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CHAPTER 1: MIDDLE-CLASS RESISTANCE TO PROLETARIANIZATION AND NEOLIBERAL CRISIS FROM BUENOS AIRES TO WALL STREET

Why is it always us who have to suffer?’ She yelled indignantly. ‘The common people, the lower middle class I mean. If war is declared, if the Franc is devalued, if there is unemployment or a revolution or any type of crisis, everyone else is able to work things out so that they land on their feet. *We* are the ones who end up getting crushed! We always pay for everyone else’s mistakes.’ Enraged, she continued; ‘Of course they don’t fear us. The workers fight back, the rich are powerful. We are the lambs to the slaughter.

Irene Nemirovsky, *French Suite*, 2007

We are living through extraordinary political times. In the aftermath of what the IMF (2009) described as the deepest global depression since the Great Depression of the 1930s, millions of ‘ordinary people’ from the squeezed middle class¹ are taking to the streets to engage in rebellion against acute declines in their material conditions and to demand greater democratic accountability. Whilst set in Nazi-occupied France in the 1940s, the quote from Nemirovsky’s

novel above expresses not only many of the frustrations of those in the middle class at the time, but also the myth of middle-class docility in the face of adversity- that had become internalised among such citizens over decades and which continued to exist until her book's year of publication (2007). This, was also the eve of an internationalized middle-class revolt when from North America to Europe, to Australasia and Latin America to the Middle East, they started to fight back collectively against the seemingly perpetual 'age of austerity', shrinking public sector spending and fundamental welfare state reform which, combined and linked to processes of neoliberal globalization such as outsourcing, labor flexibilization, deskilling, the replacement of highly-qualified jobs with technology and social costs including rising divorce rates left the middle-class facing an existential crisis. The revolt ended this myth of docility but these processes have seen middle-class citizens experience eroding household incomes and real-terms salaries, decimated pensions, unemployment, declining social mobility and increasing job insecurity. For a decade politicians, economists and sociologists have evoked the spectre of the disappearance of the middle class. This possibility has intensified since the 2007 sub-prime mortgage crash and credit crunch in North America (Warren, 2007). While in July 2016 the UK's Institute for Fiscal Studies reported that "middle income families with children now more closely resemble the poor than in the past." In the global north many - especially the young - have had enough of the broken promises that obtaining a degree and working hard will land them a prosperous future. For instance, in 2013 unemployment rates peaked at 64% and 53% in Greece and Spain respectively according to Eurostat. Meanwhile in the global south, the contradiction between growing choices as *consumers* in the free-market and limited political freedoms as *citizens* has become increasingly stark. In both cases it has unleashed rebellion and sometimes even revolution (Mason, 2012).

Whilst accompanied by traditional industrial unrest in several national contexts, it has been the highly-educated, yet unemployed or low income-earning ‘squeezed’ urban middle-class citizens who have participated and often spearheaded these movements. Among these global uprisings are the *Indignados* protest camps in Spain, the *Kínima Aganaktisménon-Politón* demonstrations in Syntagma Square and across Greece, the *Occupy Wall Street* movement in the USA (all since 2011), the Gezi Park occupation and protests in Turkey in 2013, mass strikes and demonstrations in France, Hungary, Romania, Bulgaria and Russia (2011-2018) and most remarkably - the Arab Spring (2011-) which actually toppled governments in Tunisia, Egypt and Libya.² Each national movement has manifest a number of characteristics that involve the resurgence and renewal of historic collective repertoires of action in contemporary form, including the occupation of ‘public space’ as a protest method, innovative, non-hierarchical, horizontal organising structures and direct democracy. The ‘assembly’ and consensus-building have become the key decision-making mechanisms and the initial rejection of interference by political parties or other forms of institutionalization is a further cross-national feature (Parkinson, 2012).

Once these movements have won initial concessions from political elites or it has been repressed or defeated, their subsequent trajectories usually involved demobilization, morphing into small-scale community projects or political fragmentation in the longer-term. Their lack of a sustainable mobilising vehicle after mass, multi-sectoral collective actions following periods of political or economic crisis is a key factor in this demobilization, with the possible exception of Spain, where *Podemos* became the home of many participants in the *Indignados* protests (2011) and has become part of the political landscape. In Iceland participants in the *Kitchenware*

Revolution that overthrew the Geir Haarde government in early-2009 following its political and financial crisis, were central to re-writing the national constitution which was voted on by the population. These demands were soon institutionalized and established the blueprint for the country's social, political and economic renaissance.

Meanwhile the limitations and dangers faced by such movements in terms of their impact on high politics are demonstrated by the capitulation of the Syriza government in Greece which began as a 'movement of the squares' but whose hopes following the extraordinarily brave "Oxi" referendum vote (which rejected the bailout conditions as a solution to the government's debt crisis), was eventually crushed by the European Commission, International Monetary Fund (IMF) and the European Central Bank (ECB). Meanwhile in the United States, the initial excitement generated by *Occupy Wall Street* genuinely helped to re-shape political discourse in terms of the need to drastically reduce acute social inequality, the power of the corporations over citizens lives' and for urgent environmental action. This was encapsulated in the election campaign of Bernie Sanders but which eventually petered out with the election of President Donald Trump and the return of right-wing populism. Nevertheless, some of the economic demands were translated (or perhaps co-opted) onto the new administration's anti-neoliberal, protectionist and counter-political establishment agenda.

Whilst numerous texts have analyzed the mobilization and demobilization of these cross-national movements (Chomsky, 2012; Della Porta, 2017; Weiner and López, 2018), this book is different. It focuses specifically on the question of how middle-class citizens deal with dramatic and sudden declines in material wellbeing and the threat of proletarianization following either

external economic or internal financial shocks. It then asks why, under such circumstances, some become politicized and resist by joining social movements and collective actions while others confine their responses to individual coping strategies.

Based upon analysis of survey data of those who were originally pauperized during its political and economic crisis in 2001-02, embeddedness in middle-class communities, observation and interviews with non-activist middle-class citizens during a field study in 2007, 2011 and 2016, Argentina is adopted as a case study. Its citizens' rebellion during 2001-02 becomes the focus and the book adopts a Gramscian approach, using his theories of hegemony, ideology and false consciousness, to detail the results of this mixed methods sociological study into proletarianized or struggling middle-class participation in contemporary protest movements. This twelve-year project charts the trajectories of a group of what the literature calls "new urban poor," or struggling middle-class citizens. It explores the political, economic and cultural decisions they took along with their social attitudes and political involvement and how they fluctuated over time. Interview participants also reflect on their memories of the social uprisings of the time and their own involvement. Whilst avoiding the pitfalls of methodological individualism, it also draws upon other elements of social movement theory to analyze the in-group responses of this stratum and the diachronic patterns of behavior they have pursued in Argentina. It seeks to understand how participants made sense of their own pauperization and downward social mobility, how aspects of their "rights" that that this citizenship bestowed were being violated and how this affected their social attitudes, opinions, own position vis-à-vis other social sectors and ultimately political activism. It also seeks their reflections upon the 2001-02 revolt so as to

identify whether the radical ideals it espoused were still advocated by participants many years later or if they draw more critical understandings of them.

It is clear is that those at the forefront of political resistance against the worst excesses of the financial crisis in recent years are no longer simply the organized labor movement or the socially disenfranchized. Although the wave of industrial unrest in China (the country with the world's largest working class) since 2010 and the UK riots by marginalized sectors in 2011 demonstrate that these both remain important respective actors in terms of social contention, those from the middle class who have either recently become poor or who are currently unemployed or underemployed, form a significant and growing political force on the streets and in public space.

The struggling middle class as political agents

New urban poor citizens have not traditionally been understood as political agents, nor have they been studied in terms of their political radicalization or collective identity as a social stratum. Indeed, ever since its conceptualization as an area of academic research three decades ago, studies have focused almost entirely on their individual self-improvement strategies (Katzman 1989, Minujín et al. 1993). A range of disciplinary approaches have been employed to understand how middle-class individuals cope with impoverishment and proletarianization. Work has assessed the psychological (Masseroni and Sauane 2002), cultural, civic (Minujín 2007; Adamovsky, 2009) and above all economic behavior they exhibit. For instance Dagdeviren, Donoghue and Meier (2017) noted that in the aftermath of the 2008 crisis in Europe, the 'new poor' were poorly equipped to cope with their newfound pauperization and rapid social

descent relative to traditionally impoverished communities. They were often more stigmatized and hid their difficulties due to the sense of shame.

‘Economic’ responses themselves may take one of two forms, either as ‘adaptive’ responses - for example how consumer behavior is modified to cope with macroeconomic meltdown (Feijóo 2003; Zurawicki and Braidot 2005) - or ‘active’ strategies by which human, social and cultural capitals accumulated during their non-poor pasts, are utilized to either explore self-employment opportunities (Feijóo 2003; Kessler and Di Virgilio 2008), or utilize social networks to gain labor market advantages (Lokshin and Yemtsov, 2004). Some work has found that those with the strongest qualifications, networks, communication skills and money often enjoy *least* success in refashioning their lives after pauperization and unemployment (Gabriel et al, 2013), especially if they accept dominant discourses about age and ‘irreversible decline’ (Ainsworth and Hardy, 2009). Meanwhile, Mandemakers and Monden, (2013:73) found that losing a high-status job may restrict the practical value of the resources one possesses due to the stress incurred.

Kessler and Di Virgilio’s eminent (2008) study of the extent to which newly impoverished middle-class citizens are able to utilize their superior social and cultural capitals (that were accumulated during their non-poor pasts) to recover their socio-economic status once they have become pauperized helped to frame understanding about how these differ to those of the long-term poor. Later, Ozarow (2015) found that these capitals may actually act as ‘poisoned chalices’ in terms of recovering upward mobility and financial recovery.

However, these studies have neglected to examine how and why poverty and proletarianization is

also resisted through engagement in collective and protest responses, especially during periods of economic crisis (Richards and Gelleny, 2006:777). Indeed, the post-crisis milieu suggests that protest responses are actually widely practiced as a reaction against social descent and pauperization. Therefore, instead of focusing exclusively on their *economic* self-improvement responses, this book seeks to understand why citizens do not merely react to their deteriorating personal circumstances that financial shocks cause by acting solely as economic agents and rational decision makers who carry out private and *economic* responses, as neoliberal advocates assume.

The focus here is on the domestic agitation (collective protest) that such crises provoke, and on asking why and how newly impoverished or proletarianized people decide to join protest movements to confront their descent.

Myths of domination

Until the 2008 global crisis, the prevalence of two myths has meant that the potential for protest responses from the middle class against their hardship was rendered unnecessary and irrelevant for so-called Western societies. Equally these myths were propagated by politicians, mass media and other cultural institutions and so served to limit the possibilities for affected citizens themselves to protest their deteriorating economic conditions. This resulted in collective responses faded from the sociological imagination.

The first of these myths was that of the ‘eternal economic boom’. It was declared that in the advanced capitalist economies, major macroeconomic shocks had become a thing of the past. If there were therefore no grounds to suppose that sudden and widespread outbreaks of impoverishment could occur, nor could mass political resistance to capitalism. For example, following sixteen successive years of annual growth in the US and UK between 1993 and 2008, it was widely believed among politicians, academics and economists that the US-led housing market bubble and deficit-led boom would continue unabated in the West (Wade, 2009b). When the sub-prime mortgage crisis began to hit the financial sector, Alan Greenspan, Head of the Federal Reserve admitted that he ‘really didn’t get it until late in 2005’. Whilst on the other side of the Atlantic, between the two of them alone, former British Prime Minister Tony Blair and then Chancellor of the Exchequer Gordon Brown publicly made no less than sixteen separate references to the fact that the Labor Government had ‘ended the cycle of boom and bust’ between 1997 and 2007 (HM Treasury Records; House of Commons Hansard Archive and Labor Party Annual Conference Archive).

However, the credibility of this myth disintegrated during the current global economic crisis. Moreover, based on the premises that i) the impact of the crisis is expected to endure for a generation, in the form of low-growth in Western societies according to the IMF (2015) ii) soaring national debt will lead public spending cuts in the long term, it is almost certain that conspicuous consumption – a key tenet of middle-class identity construction – will be significantly curtailed for a generation. According to a recent Eurostat report (2015), 24% of the EU’s non-poor population (or 122 million citizens) are currently at risk of poverty or social exclusion, in addition to the 9% who are already materially deprived.

The second myth was of middle-class political docility. It was believed that even if something were to go ‘terribly wrong’ and the middle class were to experience mass pauperization or downward mobility, they would ‘go quietly’ unlike the organized working class, confining themselves to private and passive response measures. Extra-parliamentary middle-class discontent would be channelled through campaigning structures such as established NGOs or would be reduced to protest voting at elections. For example, as illustrated by the June 2008 *Euromonitor International* Report (Eghbal, 2008) on how Western Europe’s middle class has been squeezed by inflation, stagnant wages and the credit crunch concluded that because ‘middle-class workers’ are less likely to be trade union members, they ‘are most likely to express their frustration through the ballot box.’

Neo-liberalism and its advocates understand humans as exclusively rational economic agents and thus they tend to ignore or dismiss the social and political impacts of economic shocks by focusing purely on economic coping strategies at individual or household level. Arguments by those such as Phelps Brown (1990) who has suggested that there has been a shift away from the principles of collectivism toward acquisitive individualism in terms of how people defend themselves against attacks on their material conditions, need to be scrutinized. Firstly due to their selectivity in national examples that they refer to in reaching such a conclusion.

Cross-national contextual differences can help explain whether pauperized middle-class citizens display a tendency to respond to their circumstances in terms of either self-improvement or protest actions. This can depend upon the extent to which the respective ruling elites are able to

enact defensive strategies of control in order to maintain consent to rule from the population. To use Hirschman's terminology (1970), it must be noted that the preference for the struggling middle class enact 'loyalty actions' (those that support the existing regime by seeking to preserve the status quo) or 'exit actions' (whereby citizens merely adapt to the changing situation in a politically 'passive' way), rather than 'voice responses'— by which they actively speak out against the policy of the ruling regime, or oppose it through protest – can largely be explained by the mitigating power structures and political processes that are specific to national context in question.

Cross-national middle-class resistance

Certainly, national cases exist whereby the mass pauperization of the middle class *has* been met with political docility. For example, in South Africa in the post-Apartheid era and in particular in light of the 1998 Employment Equity Act. The hundreds of thousands of White 'new urban poor' citizens who lost their jobs as a result of this 'affirmative action' legislation which imposed a legal obligation upon companies to favor Black job applicants, were paradoxically greeted with 'anticipatory compliance,' despite causing great anxiety and resentment (Kanya, 1997:32). Far from outwardly protesting their anger, the overwhelming response from highly-skilled, white professional South Africans came in the form of 'exit strategies,' namely emigration or early retirement. Between 1995 and 2005, according to a survey by the Institute of Race Relations, more than one million South Africans emigrated, citing the lack of employment opportunities for whites as a key reason. However, this lack of political resistance to confront their collective

downward social mobility needs to be contextualized in a society where these policies were universally comprehended and respected as a remedial strategy to address the legal and historical exclusion of the black majority.

Meanwhile in Russia, both following the fall of the Berlin Wall and transition to capitalism after 1991 and in the wake of its 1998 financial crisis, a significant part of the middle class was afflicted by the painful experience of proletarianization. Yet, the defensive strategies which were enacted by the ruling elite (to break the public sector strikes and roadblocks by teachers, doctors, scientists and other professionals) included a combination of physical coercion with appeasement. Compromise figure, Yvgeny Primakov was appointed as Prime Minister in 1998 in order to unite the country's political elites and weaken resistance during the latter period. In addition, the fundamentally minimalist form of democracy that evolved during the transition from state communism to capitalism in Russia has resulted in a weak civil society emerging and acute lack of available opportunities for the struggling middle class to manifest their political discontent. A lack of credible alternatives to capitalism – given the discrediting of communism – and an overriding sense of powerlessness (due to the geographical vastness of the country, a lack of suitable mobilising vehicles and the relative popularity of President Putin, who was initially appointed as Prime Minister in 1999) led to widespread alienation among the country's new urban poor and struggling middle class. Many of those in these ranks had held middle or high-ranking Communist Party positions (effectively the social elite under the USSR) or roles in public sector professions who had been made redundant after 1991. Rather than fuelling action, discontent with their own quality of life after the 1998 crisis translated into either self-blame or political apathy among Russian citizens who principally sought and continue to seek private

solutions to collective problems. It was found that only three percent were prepared to join a protest march at the time and just eight percent would sign a petition. Where 'voice' was expressed, it was manifest 'silently,' through the ballot box by 25% of those surveyed (Willie, 2001:222).

However, evidence from numerous other countries in recent years demonstrates that impoverished middle-class citizens *do* engage in political protest actions alongside simply pursuing economic self-improvement strategies. These multiple instances of mass protest places Phelps Brown's argument into doubt. For example Iceland was the most developed country in the world in 2007 (UN Human Development Index) and its people were the happiest (World Values Survey, 2006). Median household income was almost US\$70,000 - 1.6 times that in the United States and there was a weak political culture of largescale protest movements, other than over contingent issues such as the 1975 women's strike. Largely due to its sheer affluence, it seemed like the last place in the world to expect a middle-class uprising. Yet in late 2008, plagued by economic meltdown, and collapse of its three major banks, tens of thousands lost their savings, became unemployed or plunged into poverty as salaries plummeted, the currency devalued and an IMF stabilization plan was implemented. Yet under the umbrella campaign group 'Voices of the People', 10,000 largely impoverished m/class regularly took to streets during late 2008 and 2009 and this culturally placid people overthrew the Government. In a country of just 315,000 people this size of protest is the equivalent of 2 million in the UK of 10 million in the United States. These protests became known as the Kitchenware Revolution because of the symbolic banging of saucepans, a practice adopted from Argentina which has become a symbol of middle class resistance to impoverishment (Wade, 2009a). The rebellion in Iceland also shocked

Europe's ruling elites who finally started to realize that they couldn't take struggling middle-class docility for granted, prompting France's then-President Nicolas Sarkozy to exclaim "we can't have a European May 68' for Christmas!" (Phillips, 2008).

The *Indignados* movement made up of largely white-collar, young and highly qualified people who occupied city squares throughout Spain in 2011 and 2012, and the rebellion against austerity and pauperization in Greece, are other cases in point that have laid this second myth of middle-class docility to rest. The cases of Argentina, Iceland, Spain and Greece indicate that as Galbraith warned in *The Culture of Contentment* (1992), the middle class in industrialized societies will only continue to tolerate gross income inequality and the prolonged destitution of what he called 'the functional underclass' for as long as it was in their self-interests to do so.

Further, Latin America's recent history demonstrates that struggling middle-class citizens do not simply resign themselves to their deteriorating economic circumstances by seeking self-improvement measures, but join collective protest movements too. For example, Venezuela experienced its own episode of new poor radicalism. When the neoliberal reforms that were implemented by President Carlos Andrés Pérez in the 1990s pushed hundreds of thousands into poverty, the limited availability of self-help opportunities including employment, increased the relative attractiveness of protest as a response for its pauperized and jobless middle class. Many frequently participated in road blocks, building occupations and other collective protest actions.

This situation has repeated itself during the severe economic crisis and hyperinflation to hit Venezuela under President Nicolas Maduro's governments since 2013, with thousands of

struggling middle class citizens joining mass anti-government protests, including the sporadic use of violence. Meanwhile in Uruguay's own economic crisis in 2002/3, the new poor, especially those who lost savings, were also at the forefront of its protest movement. In Brazil, the largescale protests against the Confederation Cup in 2013 (sparked by an increase in bus fares) then broadened in their demands in subsequent years to target the public money spent on the Rio Olympics, alleged corruption former President 'Lula' Da Silva and President Dilma Rouseff against whom impeachment charges were sought. Amidst an economic crisis, the millions who took part included a significant proportion of middle-class protestors who were struggling to make ends meet).

Why Argentina?

In January 2002, signs mysteriously began to appear in the *Villa 31* shanty town in Buenos Aires ironically proclaiming "welcome middle class!" During its 2001 economic crisis, the largest ever national debt default in history occurred when unemployment reached 25%, GDP fell by a fifth and poverty soared to 54% (INDEC). Millions of mainly highly-educated citizens became impoverished and the middle class was virtually extinguished overnight. Yet the economic crisis was accompanied by a crisis of political representation. Many of the struggling middle class participated in the enormous popular revolt and protest movement in the year that followed and Argentina became the ideological forbearer of all these multisectoral but struggling middle-class led counter-neoliberal resistance movements. The country soon became an incubator for radical experiments in direct democracy, horizontal decision-making, the occupation of public space and citizens' self-management in what was known as the 'que se vayan todos' [Get rid of the lot of

them] revolt, the popular cry during the birth of the movement on the streets of Argentina's urban centres on 19th and 20th December 2001 and which removed four presidents in two weeks. Amidst the chaos and trauma, there lay hope.

There was widespread recognition that the neoliberal model of President Carlos Menem (1989-99) and then Fernando De La Rúa's (1999-2001) governments had been a disaster given the misery and inequality they had generated. The corruption-ridden, representative democratic system had been exhausted as a project, and the burgeoning protest movements sought to replace this model with a fairer, more participatory society based around social solidarity (Adamovsky, 2009). Intriguingly, the organising strategies, tactics and symbolic middle-class tools of protest that came to life during those days were subsequently adopted in the autonomist-inspired uprisings which later emerged in Wall Street, Greece, Spain, Iceland, Turkey and elsewhere.

In Argentina's urban centres, narratives of contention and the performance of class among new poor citizens were represented in popular chants, *cacerolazos* [pots and pans protests] and in the neighborhood assemblies' discourse. These focused around solidarity with 'the other'; in particular between progressive elements of the middle class and structurally poor and working-class movements, including the *piqueteros* [unemployed workers movement] (Svampa and Corral, 2006).

As shall be elaborated upon later, what made Argentina's revolt unique was how the scale of economic misery and collapse of political legitimacy generated widespread solidarity between

millions of previously un-politicized, struggling middle-class citizens with blue-collar workers, unemployed and long-term impoverished sectors. It was arguably the closest instance of a bottom-up, leaderless attempt at revolution in modern times. As a heterogeneous actor both socio-economically and also politically, there were of course many within the middle class who took part in the collective actions of the 1990s, 2001-02, and the major protests of 2003-2018 and others who didn't at all. However, some generalizations can be inferred.

Although many among the struggling middle-class ranks (particularly teachers, civil servants and small and medium-sized business owners) had participated in protest movements against IMF-imposed conditionality that entailed structural adjustment in return for loans during the 1990s, (Adamovsky, 2009), the turning point that transformed many non-activists to join the protests came when President De la Rúa declared a State of Siege on 19th December 2001 in response to widespread lootings and food riots, especially in Greater Buenos Aires. However, his decision merely served to evoke memories of the despised civil-military dictatorship (1976-83), prompting hundreds of thousands of citizens, (including many pauperized middle-class citizens) to spill out onto the streets to express their fury as the economic crisis descended into a crisis of political legitimacy. Demanding the overthrow of the entire political establishment, the following two days marked the first major *Cacerolazo* protests, which were neither pre-planned nor organized by any particular political party or trade union.³ Despite the brutal reaction of the state and the murder of thirty nine protestors by the riot police and shop owners, as portrayed in the moving documentary *39 El Documental, Las Víctimas de 2001* (Dir. Velásquez, 2017), it was during these events that many Argentines experienced an epiphany about the power of collective action. De la Rúa was infamously forced to flee the demonstrators in a helicopter

from the roof of the *Casa Rosada* (Presidential Palace) and promptly resigned from office the following day.

These protests helped to spark many cross-class, grassroots forms of community organization throughout 2002 as the collapse in confidence of the country's political system led to the establishment of hundreds of neighborhood assemblies in Argentina's main cities (Nueva Mayoría, 2006), in which citizens actively participated in horizontal, political decision-making at a local level and discussed solutions to the local and national problems that their politicians could not resolve. Ongoing street protests, community kitchens, participation in counter-cultural movements as well as a surge in the level of participation in barter clubs - 5,356 clubs were formed around the country and were used by three millions citizens in 2002 alone (Gomez and Helmsing, 2008:2496) as the post-default nation faced an acute liquidity crisis. Argentinians didn't just protest against a government or a system, but they lived out the changes they wanted to see through their participation in solidarity economy actions and acts of direct democracy. Meanwhile, just weeks earlier, millions had also demonstrated their indignation at the ballot box with half of voters either spoiling their ballot papers, abstaining completely (in a country where voting is obligatory) or voting for revolutionary left-wing parties during the legislative elections of October 2001. The protest movements were characterized by an expansive political edge and were inspired by an exceptional atmosphere of political discord and the ideas of autonomy, removal of hierarchy and the promotion of horizontal decision-making rather than solely economic need. As scores of bankrupt factories and workplaces were taken over by their employees and 'recovered' under worker's control and *piqueteros* blocked roads and bridges daily around the country, the insurrectionary mood that permeated society led the ruling elites to

take fright that the country was on the verge of revolution. In this book I stop short of arguing that Argentina's 2001-02 uprisings represented a revolutionary situation. No situation of dual-power existed at the time (Astarita, 2008), despite attempts to construct an Inter-Neighborhood Assembly in order to coordinate the local-level assemblies and expand its territorialized presence.

However, in subsequent years through a blend of initial repression (2001-02), protest fatigue, implosion of certain movements, state co-optation by the left-wing governments of Nestor Kirchner (2003-07) and Cristina Fernandez de Kirchner (2008-2015) and a rapid improvement in the macroeconomic and political climate, the resistance melted away. While many in the struggling middle class supported Nestor and early stages of Cristina's governments, a gradual shift in political tectonic plates led lower middle-class sectors to mobilize in enormous numbers in a series of protests in 2004 and 2006 (the anti-crime *Blumberg* protests), the countryside crisis protests of 2008 and then the mass anti-government protests of 2012 and 2013.

In contrast to the 2001 uprisings, the latter abandoned the hope of achieving a wide-ranging societal transformation. The movement goals of solidarity and the construction of new democratic, participatory and horizontal economic and political structures were replaced by a narrower focus on indicting reformist-Peronist President Cristina Kirchner who they accused of corruption and authoritarianism. Internal enemies such as 'the poor' were blamed for the nation's problems, replacing the entire political establishment, globalization and the IMF who were deemed to be the culprits in 2001-02). Materialistic concerns, such as ending inflation and currency controls, became key demands in 2012, reflective of the higher presence of *upper*

middle-class citizens in 2012 compared to 2001. As with 2001, the protests themselves remained non-party political, self-organized and centred on the *cacerolazos*. However, this time they occurred during a period of comparative economic stability, low unemployment and acute political polarization. While the objectives were very different, the protests symbolized that many of the preoccupations of 2001, such as a perceived lack of democratic accountability, corruption and lack of faith in the political establishment, had remained unresolved (Svampa, 2012).

The book therefore explains how the widespread and progressive insurrectionary movements of 2001 and 2002 (led by the struggling middle class) were eventually tamed and why the class solidarity that permeated society at the time disintegrated and was actually followed by the proliferation of reactionary politics among a significant part of Argentina's middle sectors. This tendency increased under the three Kirchner governments (2003-15) until, eventually, as a culmination of this gradual retreat towards conservatism, millionaire businessman, Mauricio Macri was parachuted to the Presidency in December 2015 on a neoliberal and conservative ticket. The epitome of everything that the 'losers' of 1990s neoliberalism and the 2001 economic crisis had opposed a decade and a half earlier, many of those who voted for him had been sympathetic to or even actively participated in the *Argentinazo*.⁴ Argentina therefore allows us to examine the full cycle of contentious politics and to explore how and why citizens supported seemingly contrasting political and economic projects at different times.

The Argentinean social and economic crisis of 2001-02 has therefore been chosen as the principal case study country to explain both how middle-class citizens resist proletarianization

for a variety of reasons. First of all, the scale of its mass pauperization is unparalleled in a capitalist liberal democracy in recent times (Grimson and Kessler, 2005:87). 7.3 million well-educated, often affluent small-business owners, public sector workers, professionals and other highly-skilled workers fell below the poverty line and entered unemployment or low-skilled work in the space of a year (INDEC, 2018).

Secondly, in terms of its relevance for the study of new urban poverty in the global north and thus responses to it, Argentina shares many contextual, historical and institutional features with other advanced capitalist economies. To start with, as mentioned earlier the characteristics of the protest movements that its new poor citizens participated in closely match those of post-2008 crisis Europe and North America. Many of the repertoires of collective action that have been proliferated or revived, including the occupation of ‘public space,’ involvement in innovative, non-hierarchical, horizontal organising structures, the general assembly and consensus-building as key decision-making mechanisms along with the rejection of interference by political parties or other forms of institutionalization (Parkinson, 2012) have been adapted from those created in Argentina a decade ago. The country became the first in recent times where these repertoires were practiced on a mass scale as Argentina became a laboratory for a range of social economy experiments during what sociologist Maristella Svampa (2005) describes as the “extraordinary year” of 2002.

The performance of middle-class discontent in 2001-02, often in the form of *cacerolazos*, was depicted by the media and academic studies as “spontaneous”, “autonomous” of political parties, “peaceful”, and territorialized in the neighborhood vicinity. Thus, the pots and pans protests soon

came to also symbolize middle-class resistance during subsequent protests in Argentina, as they did in Iceland (2008-9), Spain (2011-2015) and Greece (2011-2012) in their respective middle class-led uprisings. Carrying saucepans during protests allowed citizens to express their anger with the government, whilst saving face regarding any personal financial difficulties they were experiencing. Through the *cacerolazos* they could enunciate their individual middle-class identity through a distinct protest repertoire which distinguished them from trade union, blue-collar or unemployed citizens' groups.

Like Argentina, new urban impoverishment in Western Europe and North America not only occurred within the context of economic crisis, but also one of political legitimacy. Their deteriorating living conditions, concern for their future occupational prospects, sense of having been abandoned by their political representatives and by the failure of representative democracy to respond to their preoccupations. This perceived growing schism between the demands of the people and the actions of their national governments and political institutions - which are increasingly believed to be acting in the interests of multinational corporations, wealthy elites and global capital instead of the citizens who elect them, is made explicit in the 2011 Manifesto of the *Real Democracy Now!* Movement in Spain⁵ and the Declaration of the Occupation of New York City by *Occupy Wall Street*⁶ for instance. The consequence of three decades of neo-liberalism has been to generate a market-driven society whereby cultural and social production is increasingly subject to the process of commodification.

Yet, despite modern capitalism's ever expanding obsession with being able to offer greater choices *economically* (increasingly differentiated goods and services available for consumers),

socially (greater tolerance of one's religion or sexuality), and *culturally* (a wider variety of options for educating one's children etc.), citizens are also confronted with a stark contradiction in terms of their narrowing *political* choices. Narratives and proposed solutions offered by political parties, and presidential and parliamentary candidates from different political traditions, have interestingly coalesced around a neoliberal consensus that only seems to be concerned with the 'one percent'. Thus the growth of these movements has been borne out of this contradiction and rapidly developed into a crisis of political legitimacy among increasing sectors of the population in countries like Italy, Greece and Spain, most similar to that which Argentina experienced a decade earlier. Argentina thus provides clues about what could happen to the same movements in countries in the global north and the political and financial trajectories of their struggling middle-class citizenry, albeit that they occurred within a specific national context and in a country in a different part of the global production chain.

Thirdly, like North America and most of Europe, Argentina is a G20 member state that boasts a deeply entrenched welfare state tradition and is one of the few nations in the southern hemisphere that (even today) has a significant middle-class population. The impact that the retreat of the state has had in terms of the consequent downward social mobility of part of a once thriving middle class draws many parallels with the experience of Organization of Economic Cooperation and Development (OECD) economies (membership of which Argentina formally requested in June 2018).

Fourthly, Argentina's political and industrial relations structures also have much in common with those in the Old Continent. These enable or constrain spaces for its people to respond to

pauperization both politically and in terms of self-improvement mechanisms in comparative ways. The Peronist blueprint for the country's hegemonic corporatist mediating relationship between labor, business and state institutions that prevails today was based on the Italian and German corporatism that preceded it in the 1930s, and persists today as an industrial relations model. In particular, the historic alignment between the *Confederación General de Trabajo* (CGT) union confederation⁷ and the *Justicialista* (Peronist) Party purposely replicates the British Labour Party's relationship with the Trade Union Congress (TUC) (Rock, 1991:69).

Further, Argentina's profound political and economic crisis occurred in 2001, and was followed by a decade of almost uninterrupted high growth (2003-2013) before flattening out (2014-2017). The depth of the initial crisis is similar to Spain and Greece's, however the strength of the subsequent recovery makes Argentina an interesting case for longitudinal analysis. The three sets of in-depth interviews conducted over a decade with the sample group provide us a seldom-available opportunity to examine the attitudes, political opinions and actions of citizens at different stages in the economic cycle. Such data is not yet possible to obtain in post-2008 crisis-affected countries.

Finally, the participation of the Argentina's struggling middle class in protest movements in 2001-02 took place in relative international isolation compared to the more recent episodes of new urban poor rebellion in Europe and North America. This makes it an especially useful case study because political mobilization under pauperization was not influenced by a global contagion of resistance, as more recent movements are (Mason, 2012). In the absence of exogenous contributing factors such as these, the findings may be more generalizable to different

country contexts.

The importance of this book

In the wake of the worldwide economic and political crisis since 2008 there has been a recent upsurge in scholarly interest not only in financial crises but also in the citizen revolts which accompany them during crises of political representation. As discussed, these rebellions have often been led by struggling middle-class sectors and characterized by horizontal models of organising, self-management and autonomous movements which have sought to avoid co-optation by political parties, trade unions and state institutions. These strategies were copied and later featured in a range of national cases that have been described earlier. Argentina -whose political and economic context is a decade further on from the post-2008 global crisis uprisings- arouses considerable interest among the broader academic and activist community who wish to draw upon comparative research that provides lessons from that experience of citizen mobilization and then demobilization.

Whilst Latin Americanists, students and those interested in Argentina's society are the prime intended readership, this book is targeted beyond either such specialists or academia *per se*. The monograph draws upon and compares several other national examples from the last two decades to understand how contextual factors shape distinctive struggling middle-class citizen responses to external shocks. It will therefore also be highly relevant to readerships across Europe, North America and internationally.

Further, the book is targeted towards both professional and lay readerships and will appeal to postgraduate students, researchers of social change across a wide range of disciplines. It will also be of interest to social movement researchers, Marxists and other theorists of radical social change and those involved in grassroots organising and labor activists. It contributes towards understanding how grievances that result from proletarianization following economic shocks can become politicized. It asks how such citizens make decisions about whether to participate in economic self-improvement and political protest actions in response to such circumstances. The lack of research in this area can be explained by a range of factors. Principally, the nationally representative annual household survey data that is presently available in different countries concentrates almost entirely on financial, consumer, employment (and to a minor extent) social activities by household units, without asking participants about their participation in protest actions or being able to analyze what the generative factors are that impact on their decision to join them. The University of North Carolina's *Longitudinal Monitoring Survey* in Russia and the American Community Survey in the USA are cases in point. Therefore quantitative measurement of how citizens respond to economic shocks in terms of collective actions has proven difficult.

Secondly, the theoretical complexities involved in demarcating those households that one can classify as belonging to a 'new urban poor' social stratum within large and nationally representative survey datasets have militated against any quantitative studies of this nature having been conducted before. Indeed, the qualitative characteristics that conceptually distinguish 'new urban poor' households from the 'structural poor' (who have unmet basic

needs) are often so profoundly obscured within the core data, that this fact alone has proven sufficient to deter analyzes that are of a statistical complexion.

An additional reason why the Argentinean case is especially useful to examine is that the World Bank's ISCA (*Social Impact of the Crisis in Argentina*) Survey (2002) is one of the few available national household surveys that incorporates data on both self-help *and* protest actions in a post-crisis situation. This makes it a hugely valuable resource in terms of observing the full range of possible responses to pauperization.

Thirdly, a study that contains a significant quantitative component in terms of explaining behavioral patterns of those who become impoverished, including their participation in protest actions is also needed to consolidate upon and frame the qualitative research that has been conducted in a variety of disciplines that *have* explored individual responses to the crisis in terms of their 'coping strategies'.

Fourthly, whilst the overwhelming majority of *qualitative* studies that have been conducted into how households and citizens cope with internal or external economic shocks focus on the structurally poor (usually in the least developed countries in the world), the few that have turned their attention to non-structural "new" poverty have tended to treat the sample of their study as a homogenous social group which is usually referred to rather blandly as 'the middle class,' regardless of whether they actually experienced severe declines in living standards during these economic crises. Scant attention is paid to the diversity within this 'class' that makes the nuanced responses of its members to such shocks so intriguing. This includes how hardship or a

loss of status affects subjectivities and how this sometimes induces politicized responses or collective forms of action from affected citizens. Yet it is precisely this ‘this newly impoverished’ stratum of the middle class whose collective responses should be of most interest to theorists of social change and thus merit closer analysis. The experience of recent years since the global crisis suggests that it is when they become proletarianized and construct alliances with the traditional poor and working class then take action alongside them within popular movements that their potential to change governments, influence policy changes or draw global media attention is strongest.

In any case, the precise meaning of ‘the middle class’ is so vague that just who constitutes part of it has been highly contested. In Argentina itself, this has been the case ever since Gino Germani conducted the first large-scale study of social class in the country - ‘Estructura Social en la Argentina’ - in 1955 which inflated the size of the “middle class” as it included many working-class occupations (Adamovsky, 2009), while the IMF’s own US\$ 10 per day baseline is derided by most sociologists. The polemic about its definition has also prevented a sizable number of studies about the middle class from being conducted, especially in recent years. Notable exceptions to this tendency to homogenize middle-class responses in Argentina include work by Aguirre on new urban poor reticence towards enrolment in assistentialis⁸ aid programmes (2008), Mazzoni’s publications on how a limited understanding of citizenship rights restricted new urban poor political activism in the post-crisis period (2007, 2008) and, Kessler and Di Virgilio’s paper on how the new urban poor utilize their social, cultural and human capital in different ways to the structural poor when faced with material hardship (2008).

It should be noted that each of these contributions, whilst valuable in its own academic discipline, make few connections between households' economic coping strategies and how they interplay with the decision to engage in political protest as an alternative response. Mazzoni's (2007) discussion of the impact that impoverishment had on beliefs about politics among the new urban poor during Argentina's post-crisis period is an exception. Yet, whilst insightful, she neither focuses on the process of their politicization, nor the empirical link between the self-improvement and protest actions that they took in response.

The prime focus of research into struggling or impoverished middle-class behavior until now has been how they take financial, employment, entrepreneurial and lifestyle decisions, as opposed to protest actions in response. This has been driven by the valid concern that national governments, international financial institutions and NGO's have neglected policy initiatives that are specifically designed to support those who have recently become (or are vulnerable to becoming) poor (Kessler and Di Virgilio 2008) and have instead dedicated their efforts to confronting structural poverty. However, although this preoccupation is valid in itself, it has tended to result in newly poor citizens being understood as economic, benefit-maximising actors in terms of how they resist their hardship, discounting the possibility that such citizens may develop a shared sense of identity and forge collective grievances with them. Typically, the subsequent articulation of their political demands is expressed through collective protest actions which target the government, judicial and financial authorities. Thus it is necessary to recognize that economic processes cannot be divorced from the social and political consequences that they generate. Coping strategies of "economic" resistance must be analyzed together with "political" resistance and protest.

This study's perspective follows approaches that have previously documented the intrinsic relationship between self-help and protest actions, for example in the UK (Croucher 1987) and Soviet Union (Moskoff 1993). In Argentina itself, Nancy Powers (1999) discussed how material concerns become understood as a "political" problem when personal tolerance of impoverishment declines. This may happen when citizens are either unable to find sufficient economic coping mechanisms to maintain a desired level of needs satisfaction (i.e. if these strategies are undermined or unsuccessful), if one's poverty is experienced more intensely (which invokes greater anger), or when economic and political contexts shape citizens' evaluation of their material interests.

Further, when economic aspirations are frustrated and prolonged, or lifestyle sacrifices become intolerable, citizens begin to examine the structural reasons for their descent, exorcize themselves of culpability for their hardship and protest their condition instead. However, Powers' research is more relevant to contexts of gradual and atomized pauperization, as her study of Argentina's neoliberal reforms in the 1990s was. In contrast, the sudden mass pauperization like that which exploded in 2001-02 was quite a different circumstance. Further, like Mazzoni, Powers research is limited in scope to how impoverishment impacts upon 'political interests' rather than involvement in collective and protest action itself.

Finally, whilst the research focus in this book centres on the "new urban poor", rural responses to middle-class impoverishment in Argentina are investigated here for comparative purposes. This comparison of rural-dwelling citizens' collective action responses with those in the urban centres has never been conducted before.

As the first English-language book that examines the waves of mobilization and demobilization of Argentina's struggling middle class, the results are based on the triangulation of data analysis from quantitative surveys and fieldwork interviews with non-activist 'average citizens', academic experts, NGOs and social movement organisers reflecting back on their different degrees of participation (or non-participation) in the uprising of fifteen years ago. It is perhaps methodologically even rarer to capture and analyze longitudinal data of both a quantitative and qualitative nature over such a long time period, as the book seeks to do.

The December 2001 revolt in Argentina captured the imaginations of sociologists and political scientists both inside the country and internationally. It led to a flurry of scholarship (including in English-language journals and volumes) which sought to explain the uprising and understand the motivations for participation in a range of its nascent movements by certain sectors of society, for instance on the neighbourhood assemblies (Svampa and Corral, 2006; Dinerstein, 2003). Others focused specifically on the motivations of middle-class citizens' protest and solidarity actions with working class and unemployed workers movements (Barbetta and Bidaseca, 2004) and Briones and Mendoza's (2003) work on women's participation. Meanwhile, Armony and Armony's (2005) analyzed various political and economic factors which explain why citizens engaged in mass mobilizations at the time, especially due to the collapse of the national myths of grandeur and middle-class identity. However all of these sources only concentrate on the height of the uprising and soon after, without exploring how demobilization occurred or why this solidarity largely eroded under the post-2003 milieu of economic and political 'normalization'.

Those which do seek to do the latter are either confined to short survey reports (Centro de

Estudios Nueva Mayoría's, 2006), or they were written in the immediate aftermath of the election of the Nestor Kirchner government (Petras, 2004). However, these only explain the short-term mobilization and demobilization phenomenon, rather than providing a longitudinal study from the vantage point of 15 years after the rebellion, which is one of the key objectives of this book.

Among the English-speaking literature, several works were produced to explain the exciting, organising models being used by social movements which originated from Argentina's uprising (Lopez-Levy, 2003; Sitrin, 2012). These focus on the structures and evolution of the organising practices of the movements themselves without individuals' political and financial trajectories or oscillating degrees of participation in such movements being discussed. Later monographs by those such as Olga Onuch (2014) specifically engaged with the question of what prompts 'ordinary citizens' to engage in mass uprisings, but is limited to qualitative interviews and focus groups and focuses only on the moment of initial rebellion in 2001-02, without framing the question within a broader quantitative analysis to establish contextual trends.

Yet amidst this body of work, the political dimension of pauperization or proletarianization and how it is resisted by middle-class citizens through collective behavior and protest actions (during economic crises and otherwise) has been largely neglected, despite calls to bestow it greater attention (Richards and Gelleny, 2006). A plethora of studies on the *Indignado* uprisings in Spain, the protests in Greece and other rebellions have been conducted in recent years but few have concentrated on how citizens who face sudden downward mobility or impoverishment develop political agency or how their change in material conditions influenced their responses. In

the Argentina context Mazzoni (2007) provides a rare and valuable exception. This monograph seeks to build on Mazzoni's research by exploring not just how impoverishment affected political attitudes but also the collective and private behaviors that those in this proletarianized middle-class stratum enacted in response. Indeed there are no studies that have sought to do this in Argentina or otherwise which utilize empirical, mixed-methods longitudinal research that traces the trajectories of citizens over two decades so as to understand these cycles of contention.

Internationally, the post-2008 global crisis milieu presents a context of austerity, falling living standards, a hollowing out of the middle class, stagnant social mobility and declining confidence in political establishment. How citizens -especially the struggling middle class- *are* responding and *will* react in future is a key contemporary social problem which requires such a study.

Methodology

A Qualitative-Dominant, Quantitative Less-Dominant, sequential design is adopted in two phases; drawing upon analysis of World Bank (2002) and *Latinobarómetro* (1995, 2002 and 2005) longitudinal household survey data along with participant interviews (at three points in 2007, 2011, 2016). In Phase 1, research draws upon evidence from two secondary sources. The first, the World-Bank commissioned *Impact of the Social Crisis on Argentina* (ISCA) is a nationally representative household survey of 9,209 individuals in 2,800 households. It was conducted by *Public Opinion, Services and Markets* - OPSM (an Argentinian marketing consultancy) in 2002. The survey's aim was to understand how households survived the country's economic crisis and how it affected wellbeing.

However, for the purposes of this book, the core data was used specifically to: (a) Identify what forms of resistance Argentinians who became poor during the crisis took. (b) Examine how decisions about whether to engage in collective action was affected by differences in their experiences of poverty, biographical histories and labor market position. (c) Understand how social attitudes and political perspectives informed their decision to adopt the actions identified in the 2002 ISCA Survey. This data was triangulated with that of a second, public opinion survey from that same year, IPSOS-MORI's *Latinobarómetro*. This allowed the impact of the following subjectivities on response to be determined (i) how the impoverished urban and rural middle class felt about their own hardship (ii) the extent to which they were prepared to politically tolerate it and (iii) to what degree they felt that self-help opportunities existed that they could exploit so as to overcome their poverty. 1995 *Latinobarómetro* Survey results were also consulted to observe how newly poor Argentinians' opinions changed between the 1990s and the post-*Argentinazo* period in 2002, then in 2005, thus helping underpin how responses changed over time. (iv) How and why middle-class characteristics, values, habitus and notions of identity affected response.

The participants in the ISCA survey completed a closed questionnaire; once during May/June 2002 and then again during October/November the same year. Its two data collection rounds enabled a “new poor” or impoverished middle-class stratified sample to be obtained from within the core data. This was accomplished by first shortlisting all those individuals who lived in households which had officially become “income poor” (whose monthly per capita income fell below \$232 pesos or US \$2 dollars per day – the 2002 national poverty line figure) during the five months

between each data collection round. Then only those who also possessed the qualitative characteristics that Minujín (1993) described in his conceptualization of new poverty (see Chapter 1) were selected in the final sample, including “basic needs coverage.” In this way the face validity of the ‘new poor’ concept was preserved and “the impact of impoverishment” upon action could be determined by comparing pre and post-pauperization responses during respective periods.

These characteristics included: a) They held a professional qualification, owned a small business, had a university degree (or were currently studying for one) b) They were homeowners (or were their adult children) and c) They had worked in a middle-class job or ran a business but had fallen below the income poverty line during the 2001-02 crisis (or were adult children of those who did). Criteria a), b) and c) were verified during an initial visit to the residential address and the background pre-interview questionnaire information they supplied. This left 314 cases in the final sample.

Two important data limitations exist. First, the size of the ‘new poor’ sample raised the methodological problem that the results were susceptible to Type-II errors (by which a null hypothesis is falsely accepted). This may have created an under-reporting of statistically significant results. Whilst this important data limitation is acknowledged, attempts were made to mitigate it by measuring the outcome of test results at the 90% (rather than 95%) confidence level. Secondly, the ISCA survey only recorded *formal* ways of organising. Therefore, important but often illegal or informal activities like looting, criminal activity or graffiti were omitted, as were common “legal” individual protest actions like signing petitions or letter writing, or untraceable activities such as absenteeism.

In terms of the *Latinobarómetro* survey, its participants also completed closed questionnaires and were asked to reflect upon the extent to which they were in agreement with a series of statements about politics, institutions, economic models and so on. It is important to highlight that this survey does not record income data. Therefore, only participants whose subjective perception of their circumstances was one of economic descent (and who possessed the three characteristics stipulated above) were included in its new poor/impoorished middle-class sample. Thus, the opinions of those in this sample represent only an *approximation* of those of the “poverty-line defined” new poor sample that resulted from the ISCA Survey. Of the 1,200 adults in the original *Latinobarómetro* Survey, the new poor stratified sample obtained included 124 cases in 1995, (10% of the sample universe) and 202 cases in 2002 (17%).

How responses were classified requires some elaboration. Households participate in any particular action for a range of motivations. For instance, some may have joined a barter club as part of an idealistic project to help the *community* or even as a “protest” in itself, whereas others may have done so purely due to *individual* survival needs. However, in this book the responses have been categorized in accordance with how they were clustered as variables by the ISCA Survey’s designers (OPSM) in the original core data (see Table 1.1). The initial experience of pauperization during the start of the 2001 economic crisis destroyed the self-esteem of many newly poor people as they lost the jobs that defined their sense of identity. Many abandoned hope of a brighter future during the descent from a comfortable lifestyle to one of economic hardship, often for the first time in their lives. The desire ‘to belong’ and have their talents recognized by others again on the one hand, and the need to gain solace on the other, was what

moved many to participate in collectivist actions like the *cacerolazos*, barter clubs, assemblies, worker-‘recovered’ factories and group therapy sessions (Svampa and Corral, 2006:138). Often, involvement in these actions also helped them to restore confidence in their own abilities and the solidarity that the struggling middle class encountered in these forums helped them to ‘feel euphoric to be part of a larger social movement in which they could establish new friendships and become part of a ‘collective’.

Data on voting behavior was the exception because it was not recorded by ISCA, but obtained separately from *Latinobarómetro*. Thus actions are regarded as “collective” if they involved a “joint commitment” to a single outcome for multiple households, but whereby each played their part in making it happen. In other words, they are actions which are not reducible to individual intentionality. For instance, the goal of a ‘barter club’ is for multiple households to gain from it because each relies on the production of goods and services by another, in order for the exchange to take place. In cases in which individual households pursue their particular goals independently (such as in the receipt of state aid), they are deemed to be ‘individual’ responses. These usually occurred in physical isolation (like an office or voting booth) and could be performed regardless of others’ involvement. Whilst protest usually established some kind of “self-improvement” as its goal, responses are classified in the latter way here only if they sought *immediate* material enrichment. If the desired improvements had to traverse a political stage through the process of “demand-making” to some kind of authority, then they were categorized as “protests.”

In addition, self-improvement actions are categorized here as only those that encompass

‘proactive’ strategies, in the sense that they either create additional resources for the household or make increased use of their available physical, financial and human assets. ‘Reactive’ strategies, in which households respond by simply reducing consumption (Lokshin and Yemtsov, 2004), are not considered in this research because on the one hand passively reducing one’s spending does not constitute ‘self-improvement’ and on the other, from a policy perspective, what is of interest is to observe how the new poor and middle class utilize their superior capital assets relative to the structural poor - to enact strategies that enable them to escape poverty.

This is not to say that pursuing economic coping strategies (self-improvement) or protest actions are mutually exclusive. Clearly citizens may participate in both simultaneously. Nor are frustrated attempts to achieve self-help the only reason that middle-class citizens confront impoverishment and downward social mobility through protest mobilizations. Actors may instead cross the thresholds of social convention to openly defy the existing political authorities due to a shared anticipation of either real or imagined losses or gains, compared to their current conditions. As Armony and Armony assert (2005), citizens may act rationally, but their reference points for responding to crisis are influenced by psychologically and culturally-framed cognitive patterns, not only to deficits of political representation, weak institutionalization, or a dramatic economic downturn, but also to a crisis of national identity conceptions (these will be explained later).

A further linkage between the self-improvement and protest responses that will be analyzed in this book is that under liberal-democratic regimes like Argentina, protest will only ever achieve *limited* material enrichment. The realm of legitimate political contestation is limited to the

existing boundaries that are established and reproduced through the system's representative structures, such as parliament, trade unions and lobby groups. Politics is deemed to 'happen' only in these spaces and citizens are socialized into conforming to the status quo as liberal-democratic power relations become naturalized in citizens' minds (Williams, 1977:100). Therefore, after a certain period of protest and when concessions are gained, (or the movement is defeated or dies away) the expectation is to resort to 'self-improvement strategies' in order to achieve further material gain. For these reasons neither protest nor are self-improvement actions usually sufficient to satisfy material wants *on their own*. The decision to participate in either one or the other can be dependent on how effective involvement in the alternative has been.

Table 1.1 – Classification of Different Response Actions in Argentina During 2002

<TABLE 1.1 HERE>

Source: Ozarow, 2014:190

Phase 2, consisted of three periods of fieldwork in Argentina. These were performed in 2007, 2011 and 2016. Several research methods were triangulated. The author conducted participant observation through embeddedness in middle-class citizens' local communities, working and social lives. Systems of meanings participants attached to a variety of research themes mentioned earlier were noted and interpreted.

Concurrently, interviews were conducted in Spanish with 30 middle-class citizens (13 men and 17 women) from households that had become impoverished during the 2002 crisis. Permission

was granted to access the anonymized ISCA database. Those initially selected for interview were contacted by OPSM to request permission to disclose their details. Six were aged 20-29, six 30-39, four 40-49, ten 50-59 and four 60+. Only three were political activists. These were voice-recorded and responses and observations were then thematically analyzed. Respondents were sampled purposively to ensure participation from middle-class people of different ages, genders, locations and situations. All but one of the interview participants had white, European ancestry. This is unsurprising. Two thirds of Argentinians possess such ethnic origins (Avena et al., 2012) but the proportion within the middle class is higher still (Adamovsky, 2009). Self-selection problems were avoided as only one qualifying participant declined to be interviewed. Interviewees were given pseudonyms to protect their anonymity. Respondent details are given in the Appendix.

The same households were returned to each time (where possible, as some limited attrition occurred). Most of those respondents who were not formally interviewed in the third round due to resource constraints corresponded with me by e-mail. Expert interviews were also conducted with ten academics, politicians and NGO coordinators (which provided welfare and employment services to jobless professionals). Home visits were made to gentrified districts of five large cities – Buenos Aires, La Plata, Rosario, Santa Fe and Posadas– and Piedras Blancas, a rural village in Entre Rios Province. Interviews usually occurred in participants' homes to minimize potential anxiety and embarrassment given the sensitive subject matter. No financial incentive was offered, although a small gift was offered after interviews. The 30 semi-structured interviews each lasted approximately 90 minutes.

Interviewing vulnerable individuals may encourage them to underplay or exaggerate problems to elicit sympathy. Measures were taken to manage these possibilities. Advice about interviewing Argentinians in this situation was kindly provided by Isidro Adúriz, ex-Director of OPSM. I told interview participants about my own Argentinian relations who had experienced the 2001 crisis to make them aware that I had some prior knowledge of the situation's realities. As a non-Argentinian, I was surprized at participants' frankness, but discerned through a range of explicit and implicit indications that being viewed as 'an outsider' was useful in this regard.

Organization of this book and its main arguments

This book is composed in the following way: Chapter 1 has provided a background into the global economic crisis, the growing crisis of political representation and how broad sectors of the middle class, especially in North America and Europe have become subject to downward social mobility, proletarianization and mass pauperization. How such citizens should be understood as political agents who have resisted their condition through demand-making and collective protest in several national contexts since the 2008 global crisis is discussed. They do not behave as purely rational economic actors. The economic and political crisis in Argentina 2001/2 as a paradigmatic case study for analysing middle-class resistance was introduced, and the study's methodology was outlined.

In Chapter 2, some of the key concepts in the monograph are developed. The origins of new urban poverty (middle-class impoverishment) and their downward mobility as a consequence of neoliberalism and processes of structural adjustment of its "losers," following the Washington

Consensus Reforms in the 1990s are discussed with reference to European and North America, as well as Latin American and Argentina. Other manifestations of it, either following the 2008 global crises, as a characteristic of the transition economies from communism to capitalism, or in post-apartheid societies are also observed.

Cross-national comparisons are made between the how the middle class resisted crisis and hardship in Russia (1990s transition to capitalism and 1998 financial crisis), South Africa (post-Apartheid), Argentina (post-2001 crisis), Iceland, Greece and Spain (post-2008 crisis) during the past three decades, and whether citizens coped privately or participated in collective protests as a consequence are examined. The chapter ends by articulating the book's Gramscian theoretical framework and how his concepts of 'hegemony,' 'ideology' and 'false consciousness' will be adopted to help to account for how proletarianized citizens responded to their social descent in Argentina since the 1990s.

Chapter 3 is dedicated entirely to our Argentina case study and the research findings. It is divided into two parts. The first section covers the period 1989-2000, incorporating the literature and *Latinobarómetro* data analysis. It argues that the incremental nature of pauperization, relatively stable macroeconomic environment and dominant discourses which atomized and individualized one's personal financial circumstances meant that impoverishment was experienced more in isolation. The result was a tendency to seek self-help solutions to their circumstances and principally private ones at that. Whilst labor and social protests were regular, the involvement of the struggling middle class tended to be organized 'from above' and 'formally,' principally via white-collar trade unions or the representative organizations of small businesses.

The second part is based upon an examination of World Bank and *Latinobarómetro* survey data and covers the period 2001-02. The generative factors that explain why citizens mobilized to join the revolt and how questions of a growing collective identity, grievance forming and the loss of hegemonic consent to rule by the dominant class contributed to this tendency.

How changes in citizens' attitudes and subjectivities induced a shift in the tendency from 'self-blame under Menemismo' in the 1990s to 'system attribution' for their circumstances in 2001-02 helps to explain how hegemonic control crumbled are described, such that the neoliberal economic and liberal democratic order faced a severe challenge from the burgeoning multi-sectoral protest movement in 2001. Within the struggling middle class, we then examine which biographical characteristics help explain the tendency for some citizens to join protest movements, while others desist from doing so.

In Chapter 4, results are triangulated from *Latinobarómetro* Survey data (2005) and three sets of in-depth interviews (2007, 2011 and 2016) to explore the demobilization and remobilization of Argentina's struggling middle class between 2003 and 2018. Four separate periods are identified; First the post-2001 crisis appeasement and demobilization of the first two years of Nestor Kirchner's government (2003-2005). Secondly, the sporadic outbursts of rebellion that characterised the latter half of Nestor's government and the first term of Cristina's following the Blumberg protests and Countryside Conflict (2006-2011). Thirdly, that of Cristina's second term, when the middle class commenced a series of mass mobilizations against her government (2012-

2015). Then fourthly, the first two years of Mauricio Macri's government (2016-2018) which sparked the largest, most multi-sectoral protests since 2001.

Finally, based upon the findings of our Argentina case study, we draw tentative conclusions about why struggling middle-class citizens are mobilized and de-mobilized, and what lessons may be provided for and from other national contexts. A theoretical framework is offered to try to explain how struggling middle-class citizens take decisions about whether to engage in protest or self-improvement actions when faced with hardship, and whether these actions are conducted collectively or privately. Suggestions are made as to how it could be adapted and applied in other national contexts. We posit that to effect profound and lasting social change, the middle class must enter into multisectoral alliances and that sustainable mobilising vehicles must be created, so as to maintain radical action beyond periods of crisis.

1 In this book the ‘middle class’ is largely analyzed subjectively as a political identity, rather than an objectively-defined social class with established boundaries. However, in terms of the empirical work referred to later, it is deemed to consist of highly-educated professionals, middle managers, small business owners or skilled white-collar workers or who are home owners. It is proposed later that whilst many of those who suffered downward mobility during the 2001-02 economic crisis re-joined the middle class during the post-2003 economic recovery, a significant proportion were also permanently proletarianized.

2 The Arab Spring protests principally demanded political freedoms and end to dictatorship rather than being a reaction against austerity measures. However, they did include a significant ‘squeezed’ middle-class presence, especially well-educated young adults who, analysts claim, were inspired to revolt by their limited prospects for upward social mobility (Mason, 2012).

3 The two trade union confederations, the CGT and rival *Central de Trabajadores de la Argentina* (CTA) organized a General Strike on 13th December 2001 but were not formally involved in coordinating the *cacerolazos*, which occurred without any formal degree of organization.

4 Often used to describe the social uprisings that occurred during 19th and 20th December 2001. However, it should be noted that the term is often deliberately avoided by left-wing scholars for its exaggerated and misleading revolutionary and spontaneous signifiers. The uprisings had their roots in a series of territorialized protests against neo-liberalism in Argentina in the 1980s and 1990s so were part of the cycle of contentious politics rather than a one-off, spontaneous event.

5 <http://www.democraciarealya.es/manifiesto-comun/manifiesto-english/>

6 <http://www.nycga.net/resources/documents/declaration/>

7 The CGT is the largest trade union confederation in Argentina. Its three factions provisionally reunified in July 2016. The CTA itself split into two factions, *CTA de los Trabajadores* and the *CTA Autónoma*.

8 From the Spanish *asistencialismo*. Describes paternalistic, passive forms of aid.

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