

# The Take

## reclaiming back work, dignity and democracy?



FILM REVIEW

In the wake of Argentina's economic collapse in 2001, Latin America's most prosperous middle class found itself in a ghost town of abandoned factories and mass unemployment. In March 2003 30 unemployed auto-parts workers in Buenos Aires reoccupied their abandoned workplace and attempted to resume production as a worker co-operative. The **Labour Bulletin** presents a number of reviews of *The Take*, a documentary produced by Avi Lewis and Naomi Klein of the occupation.

**T**he Take is set against the backdrop of Argentina's economic collapse of 2001 which occurred following the implementation of ten years of International Monetary Fund (IMF) policies as introduced by President Carlos Menem, who came to power in 1989. He was an ardent proponent of globalisation and set about privatising national assets and deregulating the currency market, pegging the peso to the dollar. Privatisation resulted in the radical downsizing of the work force, which led to unemployment and public debt. Despite warning signs, the IMF (and World Bank) continued to pour billions of dollars into the economy, increasing the debt (and corruption) and ultimately forcing Argentina to declare bankruptcy.

By 2001 violence erupted as the government closed the banks (freezing citizens' bank accounts) and riots broke out, with the police and the military killing protesters. Once Latin America's wealthiest country, Argentina now has more than 50% of its population living below the poverty

line, unemployment is rife and so is crime.

In the face of this disaster, workers at several closed factories attempted to occupy the factories, reopen them and operate them. Their argument: The factories were subsidised in the first place by public money, so if the owners did not want to operate them, the workers deserved a chance. The owners saw this differently, calling the occupations theft (expropriation), which was supported by the constitution and the courts. Committees of workers defied the courts and monitored the factories to prevent owners from selling off machinery and other assets. Many of the factories not only reopened, but also were able to turn a profit while producing comparable or superior goods at lower prices.

It is against this background that Lewis and Klein zero in on Freddy Espinosa, a charismatic tool- and- die maker at the Forja San Martin, an auto parts factory in a Buenos Aires suburb that had closed down

along with many other Argentine factories. Heartened by the success of workers who had taken over a closed ceramic tile factory in Patagonia and the seamstresses who did the same at a Buenos Aires garment factory, Espinosa commences the arduous and constantly uncertain process of getting his fellow retrenched workers to organise and plan to take over San Martin against ever increasing odds. What they undertake, an enormous and complex task, an experiment in grassroots democracy, reveals corruption and indifference in high places as Menem prepares to make another run on the presidency, which Espinosa and his friends see as dooming their endeavour.

These events unfold during a presidential election in which Menem, the Argentine president (1989-99) who presided over the economy's collapse, is attempting a comeback. He however, suddenly drops out of the election race and a moderate candidate becomes president. The courts decide in favour of the occupying workers, and the Movement of Recovered Companies gains legitimacy.

There are many unanswered questions that hang over the documentary. How far can this movement go? Even given the rosier financial scenario, at what point do the old ways resurface and brute self-interest and corruption kick in? Is this sort of thing a threat to capitalism, or a revival of it? Can we create a society where workers put aside personal ambition for the greater good?

*This is an edited version of a number of reviews, which appeared in the Los Angeles Times (15 April 2005) written by Kevin Thomas, Roger Ebert (17 February 2005) and the New York Times (22 September 2004) written by Stephen Holden. More reviews can be found on the following website: [www.thetake.com](http://www.thetake.com).*

# Argentina timeline

## Backgr ound for The Take

**1946** - General Juan Domingo Perón is elected President of Argentina. Perón implements policies favouring national production versus foreign control of the economy. The president's wife, Eva Duarte de Perón (Evita) is also a popular figure, who speaks on behalf of the disenfranchised and helps women obtain the vote in 1947.

**1955** - Perón is ousted in a military coup after drawing the wrath of the Argentine land-owning elite. He is forced into exile in Spain.

**1973** - Argentina holds a general election for the first time in ten years. The subsequent return of Perón to Argentina sparks a massacre at the Ezeiza airport in Buenos Aires, in which right-wing Perón supporters shoot and kill dozens of left-wing Peronists.

**July 1974** - Juan Domingo Peron dies, and his wife succeeds him in office. Her short tenure is marked by the growing political power of the armed forces and the 'AAA' death squad, which targets and assassinates leftist activists, writers, and politicians.

**March 1976** - A military junta stages a coup and declares a state of siege. Over the next six years of the so-called 'Dirty War', the military government murders and disappears over 30 000 Argentines, mostly students and union activists. The IMF immediately provides billions of dollars worth of loans to the military Junta. Economic policies favouring national industry are scrapped in favour of opening Argentina to foreign investors.

**1983** - The Argentine military has a humiliating defeat by the British in an unsuccessful attempt to take control of the Falkland/Malvinas Islands. Corruption and scandal in the military regime leads to public protests and a gradual transition toward democratic rule. This new

democracy is weighed down by a \$45bn national debt, more than five times what the debt was when the military took over in 1976.

**1989** - Carlos Menem wins the 1989 presidential elections on a traditional Peronist platform of rebuilding national industry. Once in power, he takes a hard right turn, imposing what he calls 'surgery without anaesthetic'. Menem's policies turn Argentina into the model pupil of the IMF and the World Bank. Almost all national assets are privatised, currency markets are deregulated, and the peso is pegged to the US dollar at one-to-one. While Argentina's GDP almost doubles, the unemployment rate soars from 6% to 18% as hundreds of thousands of workers are downsized in privatisations. The public debt soars, corruption scandals erupt on a monthly basis, but the IMF and the World Bank continue to lend Argentina tens of billions of dollars.

**1999** - Fernando de La Rúa is elected president on an anti-corruption platform. During his short term in office, he does little to alter the economic policies of the Menem government.

**October 2001** - The Zanón Ceramics factory in Patagonia is occupied by its laid-off workers.

**18 December 2001** - A garment factory in Buenos Aires, the Brukman factory, is abandoned by its owners and taken over by its workers.

**19 December 2001** - Argentina explodes. Weeks after the government had closed Argentines out of their bank accounts, food riots break out across the country and in the suburbs of Buenos Aires. President De la Rúa announces a curfew and a state of siege. Millions of Argentines disobey, and in the capital, the Plaza de Maya and the Congress are packed with irate citizens, all

chanting 'Que se vayan todos' (All of them out!).

**20 December 2001** - Fernando de la Rúa resigns. Argentina goes through five presidents in three weeks. The second president, Adolfo Rodríguez Saá defaults on the external debt, and the currency is devalued, losing over two thirds of its value. Once Latin America's wealthiest country, over 50% Argentines fall below the poverty line.

There is an explosion of grassroots activism all over the country, but particularly in Buenos Aires. Unemployed workers in the industrial suburbs, who organised themselves in the downsizing of the early 90s, employ the 'piquete' technique of blocking roadways to make demands of the government. Middle class 'neighbourhood assemblies' in Buenos Aires meet on street corners to discuss national politics and local issues, practising direct democracy. Abandoned and/or bankrupt workplaces are occupied by their former workers; banks, bakeries, health clinics, bus lines and schools.

**2 March 2003** - Its former workers occupy The Forja Auto Parts factory. The film crew stays for three days and nights to film the occupation.

**21 April 2003** - On a rainy night on the Easter weekend, the Brukman suit factory is emptied by hundreds of police with water cannons and dogs.

**14 May 2003** - Ex-President Carlos Menem drops out of presidential race. Nestor Kirchner is elected the new president of Argentina by default.

**11 September 2003** - The Argentine government reaches a new agreement with the IMF. The accord requires that Argentina maintain a budget surplus equivalent to 3% of its GDP to pay off its external debt. **LE**

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