Voices from the trueque: barter networks and resistance to neoliberalism in Argentina

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In 1914, John Foster Fraser, a British visitor to what he called ‘the amazing Argentine: land of enterprise’, wrote:

one cannot go through the country and see its fecundity, go into the killing houses … watch the ocean liners, with the Union Jack dangling over the stern, being loaded with many sides of beef, visit the grain elevators … pouring streams of wheat destined for European consumption into the holds of liners, without the imagination being stimulated when standing on the threshold of this new land’s possibilities. (Fraser 1914: 70)

Fraser has not been the only commentator to point to Argentina as a place from which wider lessons could be drawn. Eighty-four years later, IMF secretary general Michel Camdessus invited Argentine president Carlos Menem to address the organization’s plenary, the only head of state, apart from Bill Clinton, to be afforded the honour. Camdessus lauded Argentina thus:

In many respects, the experience of Argentina in recent years has been exemplary … clearly, Argentina has a story to tell the world: a story which is about the importance of fiscal discipline, of structural change, of monetary policy rigorously maintained. (quoted in Blustein 2005: 38)
While Argentina’s charismatic leader Juan Péron had, in the 1940s and 1950s, thrown the Union Jack if not off the liners, then off Argentina’s railways,¹ and ensured that strong trade unions meant that the workers were well paid for their labour, latter-day Peronist Menem was lauded as an exemplar of good development practice by reinserting Argentina into the global economy and pegging the peso to the dollar, thereby bringing ‘stability’ to a formerly chaotic economy at the cost of reducing workers’ wage levels, job security and working conditions. According to the IMF, following its ‘sound policies’ set Argentina apart from those other Southern countries that were not prepared to take the ‘tough’ decisions. Argentina, again, showed the way.

However, just as the cosy world of 1914 described by Fraser would soon be plunged into a world war that led to the great Depression, fascism and communism, so neoliberal success proved short-lived. While the peso-to-dollar peg did provide stability and gave Argentine elites access to a high-value currency that enabled them to live a First World lifestyle, the privatizations, bankruptcies and cuts in public-sector payrolls meant destitution for many. Some of the losers – the picket or picquetero movement – who were unable to strike (they were unemployed) or to affect the circulation of (increasingly virtual) capital, fought back by attacking neoliberalization in its concrete form by blocking roads to hit at the circulation of goods (Dinerstein 2001; Petras 2002). Others, mainly the new poor who had recently lost their jobs, responded to the crisis of liquidity caused by the peg by creating their own forms of money, traded through a network of markets. Menemismo was not, therefore, uncontested.

The protests grew, and things fell apart in a classic currency crisis in December 2001. The state had tried to meet a pending payment to the IMF by raiding pension funds, thus breaking confidence in its trustworthiness and financial competence. Convinced that the peg was no longer sustainable and that devaluation was inevitable, those who were able started moving their money out of the country. The state responded to the run on the currency by limiting the amount of cash people could take out of their accounts to an amount that barely allowed for subsistence. Enraged customers mobbed the now closed banks, banging pots and pans. When the state attempted to
declare a state of emergency, Buenos Aires erupted into three days of street violence that saw thirty-six dead and the resignation of four presidents in a week. The fifth person to put on the presidential sash, the Peronist Duhalde, bowed to the inevitable and broke the peg.

As the peso fell to one-quarter of its previous value, the middle class found that their savings had been decimated and their retirements perhaps ruined. Previously, they had thought nothing of a shopping spree to Paris or Miami. The economy collapsed. GDP sank by 16.3 per cent in the first three months of 2002, whilst manufacturing output fell by 20 per cent. Some 52 per cent of the population, 19 million people, lived in poverty; 20 per cent of Argentines were reported as living in ‘severe’ poverty, which meant they could not meet basic daily nutritional needs. As many as 20 per cent were unemployed, while 23 per cent were underemployed (Rock 2002). As the crisis dragged on through 2002, Argentina moved from the status of IMF poster child to that of problem child.

If in 1914 and 1998 Argentina offered a vision of enterprise, by 2001 the crisis gave hope to many on the anti-capitalist left (Dinerstein 2002; Harman 2002; Klein 2003; López Levy 2004). Argentina seemed to be showing that ‘it is possible in the 21st century for human development to be undone. “Progress” is not a given. It has to be fought for and defended’ (López Levy 2004: 5). Neoliberal prescriptions were not only failing, but were being seen to fail spectacularly, while new forms of resistant practices spread like wildfire across Argentina. The pickets not only blocked roads, but some also created their own communal kitchens, organic gardens, schools and small enterprises in an effort to create more liberated forms of economic life (Chatterton 2005). In the cities, neighbourhood assemblies brought people together to talk about their problems and work out collective solutions to them (Dinerstein 2003). Sacked workers occupied closed enterprises, reopened them, and ran them on collective lines (North and Huber 2004; Dinerstein 2007). The new forms of economic organization generated by the resistance to the crisis seemed at last to answer the question, ‘If you don’t like neoliberalism, what would you do in its place?’ The answer before seemed to be ‘replace capitalism with something really nice’, which is not a very convincing alternative. Argentina seemed to have provided a better answer.
Denied access to money, the luckiest were those who could join the barter networks, which through 2002 attracted literally millions of participants trading goods and services with money they produced themselves. These lucky few could meet basic needs and avoid destitution. Millions, it seemed, were developing a living example of an alternative to financial disciplining. If the IMF disciplined the Argentine government, and the government disciplined Argentine banks, which then restricted currency issuance, so disciplining individuals, then individuals, on the face of it, negated this disciplining by issuing their own currency. This chapter, based on fieldwork undertaken in 2002/3, discusses the barter networks in the context of the Argentine crisis to examine the extent to which they were a form of resistance to neoliberalization and, perhaps, a vision of a more liberated economy — or just a coping mechanism, helping those decimated by the crisis to get by.

**Alternative currencies and neoliberalism**

While nation-states or banks are generally thought of as the originators of money, over the last twenty years subaltern groups of many kinds have responded to poverty, to globalization and to neoliberalization by creating and exchanging their own forms of money, known variously in different parts of the world as LETS, Hours, Talents or Time Money (North 2007b). Argentina’s alternative currency networks were founded in 1995, during the Menem years. A Buenos Aires-based environmental NGO, Programa de Autosuficiencia Regional (PAR or Regional Self-sufficiency Programme) heard about Hours, the local currency circulating in Ithaca, upstate New York (Glover 1995). PAR, which at the time was mainly a conservation organization, wanted to use its knowledge of ecology and of the international Green movement to design new solutions to the poverty and unemployment that was seen all around (Primavera et al. 1998). While the original project started with twenty neighbours, as unemployment and poverty spread across Argentina through the second half of the 1990s, so did the Red Global de Trueque (Global Barter Network).

Participants joined the network by going along to a market, or nodo (node), where they were issued with a supply of money, called créditos,
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created by the organizers of the market. In some well-organized nodos this money looked very like state-issued banknotes, but was less polished in bootstrap nodos. Participants might buy their first creditos for pesos, or be required to bring something to sell or that they had made in order to earn them. Nodos were typically in church halls, disused factories, car parks or baseball courts, and were held at a set
time each week. People could find out where and when nodos took place by word of mouth, or through the network’s newsletters. By 2002 PAR claimed there were 4,500 markets across Argentina used by half a million people spending 600 million credits (Norman 2002). The real figure is unknowable. Nodos organized autonomously. Some used PAR’s notes, some accepted currencies from nodes elsewhere, while others would not. As barter spread across Argentina, PAR’s Red Global de Trueque (RGT) began to face criticism from nodes that organized themselves as the Red Global de Trueque Solidario (RTS), which argued for more explicitly solidaristic forms of organization.

Thus Argentina became the poster child not only for global capitalism, the IMF, and then the anticapitalist movement, but also for proponents of alternative currencies (De Meulinaire 1999).

The Argentine experience of alternative currencies is also of interest to a wider audience. Alternative currencies are in some ways a challenge to neoliberalism, while in others they resonate with it. The challenge comes first from claims that people’s needs should be put before the need for financial discipline and that conventional money does not reward people fairly or equally for their contribution. All should be included and valued. Second, free trade at a global level is held to be
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ecologically unsustainable in that it leads to the creation of vulnerable economic monocultures that can be devastated by currency crises, and is built on unsustainable levels of fossil fuel use moving goods around the globe that could be produced more locally (Helleiner 2000). Rather than locating development in an international division of labour in which all do what they do best and trade with each other, local currency proponents argue for the localization of economies (Hines 2000) and for the production of an economy that works at a slower pace, reusing and recycling more. It is a radically Green vision of a localized, humane, decentralized and participatory economy (Trainer 1995).

Yet, as discussed in more detail below, advocates of alternative currencies also value forms of economic organization advocated by neoliberals and generally rejected by the left. These include an attachment to allocation through markets (as opposed to through planning); to self-sufficiency and personal responsibility (as opposed to state welfare); and to forms of economic organization centred on small and micro-businesses. Alternative currency networks are essentially markets through which small traders operating in perfect competition exchange goods and services. As such, they constitute clear Smithian utopias critiqued as such by normally supportive, Marxist-influenced, Green commentators like Wall (2005: 62) and Kovel (2007). Hayek

FIGURE 1.3 Barter network vegetable market in Mendoza, Argentina
(1990), for example, called for money to be denationalized and for there to be a choice of currencies. If it is not necessarily the responsibility of the state to run enterprises and provide welfare, Hayek asked, is it necessarily the state’s role to provide money?

So alternative currencies, generally promoted by Greens for their ecological outcomes (Douthwaite 1996) and by leftists for their egalitarian outcomes (Bowring 1998), also have neoliberal resonances. Dividing lines therefore become blurred. Has neoliberalism lost its definition as an object of antagonism for the left? Has it become so hegemonic that left and Green supporters have been seduced by elements of it, or lost confidence in their critique of the market and in their defence of collectivism and planning? Or does it mean that, as Larner argues, ‘the new political configurations of what we call neoliberal are more multi-vocal than might previously have been understood’ (Larner 2005:11)?

This ambivalence suggests that in considering neoliberalism we need to pay more attention to economic diversity. In particular, we need to move on from thinking that market-based economic activity is inevitably neoliberal (Gibson-Graham 2006). Markets and entrepreneurs existed long before neoliberalization, and they existed in formally state-controlled economies like the former Soviet Union (Ledeneva 1998). If neoliberals advocate markets, is this always something to be opposed? Might some kinds of market-based economic activities provide more enjoyable, resilient and prosperous livelihoods, at a slower, less stressful and more ecologically sustainable rhythm, than exploitative, dehumanizing paid work for an employer? Might community-controlled, participatory forms of welfare provide more dignified solutions than doled-out state welfare? Are we guilty of erasing the exploitative nature of Fordist-era work and welfare, focusing too much on what we have lost and indulging in rose-tinted nostalgia for that which has gone (Larner 2005: 10–11)?

Rethinking neoliberalism in this way follows Larner’s (2003, 2005) concern to recognize that more is going on than the inscription throughout the world of plans that were originally developed in Chicago and rolled out from the global centres of Thatcher’s Britain and Reagan’s America through processes of neoliberalization coded as the imposition of Northern agendas on a powerless global South. We need to
identify the ways that neoliberalization was co-constructed by and resisted by Southern actors, and that this process was more diverse than previously considered. Some elements of neoliberalism do indeed look like they are part of a wider class process to revitalize capitalism by reimposing capitalist discipline and making the ideology of capitalism a new ‘common sense’, thus securing the extraction of profits for the next generation (Harvey 2005). The similarities in neoliberal projects throughout the globe can make them look like they were rolled out (Peck and Tickell 2002) according to a script written by World Bank bureaucrats who do not even leave their hotel rooms when they parachute into the latest crisis (of their own making) (Stiglitz 2002). We need not go as far as arguing that because we cannot reduce all social and economic change to neoliberalism, then ‘there is no such thing as neoliberalism!’ (Barnett 2005:9). But it is to say, following Larner, that we need to be attuned to the complex and cross-cutting nature of these changes. Elsewhere, I discuss the extent that Argentine and IMF elites co-produced the neoliberalization of that country (North 2007a). In this chapter, I examine the extent to which the barter networks co-constituted and resisted neoliberalization in Argentina, but in subaltern ways.

Resisting or recoding neoliberalization?

The ecological activists who founded the barter networks claimed that their aim was to do more than just alleviate hardship. The networks, for them, were a civil-society-based response to neoliberalism that provided the opportunity to establish a better, saner, more humane, ecological form of money with the potential to humanize markets so as to include those formerly outside them. They did not oppose markets tout court and argue for a return to the state-planned Argentina of the past, but felt that a new form of money would enable markets to work to what they called ‘different rhythms’ (Primavera et al. 1998). They argued that Argentina, traditionally one of the richest countries in Latin America, had been decimated by the 1976–84 military dictatorship and the hyperinflation and chaos of the lost decade of the 1980s. The 1990s saw the burial of both the welfare state and much of Argentina’s cherished educational and cultural infrastructure. The impact
was both economic – the rise of a new poor – and psychological – a loss of hope and a rise in people seeking psychological help. The retrenchment of the state meant that it could no longer be expected to provide solutions, which would have to be generated through civil society. Barter was seen as a laboratory through which responses to the crisis could be developed based on solidarity, entrepreneurship, political responsibility and ecology – that is, through which neoliberalization, seen as marketization and state withdrawal, could be reimagined and reconstituted in more liberated ways.

This can be seen very clearly in the networks’ value base:

- Our fulfilment as human beings need not be conditioned by money;
- We believe in the possibility of replacing competition, profit and speculation with reciprocity among people;
- We assume that our actions, products and services may respond to ethical and ecological standards rather than the will of the market, consumerism and short-term profit;
- Participants should produce and consume: be ‘prosumers’;
- Every member is responsible for their actions and for what they exchange;
- The network is a free association. Membership does not imply a relationship of dependence. (Primavera et al. 1998: 5–6)

In these values we see a claim that the barter networks are a market that operates to ethical, rather than purely economic, rhythms. We see an interesting mix of the language of challenge and resistance (solidarity, ecology, valuing people not money) and, perhaps, the influence of neoliberalism (trading, entrepreneurialism, markets, personal responsibility). Taking personal responsibility meant having regard to the wider health of the network by ensuring that an individual’s trading relations were based on reciprocity. Reciprocity was opposed to the action of egotistical individualists taking advantage of their fellow prosumers by, for example, buying up all of the produce of people who were new to the game and were charging too little, at times right in front of them. The culture of personal responsibility to ensure reciprocity was supported by an induction process to ensure that prosumers understood how they should contribute to the reproduction of the value based on their trading decisions, and by
coordinators and/or stewards walking round the markets to ensure that no one was creating a disturbance by selling obviously shoddy goods, charging too much or too little, or being rude or disrespectful to others. Values were also communicated through posters and leaflets around markets. In all communications, the reciprocal, communal and solidaristic nature of trading, ‘prosumer’ values, and the changed ‘rhythm’ were stressed. The slow pace of trading, with purchases interspersed with promenades around the stalls, conversations, watching a samba band or play by local kids, a quick stop for an empañada^4 or a longer one to share some mate^5 indicated the changed, non-neoliberal rhythm. This was a market, but an ethical, reciprocal market, not one where profit, competition and efficiency governed values. We do not see a call for a return to the past, but for the present to be reconstituted in more liberated ways.

The second reason why local money is often seen as an explicit form of resistance to neoliberalization is its local nature (Pacione 1997; North 2006). Most alternative currencies circulate in a defined and often quite small geographical area, in an attempt to create an ecological diversity of currencies. Here, again, Argentines reimagined globalized utopias in subaltern ways rather than resisting them. The currency note produced by PAR, the arbolito, circulated among nodes who would accept it without restriction, right across Argentina. PAR did not support the opposition of the local to the global, believing that the local can be small-minded and xenophobic, while globalization can imply connection, solidarity, communication and support. They mentioned the support agencies like Amnesty International had given to Argentines during the military dictatorship, and the value of the Internet to a country as far away from what they regarded as the centres of global culture in Europe and North America (North 2005). They argued for global solutions, that given the scale of the wider economic crisis enough currency should be printed to meet demand, and that waiting for groups to form and print their own money locally, in an endogenous manner, would be too slow. Months could be taken up on arguments on the name of the currency, how to value it, what ‘local’ meant, what ‘local’ did not include, how far away was ‘too far’, and so on. It was recognized that this process could be speeded up. PAR therefore developed a franchising network through
which they sold ‘start-up kits’ (for pesos) to a number of regional representatives, who would sell them on to local coordinators. The kits enabled a local coordinator to establish a network in a top-down manner, from which individuals could establish new micro-enterprises through barter before, in time, entering the formal market. This is one of the reasons why barter spread so quickly across Argentina during 2001 and 2002.

However, the wide geographical spread nature of PAR’s franchises also led to problems. Some of PAR’s franchise holders turned out to be rather unsavoury – Peronist clientelists, crooks, con artists, and snake-oil salesmen. As inflation began to hit the networks, critics argued that PAR was over-emitting the currency, and as there was no democratic control over policy for emitting the currency there was nothing that could be done about this. Critics challenged the legitimacy of selling arbolitos for pesos, arguing that prospective members should be required to produce. They argued that PAR was getting wealthy from selling the kits, and that this was illegitimate. PAR countered that they were not over-emitting, but that unknown people had been seen handing out fifty credito arbolitos from the backs of vans, and that the police had found criminal gangs with arbolito printing presses. PAR suspected that Peronist thugs were behind it, and denied any personal benefit from the networks.

Either way, during 2001 the networks split and a rival network, the Red Global de Trueque Solidario (Solidarity Barter Network – RTS) emerged. RTS argued that the Red Global de Trueque was beginning to mimic the pathologies of capitalism – boom and bust, inflation, and making a minority wealthy at the expense of the majority. They argued that the best way to maintain the integrity of the currency and to ensure that barter did act as a laboratory for a new form of market was to ensure that the markets and processes for money issuance were democratically controlled locally, from below. They discouraged use of the arbolito, and issued local money that did not circulate out of those networks that actively agreed to accept them. They argued that creditos should be collectively owned and managed, not imposed from outside.

RTS nodes from across the country met monthly to coordinate their work and to agree collectively to print and accept their notes.
They insisted on an active decision by all groups on whether or not to accept a new node into the network and on how much currency to print. They argued that strong community-building mechanisms should be used at nodes to ensure that the prosumer values of the network were understood, maintained and reproduced. What mattered was the effective management of local nodes to ensure trust, transparency, order, and to manage prices and distribution.

RTS's critique, that PAR had lost sight of the anti-neoliberal values that had first inspired them, was taken further by the coordinator of the Mar-y-Sierras RTS in the coastal city of Mar del Plata. He argued that if the new form of money did not lead to a participatory economy, then it had no value. What mattered was the forms of economy generated, not the form of money itself. Consequently, Mar-y-Sierras nodos were strictly coordinated with three coordinators and three administrators in each nodo, and all decisions were made at a mass meeting at the beginning of each trading session. This was a highly regulated and collectively run market. PAR responded by arguing that RTS were imposing their political views on an economy that should be open to all, and that trueque was a market, not a 'chamber of deputies'. They saw barter as a market in which all could participate, not just those opposed to neoliberalization.

The final way in which barter was seen as a form of resistance to neoliberalism was its acephalous nature. The movement had no head, being at best a federation of like-minded, locally organized nodes (RTS), or independent, self-organized nodes facilitated through PAR's start-up kits (RGT). No one was 'in charge'. There was no way to restrict money issuance if individuals independently agreed to accept money from each other that they had created themselves. The Argentine Central Bank may have tried to enforce economic discipline and capitalist rationality through the peg and a tight monetary policy; the IMF might have tried to control the Argentine Central Bank; and George Bush might have tried to control the IMF (Helleiner 2005). But if individuals, in their thousands if not millions, decide not to submit to this disciplining and create their own form of money, then the disciplining will be limited. This is a conception of denationalized, private money not expected by Hayek.
We see here an interesting process whereby some elements of neoliberalization were recoded in more liberated ways from below. This is more than the imposition of neoliberalization from without and from above on hapless Southern communities; it is a more interesting process whereby subaltern groups recoded and reimagined neoliberal tropes into more interesting forms. But we cannot make too much of this without recognizing the power imbalances here. While for some organizers barter was (hopefully) a bridge to a new form of economy and a manifestation of resistance to the destruction of the Argentine welfare state, for others it was more of a coping mechanism. The discussion now turns to barter not as revolutionizing the economy, but as a vehicle for social solidarity in an intense capitalist crisis that enabled those caught up in it to come out the other side, but through which, in the absence of calls for the reinstatement of state welfare, neoliberal tropes were less reimagined than internalized by former opponents.

**Internalizing neoliberalism? Barter networks as welfare**

At the height of the networks’ extent, in 2001–02, barter was operating in an environment where the Argentine economy had collapsed. The rich looked after themselves (it was widely thought), having whisked their money out of the country on the eve of devaluation, while the working classes were protected by Peronism and/or the pickets. Poor Peronists, it was thought, were looked after through clientelist networks, while the pickets looked after their own either through community-based projects or by acting as a vehicle for agitating for and then distributing state welfare payments. The class that had really suffered, that did not have anyone looking after its interests or helping it to survive the crisis, barter members often argued, was the ‘new poor’. The ‘new poor’ constituted a self-described class ‘in the middle’, between rich and poor, who saw their savings, pensions and the possibility of a well-paid job disappear. While Mar-y-Sierras did try to build links with the other protest groups, most organizers saw barter specifically as a way of helping the middle classes survive the crisis with the wider objective, in time, of providing a better form of market economy than capitalism.
When barter was at its height in 2001–02, it did this generally quite well. Interviews with prosumer after prosumer indicated that an active node visitor who set up a stall and who was able to produce something that others wanted or had something to sell could feed and clothe themselves and their family, get their hair cut and their nails done, hire a car, and buy some luxuries and presents. Some of the middle class lived off their fat by selling some non-essential possessions, meaning that poorer people could buy things that previously would have been beyond their reach. Others set up new small businesses, making honey, pizzas, empañadas, bread, biscuits, preserves, chutney and the like. These were not forms of resistance, nor were they political – they were ways of coping with an economic collapse. When a ‘proper job’ became available, it would be taken up in a flash. For example, one prosumer, Susanna, was a psychiatrist and her husband a painter. She was frustrated with the nodos. For a long time both of them were producing what was required – food – but they got fed up with what they saw as a subsistence lifestyle. They wanted to practise the work they loved and had trained for. Susanna then offered English lessons, psychiatry sessions and tango lessons, but hardly anybody ever wanted those – they needed the bare necessities. Asked if she could not offer her services in many more nodos, to have a greater chance of getting clients, she responded that she did not have the time. She needed to earn money. Another prosumer commented: ‘trueque is all an illusion, a necessity, not for salvation. It’s for the day; I sell and I eat.’

While trueque helped the middle classes to live off each other’s fat and recycle unwanted goods, the poorest were excluded: they had little ability to produce, and thus to participate. As a social justice mechanism, it was therefore wanting. Worse, when the crisis became really acute in 2002–03 and the poorest bought creditos in large numbers at knock-down prices and flooded into the nodos, often buying up as much as they could as quickly as possible, selling it on, or offered what were thought of as substandard goods, they were castigated as vivos, or wideboys. The overwhelmed nodes could no longer manage their affairs according to their vision of reciprocity and a more humane vision, feeling that something briefly beautiful had been destroyed.
As the crisis hit, the Peronists took advantage of PAR’s franchising system to set up their own barter networks. Some violently attacked rival non-clientelist nodes. By late 2002, problems such as inflation and forgery of *arbolito* had become widespread, the result, PAR claimed, of Peronist infiltration and attempts to discredit barter, or of criminal action commissioned by Peronists. Then, in November 2002, a television programme claimed to expose what it called the ‘great barter rip-off’: food was poor quality, stolen goods were being sold, the schemes were a scam and many of the notes were forgeries. The television channel was controlled by supporters of former President Menem, standing at the time in the 2002 presidential election as one of three Peronists, claiming to be the only one able to return Argentina to its former dignity. Menem argued during the 2003 election campaign that the pickets should be ‘eliminated’ – a form of language too close for some to that of the murderous 1976–84 military government. Similarly, the image of millions of Argentines getting by through a ‘primitive’ form of economics like barter did national dignity no good, and barter needed also to be ‘eliminated’ for the good of the nation.7

If RTS found PAR’s businesslike approach problematic, other barter organizers were happy to accept that PAR were the innovators who had come up with the idea that had spread like wildfire across Argentina. The standardization of the currency, the *arbolito*, the franchising process and the start-up kit were PAR’s innovations from which they were entitled to benefit. They parted company, however, because RTS felt that PAR had made some naive and imprudent decisions in their choice of franchisees, had grown too quickly, had become dazzled by runaway success, and could not cope organizationally with the millions-strong economy they had created seemingly overnight. What had worked well, in a haphazard and grassroots manner, was no longer enough. There was a lack of transparency and no audit trail. This approach is best characterized by the Zona Oeste barter network in suburban8 Buenos Aires, run by the charismatic *caudillo*-like Fernando Sampayo. Sampayo ran his networks from the top down in a businesslike but hierarchical – and honest – manner. He developed links with farms outside Buenos Aires and trucked in wheat and vegetables. The aim was not to reinvent capitalism: it was
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to organize professionally run and audited nodes that met people’s needs and helped them develop new small businesses. Organized from above, Zona Oeste did more to meet basic needs than some of the nodes in central Buenos Aires patronized by the ‘exploded’ middle class. Sampayo specifically saw himself as a retired successful businessman who was now ‘giving back’ to a community within which he had built many businesses and drawn a good life. He rejected any connections to the wider Argentine protest movement. Barter was a new support structure that would encourage self-help and facilitate the generation of new small businesses. His values were aligned more with the subaltern capitalism of Hernando do Soto, seeing in informal businesses the wealth creators of the future (de Soto 1989).

Others in the RTS saw barter as a way of helping the ‘exploded’ middle class first to survive the crisis, and then become independent by creating their own forms of livelihood which, they hoped, would provide better alternatives to paid work. They did not mourn the lost jobs, seeing them as often exploitative. They wanted to turn the crisis into an opportunity to do something better. Charli, one of the organizers of RTS in the centre of Buenos Aires, argued that while there were no obvious opportunities for paid employment, there were still things that had to be done, needs to be met, things to be made and sold. The state could no longer be expected to look after people, nor in many ways should it, as it did so in clientelistic ways. State welfare was seen as at worst corrupt, at best patronizing relations of dependency rather than of dignity and equality. Charli saw barter’s role as that of helping those traumatized by the severity of the economic crisis to feel better about themselves, and to feel they could do something about it by changing their mindset from that of a prospective employee to that of a prosumer who would eventually join the formal market by creating their own opportunities:

It’s a matter of changing people’s way of thinking … from that of an employee to that of a businessperson who runs a micro enterprise, a producer. All this means changing people’s ways of thinking. … They say: ‘There are no jobs.’ I respond: ‘There is no employment, but there is work.’ … And there is work, because there are needs to be met; and some of these we can cover with work, no? (Charli, RTS, Capital Federal, Buenos Aires)
Charli’s ‘capacity building’ strategy was a form of disaster relief. It aimed at lifting people’s spirits, helping them work cooperatively to build new forms of livelihood for themselves through the creation of an economy based on reciprocal exchange using new, socially controlled, money. It was based on the understanding that alternative forms of liberated livelihood needed to be built in the here and now, but with a different rhythm. It accepted the need to be entrepreneurial, to take responsibility for oneself, but also the need to be honest, not to exploit others, to think of what fellow prosumers need, and perhaps to work to a different, more ecological and slower rhythm. And crucially it recognized that there is such a thing as society. While some elements of neoliberal tropes were absorbed, such as the critique of ‘dependency’, the valorization of personal responsibility and of enterprise, and an absence of demands on the state, this is a vision of an ethical, Smithian market rather than a neoliberal capitalist market where the objective is profit maximization alone.

This was a strategy, interestingly, shared by all the barter networks. Difference in emphasis lay in the extent to which the capacity-building strategy was seen as realistic or not, and the extent to which collective or individual forms of capacity-building were the focus. PAR and Zona Oeste were both based in quite marginal parts of greater Buenos Aires, places that had been devastated by neoliberalization over many years. They felt that Charli’s strategy of encouraging individuals to take control of their economic lives through small, participatory barter nodes was too slow, that the extent to which people in such a poor area could be expected to self-actualize was limited, and that people needed more help than that which they could reasonably be expected to generate themselves. The solution was to organize the basics from the top down, and give people a base from which to rebuild. From the left, only Mar-y-Sierras saw barter not as a generator of new small businesses, but as a new community-run economy in which people would rebuild their economies collectively. But none of them wanted or expected the state to step in and provide the security they needed – it was down to individuals and communities to build their own futures. To this extent, neoliberal tropes had been internalized. But does this mean that ‘neoliberal’ tropes like entrepreneurialism (if done collectively) and personal responsibility
(if focused on needs of subaltern collectivities) are something that the left should remain antagonistic to? Perhaps the Argentine experience suggests that this needs to be rethought.

Conclusion

To some extent, Argentina’s barter networks rose to the level they did because of uniquely Argentine conditions. Argentina was a country that had thought of itself as part of the First World until it went through an economic collapse of unprecedented severity. The welfare system was decimated, and for months people could not get access to their own money. This economic crisis explains the push towards developing barter networks. Having experienced many changes of currency over the past fifty years, and having experienced hyperinflation, Argentines were used to informal and unorthodox economic solutions to problems. Barter was not seen as strange or suspect. It was the latest scheme to get by. These contexts help to explain the pull which led to mass usage of barter networks. But the experience of barter was also of more generalizable interest. The politics on which this edifice was built was a mix of traditional ecological and leftist concerns, combined with a Smithian utopia of small traders using Hayekian denationalized money. Those involved valued globalization, entrepreneurialism and personal responsibility, and wanted to remake markets and trading so they worked to different rhythms. This suggests that markets can be rewritten into more progressive forms, and are more than a facet of a process of neoliberalization that is imposed top-down from above.

However, to finish our analysis we must recognize that barter, like so many alternative economic experiments, was attacked by forces of economic conservatism and global economic processes, and ended in disbandment, defeat and disgrace (Gibson-Graham 2002: 25). For the middle class with something to sell, or those with skills to exchange, barter did bounce them through the crisis. But it did not last. In time, barter began to mimic the pathologies of the capitalist system, and succumbed to political attack through inflation and forgery. The November 2002 television broadcast led to an overnight crisis of confidence, and a two-thirds drop in participation in barter. By the
middle of 2003, the networks were between a tenth and a quarter of their previous size, and, as the economy revived into 2004/5 on the back of the newly competitive peso and an export boom in soya to China, the networks died.

The barter networks had large numbers of participants, but this was the result of a financial crisis that overwhelmed them. By 2003, many of the nodes were no longer fashionable as people in desperate need fought over a dwindling number of resources. The solidarity economy that some hoped would enable a market that worked at different rhythms to capitalism did not emerge. The networks provided an opportunity for petty, kitchen or household-level production of food, clothes and the like, for people to exchange the skills they needed, and for the middle class to recycle unwanted goods to get by. Bankrupt stock could be sold. But there was no significant production of new goods and services beyond some small micro-businesses that, once the economy began to revive, moved into the mainstream economy. No connections were built to the recovered factories, and levels of capital generated by subaltern groups, even if these subalterns described themselves as ‘middle class’, were not large enough to develop the range of production a modern complex economy needs. Furthermore, the very poor were excluded. Grassroots initiatives resisted neoliberalization, helped those at the hard end of the crisis to survive it, but did not provide – yet – an alternative. Does this mean that their experience is a failure? In this analysis, barter can be seen as a glimpse of a more liberated form of market that was dragged down by a financial crisis and political attack that was not the making of the organizers. A vision of an alternative was produced, and that vision was not dulled.

Notes

1. Péron nationalized the British-owned railways.
2. Thanks to Uli Huber for her help with fieldwork and with developing some of the ideas on which this chapter is based, and to the University of Liverpool for providing funding. Fieldwork was undertaken in April 2002, and March–June 2003, in Buenos Aires (Capital Federal and Mar del Plata) and Mendoza. Methods included interviews with organizers and prosumers, and participant observation at barter nodes.
3. A contraction of producer and consumer, used to imply that participants can not only consume but must also produce goods and services.


5. A hot herbal drink sucked through a straw from an ornate beaker. Argentines would never be without their *mate* kit – a flask of hot water, some *mate* and the beaker and straw. A tranquil couple of hours sipping *mate* in convivial company and putting the world to rights is an important part of the day.

6. A contemporary cartoon had a taxi driver talking to a *cartónero*, a scavenger who survives by collecting waste paper for recycling. The *cartónero* says that before the crisis he used to drive a taxi. The taxi driver responds that he used to be an architect.

7. Menem won the first round of the 2003 presidential election, but dropped out of the run-off before the second round of voting when it became clear that he would lose heavily to his Peronist rival, Néstor Kirchner.

8. ‘Suburban’ does not imply suburbia. The area was part of Buenos Aires’ vast hinterland, characterized by housing that did not fit the label of *villas miserias* (shanty towns or informal settlements), but neither was it bourgeois suburbia. Rather, it was a sprawling, at times formal, at times semi-informal, area of working-class and ‘new poor’ housing.

References


