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# **THE POWER OF ORGANIZING**

## **THE STORY OF THE CONFEDERATION OF POPULAR ECONOMY WORKERS AND ITS PURSUIT OF DIGNITY, LEGITIMACY AND DECENT WORK**

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This text narrates the journey of marginalised workers trying to live more dignified lives and to remove the unjust structures which are preventing them from developing fully as human beings.

The story is told in three parts which are all related:

- 1) description of the economic and social context to which the Confederation of Popular Economy Workers is responding;
- 2) outline of the Confederation's vision for transformation;
- 3) account of the Confederation's actions to realize its vision.

We hope that the story of Argentine popular economy workers can inspire other excluded workers to come together to transform or create economic structures which provide the conditions for workers and their families to live fulfilling human lives.

This text draws inspiration from Emilio Pérsico and Juan Grabois (2014), *CTEP: Nuestra Realidad, Nuestra Organización, Nuestros Objetivos y Nuestra Lucha*, available at <http://ctepargentina.org>.

## CONTEXT

Buenos Aires has long been called the ‘Paris of Latin America’ because of its large avenues bordered by trees, European architecture and cafés where people sit to read papers; its parks where children play and people walk their dogs; and its buzzing cultural scene. But the city has another face. The fluid automobile traffic is often slowed down by men pushing a cart full of rubbish they have collected from city bins. Sometimes their children help and sit on the top of the cart amidst the cardboard and other refuse. Someone’s reading on public transport is often interrupted by vendors of all kinds making a living selling goods – chewing gum, drinks, socks or even kitchen knives – to passengers. The creativity people need to produce work to survive is limitless: recycling rubbish found on the streets, cleaning windscreens of cars stopped at traffic lights, juggling to entertain drivers waiting in traffic, selling objects on pavements, using motorbikes to make deliveries, and dancing or playing music on the street. What is known in Latin America as ‘popular economy’ is thriving.

### **The popular economy**

“Popular economy” refers to the production of goods and services by people who, unable to secure waged employment or regularized self-employment, nevertheless work in myriad ways in order to provide for themselves and their families. Its main characteristics are as follows:

- the means of production are in the hands of the workers themselves and not investors external to the economic activity;
- its financial objective is meeting people’s needs, not profit maximisation for its own sake;
- low capital investment and inadequate technology;
- geographical concentration of its workers at the periphery of urban centres;
- the labour activities lack legal recognition, labour rights, and social protection and services that are readily available to others.

The popular economy includes what is commonly referred to as the informal economy, but it can contain formal economy elements as well such as cooperatives which are legally recognized. Grassroots economy would be another way of naming economic activities with the above characteristics.<sup>1</sup> For example, picture a group of people who collect rubbish

from city bins to make art objects that they then sell at a street market. They come together in a cooperative so that they can pool resources to buy the tools they need for their art work and hire a stand at the market. Technically, they are no longer ‘informal sector workers’ as their activities take place within a legal entity. But this legal entity might not guarantee basic socio-economic rights such as the right to health. For example, if one of the workers gets a severe cut when trying to reach an object she has spotted in a bin, there may be nothing to protect her from the loss of income while her wound heals. Her children might miss school while they help with to the work that keeps food on the family table.

The dependence of popular economy workers on the formal economy is another reason why the traditional formal/informal sector distinction is inadequate to capture the essence of the economic activities that a large number of people invent to survive. Popular economy workers often require the formal economy for some necessary components of their work. For instance, the people who live off recycling street rubbish – the *cartoneros* as they are named in Argentina – depend on companies buying their goods. The multinational dairy company Danone buys the plastic to make its yogurt pots from the *cartoneros*. According to the government of the federal capital city, it is estimated that they recycle approximately 800 tonnes of urban waste a day within the city limits alone.<sup>2</sup> Popular economy workers are also consumers of goods and step into the formal economy whenever they recharge their cell phone, buy a television set, or any good which is not found in unregistered shops.

Grassroots economic activities may not aim at limitless capital accumulation and the maximisation of shareholder value, but this does not mean that they are free from exploitative labour relations. There are illegally employed garment workers who put in long hours for slave wages at sewing machines that have been bought with narco-traffic money – clandestine garment workshops are a lucrative business in the Argentine capital’s informal settlements. The *cartoneros* can fight over resources and who gets the best bins, street vendors can fight over the best place on the pavement, or windscreen cleaners fight over the busiest traffic lights.

The popular economy is the total of all labour activities which people invent to stay alive, because there is no other option for them to survive otherwise.

Grassroots economic activities are thus not *per se* ‘social and solidary’; it is not automatic that their main objective is the wellbeing of the workers and the community of which they are part.<sup>3</sup> It was precisely because of the exploitative mafia which surrounded the work of *cartoneros* in the federal capital city of Buenos Aires that these popular economy workers started to organize themselves to demand less exploitative labour conditions. But, at times, grassroots economy can be social and solidary. The members of the cooperative of urban recycler-artists mentioned above can contribute to a common fund from which they can draw when labour accidents occur.

Yet, even when solidarity binds grassroots economy workers in their production activities, they do remain in a situation of structural exclusion with regard to other workers. Their work is not recognized as ‘work’ by the state and they do not enjoy similar labour rights as public and private sector workers. Troubles occur when the carpenter falls from the roof he was mending and breaks his leg, when the woman selling bread on the streets has pregnancy complications and is unable to work: they are not protected by labour insurance. Unlike other workers, the popular economy workers have to rely on the generosity of others to access social protection. The carpenter may be lucky if he belongs to a cooperative which has a common fund to sustain his family while incapacitated, the bread seller may be lucky to have another family member continue her trade.

But why should a large proportion of the working population depend on luck to live normal family lives while other workers benefit automatically from labour rights by the simple fact of working? According to the CTEP, there are an estimated seven million grassroots economy workers in Argentina, with only approximately 20,000, that is, about 0.3%, having full labour rights. The nature of grassroots economy work, poorly remunerated, insecure and unsafe, takes its toll on the lives of the workers and their families. Many workers are forced to live in the city’s outlying areas with poor public infrastructure and living conditions. These outlying areas can be thought of as ‘marginal’ both in the geographical sense – at the edge or margin of the configuration – and in the socio-political sense of little or no institutional state attention.

According a recent survey of families living in these marginal districts, or *villas* as they are called in Argentina, of the federal capital city of Buenos Aires:<sup>4</sup>

- 76% are economically active in the popular economy;
- 38% of families live in overcrowded conditions;
- 74.9% have an irregular tenancy arrangement;

- 11.6% are connected to a gas network;
- 42.6% have an official electricity connection;
- 47.2% live in a flooded area;
- 21% have a member who is disabled;
- 24% report days without food because of lack of money;
- 19.7% of families experience addiction or alcoholism;
- 28.3% have health problems due to nutrition;
- 41.8% have health problems related to breathing (due to contamination and damp living conditions).

As the Latin American bishops who gathered in Aparecida in 2007 lamented, there are not only people who are “exploited”; they are also “leftover” or “disposable” people, excluded from the society to which they belong.<sup>5</sup> And Pope Francis continued the lament in 2013: “On the one hand, there are people who have the means needed to develop their personal and family lives, but there are also many ‘non-citizens’, ‘half citizens’ and ‘urban remnants’. Cities create a sort of permanent ambivalence because, while they offer their residents countless possibilities, they also present many people with any number of obstacles to the full development of their lives.”<sup>6</sup> One of these obstacles is the unequal economic structure and the lack of employment opportunities for low skilled workers this inequality creates.

### **Inequality and unemployment**

In Argentina, like in other Latin American countries, the existence of a popular economy is linked to the poverty and inequality which has long characterised the continent, but has been more marked since the 1990s. In most Latin American countries, more than half of the income generated in the 1980s and 1990s was in the hands of top decile income group.<sup>7</sup> The income growth at the top of the scale was divorced from employment growth at the bottom. Many people had to invent work to survive – in fact, nearly half of the Latin American population worked in the informal sector at the beginning of the millennium, without access to labour rights (which generally come with formal sector work).

The Argentine economy has strongly exemplified this Latin American pattern of structural economic inequality. According to official government data, 200,000 jobs were lost in the federal capital city of Buenos Aires during the first four years of 1990s.<sup>8</sup> In Greater Buenos Aires, workers lost approximately 40% of their income between 1980 and 1990, and

another 20% between 1998 and 2001, with unemployment rising to more than 20%.<sup>9</sup> At the top end of society however, all was going well. Those in the top income decile saw their income rise during the 1980s and 1990s. In 1999, they were earning 25 times what those in the bottom decile were earning, up from 15 times in 1990 and eight times in 1980.<sup>10</sup> Argentine society has followed global trends in this. Globally, 70% of the world's population live in countries which have seen inequality rise in the last 30 years. And the richest one percent of the population increased their share in their countries' income over the last 30 years in 24 out of the 26 countries where data is available.<sup>11</sup>

In Argentina, this pattern of enrichment for the few and impoverishment of the many reached a major crisis point in December 2001. The country's macro-economic policies had generated severe overall instability with spiralling inflation, exchange rate and financial volatility, unsustainable public debt and few employment opportunities. The country erupted in violent protests against those responsible for the economic mismanagement which had slowly been building up over the previous two decades. The country saw five presidents in seven days. This economic crisis was in some way a national early warning sign of the global economic crisis from 2008 onwards in the aftermath of the financial speculation and banking deregulation of the 1990s and 2000s. The economic crisis had dramatic consequences for the Argentine population. Poverty and unemployment rates soared, and with them the size of the popular economy. In 2002, more than 40% of the population found themselves below the poverty line, and half of those were living in extreme poverty, that is, not even able to afford a basket of basic commodities. The unregistered employment rate rose from 29.6% in 1991 to 37.3% in 2000 and climbed to 44.8% in 2002.<sup>12</sup> Nearly half of the economically active Argentine population worked without access to labour rights. Suddenly, the sight of people searching through rubbish to survive became part of daily life in Argentine cities.

The 2001-2002 crisis marked a deep rupture in the country's social fabric, a 'before' and 'after' in the country's history. But the crisis was a wake-up call regarding the limits of an economic model which had prioritized short-term profit maximisation and income growth for the few. It was a moment of growth in the country's consciousness. The economic structure, and the agents sustaining it, had to undergo fundamental change or "purification".<sup>13</sup> Unemployed workers started to organize themselves to survive. Bankrupt factories were taken over by workers who resumed production activities, the so-called 'recovered factories'.

It is in that context of hope of new economic and social structures which respect the dignity of each worker to develop himself/herself as a person that the Confederation of



Popular Economy Workers (CTEP in its Spanish acronym or *Confederación de los Trabajadores de la Economía Popular*) was created on 21 December 2011, ten years after the crisis. Its aim is to transform current economic and labour structures so that grassroots economy workers can enjoy the same labour rights as private and public sector workers, and participate fully in the life of society. The vision is that the carpenter injured by falling from the roof will not have to run into debt to pay for treatment, and his family will not go without food because no income is entering the household. The bread seller can rest assured that her children will continue going to school while she is preparing to give birth.

## VISION

CTEP's vision is to give workers the opportunity to develop themselves as human beings, so that they have the conditions to create, love, play, share with family and friends, enjoy art, connect with nature, acquire knowledge, discover other places, and so on. In other words, to do what human beings usually do and to become the persons they want to be. It is not fair for two citizens of the same country to have different rights if they do the same work. Why does a woman who gets up at four o'clock in the morning to bake the bread she sells on the streets not have the same economic and social rights as a woman who gets up at four o'clock in the morning to bake bread in a company or cooperative which sells bread to restaurants? Why do the musically talented children of hairdresser parents who have a salon in their living room in the city's periphery not have similar opportunities to develop their talent as children whose parents have a salon in a commercial area in the city's centre?

CTEP's vision is to eliminate these differences by establishing decent work, orienting economic activities to the service of people and building responsible and solidary relations. In this sense, CTEP's objective goes beyond the 'decent work' agenda led by the International Labour Organization and labour unions. It includes creating the conditions in which workers perform labour activities which allow them and their families to live well, and in which they have a say in the type and organization of their labour. It also includes creating the structural conditions for workers and their families to flourish as human beings such as providing health insurance, nursery facilities, and education and recreation opportunities. Moreover, it means recognition: the esteem they deserve for their contributions to society, and status as a legal and political group so they can participate in economic and social policy-making.

### Dignified work

Work is part of humanity. As the Catholic encyclical on human work puts it, "From the beginning humans are called to work". It is what distinguishes them from other creatures.<sup>14</sup> Through work, human beings *create*. Without work, there would be no chair to sit on and read a book. There would be no bike to go and visit friends. There would be no blankets to keep warm in one's bed, and no comfortable mattress to sleep on either. In the words of the encyclical: "Work is a good thing for men and women – a good thing for their humanity – because through work humans *not only transform nature*, adapting it to their own

needs, but they also *achieve fulfilment* as human beings and indeed, in a sense, become more a human being.”<sup>15</sup> Work is a fundamental dimension of human existence.<sup>16</sup>

The work of the person in Argentina who puts urban rubbish on his cart to sort the different components at home has the same dignity as the person who collects the recycling box that people put every week in front of their house in the United Kingdom. The former is not a scavenger but someone who offers a service to society – no less than the latter who is a company employee. They both work and contribute equally to protecting the natural environment. The person who sews clothes on an old sewing machine in hot and humid conditions seven days a week for a miserable wage performs work in the same sense as the person who sews clothes for a designer fashion house five days a week on high-technology machines in an air conditioned building. The work of the furniture maker who sells at markets has the same dignity as the work of someone who creates software programmes for a multinational computer company.

Through work humans not only transform nature, adapting it to their own needs, but they also achieve fulfilment as human beings and indeed, in a sense, become more a human being.

All humans are born with the same inner capacity to be co-creators of the world in which they live. But the work of all is not valued in the same way. Some gain enough income through their work to enable them and their families to have sufficient food to eat, to go on holiday, to buy toys and school equipment for their children. Others work, but their wage is not enough for all members of the family to eat three times a day, to outside the neighbourhood and see other areas of the city or the country, to buy pencils and water colours so that their children can play, or to afford medication for a sick family member. Some workers are respected by their peers, with their managers or consumers thanking them for what they have produced. Others work and are treated with contempt or ignored. Some work in fear, afraid of losing their source of income if they fall ill or afraid of talking about the work problems they may have. Others work in freedom, knowing that they can enjoy a stable income source or that there is someone who will seek to resolve their work problems.

The reality is that work often does not allow people to develop themselves as human beings. Work can be humiliating, exploitative, not recognized, and not remunerated sufficiently to meet the needs of the worker’s family. It is closely connected to another

distorted reality in need of transformation, that of an economy at the service of money and power.

### **Economy at the service of people**

The economic crisis which engulfed Argentina in 2001-2002 and the global financial crisis which started in 2008 were not solely economic in nature and to be solved with a few technical fixes. The macroeconomic problems arose because economic policies did not have the development of each person as their ends, but the material enrichment of a few. As Pope Francis writes in his Apostolic Exhortation:

“The current financial crisis can make us overlook the fact that it originated in a profound human crisis: the denial of the primacy of the human person! We have created new idols. The worship of the ancient golden calf has returned in a new and ruthless guise in the idolatry of money and the dictatorship of an impersonal economy lacking a truly human purpose. The worldwide crisis affecting finance and the economy lays bare their imbalances and, above all, their lack of real concern for human beings; man is reduced to one of his needs alone: consumption. While the earnings of a minority are growing exponentially, so too is the gap separating the majority from the prosperity enjoyed by those happy few. This imbalance is the result of ideologies which defend the absolute autonomy of the marketplace and financial speculation. Consequently, they reject the right of states, charged with vigilance for the common good, to exercise any form of control. A new tyranny is thus born, invisible and often virtual, which unilaterally and relentlessly imposes its own laws and rules. Debt and the accumulation of interest also make it difficult for countries to realize the potential of their own economies and keep citizens from enjoying their real purchasing power. To all this we can add widespread corruption and self-serving tax evasion, which have taken on worldwide dimensions. The thirst for power and possessions knows no limits. In this system, which tends to devour everything which stands in the way of increased profits, whatever is fragile, like the environment, is defenceless before the interests of a deified market, which become the only rule.”<sup>17</sup>

When the overriding goal of commerce is the maximisation of profits, human flourishing is narrowed. The human being is reduced to the status of consumer on the one hand and ‘unit of production’ on the other. The conditions and availability of human work are

subject to profit-motive ‘rationalization’, and the worker becomes a commodity to be used or discarded. This is what gives rise to grassroots economy: it is nourished by those not able to keep their employment because the business they were working for closed its doors for the sake of greater profitability elsewhere.

Businesses play a critical role in innovation and employment creation and should not be vilified by the very fact of having profit-making as *one* of their activities. They become problematic when profit-making becomes the *only* objective, and workers cease to be human persons and become ‘resources’ or ‘assets’ on a par with material goods. As John Paul II reminded us in his encyclical *Centesimus Annus*: “The purpose of a business firm is not simply to make a profit, but is to be found in its very existence as a *community of persons* who in various ways are endeavouring to satisfy their basic needs, and who form a particular group at the service of the whole of society. Profit is a regulator of the life of a business, but it is not the only one; *other human and moral factors* must also be considered which, in the long term, are at least equally important for the life of a business.”<sup>18</sup>

The purpose of a business firm is not simply to make a profit, but is to be found in its very existence as a *community of persons* who in various ways are endeavouring to satisfy their basic needs, and who form a particular group at the service of the whole of society.

The Latin American bishops reinforced this at their last meeting in Aparecida in 2007: “We give glory to God for the talents, the study and the decision of men and women to promote initiatives and projects which generate production and work [...]. Business activities are good and necessary when they respect the dignity of the worker, the care of the environment and are guided by the common good. They are perverted when, searching only for profits, they violate the rights of workers and justice.”<sup>19</sup>

Businesses have to be regulated so that the dignity of workers, benefits to society and respect for the environment are guaranteed by their activities. Exchange in markets has to be regulated too so that the dignity of the human person is respected. When the autonomy of markets is absolute, and people are left free to speculate on essential life commodities, such as housing and food, many are left with no other option but to build their own house on unoccupied land or cut down on other essential goods to buy food. Inversely, when markets are interfered with in such a way as to stifle investment and innovation, vulnerable people can suffer too. One clear reason for the inability of the housing infrastructure of Buenos Aires to

absorb the urban immigration from the 1940s onwards, which led to migrants illegally occupying urban vacant land and the slums becoming a permanent feature of the city, has been the imposition of rent thresholds and threat of seizure for vacant properties which led to few entrepreneurs risking an investment in new housing. This was in marked contrast with the earlier property developments which absorbed the massive immigration to the Argentine capital city in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.<sup>20</sup>

When the government spends public money irresponsibly, leading to spiralling debt and inflation, humans are no longer the priority. In the short run, people may gladly receive generous state benefits but when public spending is not submitted to democratic control and is financed by a fiscal policy of monetary expansion, workers quickly lose their purchasing power. In Argentina, the inflation rate is estimated to be approximately 40% a year, and there is no data available on public spending – how much is spent and where. In such a climate, real wages are quickly depreciating and there can be no real public discussion on spending allocation. Responsible and transparent public spending is part of an economy at the service of people.

Transforming an economic system so that the actions of economic agents serve people depends on yet another reality, that people are bound together by relationships of responsibility and solidarity towards each other.

### **Responsibility and solidarity**

The 18<sup>th</sup> century Scottish philosopher and economist Adam Smith has long been quoted for upholding self-interest: “It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages. Nobody but a beggar chooses to depend chiefly upon the benevolence of his fellow-citizens. Even a beggar does not depend upon it entirely.”<sup>21</sup> Bakers sell us bread not because they are interested in our nourishment but because this enables them to make a living. They want the bread to be good so that we keep buying their products. From Smith’s quote, some economists have concluded that it is from the pursuit of the self-interest of each that the general good of society proceeds.

This simple exchange of bread is, however, permeated by many other sentiments or virtues. The act of buying generates equality between the two parties. The transaction does

not leave either party superior or inferior to the other. Smith was writing at a time of transition between a feudal and market society. The market allowed people to exchange goods on equal terms and not depend on the benevolence of a patron or landlord to provide for their needs; it allowed them to escape a permanent relationship of dependence and domination. Exchanges in the market also depend upon trust. The buyer trusts the baker not to use contaminated water or to pretend that a 600 gram loaf weighs 800 grams. In today's society, there are many other conditions that make the simple market exchange of bread possible. These may include the presence of infrastructure (e.g. well maintained roads or railways to bring the wheat from the countryside to the city); a stable climate (e.g. a climate not prone to extreme drought and flooding that make the wheat harvest unpredictable); macroeconomic stability (e.g. a low inflation rate making the price of bread relatively stable); health and safety regulations to prevent food contamination; low levels of violence in society so that people can go out without fear to buy their food; employment opportunities which give people a secure income so that they can buy bread; and the list of all the conditions necessary for market transactions could go on.

Solidarity is a firm and persevering determination to commit oneself to the common good; that is to say to the good of all and of each individual, because we are all really responsible for all.

A society would not function without its residents being concerned for the common good, for the good of society as a whole and not only their own individual good. The Catholic bishops gathered at the Second Vatican Council defined the common good as “the sum of those conditions of social life which allow social groups and their individual members relatively thorough and ready access to their own fulfilment”; “the common good embraces the sum of those conditions of the social life whereby men and women, families and associations more adequately and readily may attain their own perfection.”<sup>22</sup>

No person would attain his or her own good and fully develop himself or herself as a person without this commitment to the common good. Without people being committed to living an environmentally sustainable lifestyle and companies producing without contaminating the planet, there is no stable climate to predict annual wheat crops. Without people being committed to hold governments accountable for their public spending and monetary policy, there is no macroeconomic stability to predict the price of bread. Without

people being committed to pay taxes and demand transparency in public works execution, there is little reliable infrastructure to transport goods. Without people being committed to take initiatives to create employment opportunities and greater labour security, the options to engage in reciprocal market exchange and be treated as equal citizen are limited.

Solidarity is the name that Pope John Paul II has given to this commitment to the common good: “This [solidarity] then is not a feeling of vague compassion or shallow distress at the misfortunes of so many people, both near and far. On the contrary, it is a firm and persevering determination to commit oneself to the common good; that is to say to the good of all and of each individual, because we are all really responsible for all.”<sup>23</sup> Solidary relations between people are the foundation stone of well-functioning societies; its absence has direct consequences for the opportunities of men and women to fully develop themselves as persons. The fact that millions of people in Argentina found themselves unemployed in the wake of the 2001/2002 economic crisis is a failure of solidary relations manifested as irresponsible economic policies. Seven million Argentinians, more than 15% of the population, are working today without recognition as workers, without the right to organize themselves in unions and without labour rights such as insurance against labour accidents, sick leave and minimum wage – this refusal of a democratic society to recognize their work is a failure of solidary relations.

In their gathering in the Brazilian city of Aparecida in 2007, the Latin American bishops stated that “solidarity is a permanent attitude of encounter, fraternity and service, which has to be manifested in visible choices and actions, mainly in the defence of life and of the rights of the most vulnerable and excluded, and in the permanent accompaniment of their efforts to be subjects of change and of transformation of their situation.”<sup>24</sup>

The Confederation of Popular Economy Workers is working to make popular economy workers subjects of their own lives and agents of change who transform the economic structures which keep them in a relationship of exclusion. The journey towards a more just and inclusive society is imperfect and never reached once and for all. However, each little step that is taken on the road of making opportunities to develop oneself as a person – whether a nursery for children to be looked after while their parents are at work or a health insurance mechanism and medical services or an education centre with opportunities to enjoy nature – is already a big step in the journey of humanization.



## ACTIONS

CTEP is a confederation of a number of social movements related to the popular economy, each with their own social demands. Among its founding members are the social movement of the *cartoneros* (*Movimiento de los Trabajadores Excluidos*), the recovered factories (*Fabricas y Empresas Recuperadas*), a network of government supported cooperatives (*Argentina Trabaja*), and agricultural workers. CTEP now covers all popular economy sectors. It is organized under a National Secretariat and has branches, each one representing a different sector: urban recyclers, garment workers, motorcyclists, street vendors, stall holders, craftsmen and women, small farmers, vegetable producers, brick makers, and workers in recuperated factories. The Confederation also includes the organization of migrant workers as well as social housing, health and education programmes. In what follows, we summarize some of the actions of different branches of the Confederation in order to illustrate the transformative power of solidarity, mutual accompaniment and collective mobilization to assert the dignity of the person. Many other actions could be mentioned, such as strengthening the social responsibility of businesses or creating companies which have all their activities directed at human dignity and the common good. The cases examined below will show that it is on small steps already made that bolder ones can be made in greater confidence.

### ***Cartoneros* or urban recyclers**

A turning point in the journey of the *cartoneros* to assert their dignity came in 2002 with the abolition of an old edict from the dictatorship which had made recycling activities illegal. Bribery flourished due to this illegality as the *cartoneros* had to pay the police to let them to do their work. The abolition of the law considerably changed the public perception and legitimacy of the *cartoneros*, and contributed to transforming their identity: not scavengers but urban recyclers.<sup>25</sup>

In addition, the cooperative movement which had sprung up in Argentina following the 2001-2002 economic crisis helped the *cartoneros* eliminate the intermediaries between them and the companies. Until then, *cartoneros* worked individually, each one collecting rubbish with his or her own cart and selling to middlemen who provided the logistics to deliver and sell the goods to companies. This pattern encouraged exploitation as the

intermediaries bought their products at the lowest possible price. Thanks to their coming together in cooperatives, the *cartoneros* were progressively able to combine resources to contract lorries and drivers, send their products directly to companies and negotiate a fair price.

The efforts of the *cartoneros* to achieve decent work and legitimacy and assert their human dignity took another turn in 2008. An agreement had been in place between train companies and *cartoneros* to reserve one carriage without seats for them so that they could commute with their carts from their homes in the city's outlying districts to the city centre where they work. Citing public hygiene concerns, the train companies decided to end this service. This caused uproar among the *cartoneros* and they moved in from

We continued to struggle and we wanted to teach people that one had to defend the rights of all these men and women who do not have voice.

the periphery and occupied public spaces in the city centre. The conflict with the public authorities escalated. The impasse between both parties was overcome when information came to light that the city government was paying large sums of money to a private contractor to recycle much less rubbish than what the *cartoneros* did. After dialogue, an agreement was signed. The contract with the private contractor was terminated and the money was redirected to subsidize the work of the *cartoneros*.<sup>26</sup> Uniforms were provided to make the work safer; the sorting of rubbish was organized in designated recycling centres with appropriate technology; and lorries to transport the recycled materials to companies and special buses for the workers' commute were provided. Another part of the negotiation was the granting of labour accident insurance and the provision of child nurseries.

Thanks to a decade of organizing, a mafia- dominated activity with poor technology was transformed into a cooperative system of urban recycling with appropriate technology, safe labour conditions, more decent and secure salary and reduced incidence of child labour. The *cartoneros* have not only won a battle to improve their labour conditions; it was also a cultural victory: along with securing more decent work, they have managed to assert their dignity as workers, and have ceased to be looked down upon by the rest of society. This does not mean however that the journey towards a more inclusive society is finished. These social gains cover approximately 3,000 *cartoneros*, but there are many more in the federal capital city. Those with political and economic responsibilities constantly need to be reminded that

there are excluded people who are crying out to be included. In the words of Sergio Sánchez, an urban recycling worker from Buenos Aires, who was a pioneer of the movement: “When I was a *cartonero*, I started to get to know social activists who began to teach me to struggle for my rights, for the rights of those who were working and were discriminated against, so that they could work with a little bit more dignity. And we, the *cartoneros*, began to be recognized. The process was then moving forward. We started with 100, and today we are 3,000. We had many ups and downs. Obviously, in order to get to 3,000 we had to go through difficulties because there was a lot of discrimination. We continued to struggle and we wanted to teach people that they had to defend the rights of all these men and women who do not have a voice. We were lucky to have had good teachers, who taught us to struggle so that we could say ‘We are here, we are us and we are defending ourselves’. And well, like this, we continue to move forward.”<sup>27</sup> The struggle of the urban recyclers was greatly supported by similar struggles by other grassroots economy workers to change economic structures which fail to affirm their dignity as human beings.

### **Street vendors**

For the *manteros*, or street vendors, in the federal capital city of Buenos Aires, the turning point in their quest for recognition as workers was in 2010 and 2011. A fierce dispute erupted between street vendors, who laid their blankets on the pavement with their goods to sell to passers-by, and shopkeepers with businesses on the city’s main commercial arteries. The police suppressed the street vendors whose activities were considered ‘illegal’ and expelled them from their work locations.

The street vendors, who had organized under the umbrella of CTEP, resisted the suppression and fought for recognition of their rights as workers. To accomplish their goals, they needed the help of other grassroots economy workers who could accompany them. They held assemblies on the city’s streets, gathered signatures and distributed letters to the public which explained their work and showed that they did not harm the shopkeepers’ business. They eventually won the battle, but not without facing obstacles. Today, they can work in the main commercial centres of the federal capital city without fear of being expelled or suppressed by the police. However, conflict still occurs between street vendors and the police who expel those who cannot show a license to sell.

## **Motorcyclists**

The *motoqueros*, or motorcyclists, who use their own motorbikes to deliver messages, parcels or goods, is another sector which is benefiting from collective mobilization. During 2012-2013, the head of the government of the federal Argentine capital city decided to forbid motorbikes access to the city centre during working hours. This meant that *motoqueros* would lose their main source of income. This plan was defended as a way to address rising levels of petty crime, much of which was committed by motorcyclists snatching people's bags and mobile phones as they were walking. Other grassroots economy workers mobilized massively to stop the proposal from becoming law. If the *motoqueros* had resisted it alone, mobilizing their sector only, they would have failed.

## **Workers in Recovered Factories**

Since 2005, labour conditions for workers in the cold storage industry had been deteriorating. Wages were very low and bonuses for extra work had ended. Yet while labour conditions were deteriorating, sales were increasing.

Between 2005 and 2006, the workers started to organize in order to implement measures to end the abuses suffered at the hands of the owners of refrigeration plants. But their efforts backfired: work was suspended, the workers were made redundant and they were not allowed to return to their workplaces.

Next, having decided to resist this treatment, the workers occupied the refrigeration plants which they managed themselves. They did not want the business activities to end because of the decisions of the owners. The workers pushed for their right to work and organized themselves into cooperatives. By doing so, they were able to keep their specialist skills and remain workers in the cold storage sector.

Once formed into cooperatives, they encountered opposition from the so-called 'meat mafia'. They approached the Confederation which helped them deal with the mafia and the negative effects it had on their work and lives. With the help of the whole Confederation of Popular Economy Workers, both its organizations and individual workers, they were able to pay off a debt of more than 20 million pesos – or about 2.5 million USD – left by the previous management. The cooperatives went from strength to strength. Today, the recuperated facilities of the cold storage sector work side by side with other companies. The

marketplace ignores the distinction between type of supplier, whether cooperatives or businesses owned by external investors.

In addition, the cooperatives have spawned football clubs for workers' children. Through sports activities, the children also receive incentives to pursue their study. Another objective is the creation of a 'Mercosur of workers'. Mercosur currently facilitates trade among nations of the Latin American region, but there is currently no regard for the conditions in which goods have been produced. Goods are treated the same way, whether or not their production involved labour exploitation and environmental destruction. The idea of a 'Mercosur of workers' is that of a regional trading mechanism that facilitates and stimulates the trade of goods between productive entities which have the wellbeing of workers and respect for the environment as overarching priorities. So far this idea has been realized in limited form, in one sector and for a small group of people: dairy and meat products from recuperated facilities are available at cost to all workers at recuperated facilities throughout the Mercosur member countries. The long term aim is to expand this preferential trade treatment to all other goods produced in conditions which promote dignified work, and most likely make them available to everyone.

### **Small scale farmers and vegetable producers**

Other sectors which have benefited from the collective organizing under one confederation are small scale agriculture, and vegetable and fruit production. The story of organizing of small-hold farmers began in the 1980s when, in various Argentine provinces, agribusinesses and foreign investors started to lay claim to farmers' land in order to maximise their profits from agriculture. Their tactic to remove workers was to enclose fields with wire fences and displace the families who lived there. In response to the threat of losing their work, small scale farmers formed the National Movement of Indigenous Farmers (*Movimiento Nacional de Campesinos Indígenas*, or MNCI),

In 2010, the movement as already present 10 provinces and continuing to grow across the country. In 2012, MNCI decided to join the Confederation of Popular Economy Workers, as they shared the Confederation's understanding of popular economy – productive economic activity that aims at sustaining life, not at maximizing profit. Small scale farmers aspired to form a union in order to be more effective in demanding labour rights for their sector. They campaigned with the argument that the whole of society benefited from the fruits of their production. They won union status as a group thanks to the greater public visibility they

gained by joining the Confederation. Still, this right to form a union is not yet recognized for informal sector workers of other branches. CTEP continues to struggle for legal recognition as a union, instead of a civil society organization as it is now.

After becoming part of the CTEP, the small scale farmers achieved various successes. The most important one was a security scheme tailored to labour in the agriculture and fishing sectors. Popular economy workers from other sectors already benefited from a social protection scheme (known in Argentina as the *monotributo social*). But this specific arrangement allowed the farmers to obtain machinery to improve production, in addition to a health insurance scheme and a pension contribution system. While the social protection of other workers is financed by both them and the state, small scale farmers' protection is entirely funded by the state, in its redistributive role, given that the irregularity of income linked to seasonal food production makes a monthly contribution from the workers difficult. Their inclusion in this social protection scheme is a major step in their gaining public recognition as workers.

Having formed their union and initiated sector-specific social protection, the next objective of the small scale farmers was to strengthen the production and commercialization of their products. Everything they produce is organic, and it reaches consumers without bureaucratic steps and other intermediaries which absorb a significant portion of the profit within the food chain.

The claims of the vegetable producers close to urban centres are of similar nature. Many of them work on rented land and some of them are day labourers. Most suffer from the abuses of landowners who neither cultivate nor look after the land. Another problem is that intermediaries pocket a large share of the profits of their production. In 2010, they formed the Union of Land Workers (*Unión de Trabajadores de la Tierra*). One of their first actions was to seek help from the Agriculture ministry to acquire basic farming tools and machinery. They undertook to highlight the importance of vegetable producers to society, reminding urban residents that, without them, there would be no daily supply of vegetables and fruit in the city's shops. One noteworthy act is the gift of ten tonnes of vegetables distributed to passers-by in front of the Ministry of Agriculture building. Here again, it is clear that making workers' activities visible and legitimate is critical to affirming the dignity of the worker and to securing basic labour rights.

## **Brick makers and house building**

Another branch which was very influential in the creation of the Confederation relates to the construction of social housing and public infrastructure. In 2003, the Argentine government created the 'Argentina Works' (*Argentina Trabaja*) plan. Its purpose was to have people organize themselves into public utility construction cooperatives. The projects would include installing water and sewage pipes in marginalized neighbourhoods, surfacing roads, drainage, cleaning public spaces such as parks and squares, and, last but not least, building affordable housing for low-income families. In exchange of their work, workers would receive a small salary and be covered by the social protection scheme. It was the responsibility of the cooperative to pay for the health insurance and pension contribution of each of its workers. A public education programme was also envisaged, to make the wider population aware of their responsibilities as citizens towards others, such as awareness campaigns about the importance of public spaces, public health and hygiene.

In theory, the plan was a promising example of employment creation for the common good. In practice however, the plan is having limited success. One of the major problems is that the state offered financial compensation to each worker directly and it was the responsibility of the cooperative, and not the workers individually, to pay into the social protection scheme. Unfortunately, not many workers came to an agreement about how to do so collectively as a group. Another problem was that it was the workers' responsibility to put in place work monitoring and appraisal systems. But not many workers fulfilled their obligations. The sad outcome of the plan became direct cash payments by the state to workers without any monitoring of the work. Nevertheless, in some limited instances, the idea of the plan was realized. One of them was the social investment programme which was directly managed by one of the member organizations of the Confederation. Thanks to that programme, more than 15,000 households had access to a safe electricity connection, lived in a better public environment with paved streets and green areas, and benefited from affordable housing and community spaces.

## **The integral health programme**

Convinced that there is no social justice if millions of workers do not enjoy the basic right to health, the members of CTEP resolved to design an integral health programme, funded by members' contribution and the state. The programme includes a mutual insurance

scheme (*Mutual Senderos*), medical and dental consultations and health prevention. For CTEP doctors, health is not only a matter of clinical analysis but also a human relationship. They embrace the idea of integral health where persons are seen in their wholeness and not simply as bodies to be healed. People's health is also the environment in which they live, how they look after themselves and where they work. This is why each doctor takes the necessary time with each person.

A dental care service was recently added to the programme. Dental care in Argentina is very expensive, so much of the time popular economy workers cannot access it. Not many workers look after their teeth and have regular dental check-ups. The quality of one's teeth reflects the country's socio-economic inequality. The fact that CTEP houses such a facility demonstrates that social structures can be transformed so that all workers and their families can benefit from equal health access. The integral health programme, which the popular economy workers designed, also puts great emphasis on prevention. CTEP runs health prevention seminars across the country on topics such as mouth hygiene for children, and information days about diseases such as diabetes, hypertension or the 'mal de Chagas', a parasite disease which particularly affects vulnerable people in the North of Argentina and which can easily be prevented and cured with appropriate knowledge.

## **Education**

In addition to their progressive gains in health rights through recovering their right to work, popular economy workers are also regaining their right to education. In collaboration with an Argentine university (the Universidad Nacional de San Martín), CTEP has developed an academic Certificate in Popular Economy and Territorial Development. This allows workers, whether they have completed primary or secondary education or not, to further themselves in their field of work and action. The Certificate is oriented towards acquiring conceptual tools and skills which strengthen the different actors in grassroots economy community organizations. The curriculum covers subjects such as labour studies, economics, politics, community organizing and public administration. That popular economic workers can achieve an academic qualification has been a great victory and source of pride. The journey to creating the conditions for dignified work cannot be limited to the material conditions of existence; one has to consider the worker as a whole, in all the dimensions that make him or her a human being.



## The unfinished journey

This text has described the journey so far and summarized some of the main actions carried out by some branches of the Confederation of Popular Economy Workers in order to improve their lives. Many steps are still being taken. One major step will be recognition of the right of popular economy workers to form a union. So far, the Argentine state refuses them this status because it does not yet recognize them as workers. On May 1, 2014, more than 20,000 popular economy workers marched in the city to increase their visibility as workers. Another major support in that step is the recognition by the Catholic Church, represented by the Bishop of Rome, of the legitimacy of their demands to form a union. Before the workers set out on their march, he sent them a video message to in which he insisted on the importance of their work: the Pope compared it to the creation of poetry and said that their actions testify to the trust conferred to human beings to transform the world so that all can live in dignity.<sup>28</sup>

The journey towards dignified work is not easy. The Confederation encompasses very diverse organizations with different political ideologies. It is a daily effort to set political differences aside and unite around the far broader and more important objective of affirming human dignity and building relationships of respect and solidarity. History has shown that when these are the true objectives, big changes and transformations can come.

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<sup>1</sup> 'Popular economy' is the term Latin American informal sector workers themselves use to name their economic reality. For English speaking countries, 'grassroots economy' or 'people's economy' would be more adequate terms to name the productive activities people invent to survive. The text will use 'popular' and 'grassroots' interchangeably, and seek to remain as close as possible to how 'popular economy workers' view themselves.

<sup>2</sup> Buenos Aires comprises the federal capital city (about three million residents). Together with 24 surrounding provinces, the population of Greater Buenos Aires totals roughly 14 million.

<sup>3</sup> Social and solidarity economy (SSE) refers to the set of economic activities whose ultimate aim is not profit maximisation but social and environmental benefits, and which are structured by relations of cooperation, reciprocity and solidarity. See the website of the Social and Solidarity Economy project of the United Nations Institute for Social Development at <http://www.unrisd.org/sse>.

<sup>4</sup> The data source is the survey on family life conditions conducted in seven slums of the city with 650 people in 2011-2012. Lépore, E., A.L Suárez and A. Mitchell (eds) (2014), *Las Villas de la Ciudad de Buenos Aires: Territorios Frágiles de Inclusión Social*, Buenos Aires: Universidad Católica Argentina.

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- <sup>5</sup> Paragraph 64 of the document of the Latin American bishops' conference of Aparecida at [http://www.celam.org/conferencia\\_aparecida.php](http://www.celam.org/conferencia_aparecida.php), and reproduced in Pope Francis Apostolic Exhortation *Evangelii Gaudium* (November 2013) in paragraph 54.
- <sup>6</sup> *Evangelii Gaudium*, paragraph 74.
- <sup>7</sup> Hoffman, K. and M.A. Centeno (2003), 'The lopsided continent: Inequality in Latin America', *Annual Review of Sociology* 29: 363-390.
- <sup>8</sup> *Ibid.*, p. 371
- <sup>9</sup> Kessler, G. and M.M. DiVirgilio (2008), 'The new urban poverty: Global, regional and Argentina dynamics during the last two decades', *CEPAL Review* 95: 31-51.
- <sup>10</sup> *Ibid.* p. 38.
- <sup>11</sup> Oxfam (2014), *Working for the Few: Political capture and economic inequality*, January 2014, available at <http://policy-practice.oxfam.org.uk/publications/working-for-the-few-political-capture-and-economic-inequality-311312>.
- <sup>12</sup> International Labour Organization (2007), *In the wake of the crisis: Argentina's new economic and labour policy directions and their impact*, ILO Research Series 114, p. 17, [http://www.ilo.org/wcmsp5/groups/public/--dgreports/---inst/documents/publication/wcms\\_193767.pdf](http://www.ilo.org/wcmsp5/groups/public/--dgreports/---inst/documents/publication/wcms_193767.pdf)
- <sup>13</sup> Cf. *Evangelii Gaudium* paragraph 69: 'We must keep in mind, however, that we are constantly being called to grow. Each culture and social group needs purification and growth.'
- <sup>14</sup> Pope John Paul II, *Laborem Exercens*, 1980, introduction, [http://www.vatican.va/holy\\_father/john\\_paul\\_ii/encyclicals/documents/hf\\_jp-ii\\_enc\\_14091981\\_laborem-exercens\\_en.html](http://www.vatican.va/holy_father/john_paul_ii/encyclicals/documents/hf_jp-ii_enc_14091981_laborem-exercens_en.html).
- <sup>15</sup> *Laborem Exercens* paragraph 9.3.
- <sup>16</sup> *Laborem Exercens* paragraph 4, and Latin American bishops Aparecida conference document paragraph 120.
- <sup>17</sup> *Evangelii Gaudium*, paragraphs 55-56.
- <sup>18</sup> Pope John Paul II, *Centesimus Annus*, paragraph 35, available at [http://www.vatican.va/holy\\_father/john\\_paul\\_ii/encyclicals/documents/hf\\_jp-ii\\_enc\\_01051991\\_centesimus-annus\\_en.html](http://www.vatican.va/holy_father/john_paul_ii/encyclicals/documents/hf_jp-ii_enc_01051991_centesimus-annus_en.html). The encyclical *Centesimus Annus* celebrates the centenary of the first official Catholic Church pronouncement in 1891 (*Rerum Novarum*) on the labour conditions of the workers. The encyclical affirmed the priority of labour over capital and the right of workers to a decent wage and union representation.
- <sup>19</sup> Paragraph 122 of the Aparecida document (translation from Spanish by the authors).
- <sup>20</sup> Lidia de la Torre (2008). *Buenos Aires: del conventillo a la villa miseria (1869-1989)*. Buenos Aires: Educa. The situation however is different today: the number of vacant housing units in Buenos Aires currently exceeds the number of households living in inadequate housing. See the interview with urban planner Raul Fernandez Wagner at <http://espacioiniciativa.com.ar/?p=8940>.
- <sup>21</sup> Adam Smith (1776), *The Wealth of Nations*, Book 1, Chapter 2, see <http://geolib.com/smith.adam/won1-02.html>.
- <sup>22</sup> *Gaudium et Spes*, paragraphs 26 and 74 respectively, see [http://www.vatican.va/archive/hist\\_councils/ii\\_vatican\\_council/documents/vat-ii\\_cons\\_19651207\\_gaudium-et-spes\\_en.html](http://www.vatican.va/archive/hist_councils/ii_vatican_council/documents/vat-ii_cons_19651207_gaudium-et-spes_en.html).

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<sup>23</sup> John Paul II (1987), *Sollicitudo Rei Socialis*, paragraph 38, see

[http://www.vatican.va/holy\\_father/john\\_paul\\_ii/encyclicals/documents/hf\\_jp-ii\\_enc\\_30121987\\_sollicitudo-rei-socialis\\_en.html](http://www.vatican.va/holy_father/john_paul_ii/encyclicals/documents/hf_jp-ii_enc_30121987_sollicitudo-rei-socialis_en.html).

<sup>24</sup> Document of Aparecida, paragraph 394, translation from Spanish by the authors.

<sup>25</sup> Mariano Perelman (2011), 'La construcción de la idea de trabajo digno en los cirujas de la ciudad de Buenos Aires', *Intersecciones en Antropología* 12: 69-81. The World Bank estimates that about 15 million people worldwide earn a living from recycling rubbish, four million of them in Latin America. For other initiatives at transforming the work of rubbish recyclers, see [http://www.bancomundial.org/es/news/feature/2014/12/23/de-pobres-a-empresarios-de-la-basura?cid=EXT\\_BoletinES\\_W\\_EXT](http://www.bancomundial.org/es/news/feature/2014/12/23/de-pobres-a-empresarios-de-la-basura?cid=EXT_BoletinES_W_EXT).

<sup>26</sup> The *cartonero* receives a guaranteed 1,000 pesos a month from the government, an additional 1,000 pesos from the cooperative of which s/he is a member, and the proceeds of the sales of the material s/he collects.

<sup>27</sup> For the full interview, see <http://hosting.soundslides.com/tcfcz/>. Sergio Sánchez also speaks of how the then Cardinal Bergoglio became involved with the *cartoneros* in 2006-2007, saying mass and baptizing their children. Because many were unregulated immigrants and because of the bureaucratic difficulties in baptizing their children, the workers started to unite to overcome the difficulties. Jorge Bergoglio accompanied their struggles for greater dignity from then onwards. Sergio Sánchez was invited to attend the opening ceremony of Pope Francis's pontificate in Rome in March 2013 and sat as part of his family.

<sup>28</sup> The video is entitled 'Mensaje del Papa Francisco para todos los trabajadores de la economía popular en el 1 de Mayo 2014', and is available at <http://www.youtube.com/watch?v=w74dI3nyq9w>.