERTs are located. Secondly, most ERTs emerged in times of deep socio-economic crises, which were hard times shared by most working people in Argentina. Emerging from out of the firmament of radicalized, anti-systemic and anti-neoliberal social movements of turn-of-the-millennium Argentina, ERTs, on the whole, give back to the myriad communities that assisted workers in transforming companies into worker coops during their most precarious moments of occupation and resistance. Thirdly, and perhaps most profoundly, overcoming injustices within the workplace, and transforming companies into directly democratic workplaces, gradually translates, for many ERT protagonists, into additional projects that assist in overcoming injustices outside of the company. As such, recuperated workshops and workplaces tend to share their spaces of productive activity with solidarity-based community programs such as free health clinics, public instructional schools, youth centres, local arts and culture projects, community media initiatives, and the like, bringing the community into the worker-recuperated firm. In some ERTs, the firm is extended into the community as they begin to share surpluses, capacities, and skills with surrounding *barrios* by engaging in neighbourhood revitalization projects, and beyond the *barrio* in solidarity-based political initiatives with other ERTs and transformative social movements. As with other experiments in locally-rooted community economic development and bottom-up and solidarity-based democracy, ERTs thus help forge "more cohesive communities" (Wilkinson & Pickett, 2010, p. 259). Coraggio & Arroyo (2009) suggestively describe these strong ERT-community links as merged "time-space distances of factory, neighbourhood, home, and work" that begin to "replace the heteronomy of the capitalist production line and its distance from the life-world" (p. 146).

In Latin America, especially as responses to the entrenchment of neoliberalism over the past four decades, social economic practices and values that both challenge the status quo *and* create alternatives to it have returned with dynamism in recent years. These practices and values make up what is called throughout the region *the social and solidarity economy* (Coraggio, 2004; Singer, 2004). ERTs form a part of this broader alternative economic movement. As neoliberalism has expanded, entered crises, adapted, and reasserted itself throughout the region in recent years, social and solidarity economy responses such as ERTs continuously strive to work against the tide of neoliberal practices and values. Social and solidarity economy organisations such as Argentina's ERTs engage in a two-pronged *resistive* (negative) and *proactive* (positive) movement against neoliberal enclosures of life *from below*, led by those people—actual socio-economic protagonists such as workers—most affected by

neoliberal reforms and that, at the same time, most directly benefit from controlling their own economic destinies.

In sum, social and solidarity economy organizations such as ERTs are grounded in practices of self-reliance, self-direction, self-control, and directly democratic decision-making structures and peoples' assemblies known as *horizontalidad* (horizontalism). Centrally, these organizations are made up of groups of individuals from those communities directly engaged in the actual production of goods and services. While not doing away with efforts to reform the system or lobby the state for more recognition and assistance, however, organisations operating within social and solidarity economies focus first on the equitable redistribution of surpluses among direct producers and the otherwise marginalised. Moreover, as with Argentina's ERTs, social economies of *solidarity* also include aspects of explicitly non-capitalist economic or organizational practices such as bartering, participative and inclusive democracy, cooperativism, and camaraderie and mutual aid—what ERT protagonists call *compañerismo*. Furthermore, these organisations are saturated by values that desire viable yet sustainable exodus from conditions of perpetual marginality and social exclusion. Organizations operating within economies of solidarity do this by creating and engaging in economic practices that are consciously not a central part of the state-capitalist system, that emerge despite and in many ways apart from the continued presence of competitive markets, and that prefigure other modes of non-commodified economic and productive life. As I have shown in this article, Argentina's ERTs in many ways fall within this broad Latin American movement.

ERTs' three social transformations—the transformation of *workers*, *organizations*, and communities—underscore the potential for alternative economic arrangements of production rooted in social and solidarity economy organizations and enterprises. They highlight how social transformation can emerge from workers' recuperations of formerly investor-owned workplaces in crisis, and from workers' inherent processes of informal learning catalyzed by struggles to overcome macro- and micro-economic crises collectively. From out of the tensions and challenges ERT workers face in the struggle to secure jobs, take over workplaces, and self-determine their working lives in Argentina, these workers eventually go on to learn about, co-invent, and collaboratively implement new cooperative organizational arrangements and more socialized economies.

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