

Case Study 8.2

Occupy, Resist, and Produce – the case of Argentinean worker co-operatives

Nowhere is the case of worker takeovers of bankrupt or defunct businesses more prominent than in Argentina during the early 2000s. The growth of worker co-operatives in Argentina was fuelled by the economic hardships created by the capitalist policies of then president Carlos Menem.

When Argentina defaulted on its sovereign debt in 2002, protests occurred across the country and a worker movement was born. The movement was based on worker solidarity and this principle was reflected in the equal pay policies adopted by most co-operatives. The workers faced innumerable challenges to establish their co-operatives including hostility from existing factory owners and a legal system that protected the primacy of private ownership of property. Many workers even felt the need to guard the factories 24/7 to prevent the owners reclaiming and disposing of the assets. The worker co-operative movement in Argentina is characterised by a 'bottom-up' approach to development, as opposed to being driven by socialist policies.

Source: Lewis, A. and N, Klein (2004). *The Take*.

