

Global Issues

Far Right times in Argentina: Social and Labour Conflicts at the Beginnings of Milei's government

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Economic Restructuring and Labour Repression: Milei's Capitalist Offensive

Last November, the self-proclaimed “anarcho-capitalist” Javier Milei won the presidential elections in Argentina. His triumph has deepened the economic, social and political crisis which the country has been in for several years. An avowed fan of Trump and Bolsonaro, Javier Milei became a popular commentator on TV shows. There, he aggressively and violently proclaimed his rejection of “politics” and “politicians”. He also promoted the “dollarization” of the economy as the magic solution to the financial problems of working people.

Despite being a political outsider, Milei won the elections with the support of a rightist coalition and a heterogeneous electorate that included not only the ruling classes but also sections of the working and middle classes. The electoral results express the crisis of political representation due to the failure of the two political coalitions previously in charge of the government (a rightist coalition between 2015 and 2019 and a Peronist coalition between 2019 and 2023) to deal with large economic and social crises that have developed over the last decade and deepened after the pandemic, as they promised during the electoral campaigns.

Milei's government program is based on the idea that dollarization, economic deregulation and privatisation of public enterprises and services can end the privileges of “the caste” (an undefined social actor, initially understood as the political elite). However, looking at those targeted by the government's measures, “the caste” are the working people, and the “privileges” to be ended are in fact labour and social rights.

In taking office, Milei decreed a draconian devaluation of the Argentinian peso and the deregulation of all prices. At the same time, he froze public workers' wages, pensions, and social assistance programs, hardly expanding the pockets of working people, pensioners, and the middle class. The average real wage plummeted by 18 per cent (IEF, 2024), and poverty rates skyrocketed from 49.5 per cent to 57.4 per cent between December 2023 and January 2024 (Observatorio de la Deuda Social Argentina, 2023).

The closure of ministries and public institutions, mass dismissals, and other austerity measures affecting culture, education, health, science and social policy were introduced under the justification of ending the budget deficit to meet the targets set by the IMF. Notwithstanding this, it has been the IMF itself that warned the government about the social impact of austerity measures – which reached the point of cutting off food supplies to community kitchens and oncology drugs to patients who need them (IMF, 2024).

The government aims to go beyond structural adjustment through austerity policies and seeks to advance socio-economic restructuring, developing a refoundational program. Ten days after he

took office, Milei issued a Decree of Necessity and Urgency (DNU), which includes provisions for a regressive reform of the labour and pensions systems, as well as shifts in laws and regulations impacting the cost of living, such as house rents, medicines and healthcare prices and production, petroleum and gas supplies, food availability, and public services prices.

Decrees of Necessity and Urgency are edicts promulgated without a parliamentary debate – in fact, parliament only can confirm or cancel them. National union confederations, tenants organisations and environmentalist NGOs, among other actors, challenged the decree in court, and several of the decree’s provisions, including the chapter on labour reform, were overturned. However, it is worth mentioning that labour reform is a topic of common consensus among the political parties with representatives in Congress (Peronists and center-right liberals), while the main opposition comes from the leftist FIT-U (the United Left and Workers’ Front).

Later, the government sent to Congress a bill named Basis and Starting Points for Argentinians’ Freedom. Its original version embraced a broad array of social, political and economic matters such as the delegation of extraordinary powers to the president of the nation for a period that could be extended for up to four years, the reform of the electoral system, the criminalisation of public meetings, assemblies and street demonstrations, the suppression of the automatic increase of pensions, tax shifts favouring corporations, and the privatisation of forty-one public companies, including the petroleum company YPF, the National Bank and public mass media, among others.

On 6 February, after a month-long debate did not gain enough votes to pass the bill, the government abandoned it. At the end of April, the executive sent a shorter bill to parliament, which has recently gained the deputy’s chamber’s approval. This new version includes some key points of the labour reform that was stopped by the courts, and regressive reforms of the pensions system, taxes, and the state. Labour provisions encourage informal labour (by promoting forms of self-employment and reducing penalties for employers’ failure to register workers), reduce severance pay and extend the probationary period in employment contracts. Concerning the pensions system, the bill extends the retirement age and reduces benefits to those workers who have not been registered employees for 30 years. This provision affects especially women working informally in domestic services or reproductive tasks as housewives. The law also includes a state reform that allows for privatisation and massive layoffs in the public sector, as well as other chapters on taxation and investment that benefit the capitalist class.

The offensive against workers and popular sectors goes hand in hand with repressive and authoritarian policies. The “anti-picket protocol” was the first step in this repressive policy. Launched by the security minister, Patricia Bullrich, a few days before the demonstration to commemorate 20 December 2001, it authorised the use of force to “clear the streets” in the event of a blockade. This protocol continues to be applied, although it was challenged by popular mobilisation, as in the case of mass demonstrations on 24E, 8M, 24M and 23A¹.

In short, in unfolding an economic ultra-liberal, socially conservative and politically authoritarian program, Milei’s government seeks to achieve macroeconomic stabilisation in a capitalist key, as well as a profound socio-economic restructuring. It is a foundational program that seeks to disorganise the working class to crystallise a balance of forces favourable to capital. In fact, despite its inability to manage in practically any areas, the La Libertad Avanza (LLA) government has the support of big capitalists, both local (Techint Group, Galperin, IRSA Group, among others) as well as international (Elon Musk, for example). Both groups bet on a profound restructuring

¹ The letters denote the months January, March and April in Spanish.

of the capital-labour relationship, and the removal of obstacles to the exploitation of natural resources.

Although this is an extremely ambitious project for a force that is a minority in both chambers of congress – as shown by legislative setbacks – and has no representation in provincial or municipal governments, the government has made some progress in gaining the parliamentary support of the right-wing coalitions and strengthening social consensus for the austerity policies.

The Popular Reaction

The popular response to this generalised capitalist offensive did not take long. First, there was the call for a demonstration in the Plaza de Mayo on 20 December, in defiance of the “anti-picketing protocol”, to commemorate the anniversary of the “Argentinazo”, the popular uprising that ended the conservative government of Fernando de la Rúa in December 2001. Convened by left-wing parties, human rights organisations and social movements, the successful mobilisation encouraged social reaction against the government’s first measures. In the evening, after Milei announced the DNU on national television, spontaneous *cacerolazos* (banging of pots and pans) against the announced measures took place in Buenos Aires and its metropolitan area. People walked from the neighbourhoods of Buenos Aires to the National Congress, converging in the first *cacerolazo* of the Milei era, ten days after his inauguration. The *cacerolazos* and neighbourhood assemblies were repeated in the following days in other neighbourhoods and cities across the country.

These expressions of popular discontent, together with the government’s refusal to negotiate the contents of the labour reform, prompted a call by the CGT (Confederación General de Trabajadores de la República Argentina) to file an appeal against the labour chapter of the DNU. Thus, backed by a massive multi-sectoral demonstration in the courts, the CGT filed the first challenge to the DNU on 27 December 2023 (27D). At the beginning of February, the competent chamber declared the unconstitutionality of the DNU referring to labour matters.

The *cacerolazos*, the demonstration of 27 December and the persistence of popular discontent paved the way for the call for a general strike with demonstration by the CGT, accompanied by the other trade union confederations (CTA-A, Central de Trabajadores de la Argentina - Autónoma, and CTA-T, Central de Trabajadores y Trabajadoras de la Argentina).

24E General Strike

On 24 January (24E), more than 1.5 million people attended the mobilisation that took place in Buenos Aires and other main cities of Argentina as part of the general strike. It is the first time that such a massive demonstration has taken place only 45 days after a democratically elected government took office. The 24E general strike gathered significant national and international support, with declarations of solidarity from the main global trade union confederations and actions organised in Spain, France, Brazil, Uruguay and Mexico, among other countries.

The strike was led by a wide range of groups and organisations. Numerous feminist groups, human rights organisations, cultural workers’ groups, tenants’ organisations, political parties from the Trotskyist left with parliamentary representation grouped in the *Frente de Izquierda*, and factions of the traditional parties joined the call by the trade union national confederations (CGT, CTA-A and CTA-T), the *piqueteras* and the popular-economy organisations to show their massive rejection of the government’s policies. Among the participants were the Mothers of the Plaza de Mayo, an organisation created to demand the appearance of people kidnapped and disappeared during the

last civil-military dictatorship (1976-1983). Their presence on the stage, together with the leadership of the CGT – the general secretaries of the health and truck drivers’ unions – upheld the popular demand for memory, truth and justice in the face of a government whose main leaders actively defend dictators and vindicate dictatorship. This process of unity in multi-sectoral action was a response to the brutal offensive launched by the ultra-right government of Javier Milei against the living conditions of working people and social, labour, environmental and feminist rights.

Compared to previous general strikes, 24E featured peculiar characteristics, reflecting political junctions as much as the transformation of antagonistic forces. First, as already mentioned, a general strike less than two months after the inauguration of a new government is unprecedented, given the CGT’s policy, which is usually focused on social dialogue.

A second partially new feature is the role played by the CGT. As in the 27D demonstration, the national confederation appeared as an organisation able to articulate and bring together multi-sectoral demands and claims. Various political, social, cultural, and human rights organisations supported the general strike with their demands. The slogan “24E belongs to all of us”, launched by the CGT to call the strike, sought to enlarge the basis of support. Thus, alongside the classist leftist unionism faction (a minor but solid faction of the labour movement), a broad array of organisations grouping cultural workers, tenants, neighbours’ assemblies, popular economy cooperatives, and the feminist movement joined the general strike to reject the decree and the Basis bill.

The variegated organisations reflect both the internal heterogeneity of the working class, and the partial representation held by the CGT because of the increasing social weight of informal labour – almost 50 per cent of the workforce, including out-of-roll workers, self-employed and popular economy cooperative workers. These structural features of the working class are rooted in the capitalist restructuring which has unfolded since the 90s, which effected shifts in class organisations and their collective action dynamics. Currently, CGT collects together mainly private sector registered workers, while CTA-T and CTA-A represent public workers regardless of their type of contract.

Trade unions maintain their representativeness among workers despite high levels of informal labour. On one side, when compared to international membership rates, Argentina presents a relatively high level, roughly 35 per cent in the private sector and 46 per cent in the public sector (Tomado et al., 2018). On the other side, the *piqueteras* organisations and those performing “popular economy” – rooted in the unemployed movements that emerged by the end of 90s decade – group informal and unemployed factions of the working class, whose income depends on social programs.

That’s why the participation of feminists and popular economy movements, human rights organisations, and other groups of workers significantly strengthened the protest, which turned into a massive response to the general attack the government launched against the working people.

Finally, it is relevant to spotlight the resurgence of neighbourhood assemblies, which resemble the experiences of popular organisation in the face of the 2001 crisis. They gathered a large number of self-organised people to attend the demonstrations, despite the attempts by the government to criminalise protests and intimidate protesters.

After 24E: Sectoral Collective Actions Multiply

The general assessment of the strike was positive, as it managed to promote the parliamentary blockade of the bill, and highlighted the unconstitutionality of the labour reform included in the DNU. However, it didn’t avoid the implementation of many of its regressive key chapters. And, as was mentioned, after gaining parliamentary consensus, a new version of the Basis bill has been

approved by the Deputy's Chamber.

Despite its relevance, 24E was not the starting point of a resistance strategy – as the left faction of classist unionism claimed to the CGT. Subsequent mobilisations and demonstrations – even during the parliamentary debate on the Basis bill – were called by leftist political parties, neighbourhood assemblies and public workers, who were especially affected by lay-offs and austerity politics.

Since February, social and labour combativity increased, led by different groups. Several self-organised groups launched *molinetazos* – jumping the access turnstiles in train stations – to protest the rise of tariffs, as students did in Chile during the massive protests in 2019. Wage conflicts arose in the face of inflation: teachers went on strike demanding wage increases and for the opening of the national bargaining table (Paritaria Nacional Docente) as well as the payment of the portion of wages in the charge of the national government (Fondo Nacional de Incentivo Docente). For their part, public workers conducted actions against dismissals and the closures of institutes and agencies such as the National News Agency (TELAM) or the National Anti-discrimination Institute (IN-ADI). Culture workers mobilised to fight the emptying of the National Institute of Cinema and Audiovisual Arts (INCAA), the university teachers' union organised strikes, and researchers and students working at the National Council of Scientific Research (CONICET) staged protest actions against budget cuts. The social movements have kept up their demands for social programmes and the supply of food to community kitchens. Throughout March and April, metalworkers, edible oil workers, petroleum workers, private healthcare workers and truck drivers unions launched protests and strikes demanding wage increases and the enforcement of sectoral agreements by the government (which makes the increases “mandatory” to employers).

Sectoral demands were again articulated on two key dates for popular mobilisation. March 8 (8M), International Working Women's Day, was another milestone for mobilisation. The feminist movement launched demonstrations which spread all over the country and reached one million people. A similar number of people attended the march to commemorate the 48th anniversary of the civil-military coup on 24 March (24M). This showed a strong rejection of the current government's policy of denying and justifying the genocide.

On 23 April (23A) there was a big national demonstration in defence of the public university and against the budget cuts, which once again brought together about a million people across the country. The call was multi-sectoral: all the student and teachers' unions and the university authorities were joined by political organisations, the three trade union confederations (CGT, CTA-A, CTA-T), the class unionism, popular assemblies and cultural movements. The massive demonstration showed that the defence of the public university and the public scientific system is another unifying demand in opposition to Milei's conservative plan.

Challenges and Prospects

The political scenario is open to different trajectories. Despite the persistent social and labour combativity, unions and social movements have not been able to stop the restructuring offensive launched by the government. The 24 E general strike was a milestone in the conflict dynamics, and was recognised as such by the government and the politicians. Nevertheless, resistance is weakened because of the lack of a political strategy opposite to austerity policies. The multiplication of conflicts shows that social and labour movements maintain the ability to organise different forms of resistance, but they lack a clear direction, even to defend the rights conquered in the past.

Working people and popular movements face various obstacles in building a strong front against Milei. On the one hand, class unionism and left-wing parties have gained a voice as the opposition to Milei's administration, but they have little electoral representation. Unfortunately,

the left parties were unable to channel the social discontent that eventually found expression in the LLA. They could strengthen themselves as the core of an anti-capitalist alternative in a broader, far-democratic alliance. On the other hand, the Peronist party is facing a deep political crisis after losing the elections, and the trade union leaders within the CGT have different political perspectives. Their unity is mainly a result of the government's strategy. The Peronist party and traditional trade unions are now moving between the streets and the parliament, and it is not yet clear whether they are willing to negotiate the labour reform or maintain a confrontational position. Finally, despite the impact of austerity, people who voted for Milei still support the government or hope for its success. The current situation opens a set of questions concerning the possibility of building and radicalising the resistance to Milei's ultra-liberal government: Will the groups, parties, and organisations in the fight be able to maintain and enlarge solidarity networks to strengthen the resistance? Does the situation enable left-wing activists and organisations to take advantage and strengthen their positions and strategies? Will social movements and class trade unionism be able to put pressure on the confederations to radicalise their strategy? As we said, the political scenario is open to different trajectories. Although we don't have a response to those questions, we know that an effective strategy to stop the offensive must be rooted in working-class struggle traditions, and the historical organising fabrics linking workshops, territories, and people in common demands and claims.

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