

THE PIQUETERO EFFECT
Examining the Argentine Government's
Response to the Piquetero Movement

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Beginning in the late 1990s, large groups of unemployed workers in Argentina called *piqueteros* began illegally protesting their precarious situation, hoping for some combination of employment and social benefits. This paper seeks to understand how and why long-standing leaders of the current Argentine political establishment embraced the piqueteros. Through strategic cooptation, President Néstor Kirchner successfully has managed the piqueteros by using them as his own political shock troops to accomplish both his objectives as President and as a party politician. Kirchner's strategy is congruent with historical Peronist tendencies of absorbing new social actors, supporting Peronist scholar Steven Levitsky's belief that the party's flexibility allows it to adapt to changes in the political environment. However, whereas Levitsky predicts that reliance on machine politics will weaken the party, Kirchner's strategy has increased Peronist hegemony, thereby adversely affecting the quality of Argentine democracy.

To My Argentine Family,

Diego, Betty, and Lili

Contents

<i>Acknowledgements</i>	5
1 Introduction	7
Methodology	11
Literature Review	13
2 Origins and Development of the Piquetero Movement	18
Period I: The Menem Administration (1989 – 1999)	18
a) The privatization of YPF	20
b) Piquetes in Cutral-Co and General Mosconi	22
c) The emergence of piqueteros in Buenos Aires	25
d) The Menem administration’s response	27
Period II: Fernando De la Rúa and Crisis (1999-2001)	30
Period III: Eduardo Duhalde’s Short-Lived Presidency (2002-2003)	35
a) Plan Jefes y Jefas de Hogar	37
b) Deaths on the Pueyrredón Bridge	39
3 Kirchner’s Strategy	42
Kirchner’s Model of Piquetero Cooptation	44
a) Managing different branches of the movement	45
b) Social program allocation	51
c) Police directives	53
d) Taking advantage of machine politics	56
The Shell Boycott	58
Campaigning for Christina Kirchner	59
4 The Piqueteros and Peronism	63
Supporting Levitsky’s Adaptability Thesis	63
Challenging Levitsky’s Views on Machine Politics	66
Implications for Argentine Democracy	68
5 Conclusion	71
<i>Works Cited</i>	75

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Chapter One: Introduction

“Only in Argentina do the lawmakers enlist the help of lawbreakers to stay in power.”

~ Martín Costanzo, Argentine student

In the past five years, Argentina has gone from having several presidents in a few weeks to one president who dominates the political system. What contributed to the change? While many experts believe the stabilizing economy accounts for the increased political stability, I argue that the government’s new strategy in handling civil society serves as an additional facet of change. Specifically, the government’s attitude towards the *piqueteros* has become a key issue, for the protest movement was partly responsible for the ouster of former Argentine President Fernando de la Rúa in 2001, but has also come to represent an important electoral base for the government of current President Néstor Kirchner.

The *piqueteros* consist of unemployed workers who were pushed out of their public sector jobs in the late 1990s due to a wave of privatizations. To protest their situation, they blocked roads with pickets (or *piquetes*) and increasingly became a potent political force. I seek to answer the following research question: How and why did long-standing leaders of the Argentine political establishment embrace the *piqueteros*, a quasi outlaw civil society movement?

By discussing how the Kirchner government has “coopted” *piquetero* organizations, I will draw a link between changes in civil society and how they affect the strategy of political society. According to Juan Linz and Alfred Stepan, civil society refers to the “arena...where self-organizing groups...attempt to articulate values, create

associations...and advance their interests.”¹ Thus piquetero organizations, as movements of unemployed workers seeking benefits, represent a category under the general term civil society. When discussing political society, I refer to the groups which “exercise control over public power and the state apparatus.”² Since the Kirchner administration controls the executive branch of the Argentine government and benefits from the institutional powers granted to it under the constitution, I include it as a subset of Argentine political society. Taking the above definitions into consideration, the example of Kirchner’s cooperation of piqueteros is of particular importance because it highlights a direct relationship between civil society and political society. Essentially, it links social *protest* to government *policy*.

The analysis is also significant because it delves to the core of a contentious issue—the Peronist Party’s (PJ) hegemony in Argentine politics. While many scholars believe increased reliance on machine politics has left the PJ electorally vulnerable, Kirchner’s strategy of piquetero cooptation has helped him gain control of the Peronist machine and perpetuate the PJ’s political dominance. By conforming to historical Peronist tendencies of absorbing new social actors, Kirchner’s actions reveal how the PJ’s institutional flexibility allows it to adapt to changes in the socio-political environment. With high institutional flexibility and control of the government, the PJ reduces the opposition’s ability to challenge clientelist and corrupt politics. Although the piqueteros represent a small cog in the Peronist machine, understanding how and why the Kirchner administration has coopted the movement provides insight into larger debates on the quality of Argentine democracy.

¹ Linz, Juan J. and Alfred Stepan. *Problems of Democratic Transition and Consolidation*. Baltimore: Johns Hopkins Press, 1996. 7

² Ibid. 8

Several steps must be taken to answer my research question. First, I will trace the origins of the piquetero movement and describe how it has repositioned itself in the past decade to draw participants and gain power. The next step involves examining the Argentine political establishment's response to the piqueteros. I will analyze how Presidents Menem, De la Rúa and Duhalde handled civil society, and how President Kirchner differed from his predecessors by enacting a model of cooptation with piqueteros.

Specifically, I will discuss Kirchner's role as both a president and a party politician, using case studies of piquetero protests at campaign events and at gas stations to reveal the nature of Kirchner's cooptation model and how it represents a "balancing act" between his two roles. Utilizing his power to take advantage of piquetero organizations, Kirchner accomplished policy and party objectives by sending piqueteros to enforce his blockade of gas stations and picket his opposition's campaign events.

In addition to the case studies, I will offer a general theory of Kirchner's cooptation model to answer my research question. A combination of social programs and police directives has reduced the piqueteros' collective bargaining abilities by increasing factionalism among piquetero groups, thereby increasing Kirchner's leverage to manage different branches of the movement. Additionally, his control over local political networks allows him to provide material incentives to select groups in exchange for votes or other favors. The final element of the Kirchner model entails appointing local leaders to government posts so their constituents feel represented and are more likely to adhere to Kirchner's directives. Essentially, clientelist policies and backroom negotiations have

allowed Kirchner to successfully manage the piqueteros, using them as his own political shock troops to accomplish both his objectives as President and as a party politician.

In terms of analyzing Kirchner's reasons for coopting the piqueteros, the primary explanation is pure political survival. Failure to control protests contributed to the downfall of Presidents De la Rúa and Duhalde, so soon after taking office Kirchner understood the importance of managing piquetero activity. Rather than suppressing protests, however, he used them as a tool outside his presidential toolbox. Successful cooptation of the piqueteros provided him with more formal and informal power, allowing him to steadily gain support of the Peronist political machine. Although his model of cooptation only provides a short-term solution to a dilemma which can only be mended by large-scale economic, political, and social reforms, it has contributed to his rising popularity.

Kirchner's strategy also increases the dominance of the Peronist party (PJ) in the Argentine political system. Coopting the piqueteros is congruent with historical Peronist tendencies of absorbing new social actors to fortify party strength. The rise of "oficialista" piquetero groups expands the Peronist political machine and increases Kirchner's level of party support, thereby reducing the ability of opposition parties to electorally challenge the PJ.

After answering my research question, I will evaluate arguments on the adaptability of the PJ and its implications for Argentine democracy. Kirchner's cooptation of piquetero groups supports Peronist scholar Steven Levitsky's argument that the party's weak institutionalization allows it to adapt to challenges in the political environment. However, whereas Levitsky contends that increased reliance on machine

politics will weaken the party, I argue that Kirchner's strategy has increased Peronist hegemony, thereby adversely affecting the quality of Argentine democracy.

Methodology

My paper uses both primary and secondary sources. Through a series of interviews I conducted with piqueteros, government officials, police officers, and professors in the summer of 2005, I have primary data on social attitudes toward protest, motives and tactics for protesting, and opinions concerning the Kirchner government's legitimacy. To quantify the interview data, I will utilize statistics from sources such as the Argentine Government and the Center for Legal and Social Studies (a non-profit organization) to analyze piquetero social plans as a tool of clientelism. Additionally, to quantify my case studies I will use articles from the newspapers *Clarín* and *La Nación* to obtain statistics regarding the number of protesters at certain events. Secondary sources include books by piquetero/clientelism experts such as Maristella Svampa, Javier Auyero, and Steven Levitsky. By consolidating my data sources, I will use primary and secondary sources to provide both qualitative and quantitative analysis of how the Kirchner administration has coopted piquetero organizations to achieve his objectives as both a president and a party politician.

The specific cases I selected highlight the failures of Presidents Menem, De la Rúa, and Duhalde in dealing with the piqueteros and contrast them with Néstor Kirchner's successful use of piqueteros to further his political and policy objectives. The first case involves the origins of the piquetero movement and analyzes Menem's response to the roadblocks of Cutral-Co and General Mosconi – two large protests which occurred

in the provinces of Neuquen and Salta in response to the privatization of the national oil company. By providing short-term social plans to appease the protesters, Menem's strategy intensified the development of the piquetero movement. The next case focuses on the riots of late December 2001, which were caused by a nexus of political, economic, and social factors. I will focus primarily on De la Rúa's order for police repression of protestors, many of whom were piqueteros. By turning to repression, De la Rúa underestimated the power of the piquetero groups and the consequences of his actions. The ensuing riots led to De la Rúa's resignation and provided a key turning point in governmental relations with the piqueteros.

The case of Duhalde's term in office turns back to the deaths of two piqueteros at the Pueyrredón Bridge. Although Duhalde tried to coopt the piqueteros with new social plans, this instance of police repression angered the piquetero community and provided another experience from which Néstor Kirchner could learn when formulating piquetero policy.

The subsequent two cases focus on how Kirchner's cooptation of the piqueteros has allowed him to further both his policy and political goals. The first case involves Kirchner's blockade of Shell and Exxon gas stations in March 2005. Due to increases in gas prices, the Kirchner administration encouraged all citizens to stop filling up gas at all Shell and Exxon stations. To informally execute his policy objective, Kirchner utilized his piquetero "shock troops" to block all entrances to the gas stations in Buenos Aires, and within two weeks business at Exxon and Shell had dropped 80 percent. The multinational gas companies realized they had no other option but to reduce prices to prior levels, thereby submitting to Kirchner's original requests. Consequently, Kirchner

achieved an important policy objective through his shadowy dealings with piquetero organizations.

The last case stems directly from my field work in a villa (slum) in La Matanza, one of the largest municipalities outside Buenos Aires. My piquetero contacts informed me of several events scheduled in late 2005 for the purpose of protesting a campaign event for Chiche Duhalde, a competitor in the Senate race in which Christina Kirchner, the President's wife, was also running. By encouraging the piqueteros to protest the opposition and paint buildings with his wife's campaign slogans, Kirchner utilized the protest movements to promote his goals as leader of his political party.

Examining cases dating back from the Menem era to the present Kirchner regime will allow me to outline the changes in the government's relations with piqueteros and better understand how and why the Kirchner administration embraces many piquetero groups.

Literature Review

The state of knowledge on the Argentine government's cooptation of piqueteros is very limited because the Kirchner administration is the first government to formalize relations with piqueteros, and the groups themselves only began organizing in the late 1990s. The bulk of related literature includes comprehensive histories of individual piquetero organizations, which is helpful when trying to understand how each group fits into the larger movement as a whole. The most helpful book in my research has been Maristella Svampa's work entitled *Entre la Ruta y el Barrio (Between the Route and the Neighborhood)*.

Svampa's book offers a "bottom-up" perspective examining the grassroots elements of piquetero groups. Her field work in various villas and interviews with piqueteros yields a perspective which focuses more on the reasons individual participants joined the movements than the complex relations between piquetero leaders and the government and the media. In an epilogue recently added to the end of the book, Svampa briefly discusses the cooptation model of Kirchner and how it differs from past administrations' treatment of piquetero groups. She mentions how Kirchner's policy of recognizing some groups and censuring others is a carrot and stick policy which in the end serves to reinforce the position of the government above the piqueteros.³ By forcing them to fight for government support and social plans, Kirchner reduces any threats of unified organization against the system as a whole.

My argument will take a step beyond Svampa's focus and discuss *how* and *why* Kirchner changed the government's stance towards piqueteros. Her field work mainly focuses on the grassroots elements of piquetero organizations while my research discusses and quantifies Kirchner's method of cooptation and how it affects different branches of the piquetero movement. If her level of analysis works from the "bottom-up", mine functions from the "top-down" and thus places more importance on government-level changes than differences among piquetero groups.

Additionally, my discussion is unique because it applies Alfred Stepan's civil society and political society framework to the current political and social situation in Argentina. Whereas Stepan mainly focuses on democratic transition and consolidation in Latin America, my argument applies his theories more specifically to a democratized

³ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 218

Argentina and relates them with Kirchner's dual role as a party politician and a policymaker. Stepan describes civil society and political society as two of the five major arenas of a modern consolidated democracy, but rather than utilizing the whole framework (which is more applicable to transition theory), I have extracted the two elements as a broad manner of thinking about why my study is relevant. Stepan mentions that civil society and political society share a level of "complimentarity"⁴, and this paper will address exactly how changes in one translate into changes in the other to answer my central research question.

When discussing the tools Kirchner uses to coopt the piqueteros, my discussion will analyze the complex networks of clientelism which serve as the basis for government/piquetero relations. German Lodola and Javier Auyero have conducted extensive studies on clientelism during the Menem era, and I will apply their arguments to the years following the Menem regime by utilizing updated quantitative data from the Argentine Ministry of Labor. While both authors discuss social programs and other clientelistic payoffs, neither focuses on current piquetero organizations or social plans. Auyero focuses more on the Peronist system of corruption and Lodola on statistics from outdated social programs. I will utilize my up-to-date fieldwork and case studies to describe how De la Rúa, Duhalde, and Kirchner have modified the clientelist system since the Menem years.

Consequently, my study is relevant because it will be one of the only works which details how and why the government has coopted piquetero groups. Current literature describes the background of the piqueteros and how Carlos Menem attempted to pacify

⁴ Linz, Juan J. and Alfred Stepan. *Problems of Democratic Transition and Consolidation*. Baltimore: Johns Hopkins Press, 1996. 6

civil society, but my study will be a frontrunner in describing and quantifying how successive governments have coopted (or failed to coopt) the piqueteros.

After answering the primary research question, my study will utilize the cooptation of the piqueteros as a case study to address Steven Levitsky's thesis on the adaptability of the Peronist party. In his seminal work on Peronism, Levitsky argues that the PJ has survived since the days of Perón because it is "informally organized" and "weakly routinized." The inherent flexibility of the PJ allows it to have the "capacity to adapt to environmental change or external crisis."⁵ Kirchner's cooptation of the piqueteros is emblematic of the ability of the PJ to absorb new social actors and adapt to crisis. Since Levitsky's work was written before Kirchner assumed the presidency, my analysis will update his adaptability thesis to address the challenges posed by new social actors such as the piqueteros in post neoliberal Argentina.

When describing the modern transformation of the PJ, Levitsky theorizes that the party's increased reliance on machine politics may have negative consequences in the long-run. Primarily, Levitsky believes that a growing percentage of the electorate votes for the PJ based on material incentives rather than ideological reasoning. He argues that by becoming more dependent on state resources, the PJ will be increasingly vulnerable to reformist electoral challenges. By utilizing ethnographic evidence as well as the works of Susan Stokes on the "perverse accountability" of machine politics, I will contend that clientelism fortifies Peronist hegemony and reduces the ability of opposition parties to pose an electoral challenge.

⁵ Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 59

My conclusion partly agrees with that of Levitsky, explaining how the adaptability of the PJ, as evidenced by the cooptation of the piqueteros, increases party hegemony, but has negative consequences on the quality of Argentine democracy. However, whereas Levitsky contends that reliance on machine politics may electorally hurt the party, I argue that it serves as a critical element of the party's adaptability. Given the absence of formidable opposition parties, the PJ's increased reliance on clientelism and machine politics serves to fortify its strength while undermining both democratic representation and the legitimacy of democratic institutions.⁶ Essentially, while democracy remains stable, the actions of the Kirchner government steadily erode its quality.

⁶ Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 217

Chapter 2: Origins and Development of the Piquetero Movement

“The protests and roadblocks of the provincial cities created a new definition for the unemployed worker by means of a neologism destined to have common use as a colloquialism: piquetero.”

~ Maristella Svampa, *Entre la Ruta y el Barrio*. p. 48

The piquetero movement is best understood as a “movement of movements” due to the diverse nature of groups classifying themselves as piquetero organizations.⁷ While many Argentine sociologists and ethnographers have attempted to compartmentalize the different branches of the movement for study, the complexities and constantly changing allegiances/ideologies of such groups render such efforts nearly impossible. Rather than seeking to grasp the differences among piquetero groups, this chapter seeks to trace the broad trends in piquetero protests and describe how the movement as a whole has repositioned itself in the past decade to draw participants and gain power.

The movement can be analyzed collectively because its participants share several common traits. Most piqueteros have experienced unemployment and poverty and seek forms of employment and social benefits from the state. Their method of appealing to policymakers: establishing roadblocks through social protest. This chapter begins with the administration of Carlos Menem in the 1990s, for it was his administration’s “neoliberal” economic policies which gave rise to the first piquetero protests.

Period I: The Menem Administration (1989-1999)

Menem took office at a critical juncture in Argentine history. His assumption of the presidency in 1989 represented the first constitutional succession since 1928 and the first time a president handed over his office to an opposition candidate since 1916. At the

⁷ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 19

time, the Argentine economy was in a state of crisis, plagued by hyperinflation (sometimes as much as 200% a month). His first duty as President, it follows, was to restore order and legitimacy to the government by stabilizing the economy.⁸

Menem's economic reforms, as formulated by Economic Minister Domingo Cavallo, called for structural adjustment. Key elements included opening the national economy for insertion into world markets and dismantling the interventionist and inefficient welfare state. By adopting the so-called "Washington Consensus", Menem utilized the recipes of the World Bank and the International Monetary Fund in an attempt to stabilize the economy.

Although he succeeded in controlling inflation and attracting foreign investors, his policies increased unemployment and socioeconomic stratification. Unemployment levels near 7 percent in 1990 grew to a record high of 18.6 percent in 1995.⁹ One factor driving both economic reform and unemployment rates was the privatization of state enterprises. Between 1989 and 1999, approximately 150,000 people lost their jobs due to privatizations.¹⁰ Many state firms were targeted, including those in the telecommunications, waterworks, energy, natural gas, and transportation sectors. Of particular interest is the privatization of the state-run oil company, because the first piquetero protests occurred in the wake of its privatization.

⁸ Romero, Luis Alberto. *Breve Historia Contemporánea de la Argentina*. Buenos Aires: Fondo de Cultura Económica de Argentina, S.A., 2001. 269

⁹ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 23

¹⁰ Auyero, Javier. *La Protesta*. Buenos Aires: Los Libros del Rojas, 2002. 29

a) *The privatization of YPF*

“The privatization of YPF marked the end of a golden age. For twenty years my husband worked in the post office and always mentioned the large checks the oil company paid to its workers. Now, those same workers have to set up roadblocks and beg for social plans.”

~A resident of General Mosconi cited in Auyero’s *La Protesta*, p. 33

Yacimientos Petrolíferos Fiscales (YPF) was created in 1922 and was the first vertically integrated state-run petroleum company in Latin America.¹¹ Before privatization, YPF was the largest company in Argentina, accounting for 13 percent of public employment and net sales of \$3.9 billion in 1992.¹² The company was a primary target for Menem’s reforms because it embodied the large, inefficient state enterprise anathema to his economic policies. Far from the “model of Latin American oil companies” which it once represented, its profit margins in the 1980s and 1990s were falling well below those of its counterparts in Mexico and Venezuela.¹³ Instead of providing economic windfalls for the state, YPF became a financial burden. Consequently, altering the structure of the oil industry became a key reform for the Menem administration.

For many Argentines, however, YPF represented many of the benefits and opportunities provided by the Argentine welfare state. Being an employee of YPF (*ser ypefano*) was synonymous with having steady employment and social protection. According to Svampa, “the workers of YPF were considered among a lucky ‘aristocracy’

¹¹ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 105

¹² World Bank. (1998) *The Case-by-Case Approach to Privatization*. http://rru.worldbank.org/Documents/Toolkits/casebycase_fulltoolkit.pdf 2/25/06. 31

¹³ Etchemendy, Sebastián. “Constructing Reform Coalitions.” *Latin American Politics and Society*. Summer 2001. 12

among circles of state workers.”¹⁴ The company itself functioned like a state within a state. Its services included: providing good pay and healthcare to workers; managing local telephone communications, waterworks, and energy grids; and maintaining the gardens and other municipal facilities of oil towns.¹⁵ Entire communities formed near YPF plants and inherently grew dependent on the firm’s services.

Despite the importance of the firm’s community subsidies and its status as an object of national pride, many YPF employees approved the measure to privatize the company. Although they understood the firm would be drastically downsized, the Menem administration promised a wide array of compensations to the oil workers, including stock options, pensions, and jobs within the energy sector. After privatization, however, the extent to which the former employees were exploited became apparent. Stock options and pension plans never fully materialized, while employment in smaller corporations terminated when the firms experienced financial troubles. Several groups of employees who received bonuses upon privatization formed their own companies in the petroleum industry, only to learn the difficulties of maintaining a successful long-term business model.¹⁶ As a result, the vast majority of ex-YPF employees, once the “bourgeoisie” of state workers, experienced unemployment and poverty in the years after the state privatized YPF.

The firm itself fared well in the privatization scheme. After having 51,000 employees in 1990, it downsized to 8,000 by 1993 and 5,600 by the time of full privatization in 1997. The World Bank estimates the privatization generated \$5.1 billion

¹⁴ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 105

¹⁵ Ibid. 105

¹⁶ Etchemendy, Sebastián. *Interview*. Buenos Aires: University Torcuato Di Tella, 8/5/05.

in cash and only \$13.1 million in costs. By 1994, “profitability more than doubled and productivity improved”¹⁷, revealing the immense expenses incurred by the state in employing a surplus of workers and distributing profits to social programs.

Although the deal appears fiscally sound, its social and economic impact on small towns was devastating. Thousands of workers were displaced and soon recognized the shortcomings in their compensations and alternative forms of employment. Experiencing mass unemployment and lacking a safety net from the state, the ex-YPF employees and their communities began protesting their precarious situation, giving rise to a new social actor: the piquetero.

b) Piquetes in Cutral-Co and General Mosconi

Piquetero protests began in Cutral-Co and General Mosconi, two oil towns located in the interior provinces of Neuquen and Salta, respectively. The causes of protests in both towns were rooted in the privatization of YPF. Unemployment levels in the towns reached nearly 65 percent in the mid 1990s because most forms of employment were linked to YPF and disappeared in the aftermath of privatization. Entire communities experienced poverty, yet the state, YPF, and labor unions all failed in providing support to the unemployed in their time of need.¹⁸

With few options available to improve their dire economic situation, the unemployed workers and their extended communities took to the streets, hoping to convince local policymakers to grant them financial assistance and some form of

¹⁷ World Bank. (1998) *The Case-by-Case Approach to Privatization*. http://rru.worldbank.org/Documents/Toolkits/casebycase_fulltoolkit.pdf 2/25/06. 32

¹⁸ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 111

employment. By blocking all access to regional expressways and local routes, the protestors effectively placed an economic noose around their towns. They prevented YPF trucks from delivering oil and supplies, commuters from traveling to other provinces, and city buses from making their routine stops.¹⁹

To the piqueteros, setting up roadblocks with large groups of protestors fulfilled two objectives. First, it provided them with a tool to bypass the political system which failed to represent their needs. The provincial capitals of Neuquen and Salta were geographically far from the two oil towns, so by participating in mass protests, the unemployed workers sought to be heard by policymakers.²⁰ Secondly, such protests served as a cathartic experience which united increasingly marginalized communities.²¹ The piqueteros became new social actors which neither political parties nor labor unions represented. By coming together to protest in large groups, they established a broad community which provided members with new social identities. Consequently, the purposes of piquetero protests reflect the failure of local institutions to address the challenges faced by the increasing segment of society facing poverty and subemployment.

Individuals in poverty stricken regions found piquetero tactics appealing, for in June 2006 more than 20,000 protestors blocked Route 22 in Cutral-Co and even more cut off Route 34 near Mosconi in May 1997. The protests did not occur solely due to the federal government's privatization of YPF, however, for the actions of the local government also triggered social unrest. In Neuquen the governor ended a program

¹⁹ Gallo, Daniel. *Interview*. Buenos Aires: La Nación Headquarters, 7/21/05.

²⁰ *Ibid.*

²¹ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 112

which provided small monthly subsidies to the heads of family and suspended the license of a fertilizer company which employed many workers. Similarly, in Salta the government privatized the provincial energy company, worsening service and increasing unemployment levels.²²

In both instances protestors quickly convinced local policymakers that the easiest method of restoring order was to grant concessions to the unemployed workers and their families. The governor of Neuquen (who initially condemned the piquetes) signed provisions which provided the unemployed with lighting and gas, hundreds of subsidies, and newly constructed hospitals and other public works.²³ In Salta, popular assemblies met with local government officials and negotiated a plan which created: 1,000 unemployment subsidies that paid recipient 220 pesos per month for a year; 3,200 posts in the newly created national welfare program (Plan Trabajar); and 800 jobs with private petroleum companies.²⁴

The two cases represent how piqueteros provided the poor with a conduit through which they could gain concessions from the state apparatus. Although the protestors in the two regions initially benefited from the social plans they received, they were forced to protest again after the plans ended or failed to adequately support their families. Essentially, the piqueteros were fixed in a brutal cycle which maintained public protest as the only tool of receiving state assistance. Rather than an ephemeral experience, being a piquetero created an identity which permanently influenced entire communities throughout Argentina.

²² Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 32, 76

²³ Ibid. 77-78

²⁴ Ibid. 79

c) *The emergence of piqueteros in Buenos Aires*

For many porteños (residents of Buenos Aires), the mass protests and roadblocks occurring in the interior provinces were events seen only in the news. To them, such chaos and social unrest never could arise in their cosmopolitan city. However, the economic conditions fueling protests in the provinces also plagued Buenos Aires, expanding the segment of the population living below the poverty line and decreasing the state's ability to support the urban poor. A study by Cortés and Marshall explains how the suburbs of Buenos Aires became a “graveyard of industries”, causing a drastic decrease in the number of salaried jobs.²⁵ Political parties and labor unions failed to fight for workers' rights and represent the needs of the emerging classes of unemployed and subemployed workers.²⁶ With conditions ripe for protest, the marginalized classes of urban Argentines needed impetus for action.

An important step towards the creation of piquetero groups in Buenos Aires occurred in September 1996, when 2,000 residents of La Matanza and La Juanita participated in a “march against hunger and unemployment” to the Plaza de Mayo.²⁷ The march united several community leaders who later became piquetero leaders and established the precedent of organizing protests according to territorial affiliation. Protesters from each barrio formed separate columns in an effort to display neighborhood solidarity.²⁸ The march was one of the first to unite groups of unemployed workers in Buenos Aires, and when considered with the larger protests of the interior provinces, the

²⁵ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 39

²⁶ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 89

²⁷ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 41

²⁸ Ibid.

cumulative effect initiated action in poor communities, who began setting up roadblocks and protesting in 1997.

The first piquetero group to block routes in Buenos Aires was the Movement of Unemployed Workers (MTD) of the neighborhood Florencio Varela. In 1997, the MTD organized a small roadblock in the southern region of Buenos Aires and was awarded control of 50 social plans by the government, who wanted the protestors to disperse as quickly as possible to avoid extensive media coverage of the event.²⁹ The social plans provided the MTD with increased legitimacy and organizational power. By the second MTD protest, participants numbered more than 1,500 and the organization solicited 1,000 social plans, revealing how the piquetero strategy in Buenos Aires was just as successful as in Salta and Neuquen. Soon the MTD had affiliates in other barrios and became a powerful force, setting up roadblocks frequently and receiving an increasing number of social plans from the government.³⁰ Interestingly, the social plans intended to end protests actually increased the capacity of piquetero organizations to attract supporters, revealing how government's short-term solutions intensified the larger problem facing Argentine society.

The relationship between the first piquetero groups (such as the MTD) and political parties is critical, because the piquetero movement in Buenos Aires developed at the same time that the Peronist Party faced electoral challenges in the 1997 provincial elections. Although the PJ still held a majority in Congress, it lost 12 congressmen while the UCR-Alianza (the main opposition party) gained 16 congressmen.³¹ Plagued by a relative electoral defeat in provincial elections and internal factionalism between the

²⁹ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 90

³⁰ Ibid.

³¹ Tow, Andy. (1997) *Electoral Atlas of Argentina*. <http://www.towsa.com/andy/index.html> 3/1/06.

policies of Provincial Governor Eduardo Duhalde and President Carlos Menem, the Peronist machine became fragmented. A majority of *punteros* (Peronist party brokers/precinct captains) opposed the neoliberal policies of President Menem³² and many *manzaneras* (female social workers who distributed food to poor communities) broke ties with Duhalde's provincial machine. These two groups of grassroots political power brokers helped found many different branches of the piquetero movement in attempts to better serve their poorly represented constituencies in a time of political fragmentation.³³ Consequently, the inability of the PJ to provide sufficient social and economic support to communities marginalized by neoliberal policies stimulated the growth of piquetero organizations in Buenos Aires.

d) The Menem administration's response

The Menem administration's strategy in responding to the unemployment crisis and piquetero protests is of great importance because it established precedents which successful administrations continued. Before the emergence of piqueteros, the government funded several projects to target unemployment. Between 1993 and 1996, the Ministry of Labor and Social Security launched programs of temporary public employment, worker education, and private sector subsidies. However, such programs failed to compensate the actual needs of the ever growing number of unemployed Argentine workers because they targeted small percentages (less than 3 percent) of the

³² Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 153

³³ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 90

unemployed and did not provide sufficient compensation.³⁴ While unemployment tripled between 1990 and 1996, unemployment benefits only increased 22 percent.

Comparatively, the Menem government implemented more neoliberal economic policies yet allocated fewer resources for unemployment programs than the governments of Brazil, Chile, and Uruguay.³⁵

In response to the first large-scale piquetero protests of 1996 and 1997, the Menem government created the Plan Trabajar. The plan lasted until 2001 and spent an average of 130 million pesos per year to cover nearly 20 percent of the unemployed labor force. The plan provided monthly payments of 200 pesos for 6 months (with possibilities for renewal) to unemployed workers who lacked other social program coverage. In exchange, recipients participated in community service programs. The state administered payment distribution, while local NGOs and municipalities were in charge of the community service requirements.³⁶

The decentralized manner in which funds were distributed reveals how clientelist networks of unemployment benefit payments originated with programs supporting the piqueteros. The funds were channeled in the following manner: the executive power transferred financial resources to the provincial governments; provincial governors decided which municipalities would receive funds; and finally local officials (*intendentes*) managed the selection of beneficiaries and distribution of actual funds.³⁷

Statistical work conducted by Lodola reveals that social payments were not equally distributed, for proportionally more Peronist *intendentes* received plans to distribute than

³⁴ Lodola, German. "Protesta Popular y Redes Clientelares en la Argentina." *Desarrollo Económico*. Vol. 44, Number 146. January-March 2005. 521

³⁵ Ibid.

³⁶ Ibid.

³⁷ Ibid. 522

intendentes of the UCR-Alianza.³⁸ Consequently, the system supported the Peronist machine and its network of *manzanas* and *punteros* because it vested the ultimate authority in fund allocation and distribution in the base level organizations of poor communities, most of which were associated with the PJ. The system supports Oviedo's argument that the grassroots PJ organizers were the first to "break" with the PJ *aparato* (machine) and form piquetero movements. However, it is important to clarify that the *punteros* and *manzanas* never fully disassociated themselves from the PJ; instead, they utilized their organizational power to create piquetero groups which would solicit more social programs from the state for them to distribute.

Another program supported by the Menem administration included the Plan Barrios Bonaerenses, which was financed by the Provincial Government of Buenos Aires and provided unemployed chiefs of households with monthly payments of 200 to 400 pesos as well as community service work and education for the purpose of increasing their employability. The plan is significant for two reasons. First, it was created as a direct result of piquetero protests. Svampa notes how "the plans were not 'granted' by the government but rather acquired through protest and maintained by the force of roadblocks."³⁹ Rather than appeasing the piqueteros, the plans provided them with more incentive to protest so they could secure their possession of the plans and pressure the government to expand the program by adding beneficiaries. Additionally, the Plan Barrios Bonaerenses served as the predecessor of the largest social plan in Argentine history, the Plan Jefas y Jefes de Hogar (Chiefs of Household Plan) started by Duhalde

³⁸ Lodola, German. "Protesta Popular y Redes Clientelares en la Argentina." *Desarrollo Económico*. Vol. 44, Number 146. January-March 2005. 530

³⁹ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 95

and continued by Kirchner. Both the Plan Trabajar and the Plan Barrios Bonaerenses reveal how the government's response to piquetero protests intensified the development of piquetero groups by providing short-term concessions to groups who would continue to protest until the government implemented large-scale economic reforms and created permanent employment.

Menem's policy responses to piquetero protests represent how the government's strategy for resolving the protests involved short-term solutions to problems which required larger social and economic reforms. As explained in subsequent sections, this trend continued with the De la Rúa, Duhalde, and Kirchner administrations and is largely a result of the strategy piquetero movements utilize. By protesting for the cause of economic reform yet citing temporary state payments as acceptable concessions, piqueteros become fixed in a brutal cycle which maintains public protest as the only tool of receiving assistance.

Period II: Fernando de la Rúa and Crisis (1999-2001)

In 1999, the fragmentation of the Peronist party caused it to lose the presidency. Internal bickering between Senator Eduardo Duhalde and Economic Minister Domingo Cavallo led them both to run for President and split the PJ voting block into those who supported Menemismo and those who supported Duhaldismo. Benefiting from the PJ's identity crisis was the UCR-Alianza led by President Fernando de la Rúa. In terms of the administration's strategy towards piquetero groups, De la Rúa sought to contain protests by increasing transparency in the government's financial dealings with piqueteros, legalizing groups in order to encourage compliance with state laws, and utilizing police

repression when necessary.⁴⁰ In actuality, his strategy increased the strength of the opposition, the autonomy of piquetero groups, and the frequency of protests, as exemplified by the events of December 2001.

Since the piqueteros were a salient political force throughout Argentina by 1999, De la Rúa formulated more activist policies than Menem in managing the protest movements. Whereas Menem responded to most protests with concessions of new social plans, De la Rúa reduced the number of overall social plans but increased plan distribution in regions with heavy protests. He also sought to increase the transparency of social plan distribution in order to reduce the influence of the PJ network, which he hoped to accomplish by legalizing piquetero groups and increase their stake in the political system. By turning them into non-governmental organizations, he wanted to formally institutionalize them in order to reduce their illegal protest activities.⁴¹

De la Rúa's policies had many unintentional effects because they were shortsighted and plagued by inconsistencies. Lodola's statistical work reveals how the government reduced the overall number of social plans but concentrated existing plans in regions with frequent protests.⁴² De la Rúa intended to target problem areas and flood them with social plans, thereby hoping to reduce the threat of protests to regional stability. However, the policy became dangerous when combined with his efforts to legalize piquetero groups. Encouraging the groups to organize into quasi NGOs failed to reduce the influence of PJ clientelism, mainly because the *punteros* and *manzaneras* who were piqueteros still remained party supporters and gathered more organizational power

⁴⁰ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 99

⁴¹ Ibid. 96

⁴² Lodola, German. "Protesta Popular y Redes Clientelares en la Argentina." *Desarrollo Económico*. Vol. 44, Number 146. January-March 2005. 530

with legalization and legitimization of their movements. As piqueteros observed how social plans flooded into regions with frequent protests, they utilized their stronger organizations to set up more roadblocks in order to gain an increasing number of social plans. Additionally, De la Rúa reduced federal oversight of plans and returned most control of plan allocation to the provincial level. Since most of the provinces and their base-level units were managed by the PJ, De la Rúa effectively granted more power to the Peronist machine.⁴³ The results of his policies contradicted his initial desire of piquetero and Peronist containment. Piquetero groups became larger and more organized, the Peronist machine gained more influence and increased clientelistic policies, and the number of roadblocks throughout the country increased.

Why did De la Rúa continue his policies after the unintended consequences became apparent? Lodola argues the president believed that after initial setbacks, his efforts would contain the piqueteros and lower threats to social, economic, and political stability. To De la Rúa, containing the piqueteros was more important than inhibiting the Peronist machine. If social conflict dissipated, governability would return before his party faced electoral strife.⁴⁴

De la Rúa's model of containment failed, however, as evidenced by the chaos of December 2001 leading to his resignation as president. The root cause of the widespread protests became the controversial economic policies implemented by Domingo Cavallo, who De la Rúa retained as Economic Minister from the Menem administration. By 2001

⁴³ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 99

⁴⁴ Lodola, German. "Protesta Popular y Redes Clientelares en la Argentina." *Desarrollo Económico*. Vol. 44, Number 146. January-March 2005. 530

Argentina was on the brink of economic collapse, with an external public debt that neared \$132 billion and an estimated \$15 billion needed in 2001 alone to service the debt.⁴⁵

To prevent a run on the banking system, in December 2001 Cavallo implemented the “corralito”, which restricted withdrawals from private checking and savings accounts. Individuals could only withdraw small sums of money (200 pesos) from their accounts each week.⁴⁶ The new law had a profound impact on society because it effectively restricted the liquidity of currency. Thousands of workers were fired or suspended temporarily, salaries and pensions could not be paid, and cash payments to workers in the informal sector and black markets ceased. Additionally, with the state in financial ruins, the social net for such a crisis was removed. The result was a widespread hunger crisis, which provoked civil unrest throughout Argentina. Piqueteros in the provinces began chanting, “For a Christmas without hunger, kick out De la Rúa and Cavallo.”⁴⁷

By mid December, accounts of protests and saqueos (robberies) were ubiquitous in the media. “Cacerolas” (protesters who banged pots and pans together in the street), piqueteros, and union workers frequently marched to supermarkets and demanded food. Often times when their demands weren’t met they raided grocery stores.⁴⁸ Such protests began in Entre Ríos and Mendoza but eventually became widespread in grand Buenos Aires.⁴⁹

After several days of large-scale public protests and supermarket assaults, the final phase of the civil society uprising began on the night of December 19, when De la

⁴⁵ Pol, Luciana. *Interview*. Buenos Aires: CELS, 7/22/05.

⁴⁶ *Ibid.*

⁴⁷ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 228

⁴⁸ Auyero, Javier. “Zona Gris.” *Round Table Discussion*. Buenos Aires, 7/18/05.

⁴⁹ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 230

Rúa declared martial law (“estado de sitio”).⁵⁰ That evening, hundreds of thousands of protestors took to the streets and advanced to Congress and from there to the Plaza de Mayo. Similar protests occurred in provinces throughout Argentina, all with the slogan “¡Que se vayan todos!” (Let all the politicians leave!).⁵¹ On December 20, 2001 Cavallo resigned, but the protests continued. De la Rúa ordered the police to repress protesters and soon the media began airing testimonials from those being beaten and shot by the police. The mass movement of protesters vowed to continue marching towards their goal, the Plaza de Mayo.

The first deaths were reported 10 blocks from the Casa Rosada. Protests continued and the crowds chanted, “Piquetes, cacerolas, la lucha es una sola” (Piqueteros, cacerolas, the fight is one and the same), signifying that the protesters from different social classes and backgrounds were united in their protest against the government’s repression and economic policies.⁵² Once the masses reached the Plaza de Mayo, the police could not maintain order and De la Rúa was forced to resign.

By the end of the protests, 3,000 people were detained and 33 had died. The event marked the first time in Argentine history that a government fell as a consequence of mobilization by the civilian masses.⁵³ Although previous governments came to power backed by protesters (such as Perón), their uprisings were supported by the armed forces. In December 2001, on the other hand, protests were fueled by structural economic conditions, grassroots mobilization, media sensationalism, and police repression.

⁵⁰ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 232

⁵¹ Ibid. 233.

⁵² Barbetta, Pablo and Karina Bidesca. “Reflexiones sobre el 19 y 20 de Diciembre de 2001.” *Revista Argentina de Sociología*. Year 2 Number 2, 2004. 86

⁵³ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 200. 236

The piqueteros played a pivotal role in the ouster of De la Rúa and gained momentum from the revolution they helped spark. They were the first groups of protesters to take to the streets and provided the necessary force to mobilize different sects of society (the cacerolas) against De la Rúa. Many of the initial victims of police repression and unlawful detainments were piqueteros, providing the impetus for more protesters to take to the streets.⁵⁴ Their model of protest – blocking roads and demanding policy reforms – also became adopted by a wide spectrum of society.

While many scholars compare the events of December 2001 to other famous Argentine protests (the crowds calling for Perón to be released from prison and the Cordobazo), the resignation of De la Rúa is singular because it was incited by decentralized and politically marginalized groups. Although the piqueteros shared relations with the PJ and its clientelist networks, the different branches of the piquetero groups were not officially aligned with any large scale political institutions (as many previous protesters were represented by political parties or labor unions). After the events of late 2001, however, the piquetero model of protest had been legitimized. De la Rúa's failure to contain the piqueteros contributed to his downfall and revealed to his successors the importance of cooptation and social program expansion.

Period III: Eduardo Duhalde's Short-Lived Presidency (2002-2003)

Soon after De la Rúa fled the Casa Rosada in a helicopter, the Peronist-dominated Congress appointed Adolfo Rodríguez Saá to lead an interim government. According to the newspaper *Clarín*, Saá gained the presidency as a result of a “misbegotten accord”

⁵⁴ Gallo, Daniel. *Interview*. Buenos Aires: La Nación Headquarters, July 21, 2005.

between Peronist governors.⁵⁵ To further complicate matters, Saá stated he planned on remaining in office “beyond the period set by those who had chosen him”, angering the already factionalized PJ officials.⁵⁶ Saá’s troubles mounted when he was forced to default on most of the \$93 billion public debt due to the government’s inability to meet scheduled payments.⁵⁷ Unsupported by his own party and incapable of dealing with the economic and social crisis, Saá resigned after only seven days in office.

Congress appointed former Vice President and then PJ Senator Eduardo Duhalde to take Saá’s place.⁵⁸ Given the tense atmosphere after Saá’s resignation, Duhalde’s main concerns became stabilizing the economy, reducing public protests, and bolstering support from the PJ. Duhalde chose to focus on the economy first, for a stable economy would inherently reduce protests and garner political support for his administration. Only a few days after assuming the presidency, Duhalde ended the pesos’ parity with the US dollar, allowing the peso to devalue nearly 400 percent in 2002.⁵⁹

As a result of devaluation, poverty levels increased dramatically; more than 60 percent of the population lived below the poverty line by the end of 2002.⁶⁰ Additionally, the unemployment rate peaked at 20 percent in 2002, revealing the profound impact of the economic crisis.⁶¹ With widespread poverty and unemployment

⁵⁵ “Press Lambasts Peronist Infighting.” 1/1/02. *BBC News*. http://news.bbc.co.uk/1/hi/world/monitoring/media_reports/1737357.stm 3/3/06.

⁵⁶ Ibid.

⁵⁷ Hanke, Steve. “Argentina’s Current Political-Economic Crisis.” (3/5/02). *The Cato Institute*. <http://www.cato.org/testimony/ct-hanke030502.html> 3/4/06

⁵⁸ Congressional leader Eduardo Camaño temporarily became president until Congress made its appointment

⁵⁹ Hanke, Steve. “Argentina’s Current Political-Economic Crisis.” (3/5/02). *The Cato Institute*. <http://www.cato.org/testimony/ct-hanke030502.html> 3/4/06

⁶⁰ Ibid.

⁶¹ Oviedo, Luis. *Una Historia del Movimiento Piquetero*. Buenos Aires: Rumbos, 2001. 23

plaguing Argentina, the piqueteros became an even more important force due to their continued determination to fight for employment and social benefits.

a) Plan Jefes y Jefas de Hogar

Duhalde's response to the piqueteros and other impoverished Argentines was the launching of the largest social program in Argentine history, the Plan Jefes y Jefas de Hogar. Announced in April 2002 after the declaration of a state of occupational, sanitary, and nutritional crisis, the plan adopted many elements from its predecessors but also implemented changes to address the challenges highlighted by the 2001 crisis.⁶² The base program provided monthly payments of 150 pesos to the unemployed heads of a household with children. It also assured that children of beneficiary households would receive healthcare and an education. Recipients of the plans could not be the beneficiaries of other state-run employment payment programs, many of which were phased out due to the emergence of the new plan.⁶³ Essentially, the purpose of the plan was to channel different programs through one large-scale plan and increase the number of beneficiaries exponentially to quell protests and address the increasing levels of unemployment and poverty.

Other plans were included as subunits of the Plan Jefas y Jefes, such as the Emergency Employment Program (PEL), which provided the same 150 pesos per month and temporary employment as the base plan but applied to a more general population: anyone over 18 not receiving benefits from other plans. The final program under the Plan Jefes y Jefas was the Program for Social Inclusion of Families, which provided 200 pesos

⁶² Calvi, Gabriel and Carla Zibecchi. "El Plan Jefes y Jefas." *Textos para Pensar la Realidad*. June 2004. 35

⁶³ CELS. *Plan Jefas y Jefes*. Buenos Aires: CELS, 2003. 7

per month to families for the purpose of development, health, and education for young children. Most recipients of all the Plan Jefes y Jefas programs were required to participate in temporary community service programs, such as working in food kitchens or distributing goods to needy families.⁶⁴ The group of plans represented a vast expansion of social coverage from the Menem and De la Rúa eras. Whereas Menem's Plan Trabajar covered 200,000 Argentines at the height of its tenure in 1997, Duhalde's Plan Jefes y Jefas distributed funds to nearly 600,000 beneficiaries by the end of 2002 and 2 million by mid 2003, affecting an estimated 4 million Argentines.⁶⁵

Although the plan sought to provide every family with the “social right of inclusion”⁶⁶, payments were not distributed uniformly or universally, but instead clientelistically. According to the law, potential beneficiaries needed to register with their local municipalities and could enlist in the program once the municipal government verified their eligibility and passed on their names to the Ministry of Labor and Social Security.⁶⁷ Testimonials from recipients suggest that plans were distributed in a more clientelistic manner, however, for many beneficiaries reported that the municipal officials ceded control of blocks of plans to local PJ *punteros*, many of whom were also piquetero officials. Party affiliation and participation in protest events determined eligibility, thereby strengthening the PJ machine for which Duhalde was famous for cultivating during his tenure as Provincial Governor and Senator.⁶⁸ Furthermore, recipients of plans were forced to “donate” a small percentage (10 to 20 percent) of their payments to the

⁶⁴ CELS. *Plan Jefas y Jefes*. Buenos Aires: CELS, 2003. 8

⁶⁵ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 101

⁶⁶ CELS. *Plan Jefas y Jefes*. Buenos Aires: CELS, 2003. 3

⁶⁷ *Ibid.* 30

⁶⁸ Gallo, Daniel. *Interview*. Buenos Aires: La Nación Headquarters, July 21, 2005.

organizations facilitating their inscription in the program, providing significant funds to the Peronist machine and piquetero organizations.⁶⁹ By decentralizing the payment mechanisms of the Plan Jefes y Jefas, Duhalde created institutional loopholes to provide the PJ machine with leverage to coopt piquetero organizations and poor communities. While the plan officially sought to eliminate social exclusion of the poor and unemployed, in practice it served as a political tool for Duhalde's government.

b) Deaths on the Pueyrredón Bridge

While Duhalde's new social plans provided economic support to piqueteros, his administration drew criticism in its handling of the murders of two piqueteros on Pueyrredón Bridge. On June 26th, 2002, four piquetero organizations converged on the bridge to incite an official response to their demands - social plans, food parcels for their barrios, and the liberty of Raúl Castells, a leader of the Movement of Retired Persons (MIJP).⁷⁰ The event was the first scheduled protest among four groups in more than eight months, so the government sent nearly 200 policemen and two helicopters in anticipation of conflict. For the first time ever, the police threatened to impede the roadblock and use all necessary force to thwart the piqueteros from blocking any streets or bridges.

When the 2,000 protesters arrived, they were met immediately with tear gas and rubber bullets (despite their quasi-peaceful methods of protest). After the masses dispersed out of fear, two piqueteros were found dead: Darío Santillán (21 years old) and Maximiliano Kosteki (24 years old). Later investigations revealed the two were shot at point blank range with steel pellet shotguns by the Police of the Province of Buenos Aires

⁶⁹ CELS. *Plan Jefas y Jefes*. Buenos Aires: CELS, 2003. 32

⁷⁰ CELS. *El Estado Frente a la Protesta Social*. Buenos Aires: Siglo Veintiuno, 2003. 186

(who had a reputation for corruption). In addition to the two deaths, 90 protesters were wounded and 60 were detained.⁷¹

The incident became a definitive moment for Duhalde because his relations with the media in the aftermath of the deaths raised questions about his personal integrity and his administration's tactics. Initially, the commissioner of the provincial police said the piqueteros came to fight and the police responded with appropriate force, but after a series of investigations and media reports, several police officers were charged with murder. Duhalde initially supported the police officers but changed his position several times as new reports and courtroom evidence provided evidence proving the police were ordered to repress protesters. To further aggravate matters, the new police commissioner appointed by provincial officials affirmed he would not make drastic changes or purge anyone from the department.⁷²

The deaths of the two young piqueteros and the subsequent mishandling of the case by Duhalde profoundly impacted many Argentines. In the wake of the crisis of December 2001, the public did not tolerate police brutality. The event united many piquetero organizations to protest together peacefully in the name of justice for the deaths of "Darío and Maxi". The policemen responsible for the murders were eventually brought to justice, but the event represents mismanagement and miscommunication between the Provinces and the Federal government as well as a flawed containment strategy encouraged by Duhalde. Although Duhalde passed the Plan Jefes to appease the piqueteros, the two deaths on Puente Pueyrredón provided the movement with momentum and increased its leverage to bargain for social programs.

⁷¹ CELS. *El Estado Frente a la Protesta Social*. Buenos Aires: Siglo Veintiuno, 2003. 187

⁷² *Ibid.* 190

The state's impotence in controlling piquetero protests increased because the available tactics for containment were not politically feasible. The police could not utilize any force against piqueteros for fear of media coverage and public outcries against repression. Social plans were already in place, but piqueteros were never satisfied by current levels of payments and continually sought to increase program coverage. The economic problems underlying the protests required long-term planning, political stability, and time – all factors out of Duhalde's reach due to term limitations. By 2003 Duhalde was forced to call elections (because in 2002 he was appointed by Congress), and after a struggle amongst Peronist candidates, Néstor Kirchner became the next president of Argentina, signaling a new era in government relations with the piquetero movement.

Chapter 3: Kirchner's Strategy

“Kirchner has managed to accomplish something his predecessors failed to do: moderately control and contain the piqueteros.”

~ Daniel Gallo, *La Nación* Political Reporter

Néstor Kirchner's victory in the 2003 presidential elections was largely the result of the PJ's inability to formally select a candidate. The three main contenders for the PJ's support were Carlos Menem, Rodrigo Saá, and Kirchner – none of whom stood out as the clear front runner. The UCR, still suffering from the ouster of De la Rúa, became fragmented into two factions after the 2001 crisis, reducing its ability to provide an electoral challenge. After the election, no party won a clear majority of the votes, but Menem and Kirchner were the two front-runners, with 25 percent and 22 percent of the popular vote, respectively.⁷³ A runoff vote was announced, but support for Menem waned and polls indicated a Kirchner landslide, causing Menem to withdraw his candidacy and leaving Kirchner as president.

Kirchner faced several challenges as president, for he entered the national political spectrum at a critical juncture in Argentine history. Most Argentines wondered what fate would hold for his presidency. Would he bring prosperity and economic growth to Argentina, or would he bring back the days of rampant inflation, foreign debt, and massive civil society uprisings? The economy was the most important issue for Kirchner to handle, and by the time Kirchner took office, GDP growth was at five percent. Kirchner aimed to negotiate the large debt owed to the IMF and stabilize the Argentine economy to attract much of the foreign investment lost after the 2001 crisis, albeit in a much different manner than Menem did during the 1990s. By keeping the

⁷³ CIA. “Argentina.” *The World Factbook*. <http://www.cia.gov/cia/publications/factbook/geos/ar.html> 3/8/06.

peso devalued in comparison to the dollar, he hoped to boost exports and attract foreign investment, thereby allowing him to maintain a budgetary surplus to eliminate the need for foreign loans and provide more social programs to back his populist rhetoric. His efforts have been successful, for Argentina posted eight percent GDP growth each year between 2003 and 2005.

Another challenge faced by Kirchner was to distinguish himself from Eduardo Duhalde, who helped him campaign for the presidency. An early goal for Kirchner became proving that he was not Duhalde's puppet, which he accomplished by embarking on radical reforms immediately after being elected. His changes included replacing the leadership of both the armed services and the federal police, pressuring Congress to impeach certain justices of the Supreme Court, and targeting privatized utility firms whose service was in need of improvement.⁷⁴ By asserting his independence from Duhalde and keeping the economy stable, Kirchner's level of popular support rose steadily in 2003.

Two more tasks remained on Kirchner's agenda – dealing with the piqueteros and gaining support of the Peronist political machine. Although not at 2001 levels, protests in Argentina were still frequent, totaling over 1000 in 2003.⁷⁵ Additionally, the fragmentation of the PJ and Kirchner's proclaimed independence from Duhalde implied that the network of Peronist support crucial to sustained electoral victory was not automatically placed in Kirchner's hands. Through astute political maneuverings, however, Kirchner coopted the piqueteros and increased his level of support from PJ

⁷⁴ Jeter, Jon. "A Strong Hand in Argentina." *The Washington Post*. 6/28/03. Page A22.

⁷⁵ Gallo, Daniel. *Interview*. Buenos Aires: La Nación Headquarters, 7/21/05.

base-level units, the sum of which provided him with newfound tools accomplish his goals as a president and a party politician.

Kirchner's Model of Piquetero Cooptation

How has Kirchner coopted some piquetero groups? Traditionally, cooptation is viewed as the systematic “inclusion of outsiders in the leadership and decision-making processes of an organization.”⁷⁶ In the context of the piqueteros, however, cooptation partly refers to their inclusion in governmental affairs and primarily to the benefits they receive for agreeing to informally work with the government. Rather than adhering to a formal structure of sharing power, the piqueteros became dependent on government social programs and preferential treatment provided by Kirchner in exchange for control of the groups' protests. Whereas Menem, De la Rúa, and Duhalde all tried to appease piqueteros with social plans, Kirchner is the only president who utilized a more nuanced strategy to fully coopt certain factions of the piqueteros at the expense of others in order to utilize protests to his advantage. Like other presidents, Kirchner lacks full control of the movement and protests still detract from his ability to govern, but his strategy has provided him with more control over piquetero affairs than any of his predecessors.

Kirchner's strategy is four-pronged and reflects how his piquetero policy addresses the failures of his predecessors in controlling the movement. The first element involves managing the different branches of the movement. After 2001, the piqueteros of Buenos Aires split into several factions according to their different ideologies and protest tactics. Rather than treating them as a unified movement, Kirchner recognized their fragmentation and strategically helped some groups over others, thereby reducing the

⁷⁶ Metcalfe, Les. “Flexible Federalism.” (1997) <http://www.indiana.edu/~csrc/metcalfl.html> 3/9/06.

ability of the groups to collectively protest against his administration (as experienced by Duhalde after the deaths on the Pueyrredón Bridge). The second element involves the distribution of social plans, which Kirchner administered clientelistically to facilitate his cooptation of certain groups and penalization of others. Although many of Duhalde's programs carried over to the Kirchner era, Kirchner took more advantage of the informal distribution networks to utilize a carrot and stick policy with the piqueteros. Third, as part of his shakeup of the police department, Kirchner issued new police directives to prevent repression and reduce the quasi-violent atmosphere of the protests. Officially, neither piqueteros nor policemen could bring weapons of any kind to protests, but in practice the policy favored the piqueteros over the policemen. The last element to Kirchner's strategy of piquetero cooptation involved the cultivation of machine politics. By gaining more control over piquetero groups, he also gained control over base-level units of the PJ machine, thereby consolidating his ability to coopt both piqueteros and punteros. Overall, the implementation of Kirchner's strategy has reduced the threat piqueteros once posed to elected officials and has provided the president with new tools to accomplish his policy and party objectives.

a) Managing different branches of the movement

Kirchner became the first president to manage different branches of the piquetero movement by formally incorporating certain piqueteros groups as party supporters at the expense of others, creating a wave of "oficialista" groups. Such organizations publicly supported the Kirchner administration and its policies, a significant step limiting the ability of the groups to protest against governmental policies.

By adhering to Kirchner's policies, the oficialista piquetero groups gained access to blocks of social plans as well as formal governmental positions for their leaders. The main two groups of oficialistas are Barrios de Pie (BP) and the Federación de Tierra y Vivienda (FTV), both of which have amassed significant organizational power and increased membership since agreeing to support Kirchner.

The Barrios de Pie movement represents the largest movement of unemployed workers and community-based organizations in Argentina, with field offices in each one of Argentina's 23 provinces. The movement was born in December 2001, a result of the need for a national organization of unemployed workers struggling during the economic crisis.⁷⁷ The movement represents the marginalized workers and urban poor who failed to be represented by labor unions or political parties of the time. Politically, BP leaders proclaim the piquetero organization to represent the "nationalist left" who fight against neoliberalism and external domination (but are not Marxist). The group openly bickered with the Duhalde administration, especially after the deaths on the Pueyrredón Bridge. Although the group did not participate in Kirchner's election campaign, in late 2003 they began supporting his administration after it began implementing policies to counter the effects of Menem's neoliberal policies. They officially became Kirchneristas ("oficialistas") when their leader, Jorge Ceballos, was summoned by Christina Kirchner (Kirchner's wife) to become National Director of Community Assistance in the Ministry of Social Development. With Ceballos in control of many of the social plans distributed to the poor, Barrios de Pie gained significant power and many new members.⁷⁸

⁷⁷ "What Barrios de Pie Is and What it Does." 4/30/02. http://www.barriosdepie.org.ar/article.php?id_article=2453/10/06.

⁷⁸ Rudnick, Isaac. *Interview*. Buenos Aires: Foreign Ministry, 8/4/05.

Besides organizing roadblocks and protests, Barrios de Pie manages community food kitchens, schools, public health facilities, public works constructions, and neighborhood assemblies. Each base-level unit of BP represents a barrio, or neighborhood, whose leaders answer to municipal officials, who in turn work under the provincial directors and the national coordinator of the organization (Ceballos). To distribute the necessary supplies and funding to carry out local initiatives, municipal and provincial leaders process paperwork completed by neighborhood leaders indicating local needs.⁷⁹

As an oficialista group, the organization receives funding from several government programs and has the authority to distribute social plans and foodstuffs. Leaders insist that “social plans are not simply just plans; one must participate in neighborhood activities and earn their plan.”⁸⁰ For instance, the women in charge of soup kitchens demand that recipients of social plans spend at least four hours per day working in the kitchen or distributing goods. By keeping daily records of attendance, the soup kitchen managers are able to provide local leaders with lists of individuals failing to meet their community service requirements so others from the waiting list can be moved to the active list and receive benefits.⁸¹ BP leaders publicly acknowledge that such requirements seek to ensure that unemployed workers do not lose the “culture of work” essential to staying in the labor force.⁸²

The organizations are also political in nature, for protest requirements are tied to community service requirements. Individuals receiving plans (and those hoping to

⁷⁹ Rudnick, Isaac. *Interview*. Buenos Aires: Foreign Ministry, 8/4/05.

⁸⁰ *Ibid.*

⁸¹ Romero, Mónica. *Interview*. Buenos Aires: Barrios de Pie Comedor, 8/3/05.

⁸² Rudnick, Isaac. *Interview*. Buenos Aires: Foreign Ministry, 8/4/05.

receive plans) must prove their loyalty to the organization by participating in all protest activities. Local leaders take roll before buses leave from each barrio to the city center, and individuals with more than one unexcused absence are removed from the social program beneficiaries list. Consequently, roadblocks remain a tool of BP, but protest levels have dropped significantly since Ceballos became an official employee of the government.⁸³ As later case studies will explain, the protests BP organizes serve as tools to reinforce Kirchner's power.

Another oficialista group is the Federation for Land and Housing (Federación de Tierra y Vivienda), which was created by the Center for Argentine Workers (CTA), a labor union representing state employees. Formed in 1998, the FTV represented over 200 grassroots organizations in 17 provinces around the country. While many piquetero organizations of the time were organized by neighborhood, the FTV sought to represent three broad sectors – the unemployed, the homeless, and the landless.⁸⁴ Although created by a labor union, the FTV's ties with the CTA have been extremely complicated due to the inherent conflict between the employed and the unemployed. At times CTA constituents believed the FTV was pushing for reforms which provided unemployed workers with “welfare without work”⁸⁵, yet the FTV's offices remain within CTA headquarters.

The FTV's leader, Luis D'Elía is one of the strongest piquetero leaders in Argentina. As an ex-congressman, D'Elía understands how to politically maneuver his group's protests to accomplish the FTV's goals of gaining social programs for the

⁸³ Romero, Mónica. *Interview*. Buenos Aires: Barrios de Pie Comedor, 8/3/05.

⁸⁴ Svampa, Maristella and Sebastián Pereya. *Entre la Ruta y el Barrio: La Experiencia de las Organizaciones Piqueteras*. Buenos Aires: Editorial Biblos, 2003. 61

⁸⁵ Etchemendy, Sebastián. *Interview*. Buenos Aires: University Torcuato Di Tella, August 5, 2005.

unemployed, homes for the urban poor, and small portions of land for the rural poor. D'Elía and the FTV became opportunistic Kirchner supporters as the president gained more popular support in 2003 and 2004. By 2005, D'Elía held regular meeting with Kirchner in the Casa Rosada and in March 2006, he was appointed to manage the Subsecretary of Housing and its annual budget of 286 million pesos.⁸⁶

By reducing the amount of roadblocks and protests against Kirchner's policies, the FTV has gained resources and preferential treatment from the government. Along with Barrios de Pie, the FTV is one of the main recipients of Plan Jefes y Jefas among piquetero groups. Distribution networks work very similarly to those of Barrios de Pie, with mandatory community service and protest requirements tied to social programs. The main difference between the FTV and Barrios de Pie involves the strong-armed tendencies of D'Elía, who many Argentines compare to a mafia boss. A prime example of his radical tactics was the takeover of a police precinct in La Boca, a barrio in Buenos Aires. On June 25, 2004, D'Elía and his FTV "combatants" occupied police precinct office 24A in La Boca because they suspected the police chief of the precinct was harboring the murderer of an FTV supporter. D'Elía justified his actions by stating that the precinct takeover averted armed conflict. With residual immunity from his time as a congressman, D'Elía was never imprisoned for the criminal act and the only people facing charges were the commissioner himself as well as the man suspected of killing D'Elía's comrade.⁸⁷ Many critics of Kirchner's policies favoring piquetero groups cite

⁸⁶ Bleta, Atilio. "Un Lugar en el Gobierno." *Clarín Online*. <http://www.clarin.com/diario/2006/02/18/elpais/p-01001.htm> 2/18/06.

⁸⁷ Moores, Lucio Fernández. "Eximieron de Prisión a D'Elía." *Clarín Online*. <http://www.clarin.com/diario/2005/08/02/elpais/p-00701.htm> 2/8/05.

the case as a prime example of “lawbreakers” such as D’Elía receiving special treatment from the government.

Not all piquetero groups receive the same benefits as Barrios de Pie or the FTV, however, for Kirchner’s strategy of cooptation involves disciplining movements which fail to support his policies. Examples of such organizations include the members of the National Piquetero Block (BPN) and the Independent Movement for the Retired and Unemployed (MIJD). Both groups turn to more violent forms of protest, with the BPN supporting communist insurrection and the MIJD employing radical techniques of protest such as preventing customers from entering McDonald’s restaurants. Notably, the MIJD leader Raúl Castells has been imprisoned several times by the Kirchner administration, prompting many to cite his imprisonment as political persecution (especially in light of D’Elía’s exemption from prison for a more egregious offense). Specifically, the human rights organization CELS has published several reports arguing that Kirchner is criminalizing political protest by punishing opponents such as Castells.⁸⁸ In terms of social benefits, many members of the BPN and the MIJD receive social plan payments, but the organizations lack the governmental support and resources provided to oficialista groups.

Consequently, the Kirchner administration has managed different branches of the piquetero movement by providing preferential treatment to some groups and disciplining others. Organizations supporting Kirchner’s policies, such as Barrios de Pie and the FTV, receive more social plans and even governmental posts for their leaders, while more hostile and radical groups, such as the MIJD and groups within the BPN, are penalized by the government, receiving fewer social plans and often times witnessing

⁸⁸ Pol, Luciana. *Interview*. Buenos Aires: CELS, 7/22/05.

members be jailed. The dynamic reveals how Kirchner discriminates between organizations to reduce protest levels and provide groups with incentives to become political supporters of his administration.

b) Social program allocation

The second element of Kirchner's cooptation plan calls for the strategic allocation of social programs. As mentioned earlier, Kirchner continued many of the programs implemented by Duhalde, but hoped economic growth would increase employment rates and allow him to reduce the total number of plans distributed. Whereas De la Rúa decreased plan distribution in a time of economic crisis, Kirchner only began cutting back the plans after the economy began to recover. Furthermore, Kirchner's strategy of plan distribution varied drastically from De la Rúa's, which unsuccessfully attempted to curb protests by tying plans to regions plagued by social unrest. Kirchner's model favored some groups at the expense of others, thereby increasing competition among groups and reducing the threat of a cohesive movement against his government.

While the federal government has not formally published any documents summarizing (or quantifying) the different types of social plans it offers, Daniel Cabrera from the Ministry of Social Development categorizes the plans into three categories – food, family, and public works. Plans under the first category, such as the Plan for National Alimentary Security (PNSA), provide funding for nutritional support. The PNSA allocates federal money to provincial governments so they can purchase foodstuffs and distribute them to local NGOs, community organizations, and hospitals. The final recipients of the products include families with children under 14 years of age, pregnant

women, malnourished individuals, and the elderly.⁸⁹ Although the provincial governments are legally required to provide the federal government with receipts of all purchases, they usually fail to do so. Cabrera believes the lack of transparency with the program's implementation can be attributed to the clientelistic practices employed by the provinces and condoned by federal officials, who seek to ensure that a majority of the plan's recipients are party supporters.⁹⁰

The second category of social plans supports families and represents the largest network of plan beneficiaries due to the extensive coverage of the Plan Jefes y Jefas. In May 2003, the Plan Jefes y Jefas provided payments to nearly 2 million Argentine heads of household, a number which was reduced to 1.6 million according to the latest figures (released in late 2005).⁹¹ The details of the plan largely remained the same from the Duhalde era, but in 2003 Kirchner began granting large blocks of plans to officialista groups at the expense of others, inciting less overall protests but more frequent protests by groups such as the MIJD and members of the BNP.⁹² Although administration officials state that the distribution of payments is transparent thanks to a new debit card system⁹³, critics explain how piquetero organizations and PJ punteros still control the lists of beneficiaries and escort recipients to ATMs so they can obtain their 10 or 20 percent "cut" of the plans.⁹⁴

Rather than being universal, the Plan Jefes y Jefas covers a set amount of beneficiaries, allowing organizations with control of plans to tie community service and

⁸⁹ "Plan Nacional de Seguridad Alimentaria." <http://www.presidencia.gov.ar/plan.aspx?cdArticulo=57> 3/13/06.

⁹⁰ Cabrera, Daniel. *Interview*. Buenos Aires: Ministry of Social Development, 8/9/05.

⁹¹ Ministerio de Trabajo. *Trabajo, Ocupación, y Empleo*. Buenos Aires: Ministerio de Trabajo, 2004. 48

⁹² Cabrera, Daniel. *Interview*. Buenos Aires: Ministry of Social Development, 8/9/05.

⁹³ Roca, Emilia. *Interview*. Buenos Aires: Ministry of Labor, 8/10/06.

⁹⁴ Zarate, Ariel Gustavo. *Interview*. Buenos Aires: La Matanza, 8/2/06.

protest requirements with plans. While piqueteros only receive 10 percent of the plans (with the rest largely falling in the hands of PJ punteros), the constantly changing distribution networks and waitlist system in place mean that most piqueteros have received plans since 2002, encouraging them to continue protesting to keep what they have.⁹⁵ Although Kirchner increasingly has shifted resources to oficialista groups, protests for plans are still frequent because organizations seek to expand their claims to blocks of plans. As the economy continues to grow, many question whether piqueteros will return to work or whether they will keep protesting for measly plans which barely support their families.

The last category of federal social plans supports the construction of public works and represents the smallest category of the three, largely because municipalities and provinces allocate funding for such localized endeavors. Most piquetero organizations require community service and participation in the construction of new buildings in each barrio, but the federal government plans mainly support alimentary and family-based initiatives. Despite Kirchner's populist rhetoric, he is the first president to successfully reduce the number of social plans while simultaneously reducing the number of piquetero protests, a result of his strategy of utilizing social plans to favor oficialistas and penalize his opponents.

c) Police directives

The next factor comprising Kirchner's strategy of piquetero cooptation includes his set of newly formulated police directives aimed at curbing police repression at protests. After witnessing how police brutality fueled the demise of both De la Rúa and

⁹⁵ Cabrera, Daniel. *Interview*. Buenos Aires: Ministry of Social Development, 8/9/05.

Duhalde, Kirchner sought to make drastic changes in the police's code of conduct. Soon after assuming the presidency, he replaced leaders of the Federal Police with his own men and implemented new directives regulating the use of police force – many of which received sharp criticism from police officers.

The set of directives passed between 2003 and 2005 include three main provisions. First, police officers are prohibited from bringing any weapons to protests, including pistols, rifles, and bobby clubs. Feeling strongly about the directive, Kirchner explained how his administration is “not going to use a trigger-happy police force to repress social protest.”⁹⁶ Although a similar law was passed applying to piqueteros, most piquetero “security units” arrive at protest locations armed with clubs covered in cloth as an attempt to loosely abide by the regulation. As an arm of the government, however, the police cannot bend the laws and thus feel unable to control protests and fulfill their duties as officers of the peace.⁹⁷

The second regulation allows the police officers to discuss the terms of each protest with the leaders and security personnel of the piquetero groups. In their discussions, the two groups define the boundaries of protest and declare their peaceful intentions. Since most groups of piqueteros are flanked on all sides by their group's security units, peaceful protest is maintained because the security guards and policemen ensure that no one breaks the piquetero ranks and that no piqueteros attack the policemen. Police officers take issue with the policy because it recognizes the piqueteros' right to block any street they choose. According to them, rather than disrupting traffic, the piqueteros should protest in set locations such as outside Congress or the in the Plaza de

⁹⁶ “Pickets and Police.” *The Economist*. http://www.economist.com/PrinterFriendly.cfm?story_id=2878059 7/1/04.

⁹⁷ Navazro, Fernando. *Interview*. Buenos Aires: Argentine Federal Police, 8/7/06.

Mayo.⁹⁸ By accepting some protests and encouraging a system of mutual agreements between police and piqueteros, however, Kirchner has avoided the massive uprisings experienced by De la Rúa and Duhalde.

The last important police directive requires all policemen to wear fluorescent vests over their uniforms when on duty. While Kirchner legitimized the law as increasing the visibility of policemen to people in need, many officers believe the provision favors delinquents and criminals, who can also see them more easily and plan their crimes accordingly. With many young piqueteros linked to gangs and organized crime syndicates, the neon jackets allow such criminals to instantly spot policemen in a crowd and move their criminal activities to regions devoid of officers.⁹⁹ Although not directly linked to police-piquetero relations, the directive is seen by many as another attempt by Kirchner to pander to quasi-criminal constituencies.

The role of the media in portraying protests is crucial to understand Kirchner's motives, for whenever a police officer utilizes a baton against a protester, the event is repeated continually on television and printed in newspapers with the headline "police repression" – even if the policeman was defending himself from a blow dealt by a piquetero. A large cause of the media's response is the underlying skepticism of many Argentines due to the police's tainted history. From the torture occurring in police commissaries during the military dictatorship to the repression of December 2001, the public remains quick to blame the police acting against the citizenry, leaving many current officers feeling helpless in situations where the use of force is necessary.

⁹⁸ Navazro, Fernando. *Interview*. Buenos Aires: Argentine Federal Police, 8/7/06.

⁹⁹ *Ibid.*

The Kirchner administration's "loose" application of the law also debilitates the police force, exemplified when piqueteros carrying arms to protests or those taking over police commissaries are not penalized for their illegal actions. Although in principle most policemen do not agree with many of Kirchner's changes to their code of conduct, they fulfill their duties and enforce the law as written. The directives implemented by Kirchner largely have furthered his goal of coopting the piqueteros, for the organizations cannot blame him for undue repression as they did with De la Rúa and Duhalde.

d) Taking advantage of machine politics

The final element of Kirchner's piquetero cooptation model involves utilizing machine politics to facilitate the fulfillment of the other elements of his strategy, primarily social plan distribution and favoring certain piquetero factions over others. Additionally, by utilizing his base units of support to help coopt the piqueteros, Kirchner sought to gain more control over the much larger Peronist political machine, which at the time of Kirchner's election was more in the hands of Duhalde than Kirchner.

How does a political machine function? According to Susan Stokes, "political machines (or clientelist parties) mobilize electoral support by trading particularistic benefits to voters in exchange for their votes."¹⁰⁰ To ensure that voters cast their ballots in favor of a particular party, the machine inserts itself into the social networks of voters and threatens to punish them if they vote for the wrong party, a phenomenon Stokes titles

¹⁰⁰ Stokes, Susan. "Perverse Accountability." *American Political Science Review*. Vol. 99, Number 3. August 2005. 315

“perverse accountability.”¹⁰¹ Kirchner utilized such policies first to garner the support of piquetero organizations and then to gain the backing of the Peronist political machine.

To win the support of organizations such as Barrios de Pie and the FTV, Kirchner convinced his base-level units to vote in favor of his policies in the organizations’ weekly elections.¹⁰² Since each organization sets its policies based on the votes of its members, the support for Kirchner expressed by many piqueteros translated into formal organization support on the part of piquetero movements. When combined with promises of more social plans and governmental representation, the piquetero organizations became oficialistas and provided Kirchner with a tool to gain the backing of the PJ machine. The cases of the boycotts of the Shell and Exxon gas stations and the 2005 victory of Christina Kirchner highlight how Kirchner utilized the piquetero to accomplish party and policy objectives and consolidate his institutional power. After his party won widespread victories in the 2005 congressional elections, most base-level units of the PJ machine threw their support in his direction, granting him control of the Peronist machine and practically ensuring electoral success in the presidential elections of 2007.¹⁰³ Consequently, Kirchner’s piquetero cooptation strategy allowed him to reduce the number of protests, gain oficialista allies, and celebrate electoral successes. The succeeding two cases exemplify how Kirchner’s control of certain piquetero factions provided him with tools normally unavailable to presidents that allowed him to accomplish his goals as both a president and a party politician.

¹⁰¹ Stokes, Susan. “Perverse Accountability.” *American Political Science Review*. Vol. 99, Number 3. August 2005. 315

¹⁰² Rudnick, Isaac. *Interview*. Buenos Aires: Foreign Ministry, 8/4/05.

¹⁰³ Lara, Rodolfo. “Una Movida que Impacta en la Interna del PJ.” *Clarín Online*. <http://www.clarin.com/diario/2006/02/05/elpais/p-02001.htm> 2/5/06.

The Shell Boycott

The case of the government-sponsored boycotts of Shell gas stations in 2005 exemplifies how Kirchner's cooptation of piquetero groups has allowed him to utilize unconventional means to accomplish policy objectives. On March 10, 2005, Shell announced it was raising fuel prices by up to 4.2 percent to compensate for inflation and rising crude oil prices, to which Kirchner responded by signing an act to launch a national boycott of the firm's 930 gas stations. Within one day of his decree, thousands of piqueteros around the nation set up roadblocks near the entrances of Shell stations and the Shell refinery in Dock Sud, vowing to leave only when the company reduced gas prices.¹⁰⁴ Although Kirchner formally denied giving instructions to the piqueteros to enforce the blockade, the circumstantial evidence suggests backroom negotiations occurred.¹⁰⁵

The main groups sponsoring the boycotts were oficialista organizations such as Ceballos' Barrios de Pie and D'Elía's FTV. As two of the largest piquetero organizations, Barrios de Pie and the FTV boasted significant manpower to block the entrances of Shell stations throughout Argentina.¹⁰⁶ After just three days of protest, the piquetero blockades reduced Shell's business by nearly 60 percent nationally.¹⁰⁷ With piquetero leaders such as D'Elía promising to extend the protests as long as necessary¹⁰⁸, Shell executives eventually acquiesced to Kirchner's demands and reduced the price hikes on gasoline by 3.3 percent.¹⁰⁹ Consequently, as a result of piquetero protests,

¹⁰⁴ "Kircher Pidió Boicot a Empresas por Precios." *Ambito Financiero*. 3/11/05. 2

¹⁰⁵ "Rodolfo Terrazgo Senador." *La Presnsa*. 3/15/05. 21

¹⁰⁶ "Kircher Pidió Boicot a Empresas por Precios." *Ambito Financiero*. 3/11/05. 2

¹⁰⁷ "Fuerte Caída en las Ventas de Shell tras el Boicot y los Piquetes." *La Nación*. 3/14/05. 1

¹⁰⁸ "Cayeron las Ventas de Shell." *Crónica*. 3/13/05. 6

¹⁰⁹ "Shell Anunció que Baja la Nafta." *Clarín*. 4/7/05. 1

Kirchner gained a major policy victory against a large foreign oil company, displaying his newfound power to Argentines and the global community alike.

Many of Kirchner's critics cited the immediate piquetero response and the eventual accomplishment of Kirchner's objectives as proof that the president utilized the protesters as his "shock troops".¹¹⁰ A week after the protests, reports surfaced proving that several prominent government officials met with piquetero leaders to plan the boycott¹¹¹, revealing how Kirchner's cooptation of oficialista groups allowed him to utilize them as a new tool to accomplish his policy aims. By coopting groups of piqueteros for his personal use, Kirchner succeeded where his predecessors had failed. In the months after the protests, Kirchner developed another use for oficialista piquetero groups – to help him fulfill political goals by informally working for his wife's senate campaign. With electoral success in the 2005 legislative elections, Kirchner could gain more control over the Peronist political machine and further consolidate his powers as president and party leader.

Campaigning for Christina Kirchner

Before the October 2005 legislative elections, the wives of both Néstor Kirchner and Eduardo Duhalde campaigned vigorously for a seat in the national senate. Although both technically Peronists, Christina Kirchner ran under her husband's party (Front for Victory) and Chiche Duhalde under the traditional Justicialist Party (PJ) name. Many analysts believed the election would settle the internal dispute between Kirchner's center-left brand of Peronism and Duhalde's center-right beliefs, setting the stage for the

¹¹⁰ "Kirchner Se Distancia de Grupos Violentos." *Ambito Financiero*. 3/18/05. 11

¹¹¹ "De Ataque de Nervios." *La Nación*. 3/21/05. 10

presidential election of 2007. While both candidates utilized controversial campaign tactics, Christina's use of the piqueteros (thanks to her husband's cooptation of the groups) and Chiche's scorn for the protest movement eventually contributed to Kirchner's victory, motivating many base-level units of the Peronist machine to swing their support to the Kirchner camp.

Fieldwork conducted in a villa (slum) in La Matanza in July 2005 reveals the hidden nature of campaign tactics utilized by Christina and Chiche. Both candidates took advantage of the poor residents of the barrio by promising them cash payments and foodstuffs in return for political activism. An ex-PJ puntero mentioned how "the people will campaign for whomever will pay them more," referring to the method used by residents to choose which side to support.¹¹² Youths were given 20 pesos per night to spray paint campaign slogans or post fliers, while heads of households were promised new social plans if they agreed to attend televised political rallies. On the weekends, campaigns bused people to the city center so they could fill a plaza to support a candidate or spark protests at an opposition rally. Many residents of the villa would support Kirchner one weekend and Duhalde the next, revealing how payoffs trumped any ideological motivations for campaigning.¹¹³

Christina was more successful than Chiche because the oficialista network of piqueteros was well organized and pro-Kirchner, while the Peronist machine once controlled by Duhalde (represented by thousands of base-level units) was fragmented, with many units still deciding whether to support the president or take a chance and rally for Duhalde. The Kirchner model of cooptation, as described earlier, ensured that

¹¹² Zarate, Ariel Gustavo. *Interview*. Buenos Aires: La Matanza, 8/2/06.

¹¹³ *Ibid.*

oficialista piqueteros would campaign and vote for Christina. Stokes' notion of "perverse accountability" became crucial because local piquetero leaders embedded in neighborhood social networks knew who each member of their group supported and could threaten dissidents by cutting off their access to social plans. Considering how President Kirchner increased government spending dramatically in the Buenos Aires region to support his wife's campaign¹¹⁴, Duhalde's punteros lost much of their power to control votes because they could not compete with the payments and social plans offered by Kirchner's punteros and piquetero leaders.¹¹⁵ Additionally, Chiche's public discourses undermined the legitimacy of piquetero organizations, saying how she "would never become a candidate for a party that also supported piqueteros."¹¹⁶ Organizations such as the FTV and Barrios de Pie took offense at such statements and increased their level of mobilization to support Christina.

By the time of the election, Christina Kirchner defeated Chiche Duhalde by a margin of nearly 25 percent.¹¹⁷ Nationally, Kirchner's Front for Victory dominated both the Senate and the Chamber of Deputies, influencing a majority of the Peronist machine to support Kirchner. In early 2006 the governor of the Province of Buenos Aires announced a pact with Kirchner which solidified control of the Peronist machine and formally recognized the strategy of incorporating piqueteros into governmental affairs.¹¹⁸

¹¹⁴ "Taking on Foreigners, Again." *The Economist*. http://www.economist.com/PrinterFriendly.cfm?story_id=3769270 3/17/05.

¹¹⁵ Zarate, Ariel Gustavo. *Interview*. Buenos Aires: La Matanza, 8/2/06.

¹¹⁶ Piqué, Martín. "Chiche Estigmatiza a los Desocupados." <http://www.pagina12.com.ar/diario/elpais/1-53838-2005-07-18.html> 7/18/05.

¹¹⁷ CIA. "Argentina." *The World Factbook*. <http://www.cia.gov/cia/publications/factbook/geos/ar.html> 3/8/06.

¹¹⁸ Lara, Rodolfo. "Una Movida que Impacta en la Interna del PJ." *Clarín Online*. <http://www.clarin.com/diario/2006/02/05/elpais/p-02001.htm> 2/5/06.

Coopting the piqueteros helped Kirchner accomplish both his goals as president and as leader of his political party, as exemplified by the cases of the Shell boycotts and the 2005 legislative elections. With the continued support of oficialista groups, Kirchner gained control of the legislature as well as the Peronist machine, ensuring future electoral victories. Additionally, piquetero cooptation allowed Kirchner to reduce the total number of protests in Argentina by half since 2002, thereby increasing his capability to govern.¹¹⁹ After coming to power with only 22 percent of the electorate, by 2006 Kirchner boasted high levels of popular support and controlled all three branches of government, resurrecting debates on Peronist hegemony.

¹¹⁹ “Pickets and Police.” *The Economist*. http://www.economist.com/PrinterFriendly.cfm?story_id=2878059 7/1/04.

Chapter Four: The Piqueteros and Peronism

“The expansion of social program distribution within piquetero organizations... rebuilds the historical link of the Peronist Party with the popular masses.”

~ Maristella Svampa, *Entre la Ruta y el Barrio* p. 221

After understanding how and why Kirchner coopted branches of the piquetero movement, the implications of his actions for Peronism must be analyzed. Establishing formal relations with the piqueteros allowed his Front for Victory, as part of the larger Peronist movement, to successfully adapt to challenges in the political environment and become hegemonic in the Argentine political spectrum. Although the PJ's inability to represent unemployed workers gave rise to the piqueteros in the Menem era, the party's institutional flexibility has allowed it to absorb the piqueteros as new social actors and regain control of Argentine political life. Consequently, Kirchner's cooptation of piquetero groups supports scholar Steven Levitsky's thesis on the adaptability of the Peronist Party, revealing how the party's loose structure has allowed it to survive since the days of Juan Perón's presidency. Although supporting Levitsky's adaptability thesis, Kirchner's relations with the piqueteros and continued electoral success challenge Levitsky's belief that increased reliance on machine politics will lead to the downfall of Peronism.

Supporting Levitsky's Adaptability Thesis

Levitsky argues that the “informal organization” and “weak routinization” of the party grant it the necessary flexibility “to adapt to environmental change or external crisis.”¹²⁰ The party is informally organized because most Peronist base-level units are

¹²⁰ Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 59

self-organized and unconnected from the party bureaucracy.¹²¹ Representing neighborhood interests, such units are managed from the homes of activists, offices of NGOs, and now the food kitchens and community centers managed by piqueteros. Each unit has the ability to choose which policies and candidates to support, and the units' leaders (usually punteros) are not formally integrated into the party structure, instead relying on informal contacts to provide them with the goods and services needed to please their constituents.¹²² Additionally, the leadership hierarchies of the party change frequently as a result of power shifts at the federal, provincial, and local government levels. At times this results in the fragmentation of the party, exemplified by the divide between Duhalde's representation of the PJ and Kirchner's establishment of the Front for Victory. While both parties are technically Peronist, they reflect the informal and flexible structure characterizing the party's institutions.

The weak "routinization" of the party signifies that its internal rules are not complied with or enforced, allowing the party to maintain a level of fluidity that is the source of both disorder and flexibility.¹²³ Such fluidity accounts for the frequent internal bickering between factions of the party as well as the ability for base-level units to select which branch of the party they support. Rather than being compelled to vote for the official PJ candidates, the members of Peronist support networks can support Kirchner's Front for Victory or other Peronist affiliates without facing penalties from the party.

Both the informal organization and weak routinization of the party allow it to utilize clientelistic policies to sustain the vast network of base-units comprising the

¹²¹ Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 58

¹²² Zarate, Ariel Gustavo. *Interview*. Buenos Aires: La Matanza, 8/2/06.

¹²³ Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 58

Peronist machine. Without a formal set of institutions or rules to govern day-to-day activities, politicians can bend the party apparatus to accomplish their changing objectives. While labor unions were once critical to electoral success, support from the new classes of urban poor became a prerequisite to victory at the polls.¹²⁴ As a result, “local leaders and activists routinely abandon base units in favor of alternative organizational forms, such as soup kitchens, community centers, and informal working groups.”¹²⁵

Notably, piquetero movements represent a new category of “alternative organizational form” which leaders utilize to conduct party affairs. Whereas past Peronists such as Menem and Duhalde failed to absorb piqueteros into the party structure, Kirchner successfully coopted groups of piqueteros as “oficialistas” to contain the threat they posed to his governance. Kirchner’s actions support Levitsky’s adaptability thesis because the institutional flexibility of Peronism allowed the party to address the piquetero challenge by incorporating groups into its loose network of support. Piqueteros and punteros both began receiving social plans to distribute and cooperated in planning community events and protests. According to an ex-puntero in La Matanza, “the piqueteros and punteros are now one in the same, fighting for similar goals.”¹²⁶

Consequently, Kirchner’s recent cooptation of piquetero groups provides an example of the Peronist Party’s flexibility to absorb new social actors. In the 1940s and 50s, the party assimilated Perón’s “descamisados” – the new classes of urban workers. Between the 60s and 80s, the party added revolutionary youths to their coalition, which

¹²⁴ Etchemendy, Sebastián. *Interview*. Buenos Aires: University Torcuato Di Tella, August 5, 2005.

¹²⁵ Levitsky, Steven. *Transforming Labor-Based Parties in Latin America*. New York: Cambridge University Press, 2003. 86

¹²⁶ Zarate, Ariel Gustavo. *Interview*. Buenos Aires: La Matanza, 8/2/06.

often sparked conflict between “old” and “new” models of Peronism. At the turn of the century, the party absorbed piqueteros, challenging the party’s identification as a labor-based movement. In each instance, social, political, and economic crisis threatened the party’s survival, but in the end the party’s institutional flexibility allowed it to incorporate new social actors and overcome adversity.

Challenging Levitsky’s Views on Machine Politics

Although Kirchner’s cooptation strategy supports Levitsky’s thesis on the adaptability of the Peronist Party, it questions Levitsky’s beliefs on the costs of machine politics. Levitsky argues that during the 1990s, the PJ increased its reliance on machine politics, as evidenced by the development of puntero/manzanera networks and social programs distributing payments to party supporters. According to Levitsky, the party’s new clientelistic strategies will adversely affect its ability to stay in power, a claim directly contested by historical Peronist tendencies and Kirchner’s recent electoral successes.

The first drawback to machine politics, as described by Levitsky, is that the Peronist Party will become more dependent on state resources, causing material incentives to replace ideological motives to vote and tying the success of the party to staying in office. This claim is disproved by historical evidence, for Perón himself relied heavily on state resources and his power as president to fund the social initiatives earning him support from the masses. His wife’s famous charity foundation, which provided the poor with new schools, homes, luxury goods, and vacations, was funded by a combination of state grants and “voluntary” donations from corporations (several

accounts note how companies failing to donate to the foundation would be audited or loose government contracts, revealing Perón's power of persuasion as president).¹²⁷ Additionally, when the PJ lost the presidency to De la Rúa, the party itself did not suffer because its base-level units and political machine were still hard at work, forcing social plans and foodstuffs from the state through social protest. Although Kirchner currently utilizes state resources such as social programs and patronage appointments to coopt piquetero groups and satisfy the poor, the ideological motivations of Peronist voters is no different than before, for they feel that Kirchner's social programs develop the welfare state built by Perón.¹²⁸

Levitsky also believes relying on machine politics will cause the party to become more vulnerable to reformist electoral challenges. Although this may have seemed true when the UCR-*Alianza* came to power in 1999, the legislative elections of 2005 confirmed the dominance of Peronism and the impotence of reform-minded parties to pose an electoral threat. Candidates such as Ricardo López-Murphy, who attacked the corruption of Peronism, failed to win the national support required to pose an electoral threat to Kirchner's Front for Victory. The result of the 2005 elections was extreme fragmentation among opposition parties, fortifying Peronism's dominance at the polls. Although the Peronist party still was divided between the Kirchnerista and Duhaldista factions, Kirchner's tactical use of machine politics by means of piquetero cooptation allowed him to consolidate levels of Peronist support and weaken the ability of the opposition (both from Duhalde and reformist parties) to pose a significant electoral challenge to his Front for Victory.

¹²⁷ Romero, Luis Alberto. *Breve Historia Contemporánea de la Argentina*. Buenos Aires: Fondo de Cultura Económica de Argentina, S.A., 2001. 110

¹²⁸ Romero, Mónica. *Interview*. Buenos Aires: Barrios de Pie Comedor, 8/3/05.

Levitsky's last point argues that the consolidation of machine politics will sever the party's link to poor and working classes by marginalizing punteros. He believes that clientelistic payments will render long-time Peronist activists incapable of competing with machine-financed politicians. The system of social plans set in place by Duhalde and continued by Kirchner (mainly the Plan Jefes y Jefas), however, has placed punteros, piqueteros, and local politicians in similar situations. Since payment networks are localized, they established a system of interdependence among all Peronist supporters. Additionally, by coopting the piqueteros and continuing economic growth, Kirchner has increased his ties to both the unemployed and employed sectors of society.

As a result, although Kirchner's cooptation of the piqueteros supports Levitsky's adaptability thesis on the Peronist Party, it proves how reliance on machine politics has actually increased the party's electoral power and become a new facet of its adaptability. As opposition parties crumble and Kirchner gains more popular support, many scholars now debate the possibility of Peronist hegemony and its implications for Argentina's future.

Implications for Argentine Democracy

How has the emergence of piquetero groups and the Peronist response affected democracy in Argentina? While open and periodic elections suggest democracy is stable, Kirchner's cooptation tactics and efforts to fortify his party's strength have negative implications for the quality of Argentine democracy. Specifically, Kirchner's use of clientelism to purchase votes, reliance on issuing executive decrees, and inconsistent

application of the rule of law adversely affect the quality of Argentina's democratic institutions.

By coopting the piqueteros with social plans, Kirchner purchases their votes. As discussed earlier, individuals receiving welfare payments must continue to protest in favor of Kirchner if they wish to stay on the list of beneficiaries. As Kirchner increasingly distributes resources to oficialista groups, he forces more people to favor his policies so they can receive plans and support their families. Additionally, the piquetero leaders and punteros who control blocks of plans have the burden of bringing masses of people to fill plazas during rallies or voting booths during elections. According to one plan recipient, "Kirchner stays in power by taking advantage of our state of poverty. If we do not vote for Kirchner, our plans will be given to others who do."¹²⁹ By utilizing state resources to gain electoral strength, Kirchner mars the legitimacy of the electoral process, a key aspect to democracy.

Kirchner's "rule by decree" also harms the quality of Argentine democracy, for it allows him to circumvent Congress in enacting legislation. In his first two years in office, he signed a record 140 decrees, authorizing programs such as Plan Jefes y Jefas and the new police directives – all without Congress' approval. Interior Minister Aníbal Fernández defended Kirchner's actions, stating that the president has constitutional authority to issue decrees. However, careful examination of the constitution reveals that it grants the president the power to issue decrees "only when exceptional circumstances prevent abidance of normal constitutional lawmaking processes."¹³⁰ With the economy stabilizing and his party in control of a majority of Congress, the "exceptional

¹²⁹ Zarate, Ariel Gustavo. *Interview*. Buenos Aires: La Matanza, 8/2/06.

¹³⁰ "Sólo en una Democracia Virtual Se Gobierna a Decreto." *Argenpress*. <http://www.argenpress.info/nota.asp?num=021612> 6/13/05.

circumstances” motivating his decrees become questionable. U.S. State Department analysts explain that ruling by decree allows Kirchner to pander to groups such as the piqueteros, who seek immediate benefits from the government.¹³¹ Although previous administrations also utilized decrees, proportionally Kirchner has passed more executive orders than any of his predecessors. Since Kirchner directly controls the majority of legislation passed, the role of elected officials and their inability to provide a democratic check to Kirchner’s power severely affects the quality of Argentine democracy.

Finally, in the context of piquetero protests, Kirchner’s inconsistent application of the rule of law undermines democracy. By allowing officialistas take over police stations and block customers from pumping gas at Shell while punishing opposition piquetero groups for protesting outside McDonald’s, Kirchner unequally applies the laws his administration was elected to enforce. The legitimacy of the rule of law has been questioned by many Argentines, who skeptically view Kirchner’s attempts to “normalize” the nation after the 2001 crisis by stretching the law for his political ends. Although coopting the piqueteros has allowed Kirchner to consolidate his power as president and party leader, it has tarnished the quality of the democratic system which placed him in office.

¹³¹ Alarid, David. *Interview*. Buenos Aires: U.S. Embassy, 8/10/06.

Chapter Five: Conclusion

This paper has explained how and why long-standing leaders of the Argentine political establishment eventually coopted the piqueteros, a quasi-outlaw civil society movement. Beginning with the origins of piquetero protests during the Menem era, the paper discussed the evolution of the piquetero movement during the terms of De la Rúa, Duhalde, and Kirchner, providing case studies of how each administration responded to the protests.

The protests of Cutral-Co and General Mosconi reveal how Menem's privatization of YPF gave birth to the piqueteros, while his formulation of the Plan Trabajar established the precedent of answering protests with social plans. Examining the 2001 crisis highlighted how De la Rúa's mix of social plan reduction and police repression led to chaos, paving the path for Duhalde's inception of the Plan Jefes y Jefas. Duhalde's failure to control police repression on Puente Pueyrredón contributed to his demise and his tutelage of Kirchner backfired when his successor enacted radical reforms to distance himself from the former Peronist boss. Kirchner's rise to power established a new dynamic between the government and piqueteros by coopting certain branches of the movement as oficialistas and reforming social plans and police directives to favor such groups. After describing the elements of Kirchner's model of piquetero cooptation, this paper explained how he utilized the piqueteros as his shock troops to help him achieve his objectives as president and party leader by enforcing the Shell blockade and informally working for his wife's senate campaign. Within two years of taking office, Kirchner could boast that his party reigned supreme in the legislature and that he gained

control of the Peronist political machine, both elements guaranteeing future electoral victory.

Using the language of Linz and Stepan, Kirchner's cooptation of some piquetero groups reveals how changes in civil society affect the strategy of political society. By causing concentrated bouts of civil unrest and accepting social program payments as acceptable concessions, the piqueteros have successfully persuaded the Argentine policymaking establishment to give in to their demands. In other words, political society needed to contain civil society through short-term compensation programs in order to maintain governability.

Kirchner's strategy of dealing with the piqueteros varies from the tactics of his predecessors because it allows political society to proactively formulate policies to coopt piquetero groups. Whereas the administrations of Menem, De la Rúa, and Duhalde largely reacted to civil society with increased social program allocation (and at times repression), Kirchner's government has taken an activist stance towards civil society by creating oficialista branches of piqueteros, formulating new police directives to avoid armed conflict, streamlining social programs to benefit its supporters, and cultivating machine politics to consolidate presidential power. Kirchner's tactics have helped reduce the overall number of piquetero protests by increasing benefits to oficialista groups and penalties to nonaligned groups, thereby representing a successful model of civil society containment. Although economic growth has facilitated the drop in protest levels, the accomplishments of Kirchner's cooptation policies may not solely be attributed to economic recovery post 2002. Levels of poverty, unemployment, and inflation still

remain high despite successive years of eight percent GDP growth, reflecting how Argentina's economy is slowly recovering but far from being stable and prosperous.

After answering how and why Kirchner coopted the piqueteros, the paper evaluated Steven Levitsky's arguments on the adaptability of the PJ and the risks associated with Kirchner's cultivation of machine politics. Kirchner's cooptation of piquetero groups supports Levitsky's thesis that the party's weak institutionalization allows it to adapt to challenges in the political environment. Whereas Levitsky contends that increased reliance on machine politics will weaken the party, this paper argued that Kirchner's strategy represents a new facet of Peronist adaptability which has contributed to the party's hegemony. By relying on clientelism and the Peronist machine, however, Kirchner's strategy poses a threat to the quality of Argentine democracy by undermining democratic institutions and the rule of law.

The emergence of the piqueteros as a new social actor and the response of various government administrations to piquetero protests reflect how the neoliberal reforms of the 1990s presented Argentina with new social and political dilemmas. Civil society movements gained strength as unemployment and poverty levels increased, and political society was challenged to balance economic stability with the provision of concessions to expanded classes of marginalized Argentines. Democratic institutions evolved in the face of such challenges by absorbing new branches of civil society such as the piqueteros.

The dilemma of coopting new social actors presents political society with several negative lessons. To begin, Kirchner's strategy of cooptation provides short-term stability but may pose problems to party organization and Argentine political culture in

the longer run. As the Peronist party includes more piqueteros in its ranks, it also alienates increasing numbers of union workers who traditionally constituted the core of PJ support. If the country experiences significant economic recovery and piquetero membership dwindles, what will become of Kirchner's clientelist support base? Additionally, by endorsing officialista piquetero tactics by sending protesters to accomplish his political objectives, Kirchner tacitly endorses disruptive protests within civil society. While the number of piquetero protests has declined since 2003, various sects of society increasingly have adopted piquetero tactics to gain concessions from the government. For instance, elementary, high school, and college students have begun taking to the streets at record rates to fight for new schools. While Kirchner accomplished something his predecessors failed to do by coopting and containing the piqueteros, the long-run implications of his model remained to be seen, causing many to wonder how far the piquetero effect will spread.

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