

Argentina: The End of Post Neoliberalism and the Rise of the Hard Right

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The class struggle from above found its most intense, comprehensive and retrograde expression in Argentina, with the election of Mauricio Macri (December 2015). During the first two months in office, through the arbitrary assumption of emergency powers, he reversed, by decree, a multitude of progressive socio-economic policies passed over the previous decade and sought to purge public institutions of independent voices.

Facing a hostile majority in Congress, he seized legislative powers and proceeded to name two Supreme Court judges in violation of the Constitution.

President Macri purged all the Ministries and agencies of perceived critics and appointees of the previous government and replaced those officials with loyalist neo-liberal functionaries. Popular movement leaders were jailed, and former Cabinet members were prosecuted.

Parallel to the reconfiguration of the state, President Macri launched a neo-liberal counter-revolution: a 40% devaluation which raised prices of the basic canasta over 30%; the termination of an export tax for all agro-mineral exporters (except soya farmers); a salary and wage cap 20% below the rise in the cost of living; a 400% increase in electrical bills and a 200% increase in transport; large scale firing of public and private employees; strike breaking using rubber bullets; preparations for large scale privatizations of strategic economic sectors; a 6.5 billion dollar payout to vulture-fund debt holders and speculators-a 1000%return- while contracting new debts.

President Macri's high intensity class warfare is intended to reverse, the social welfare and progressive policies implemented by the Kirchner regimes over the past 12 years (2003-2015).

President Macri has launched a virulent new version of the class struggle from above, following a long-term neo-liberal cyclical pattern which has witnessed:

1. Authoritarian military rule (1966-1972) accompanied by intense class struggle from below followed by democratic elections (1973-1976).
2. Military dictatorship and intense class struggle from above (1976-1982) resulting in the murder of 30,000 workers.
3. A negotiated transition to electoral politics (1983) a hyper inflationary crises and the deepening of neo-liberalism (1989-2000).
4. Crises and collapse of neoliberalism and insurrectionary class struggle from below 2001-2003.
5. Center-left Kirchner-Fernandez regimes (2003-2015): a labor-capital-regime social pact.

6. Authoritarian neo-liberal Macri regime(2015) and intense class struggle from above. Macri's strategic perspective is to consolidate a new power bloc of local agro-mineral, and banking oligarchs, foreign bankers and investors and the police-military apparatus to massively increase profits by cheapening labor

The roots of the rise of the neo-liberal power bloc can be found in the practices and policies of the previous Kirchner-Fernandez regimes. Their policies were designed to overcome the capitalist crises of 2000-2002 by channeling mass discontent toward social reforms, stimulating agro-mineral exports and increasing living standards via progressive taxes, electricity and food subsidies, and pension increases. Kirchner's progressive policies were based on the boom in commodity prices. When they collapsed the capital-labor 'co-existence' dissolved and the Macri led business-middle class-foreign capital alliance was well placed to take advantage of the demise of the model.

The class struggle from below was severely weakened by the labor alliance with the center-left Kirchner regime .Not because labor benefited economically but because the pact demobilized the mass organizations of the 2001 -2003 period. Over the course of the next 12 years' labor entered into sectorial negotiations (paritarias) mediated by a 'friendly government'. Class consciousness was replaced by 'sectoral' allegiances and bread and butter issues. Labor unions lost their capacity to wage class struggle from below - or even influence sectors of the popular classes. Labor was vulnerable and is in a weak position to confront President Macri's virulent neo-liberal counter-reform offensive.

Nevertheless, the extreme measures adopted by Macri— the deep cuts in purchasing power, spiraling inflation and mass firings have led to the first phases of a renewal of the class struggle from below.

Strikes by teachers and public employees over salaries and firings have flared up in response to the barrage of public sector cuts and arbitrary executive decrees. Sporadic mass demonstrations have been called by social and human rights movements in response to Macri's dismantling of the institutions prosecuting military officials responsible for the killing and disappearance of 30,000 victims during the "dirty war" (1976-83).

As the Macri regime proceeds to deepen and extend his regressive measures designed to lower labor costs, business taxes and living standards to entice capital with higher profits, as inflation soars and the economy stagnates due to the decline of public investment and consumption, the class struggle from below is likely to intensify -general strikes and related forms of direct action are likely before the end of the first year of the Macri regime.

Large scale class based organizations capable of engaging in intense class struggle from below, weakened by the decade-long 'corporate model' of the Kitchener era, will take time to reconstruct. The question is when and what it will take to organize a class-wide(national) political movement which can move beyond an electoral repudiation of Macri allied candidates in upcoming legislative, provincial and municipal elections.

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