HOUSING POLICY AND PARTICIPATION:
LAW 341 IN THE CITY OF BUENOS AIRES, 2000 – 2007

A Thesis
submitted to the Faculty of the
Graduate School of Government
of Georgetown University
in partial fulfillment of the requirements for the
degree of Master of Arts
in Development Management and Policy

By

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Washington, DC
September 30, 2008
The research and writing for this thesis are dedicated to the numerous housing advocates in the City of Buenos Aires in hopes that my small contribution somehow contributes to their honorable work, and to las fuboleras in la Villa 31 for teaching me the real value of a home.

Special thanks to:

The interviewees and Comedor Los Pibes, the MTL, and the MOI

The interviewees from the City

My thesis director, Gabriela Ippolito-O’Donnell for critical support and direction, much needed enthusiasm, and prompt replies and professionalism from day one

My thesis committee/Professors who gave me a strong foundation for interpreting what I learned. In addition, Professor Mujal-León for encouraging my interest in slums and development, with support and honest conversation, and Professor Guillermo Alonso for thinking with me and for feedback at key junctures

Peer readers and editors Leah Aylward, Pamina Firchow and Alicia Hogan

and

My family and friends who have redefined “support”. 
# Table of Contents

Preface........................................................................................................................................1

Introduction............................................................................................................................... 3

Outline of the study ................................................................................................................. 14

Literature review ..................................................................................................................... 15

Methodology ............................................................................................................................ 20

Chapter I: Theoretical Framework ......................................................................................24

Democratic participation ................................................................................................... 30

The Interactive Approach to pro-poor reform.............................................................. 38

Political opportunity structures ....................................................................................... 40

Chapter II: Contextual Background.........................................................................................47

Popular housing policies in mainstream donor literature ........................................... 47

Popular housing in the City of Buenos Aires (pre-1989) ............................................. 60

Chapter III: The Emergence and Implementation of Law 341/964......................................68

Examples of organizations from the squatter movement ........................................... 68

Chapter IV: Law 341 and the Territorial Liberation Movement .........................................108

Chapter V: Results and Findings............................................................................................134

Law 341 in international perspective: the influence of international donors............. 135

Law 341 in local perspective: local political opportunity structures.......................... 146

Success of the MTL’s Monteagudo Street complex explained.................................. 151

Conclusions.............................................................................................................................165

Appendices......................................................................................................................... 169

Appendix A: List of acronyms.............................................................................................. 169

Appendix B: The evolution of housing policies by mainstream donors....................... 171

Appendix C: Semi-structured interview guide................................................................. 172

Appendix D: Photographs by author.................................................................................. 173
Bibliography ................................................................................................................181

List of Tables

Table 1: Construction summary.................................................................................. 10
Table 2: Poverty rates in Grand Buenos Aires 1988 - 2005......................................... 65
Table 3: Unemployment rates in Grand Buenos Aires 1988 - 2006............................ 83
Table 4: Article 31, Constitution of the City of Buenos Aires.................................... 94
Table 5: Summary of events leading up to Law 341................................................... 106
Table 6: The MTL’s Monteagudo Street complex and Law 341................................. 163
PREFACE

The inspiration for this research stems from my interest in popular housing policy as an integrated social and political phenomenon. This approach to the topic is based on a range of personal experience and research such as policy and affordable housing advocacy work in the United States, research on alarming trends in both public housing and slum proliferation in Argentina and other developing countries, my initiating a development project in a slum in the City of Buenos Aires, and attendance at a United Nations World Urban Forum in 2006.

The intention behind this current study is three-fold: 1. To contribute to the ongoing discussion of housing the poor in Argentina in a new way; 2. To establish a framework for analyzing Law 341, a local, pro-poor housing policy, that is focused in political and interactive approaches to social change rather than a strictly sociological perspective; and 3. To develop an approach for analyzing a local housing policy that accounts for Argentina’s close ties to the international donor community.

This research focuses primarily on the role of pro-poor civil society organizations (CSOs) while accounting for state actors’ critical influence in bringing about partial housing reform in Buenos Aires. It is my interest to highlight the protagonism of the pro-poor cooperatives and reformists from within the state involved in Law 341. By stressing what actually works, I am restricted in my ability to also assess the Law in and of itself, including its shortcomings or possible paths to improvement. This worthy task will hopefully be adopted by another researcher. As a student of public policy in Latin America, I feel it is imperative to shed light on positive expressions of social change in the region – even if not fully realized. Anyone privy to development is familiar with the extensive, well-documented list of concerns on developing nations’ political realities. These reports tend to paint a dismal picture of possibilities for reform and healthy participation between CSOs and the state.

While many of the concerns are well-supported, a parallel struggle for public expression and influence is taking place on a number of levels by civil society actors and state officials in the
region. The situation deserves as much, if not more, attention in order to make sense of the efforts on a more macro level in the future. It is my hope that this research illuminates the renewed optimism in a different light – by accounting for civil society and state actors’ overlapping priorities in housing reform.
“[Buenos Aires] was not a city conceived of for the poor. By consolidating Law [341], it would allow poor people to stay and live here. It’s a threat to a model [that] allows just a few to get rich off real estate.”

Carlos Chili, Director
Territorial Liberation Movement

INTRODUCTION

Housing the poor in Argentina has always been a highly contentious matter. This is because the need for affordable housing routinely exceeds both the supply and the political will necessary for adequate solutions. Furthermore, the politics and economics related to housing involve a range of stakeholders with conflicting interests. A number of these stakeholders wield tremendous power, either locally and/or internationally. In the City of Buenos Aires (Ciudad Autónomade Buenos Aires—CABA), the federal capital of Argentina, access to social housing has long been highly restricted and influenced by the government, the international development community, and powerful land owners. Despite an overall paternalistic housing tradition, the poor – together with a number of grassroots organizations¹ – have routinely figured as one of the principal forces in the struggle for increased and improved housing access. Even under authoritarian rule, activists joined together in defense of shantytown residents’ efforts at housing themselves.

With the nation’s return to democracy in 1983, and the granting of civil liberties and political freedoms, citizens’ chances of influencing the political agenda improved. A number of CSOs, including squatter groups, emerged to lend support to pent-up housing demands and to build a social base for popular housing interests. A few groups managed to work closely

¹ Not all grassroots groups necessarily represent the housing interests of the poor. Other organizations or interest-groups that tend to support the needs of the poor may include political activists, neighbourhood associations, social movements, NGOs, etc. The specific pro-poor civil society groups involved in this research will be made explicit later in the study, and I will use all of these terms interchangeably unless specified.
with reformists within the state to develop new initiatives. By the mid-1990s, the reformists had assumed critical roles in forwarding select initiatives and partnering with CSOs to appease the opposition. Their joint efforts received assistance from structural reforms aimed at decentralization. Per the notion of decentralization—and a number of other reforms advocated by the Washington Consensus—local politics were to include more participation, accountability and avenues for democratic representation. These general developments, as supported in mainstream development literature (MSDL), contributed to a housing environment that was more conducive to greater participation by affected communities.

One policy in particular became a beacon of light for housing advocates who were demanding a larger voice in the drafting and implementation of housing policies. The policy in question is the Program for Self-Managed Housing (Programa de Autogestión de Vivienda—PAV) which came about following the passage of Law 341 in 2000. The present study will trace the processes which led to the passage of Law 341. To this end, I will pay particular attention to the important role assumed by reformists from within the state in advancing pro-poor housing reforms in the 1990s. The study will establish a framework for explaining how one particular social movement, the Territorial Liberation Movement (Movimiento Territorial de Liberación—MTL), managed to deliver more homes to its members than any other organization thus far with a loan from Law 341 despite a rather unfavorable socio-economic context prevalent in the CABA. Table 1 depicts the MTL’s extraordinary success with the PAV.

Social housing\(^2\) is routinely in short supply in the CABA, just as it is in other cities throughout Latin America. The housing shortage has been further burdened by an

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2 I will use the terms “popular housing” and “social housing” interchangeably. Both terms are translated from widely used phrases in Spanish: *vivienda popular* and *vivienda social*. They refer to housing for the sectors of the population unable to afford market-rate homes. More commonly used terms in English include: public housing or affordable housing but they also refer to slightly different financial arrangements. In order to accurately describe the nature of subsidised housing and avoid conjuring up false interpretations for readers who may have preconceived ideas of public housing, I will try to stick with the terms popular housing and social housing in the context of Argentina.
accumulating, deteriorating housing stock. Through extended periods of stagnating recession and increasing poverty since at least the 1980s, even those low income and middle class families with homes have been forced to abandon their properties or to for-go necessary maintenance, unable to afford the associated costs. The need for affordable, accessible housing now figures as one of the largest challenges facing Argentina. While housing is certainly impacted by local politics, macro trends also play a significant role. A recent United Nations report stated:

Urbanization processes and the application of macro-economic adjustment policies, combined with severe recession, have had serious consequences in terms of urban poverty in [Latin America]. As a result, ‘the housing deficit is increasing in all countries...’³ (UN-Habitat, 2006, p. 5).

Insufficient housing resources are a problem in terms of inequality and social exclusion, but they can also have further implications for countries’ overall economic performance. Housing shortages are both a cause and an effect of poverty (UN-Habitat, 2006). It is widely accepted that housing production, employment, and economic growth are closely related. At the same time, research shows that a well-performing housing sector is critical for growth in GDP, and vice-versa (ibid.). Heavy investment in a nation’s construction sector is understood to produce multiplier effects on the various industries that rely on construction, thus having the potential to jump-start a nation’s economy or, conversely, contribute to lasting stagnation. Investing in housing, however, does not automatically produce stable living conditions for those most in-need. Even when policies reallocate or increase funds for social housing programs, research from the region shows that the funding frequently fails to reach the intended beneficiaries. A common problem in Argentina is that the resources earmarked for housing production routinely go underutilized by government at all levels of decision making (Auditoría, 2004; Cuenya & Falu, 1997). This reflects a general tendency throughout the region. In Latin America, housing accounts for more of the local GDP than elsewhere, and, yet, new housing developments

³ UN-DESA and UN-Habitat, 2004, p. 10 (in UN-Habitat, 2006).
continue to lag far behind the need. The annual increase in demand is 2.5 million dwellings in comparison to the 1.5 million that are added to the housing stock each year (IDB, 2002). The mainstream donor community routinely lays out a framework for developing nations to follow in order to reduce housing deficits. International organizations have learned, however, that local politics figure heavily in policy implementation and that even the best-designed policies fail to necessarily produce good practices or results. The CABA is a prime example of how MSDL related to housing policy has intersected with local realities to generate mixed results.

With nearly 2.8 million inhabitants, the CABA is the center of economic and political activity for Argentina. It has a history of providing shelter to mostly middle- and upper-income households. The majority of impoverished families traditionally lived in suburbs and shantytowns around the city in a region called the Metropolitan Area of Buenos Aires with a population of 9 million. However, as infrastructure, services and job growth became increasingly concentrated in the capital, more low income families have made the decision to reside there. At the same time, increasing poverty rates have exasperated the housing strain. In 2001, for example, 7.1 percent of the population (212,489 inhabitants) in the CABA was unable to meet their basic needs, while 8.4 percent of the population (86,165 households) resided in deficit housing. An important development and wealth divide permeates the capital between the Northern and Southern sections of the city. In 2001, for example, 37,538 inhabitants in the South resided in tenement buildings, versus 18,261 in the North. 7,166 households in the South

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5 Unsatisfied Basic Needs, Necesidades Básicas Insatisfechas—NBI) index is commonly used in Argentina to count the number of households living in poverty and is used in addition to salary as an indicator. If one or more of the following conditions is met, a household is considered to have unsatisfied basic necessities: 1. overcrowding: more than 3 people in each room; 2. inadequate housing: precarious housing or room in a tenement (inquilinato), (excludes houses, apartments and ranchos); 3. lack of a restroom; 4. at least one child between the ages of 6 and 12 out of school; 5. 4 or more dependents per wage earner and head of household that failed to pass the third grade.

6 Deficit housing, “hogares en déficit”, is a category used by Argentina’s national statistic bureau (INDEC) and refers to households living in places with precarious materials and/or connections, and/or overcrowding. The specific types of shelter that fit this category are explained in the body of the text.
were without access to energy compared with 3,295 in the North.\textsuperscript{7} The organizations working within Law 341 have focused most of their attention on the Southern part of the federal capital, where the greatest need exists. Additional factors that limit families’ access to housing include high housing costs, strict lending requirements, low wages, and an underdeveloped financial sector. As a result, only about 30 percent of the country can access a home in the Argentine marketplace\textsuperscript{8} (World Bank, 2005). This figure underscores the fact that housing shortages affect far more than very low income households. Rather, low income and part of the middle class are forced to rely on solutions outside of home ownership. The most common shelter alternatives within the urban core of Buenos Aires can be divided into formal and informal options. Within the formal market, albeit still within the category of “deficit housing”, options include:

- hotels/flophouses, hostels and pensions made for long-term living;
- tenements and dilapidated group housing units including “inquilinatos” and “conventillos” built from substandard materials and designed for immigrants at the turn of the century – later used for internal migrants or immigrants from neighboring countries;
- various forms of public housing, including some units built by cooperatives, that are either over-crowded or lack basic services or infrastructure; and
- private, rundown rentals.

Within the informal market, squatters access shelter within an authorized or unauthorized arrangement, or live on the street. Informal markets also include pirate subdivisions (owner-occupied and rental units), and authorized and unauthorized squatting arrangements.

Few housing policies have been tried, and the outcomes to date have been notoriously inadequate for the intended beneficiaries. For the most part, the policies have resembled general policy directions supported by international organizations (such as the World Bank and the United Nations). These initiatives have systematically lacked participation by affected communities and have typically served the interests of local elites. Housing advocates in

\textsuperscript{7} INDEC, Censo Nacional de Población, Hogares y Viviendas 2001.

\textsuperscript{8} This figure referred to the housing market just a few years after the 2001 crisis.
developing nations maintain that the espoused housing policies found in MSDL fail to match local socio-economic realities. For example, the policies supported in MSDL in the 1990s assigned the state the role of ensuring a healthy housing market. Within this framework, the state was to focus its housing expenditures on construction companies instead of relying on public management for social housing. The private sector was considered a more efficient option. This strategy led to costly, inappropriate measures that lacked transparency and failed to improve living conditions for the poor. The reasons for these unsatisfactory results are in part related to the following two situations. First, the proposed solution did not address neither the poverty nor inequality which drives the housing crisis. Second, by transferring greater decision-making power to private construction interests, lower income sectors were not necessarily going to benefit because of the historical patterns of class relations. Similar, poor results across the developing world have called the attention of multilateral development institutions and have spurred a global push for poverty reduction strategies and democracy-building measures through housing reform. International organizations and lending institutions now suggest subsidies for the most impoverished, given the profound social crisis, the reality of financial markets in Latin America, and inefficiently designed and managed programs.

Law 341 was the first law in the country to bend its lending requirements to the actual living conditions of many low income families. It did this by allowing civil society groups\(^9\) to apply for housing loans and manage state resources. The groups had to be comprised of individuals with “limited economic means” in “critical housing situations”. Additionally, the

\(^9\) Article 1, Law 341, February 24, 2000: The executive branch, through the Municipal Housing Commission (Comisión Municipal de Vivienda—CMV), will implement policies for housing access for the exclusive and permanent use of households (“hogares”) of limited economic means who are in a critical housing situation, understood as beneficiaries either individuals or those incorporated in processes of verifiable collective organization, by way of cooperatives, mutuals or non-profit civil society associations, by means of subsidies or loans with mortgage guarantees.

Article 5, Law 341/2000: Households needed to complete the following requirements: (a). no record of owning property suitable for living; (b). ability to demonstrate no prior record of indemnization for having expropriated public property; (c). no prior record of housing loans or subsidies for the purpose of purchasing or constructing housing as an individual or a group in the last 10 years; (d). Not be inhibited in applying for a loan; (e) (added in Law 964, December 5, 2002) beneficiaries must present National Identity Documents (documento nacional de identidad—DNI) with no less than 2 years of antiquity.
groups needed to be organized into “cooperatives”, “mutuals” or “non-profit civil society associations”\(^\text{10}\) - hereafter referred to as cooperatives. The legislation granted more housing rights than ever before to low income families, and it created additional avenues for participation by grassroots actors. When Law 341 first came into existence, its language accurately reflected the wishes of the CSOs\(^\text{11}\) who worked no less than 10 years to make self-managed, group housing loans a reality in the CABA.

Following the Law’s passage, however, challenges began to emerge. The City’s newly elected mayor, Aníbal Ibarra, allowed Law 341 to lie dormant – without actually formally implementing it – for over a year and a-half. The Law was then modified in 2002 with much less participation from the cooperatives. The modified version, known as Law 964, transferred more control to the state.\(^\text{12}\) The PAV empowered the state with important decision-making responsibilities such as overseeing the cooperatives’ expenditures, determining the terms by which funds could be distributed to the co-ops, and selecting the extent of the co-ops’ involvement. In other words, despite the program’s nomenclature, in practice the PAV positioned the participating CSOs in a role of co-management with a number of state agencies. Co-management marked a break from previous paternalistic policies\(^\text{13}\) whereby the City faced

\(^{10}\) The cooperatives were socially heterogeneous in that they included a wide spectrum of families and backgrounds. In many co-ops, indigent families worked alongside middle income families, each with a different role. Members held complementary organizational objectives. MC Rodriguez (2006, p. 12) described the cooperative members from the middle class as contributing “specialized knowledge”.

\(^{11}\) The organizations who originally pushed for Law 341 will be discussed more later, but they include The Kids’ Kitchen (CLP), the Movement of Occupiers and Renters (MOI), and Those Evicted from La Boca (Los Desalojados de la Boca).

\(^{12}\) The Law was again modified in 2006: and went through another name change to be called the Self-Managed Program for Developing Popular Housing (el Programa de Autogestión para el Desarrollo del Hábitat Popular) by the City’s Housing Institute. The changes reflected a number of the concerns that had surfaced around the program from the organizations, as well as IVC heads. The changes, however, failed to satisfy The Kids’ Kitchen and 60 other organizations who had worked extensively on an extensive redesign of the Law. I will not cover the specific changes that occurred, as they have little effect on the topics under study. By 2006: the PAV already had a track record and a reputation within the City’s Housing Institute and Legislature, meaning the changes had little effect on how the Law was carried out. The name PAV continues to be widely used even within the IVC.

\(^{13}\) Examples of paternalistic policies include “key-in-hand” approaches that distributed homes to devoted party activists or the middle class, or cooperative arrangements whereby co-op members were selected by bureaucrats and, then, contributed with sweat equity without any decision-making power.
few objections concerning the allocation of available resources and the selection of program beneficiaries. The unique configuration of factions working within the umbrella of Law 341 provides a frame for analyzing how state actors cooperate with pro-poor CSOs for the purpose of improving housing access for families.

The cooperatives have faced a number of barriers to accessing the opportunities and resources potentially offered in Law 341, dotting it with only limited success overall. The largest barriers relate to a lack of both institutional coherence\(^\text{14}\) and political will. In July 2007, the City’s Housing Institute (Instituto de Vivienda de la Ciudad—IVC) stopped approving loans for families working within Law 341 due to a lack of funding. The freeze was estimated to affect nearly 1,600 citizens who were in the process of applying (Sánchez, 2007). Aside from the fact that the program has built relatively few homes overall, the mere presence of the PAV renews housing advocates’ hopes for future solutions. More than 400 cooperatives have registered with the City to access funding through Law 341. Additionally, the PAV instituted formally sanctioned channels through which pro-poor CSOs could access the state’s housing authorities and enter into dialogue over their housing needs.

### Table 1: Construction Summary

<table>
<thead>
<tr>
<th>Housing Units Built or In Progress Under Law 341</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New Construction</strong> – total 2523 units</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>30</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>61</td>
</tr>
<tr>
<td><strong>Remodeling</strong> – 100 units</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>3</td>
</tr>
</tbody>
</table>

* A co-op named COPITOS (2001) remodeled 5 units; Los Pibes (1999) remodeled 6 units; and again Los Pibes (2002) 2 units at a separate lot.

**Source:** City’s Housing Institute (Instituto de Vivienda de la Ciudad—IVC) Nov. 2007

\(^{14}\) Term refers to institutional structures that are complementary to each other, meaning the institutional arrangement is characterized by both some unity and the absence of logical contradictions (Czeglédi, 2006, p. 3).
The fact that the organizations managed to win the inclusion of group lending mechanisms in the PAV lent credibility to cooperative endeavors which became increasingly prominent following the nation’s return to democracy in 1983. The socio-economic context in which Law 341 transpired is important for understanding the role of cooperatives. Firstly, the idea of a co-op accessing a housing loan challenged the individualist orientation of the prevailing development paradigm dominant at the time of the Law’s passage regarding the individual and her relationship to the market. Cooperative living arrangements were both a means to protest the housing conditions in Buenos Aires and a survival tactic in the face of reoccurring economic recessions. Secondly, in the mid-1990s a range of cooperative enterprises flourished across CSOs and neighborhood organizations, supported by the parallel growth of the unemployed workers’ movement (Movimiento de Trabajadores Desocupados—MTD), commonly referred to as the *piquetero*\(^{15}\) (picketer) movement. Many of the organizations who formed as *piquetero* groups managed to win greater access to the state through sustained protest. They benefited from the political decision to decentralize social expenditures and decision-making from the federal to the local level of government.

In contrast to most of the groups involved with the MTD, however, the cooperative housing movement sought greater autonomy from the state. It prided itself on *not* requesting housing handouts.\(^{16}\) In essence, the movement followed the logic of self-help rather than

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\(^{15}\) The name *piqueteros* means picketers, and refers to an unemployed workers movement that emerged formally in 1997. Not all *piqueteros* are members of MTDs, but a large majority nonetheless. MTDs formed as vehicles for self-organization and as ways to negotiate with the government for subsidies and assistance with regards to their cooperatives and small enterprises. I will discuss MTDs more in-depth in subsequent chapters. I will use the term *piqueteros* throughout the text.

\(^{16}\) In ideological terms, the organizations were opposed to government handouts. This is more of a rejection of traditional interest aggregation prior to President Kirchner’s instituted subsidies. This symbolized a push for dignity and renewed hope. At the same time, the reality was that most of the housing cooperatives’ perspectives on state resources were distinct from mainstream neo-liberal notions, and tended towards socialism or communism. In other words, these groups claimed they didn’t want handouts, but, ultimately, they were requesting them. As with previous housing programs instituted by the CMV and/or the IVC, loan recovery was typically non-existent. These organizations were unaccustomed to the logic of the market, and instead had exposure to a strong welfare state with ample social protections, until the last nearly twenty years. Given the fact that the loans were
government reliance. Self-help was politically much more palatable in light of the dominant neo-liberal approach to economic and social policy in the 1990s. What the cooperatives demanded were dignified housing solutions that they could pay and manage by themselves. It’s worth noting that the degree to which each organization actually remained independent from the state varied depending on political affiliation, organizational ideology and organizational goals. With independence, I am referring to each organization’s relative participation in the distribution of government subsidies and each organization’s ability to implement its own agenda. One social movement that I will analyze in this study, the MTL, worked with the *piquetero* movement and, yet, maintained a high degree of relative independence from the state’s traditional sources of control and/or co-optation. The MTL reduced its dependence over the long term by diversifying its monetary and non-monetary resources, in part by establishing a small construction firm.

Law 341 is the most promising policy in Argentina to date for at least five reasons. First, it resembles many of the espoused policies supported in MSDL while accounting for popular housing advocates’ concerns over past policies. Second, the program allowed CSOs to improve their members’ overall economic situations. This is to say that the program provides avenues for low income households to fight poverty. Third, Law 341 involves high degrees of participation by the intended beneficiaries. Fourth, its design is more democratic than previous policy formulations in the CABA. And lastly, it could dramatically increase access to housing for the large number of inhabitants historically excluded from the market.

By analyzing the MTL’s success with Law 341, this study aims to shed light on how CSOs may be able to meet their housing goals in the CABA, given the existing structural and institutional shortcomings. From this concern follows the guiding research question of the investigation:

distributed with 0 to 4% interest, and that the MTL is the first completed development under the Law, it appears this program too will be counted as subsidies rather than true loans.
Under what conditions did the MTL complete the largest housing project to date within the legal framework of Law 341 in the City of Buenos Aires (CABA)?

The central hypothesis of this research question is as follows:

The MTL managed to complete the largest housing project to date within the framework of Law 341 and take advantage of political opportunity structures that opened up due to three factors:

1. By following the rules of the state;
2. Establishing external resources; and
3. Superior organizational capacity, characterized by: strong mobilization capacity; centralized leadership; and work with other CSOs.

A secondary area of inquiry that follows from the hypothesis is:

What does the MTL’s experience with Law 341/964 contribute to the ongoing discussion of democratic participation?

In this research, I will argue that a highly participatory decision making space opened up following Argentina’s return to democracy in 1983. Argentina’s close ties to the international donor community, and MSDL’s formal adoption of the enabling approach in 1988 for the purpose of improving low income sectors’ access to housing in developing countries, had profound impacts on both state and civil society actors. A number of reforms backed by the international donor community played an important role in supporting civil society and state actors’ joint endeavors.

Locally, the following elements came together: 1. A swell in participation and pressure from squatter organizations; 2. President Menem’s adoption and implementation of neo-liberal reforms including decentralization and privatization which gave CSOs greater access to state actors; 3. Select reformists within the state expressed a willingness to dialogue with popular housing organizations (PHOs); and 4. Political elections and restructuring of the government of Buenos Aires created riffs across elites from a number of interest groups and from within the state. I will argue that these processes ultimately led to the passage of Law 341. The MTL managed to optimize the political opportunity structures that arose for its organizational goals and, thus, complete its housing development by using both the formal and informal rules of the state in the CABA. The organization developed ties to external resources which it used to
generate more permanent resources, given the temporary, changing nature of political opportunity structures (Tarrow, 1998). The MTL’s superior organizational capacity gave it an additional advantage over other housing cooperatives when vying for limited state resources. Lastly, I will argue that the MTL’s success enhances local democracy-building despite the difficulties faced by other cooperatives working with the PAV.

**Outline of the Study**

The study is structured in five chapters. The first chapter develops a theoretical framework necessary for understanding the particular arrangements that ultimately led to the MTL’s success with Law 341. It begins with a review of a number of theories on democracy building and outlines the importance of participation, especially for unconsolidated democracies such as Argentina. From there it draws from Jonathan Fox’s (1992) interactive approach to pro-poor policy reform, and Sydney Tarrow’s (1998) political opportunity structures model. The latter will be combined with a few additional scholars’ findings to explain how social movements and/or pro-poor CSOs may be able to advance their initiatives when working alongside the state and private sector elites.

The second chapter reviews the historical context in which participatory housing policies evolved in the CABA. It is divided into two sections. The first section will trace the history of social housing policies supported by the international donor community. This forms one of the central pillars of influence which eventually led to Law 341. The second section of the chapter covers the second sphere of influence – the domestic context. It briefly traces the history of the core social policies in the CABA and their related effects on popular housing and protest.

The third chapter details the specific events locally that led to the passage of Law 341. It is divided into two sections. The first section outlines three different squatter organizations and their experiences with local reformists from within the state when trying to resolve pent-up
housing problems. These examples will be compared with the MTL throughout the text. The second section will describe the changing nature of social policy in the CABA after 1989 as a result of Menem’s neo-liberal reforms. In doing so, I will specify the local political opportunity structures that arose during the 1990s to increase collective action across both housing organizations and reformists from within the state. This section will also describe the passage of Law 341 in 2000, its second iteration in 2002, Law 964, and the law’s related challenges.

The fourth chapter, the case study on the MTL’s success with Law 341, outlines the MTL’s history as a social movement and its evolution in the CABA. I will describe how the MTL worked with state actors under the PAV to successfully acquire a $13 million loan and complete its housing complex on Monteagudo Street in the neighborhood of Parque Patricios. The case study will demonstrate how the MTL operated within the rules of the state, exemplified superior organizational capacity, and utilized external resources to provide more than 300 homes to its members.

In the fifth and final chapter, the results and findings, I review the importance of the MTL’s success for democratic participation and MSDL, and analyze the social movement on the grounds of the theoretical framework developed in Chapter I. Lastly, I conclude with a summary of the research and a brief discussion of the MTL’s work with state actors in relation to other cooperatives in the CABA.

**Literature Review**

Little has been written on the specific actors and processes involved in Law 341 in the CABA. The broader subject of Argentina’s social policy and, more specifically, her housing policy, has received more attention. The bulk of the literature written to date on Law 341, and/or the housing cooperatives involved, stems from a few principal sources: the media, a group of researchers from the University of Buenos Aires and the Gino Germani Research

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Institute, architects at the University of La Plata and founders of the Movement of Occupiers and Renters (Movimiento de Ocupantes e Inquilinos—MOI), researchers directly involved with the MOI, and a few independent scholars. I will reference the findings that are most relevant to this study.

To date, the most extensive investigation related to Law 341 is Maria Carla Rodriguez’s research (2006) on the evolution of social organizations upon assuming active roles in transforming public policy. Rodriguez focuses on the role of the MOI, which belongs to a union, the Argentine Workers’ Central (Central de Trabajadores Argentinos—CTA), and its work in self-managed cooperativism. The author’s analysis centers on a number of transformations: the changing nature of social policy in Argentina in the 1980s and 1990s; the social, spatial and economic exclusion affecting low income households as a result of privatization reforms and other neo-liberal policies; and the MOI’s own organizational transformation throughout its extended political trajectory in the City. The author describes in great detail the evolution of Law 341. Similar to my study, Rodriguez notes the important role that Navarro18, a key reformist from within the state, and some of his allies played in supporting the cooperatives. My analysis accounts for Navarro’s and other pro-poor reformists’ actions, but not in isolation. I will examine how in fact reformists from within the state partnered with the cooperatives, but then use additional scholarship to better understand how support from the social movements from outside the state enhanced reformists’ efforts within the state. In addition to the window of opportunity provided by the reformists, my analysis will include other opportunities that arose and that were utilized by the cooperatives to advance their housing agenda.

Rodriguez (2006) notes that the introduction of neo-liberal reforms in the capital facilitated contact between the cooperatives and state decision-makers, but only for a limited period of time. In contrast to the author’s in-depth analysis of the devastating effects of neo-

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18 This name and all others have been changed for confidentiality.
liberal reforms for social organizations in the CABA, my research will show how neo-liberal tendencies in the 1990s actually helped bring about the enabling approach and thus augmented participation by the poor in local policy decisions. Rodríguez makes only brief references to organizations unaffiliated with the MOI. With regards to the MTL, Rodríguez separates the movement’s success from all other cooperatives’ work due to its ties to the Communist Party (Partido Comunista—PC) and its prime focus on becoming a construction firm rather than a self-managed cooperative. The author’s distinction limits a lot of potential analysis, especially because the MTL thus far is the largest success story within the PAV. Two additional points are worth highlighting. The first is that the MOI, like the MTL, belonged to the powerful labor union, the CTA. Because of this association, many would conclude that the MOI and the MTL were, therefore, part of the state in 2007 when this research was written. Rather, both organizations were independent social movements that chose to partner with the poor at a grassroots level and also join the CTA. While the MOI did manage to access housing for its members under Law 341, the organization has a number of projects still pending, and has not been able to provide nearly as many homes for its members as the MTL. The two organizations work differently and are structured differently. Therefore, one can safely conclude that belonging to the CTA alone is not sufficient to access a loan through Law 341 and complete a proposed housing project. The second point is that Rodríguez notes the importance of the following two variables in her study: organizational capacity and the ability to successfully coordinate responsibilities. She sheds light on these factors to try to debunk the notion that the reason why urban development strategies for low income sectors fail is strictly a matter of limited economic resources. In other words, Rodríguez recognizes the importance of the variables that I examine in this research, even though her research has a unique focus.

19 My translation, paraphrased first for context: The author explained how the MOI found an available plot of land for sale at a price that theoretically fit within the range acceptable for Law 341. It was large enough for 200 houses and commercial use. The organization went to Setzer in the City’s Housing Institute, the same director who supported the MTL’s development. In parallel, the organization proposed a development with several programs to the CTA. She said: “there was no
Another important contribution to my case study on Law 341 stems from Alcañiz and Scheier (2007). My research confirms their finding: the MTL, a *piquetero* organization, has managed to remain “autonomous, sustain radical mobilization, and support its deprived membership with little government assistance” through the support of the Institute for the Mobilization of Cooperative Funds (Instituto Mobilizador de Fondos Cooperativos—IMFC), which is the institutional backbone of the PC in Argentina. Alcañiz and Scheier conclude that “the PC leadership of the MTL secured self-generated employment and financial autonomy for its membership, thus minimizing its dependence on government subsidies; and that “the IMFC constituted a buffer between the PC and the MTL, allowing the MTL to determine its own political and economic agenda” (ibid.).

One important clarification is that both Alcañiz and Scheier (2007), and Lemiroski (2004) state that the MTL had distanced itself from the CTA over differences with President Kirchner. While that may have been true prior to 2004, the separation proved temporary. The MTL is outwardly opposed to Kirchnerism, and, yet, currently belongs to the CTA. I agree with Alcañiz and Scheier that the MTL’s top leaders, or those who maintain the organization’s ties to the PC, helped the movement access external resources which it leveraged to create a small construction firm, the Emetele\(^{20}\), and maintain relative independence from the state. I also agree that the MTL controls very few subsidies in terms of poverty or unemployment allowances which are heavily conditioned on clientelistic networks. On the same token, one must not overlook the more than $13 million loan from the capital’s housing authority for the Monteagudo housing development. For this reason, complete financial independence, or “minimized...dependence on government subsidies” (Alcañiz & Scheier, 2007) from the state in the near future is impossible.

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\(^{20}\) “Emetele” is the transliteration of MTL in Spanish.
Another caveat to Alcañiz and Scheier’s research (2007) stems from Newbery’s (2003) finding regarding how the MTL manages poverty subsidies from the government. Newbery (2003) notes that rather than allowing government resources to pass directly from the City to unemployed workers through poverty reduction programs\(^{21}\), the MTL had pressed “the government instead to turn over about 10 percent of its subsidies” to the movement, which then used the money to run its micro-firms (ibid.). From an interview with a leader from the MTL, Newbery (2003) finds that “at the end of the month, each worker takes home $50 in personal profits on top of the original $53 subsidy payment” (ibid.). This means that the movement administered the financing in order for its members to participate in cooperative enterprises and reap some of the earnings. Given the MTL’s changing organizational ties since 2003, I was uninterested in investigating what the reporter found. What I argue in the present study, however, is similar to his finding: That the MTL managed to obtain state resources and then redirect them for organizational purposes. For example, as I will explain in Chapter V, the organization accessed millions of pesos by declaring that each and every member was headed into permanent housing. This effort allowed the movement to take advantage of the resources afforded through another existing housing program. I refer to these decisions as “organizational capacity” and argue that the MTL’s independence from the government is demonstrated through both its works and organizational objectives.\(^{22}\) Another difference between this study and Alcañiz and Scheier’s (2007) results relates to the nature of the MTL. The authors argue that the MTL is a horizontal organization. I will argue that while all members of the MTL were entitled to vote and select its representatives, in actuality the

\(^{21}\) One such program under President Kirchner was *Plan Jefe y Jefas de Hogar (PJH)*. The program was inherited from Menem’s administration and altered in 2002 following the crisis. It granted each unemployed worker roughly US$53 per month in exchange for 4 hours per week of community work, typically in the form of cleaning streets or painting hospitals, for example.

\(^{22}\) The MTL’s involvement with the current Mayor, Mauricio Macri, will be telling in regards to how it manages its independence and the associated costs and rewards, due to Macri’s potentially adversarial relationship to the MTL. Macri is opposed to social housing, owns a construction company, and yet is taking over for a mayor who signed extensive contracts with housing cooperatives to fulfill the City’s role in completing housing projects under the PAV.
movement is organized through a highly centralized and vertical structure. The movement’s low income members participated with help from allies and leaders, or “organizers”, from more privileged classes.

**Methodology**

Answering the proposed research question and discussing the secondary question involved both descriptive and analytical research tasks. The descriptive section includes an overview of the historical events, policies, and actors related to the passage and implementation of Law 341. To inform housing policy related to Argentina, local and international factors were reviewed. The data and original research required for this broad overview stem from: 1. Interpretive case study research consisting of semi-structured interviews and conversations with actors who were close to the cooperatives’ involvement in the Law, or others possessing key knowledge of the cooperatives’ work with the state (see complete list of the interviews conducted by the author in Appendix B), 2. A thorough literature review, and 3. Participant observation.

The analytical section of this research involved analyzing prior scholarship against my original research, which is presented in this study for the first time, and applying already existing theoretical models and findings to analyze and interpret the data relevant to Law 341. The literature review contained primary and secondary sources. Examples of the primary sources utilized include:

- Transcripts of the hearings and legislative sessions that took place within the City regarding Law 341 and its various iterations;
- Transcripts of meetings amongst cooperative members where the content of Law 341 was discussed and analyzed;
- Interviews conducted by other housing experts and researchers on the MTL, other housing cooperatives, and policy makers;
The secondary sources of data include written and/or published materials from both private and public organizations, such as newspaper articles, Internet sites, books and pamphlets written by different housing cooperatives, statistical data, and surveys. This information covered the following thematic areas:

- Previously published works related to Law 341 and its actors, both academic and periodicals;
- Articles and other publications related to local, regional and international trends in housing policy in the developing world;
- Mainstream development literature on housing policy and the role of civil society in democracy building;
- Scholarship related to how social movements and organizations adapted to social policy changes in the 80s and 90s in Argentina and Latin America;
- Theoretical concepts relevant to interactions between civil society organizations and state officials;
- Self-managed housing efforts in Latin America and elsewhere;
- The evolution of social policy, especially housing policy, in Argentina;
- The causes and effects of Argentina’s 2001 crisis, as well as other key points in Argentina’s history as related to housing, social unrest, and windows of opportunity.

My observations took place at various events and gatherings. Between July 2006 and November 2007, I observed several weekly meetings organized by The Kids’ Kitchen (Comedor Los Pibes—CLP) at the University of the Mothers of Plaza de Mayo. The CLP organized the sessions but incorporated another 60 organizations from across the capital. The meetings contained different activities: strategic planning and information sharing sessions for co-ops who were trying to forward their housing projects within Law 341; question and answer sessions for co-ops; planning city-wide forums and celebrations to promote cooperative
housing; and formulating proposals, together with other allies, aimed at revising the PAV’s language. The focus of numerous gatherings involved the PAV’s budgetary problems, and how the organizations could pressure the City to act on their behalf. On occasion the co-ops invited decision makers and bureaucrats from the IVC or from the Office of Human Rights to the meetings for project updates and information. Through these gatherings, I was introduced to a number of cooperatives and I became familiar with their different tactics. I observed the organizations discuss the MTL’s work with the state and learned how the other cooperatives’ experiences compared and/or contrasted to the MTL. I also sat in on Law 341’s Consultative Council for Follow-up and Evaluation (CCFE). These meetings incorporated decision-makers from the IVC and representatives from the cooperative movement. Additional observations took place at the MTL Monteagudo complex in the form of informal conversations amongst neighbors, and informal conversations of neighbors with movement leaders. Lastly, I observed the MTL and other cooperatives in a number of protests and marches in the capital.

Just as I mentioned above, the research for this study relies heavily on semi-structured interviews conducted in the City of Buenos Aires and a few in the Plata, the capital of the Province of Buenos Aires, from July 2006 to November 2007. With these stakeholders I discussed: their personal involvement in Law 341, their understanding of how Law 341 came about and evolved over time, the specific roles adopted by key decision-makers, their difficulties related to the policy, and the work of the MTL, CLP and the MOI to a much lesser extent. The interviews lasted anywhere from 30 minutes to 2 hours, and I met with a few informants more than once. The interviews were confidential and the informants had experience in a range of areas relevant to Law 341. Among them were:

- Members, ex-members, and leaders of the MTL, as well as members of other housing cooperatives;
- Organizers of cooperative confederations;

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23 See Appendix C for interview guide.
• Ex- and current law makers and policy makers in the Legislature and in the Housing Commission of the Legislature;

• Housing experts and researchers throughout Buenos Aires; and

• Bureaucrats, appointed managers and directors, and technical\textsuperscript{24} staff from the City’s Housing Institute (IVC).

\textsuperscript{24} These employees are called \textit{técnicos} within the IVC.
CHAPTER I. THEORETICAL FRAMEWORK

This chapter develops a theoretical framework that will serve to analyze how civil
society interacts with the state in democratic systems. The chapter has three principal goals.
First, I will assess Argentina’s weak democracy, including the state’s institutions’ debilitated
channels for responding to the needs of the poor. Second, I will review a number of theories
by scholars, which are also supported by mainstream donor organizations such as the United
Nations and US Aid, to describe the kinds of relationships between democratic actors that are
thought to strengthen democracies. The theories I will refer to imply that democracy is best
served through effective institutional structures, an independent civil society, and ample
protections for all. The third goal for the chapter is to elaborate a theoretical framework that
will, later, elucidate the distinct and also collective roles that the following groups maintained
in working with Law 341: the cooperatives, the social movement the MTL, and the state,
with particular focus on the role of reformists. Because the cooperatives were made up of
different civil society groups, such as social movements, PHOs, and community-based
organizations, the third section of this chapter will discuss the role of CSOs in democracy
building, and then will focus on social movements in particular in order to discuss the MTL.

Since 1983, Argentina has remained in the hands of democratically elected leaders.
This means that the country, at a minimum, has met Robert Dahl’s definition of a
polyarchy, and has achieved electoral democracy. This alone is no small feat, and, indeed,
has brought about significant improvements in daily life. The changes include: universal
voting rights; generally clean elections since 1983; and the end of military control and state-

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25 Dahl (1971, p. 203) specified 7 conditions that favor polyarchy: 1. Historical sequences-peaceful transformation within an independent nation-state; 2. The socioeconomic order- a competitive regime cannot endure in a country where violence is concentrated and regularly intervening; 3. The level of socio-economic development- competitiveness dependent on a. Providing literacy, education, communication; b. Creating a pluralistic social order; c. Preventing extreme inequalities; 4. Equalities and inequalities- a. Hegemonic regimes reduce public contestation; b. Inequalities increase the chance comparative politics will displace hegemony; 5. Subcultural pluralism and governmental effectiveness; 6. The Beliefs of Political Activists- treat them as major independent variables; 7. Domination by foreign powers- foreign domination can alter and affect all options and conditions.
led, organized killings and disappearances. Other changes have helped to introduce new voices to the democratic decision-making process, such as the creation of oversight bodies; increased participation; and the possibility of accessing public office for even the most disenfranchised, such as women, minorities, the poor, etc. Democracy granted basic political freedoms and reawakened hopes in many activists of again working for social and political change. Electoral participation surged, as did demands from civil society.

CSOs became more prominent and they expanded their traditional roles to include a higher degree of interaction with state institutions. By the 1990s, CSOs had absorbed much of the space that had been forfeited, to some degree, by political parties, and abandoned by the state due to severe cutbacks. The expansion of civil society accompanied an international push for democracy, good governance, and neoliberal reforms. Development resources from abroad were redirected to various civil society groups to assist in carrying out a host of initiatives recommended by the international donor community and multilateral institutions. However, in light of deteriorating living standards in Latin America even after much of the region had returned to democratic rule, the need for assistance programs far exceeded both international donors’ committed resources, and the limited funding made available through federal poverty-reduction programs. As a result, self-help organizations emerged to palliate subsistence needs. Other organizations sprung up – “dedicated to promoting civic values [to] ensure citizens were registered and that clean elections took place, and to improve the performance of political parties, political movements and representative institutions” (UNDP, 2004, p. 127). To a lesser extent, some civil society groups became directly involved with political parties through activities such as party reform, like the group We Want to Choose in Venezuela who employed the slogan ‘politics is too important to be left to political parties’” (US Aid, 2004, p. 5), or party formation, such as Mexico Posible which evolved from a civil society coalition, or the grooming of candidates for elections (ibid., p. 7). Other

26 Sp: Queremos Elegir
organizations became involved with implementing public policies and managing social programs. Opportunities to do so came about through governments’ decisions to decentralize social expenditures. One example of a policy that distributed federal resources for poverty reduction through local community groups was Argentina’s Work Plans (Plan Jefe y Jefas de Hogar—PJH)\(^2\) which targeted unemployed heads of households.

Overall, increased democratic participation resulted from these organizations’ work (ibid.). The surge in civil society participation included a “proliferation of inappropriate institutional controls, such as the multiplication of the number of interest groups - especially business entities that function as powerful lobbies or those representing the interests of international lending organizations” (UNDP, 2004, p. 155). In general terms, even though disempowered sectors have greatly expanded their participation with the state, their influence continues to be over-shadowed by the impact of these powerful interest groups, or de facto powers. De facto powers (ibid., pp.155-183) must be countered with strong, relatively independent state institutions and viable political parties – considered essential pillars of democracy – to ensure the state’s legitimacy. When state institutions lack independence and weak parties persist, citizens become relegated in their attempts to influence government decision-making, which is what occurred in Argentina and elsewhere in Latin America.

Political parties are currently assigned a highly weakened role as agents of representation.\(^2\) Recent Latinobarometer surveys support this finding: Argentines are less and less satisfied with democracy and their democratic institutions. Citizens perceive politicians as self-serving, corrupt, and disinterested in constituents’ needs (UNDP, 2004, p. 27). For these reasons and others, a substantial sector of the population lacks representation.

\(^2\) This social policy was implemented first in 1996 by President Menem at the federal level of government to distribute about US$150 per month (1 peso = US$1 until December, 2001) to all unemployed heads of households. The funds were passed through to municipal governments, which then relied on public or private non-profit institutions (or organizations) to select beneficiaries. In exchange for the poverty subsidies, the households worked 4 hours per week in community service projects like cleaning public roads, working in cooperative enterprises with community organizations, or serving food in soup kitchens. (See footnote #21 for more info.)

and is excluded from traditional channels of access to decision-makers. This contributes to an overall representation crisis in the region, which has embedded a dangerous distrust of “politics” within society and its ability to generate collective, inclusive strategies for improving living conditions. Increasing rates of poverty, inequality and unemployment have devastated citizens’ livelihood and their ability to participate in politics. The best example of how economics affect one’s ability to influence politics is through the current research. As I will describe in subsequent chapters, cooperative members resort to visiting state representatives’ offices on a daily basis just to be acknowledged. Once at the office, the representative must locate the bureaucrat best positioned to influence the particular cooperative’s paperwork. To make matters worse, the process changes regularly. Phone calls, visits, marches, blocking roads and buildings, and meetings are all consistent components of the co-ops’ work for recognition. In other words, democratic participation by low income sectors requires a heavy time investment, is oftentimes demeaning, and provides no guarantee of results. With the principal goal in mind of surviving and caring for their families, many households choose to seek employment rather than participate or luchar, and/or are left with few options outside of minimal subsidies, or handouts which include some forms of bribes.29 Handouts oftentimes translate into more time commitments in the

29 In actuality, nearly all subsidies, handouts or bribes are tied into clientelism in Argentina. Auyero (2001) described the relationship between the government, Peronism- the dominant political party in Argentina, and low income neighborhoods as clientelism whereby the Peronist Party uses “handouts” or sobornos to resolve the political participation problem. The government works with punteros or middlemen who are identified from different neighborhoods to reach a large number of excluded and inaccessible residents. Residents are given incentives to attend political rallies and marches organized by the political party. The middleman’s particular power or worth, in essence, is determined by the number of residents s/he turns-out, or brings to rallies. Generally speaking, the middleman with the best offers (medicine, jobs, food, cigarette, etc.) is supported by the majority of residents in a particular neighborhood. The process is what, theoretically, allows local municipalities or even central government officials to access residents who are typically unreachable through traditional avenues of representation. Clientelism provides bandaids to profound structural problems, but it also weakens political parties and, arguably political systems because citizens exchange their votes and legitimate democratic support for subsidies. Ippolito-O’Donnell (2007) argued that clientelism subverts public space where citizens deliberate, and consequently, negatively impacts democracy. Instead of parties focusing on their role in providing avenues for representation on a broad scale, parties gets involved with promoting particular interests depending on the politician in charge.
form of public displays of support for a particular candidate or politician in exchange for a particular subsidy. Such rallies or marches have been organized in conjunction with community organizations and other CSOs ever since 2002 when the politics surrounding PJFH encouraged community groups to support particular politicians and try to maximize their portion of poverty subsidies.

Over the last twenty years in Latin America the number of people living in poverty has increased; average GDP per capita has remained stagnant; inequality indicators have not improved; and, for the most part, the labor situation has worsened (ibid., p. 43). Such chronic socio-economic deficiencies prevent a large percentage of the population from “expressing themselves on issues of public concerns (as citizens with full and equal rights) and undermine social inclusion” (UNDP, 2004, p. 28). Citizens are prevented from expressing themselves with full and equal rights for reasons beyond those aforementioned. First, politicians fail to represent the needs of low income sectors, with few exceptions, without seeking personal gain. Second, state institutions tend to focus their services on middle and upper income earners. This institutional bias works against full, democratic inclusion. Third, when a household’s basic social rights go unmet, research shows that the household is less able to develop a full, active political life. In the 1990s, structural adjustment programs (SAPs) enforced by international donors, combined with the increasing speed of globalization and international competition, played a role in exacerbating economic and social deficiencies in the region. These global forces, combined with others, have weakened the state apparatus and its ability to act autonomously:

Politics tends to lose its effectiveness due to the diminution of the internal sovereignty of the State, on account of: the imbalance in the relationship between politics and the market; the presence of an international order that limits the capacity of States to act with a reasonable degree of autonomy; and the increasing complexity of societies that cannot be managed using current systems of representation (UNDP, 2004, p. 29).

Auyero (2001) considered clientelism as not necessarily negative, characterized as political connections between personalized ways of doing politics in societies where welfare states do not exist.
In other words, while poverty and inequality have increased, the state has lost much of its independence and capacity. These two parallel processes have contributed to CSOs taking on more radical approaches to social change including, for example, working for the creation of solutions completely outside of the state.\textsuperscript{30} Given the numerous challenges that persist even though Argentina is run by democratically elected leaders, scholars and international organizations have been pressed to understand why many of the improvements that citizens’ were hoping for with democracy have failed to materialize (Shedler, Diamond, & Plattner, 1999, p. 1; Cavarozzi, 2004).

Guillermo O’Donnell (1994) has characterized Argentina along with other nations\textsuperscript{31} as delegative democracies, meaning they may be enduring but are neither consolidated nor institutionalized. The author’s characterization is based, to a large extent, on “deep social and economic crises that most of these countries inherited from their authoritarian predecessors [which] reinforces certain practices and conceptions about the proper exercise of political authority that lead in the direction of delegative, not representative democracy” (O’Donnell, 1994, p. 56). Nations with delegative democratic political frameworks have been unsuccessful in building the institutions and leadership necessary to overcome the range of problems that exist. Such democracies are characterized by extreme individualism in constituting executive power and a lack of institutional controls on authority. While effectively making the first transition out of authoritarianism, O’Donnell noted two paramount weaknesses that prevented these countries from institutionalizing their democracies, or completing their second transition. First, these nations’ institutions have not

\textsuperscript{30} One such example is the current proposal of The Kids’ Kitchen which includes a housing institute in the federal capital of Argentina that’s run by social organizations. The organization proposes doing away with the City’s Housing Institute, (Instituto de Vivienda de la Ciudad—IVC). A number of co-ops insist they have proven that they can manage state resources better than the IVC. Another example is Barrio de Pie, an organization that works closely with President Kirchner and groups organizations throughout Buenos Aires including Comedor Los Pibes. The organization decided to ransack grocery stores and then worked to negotiate with them in 1998.

\textsuperscript{31} A host of countries fit O’Donnell’s (1994) characterization of delegative democracies: Brazil, Ecuador, Peru, Bolivia, Philippines, Korea, and many postcommunist countries (p. 3).
yet become important decisional points in the flow of political power (ibid.). Second, governmental policies and the political strategies of various agents fail to embody the recognition of a paramount shared interest in democratic institution building (ibid.). Most successful democratic transitions have involved an influential coalition of broadly supported political leaders who show deep commitment to building and strengthening democratic political institutions (ibid., p. 56).32

**Democratic Participation**

In light of the chronic economic problems in the region and the inability of both civil society and the state33 to generate meaningful reforms, there is growing support to move beyond a procedural definition of democracy. For the research in question, I will pull from the idea of a citizens’ democracy whereby the goal would be to systematically guarantee and fulfill citizens’ full rights. In other words, democracy would be measured by its “capacity to guarantee and expand the role of citizens in the civil, social and political spheres” (UNDP, 2004, p. 50). A recent UNDP report provided the following definition of a “citizens’ democracy”:

> A certain way of thinking about the development of citizenship; a form of organization of power that implies the existence of a state and its proper functioning; and it requires full civil participation, that is, complete recognition of political, civil and social citizenship (ibid., p. 26).

The idea is that citizens must have easy access to their so-called first generation rights (political and civil liberties34) and also their second generation rights (economic and social

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33 Amongst the litany of concerns are: arbitrary and particularistic behavior of elected officials and state administrators; rampant clientelism; weak political parties; human rights abuses; illegalities and corruption; inadequate systems of checks and balances; weak rule of law; and more.
34 T.H. Marshall noted: “The story of civil rights in their formative period is one of the gradual addition of new rights to a status that already existed and was held to appertain to all adult members of the community.” According to Marshall’s classic definition of civil citizenship, “civil rights are “necessary for individual freedom—liberty of person, freedom of speech, thought and faith, the right to own property and to conclude valid contracts, and [the] right to justice” (in UNDP 2004, p. 62).
rights\textsuperscript{35} in order to exercise control over the state’s actions (ibid., p. 4). Social and economic rights are justified on the grounds that they help promote the effective exercise of civil and political rights by groups who are at a disadvantage in terms of power and resources. Without social rights, it is said, gross inequalities would undermine the equality of political and civil status (Lister, 1997, p. 16).\textsuperscript{36} In a similar vein, opportunities for democratic participation are considered the best guarantee of economic and social well-being (Gould, 2004, p. 194). Participation in its most elementary form refers to elections, but there is now general consensus that elections are inadequate instruments of punishment or reward for incumbents because of infrequency (O’Donnell, 1999, p. 30). Moreover, citizens need additional forms of participation given the highly manipulated field in which voting occurs especially amongst the poor in Latin America.

By democratic participation, I refer to the UNDP’s broader definition of the term which “assumes a stable degree of connection with the area of public decision-making, principally through political parties or [CSOs]” (2004, p. 150). Other forms of participation include: public contestations, deliberative circles, participatory budgeting, attending public meetings with representatives, and more. The following quote captures the importance of participation and deliberation by low income sectors for an active citizenship and a more enlivened democracy for all.

Between 30 percent and 60 percent of the people in [the region] suffer from some form of social exclusion that denies them their citizenship. When these people are unable to organize and fight, with a view to reinserting themselves politically and having some expectation of change in the circumstances that produced the inequality, poverty and social exclusion, they constitute the enormous contingent of invisible men and women in [society]. Civil societies lose in this process, as does democracy. But, if for some reason, the groups of invisible people should organize themselves, civil society would win and so too would democracy, since their

\textsuperscript{35} Per T.H. Marshall, social rights range “from the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilized being according to the standard prevailing in the society” (in UNDP, 2004, p. 63).

\textsuperscript{36} Social citizenship rights promote the de-commodification of labour by decoupling the living standards of individual citizens from their market value. Market forces are tempered this way by recognition of an obligation on society to ensure that individual members of a particular society are able to meet their basic needs regardless of their relative adquisitive power (Lister, 1997, p. 17).
presence as real players is the indispensable condition for their sustained inclusion among citizenry (Candido Grzybowski in UNDP, 2004, p. 126).

Strengthening democratic participation is now widely accepted by multilateral institutions as a core strategy for good governance\(^{37}\). The results of the SAPs in the 1990s showed just how important not only the content of the policies themselves are, but also the way policies are drafted and implemented - notably with participation of the stakeholders.\(^{38}\) It is generally assumed that authentic participation by the people, either directly or by improving the quality of representation (via CSOs, legislators, political parties) and the relationship between representative and constituency, could significantly enhance democratic governance\(^{39}\) and political legitimacy.

Democracy presupposes a certain form of organizing power within society, whereby opposing beliefs and opinions are both respected and considered. Ultimately, the rules of governance require (public or private) power to be arranged in such a way whereby state conduct does not infringe on the full range of rights that are guaranteed, but also that it works as an instrument for increasing them (UNDP, 2004, p. 56). Moreover, the relationship between power and rights is decided by the majority of the members of society. This innate tension is best resolved with healthy “intermediation between the state and civil society and the structuring of compromise” (Linz & Stepan, 1996, p. 10).

The term “civil society”\(^{40}\) has been used since the late 18\(^{th}\) century by political theorists including Thomas Paine and Georg Hegel to refer to a separate but parallel domain from the state – a realm where citizens associate according to their individual desires and

\(^{37}\) Governance refers to the “art of governing, articulating the management of public affairs at various levels of territories, regulating relationships within society and coordinating the interaction of the various actors”. (http://www.diplomatie.gouv.fr/en/article-imprim.php3?id_article=8872) Online Mar. 25, 2008.


\(^{40}\) After World War II, Marxist theorist Antonio Gramsci used the term in reference to a “nucleus of independent political activity, a crucial sphere of struggle against tyranny” (Carothers, 1999-2000, p. 19).
interests (Carothers, 1999-2000, p. 18). In the 1990s, in tandem with the growth of the sector noted above, the concept civil society returned to popularity and became widely adopted by a diverse audience. White (1994) understood it as: “an intermediate realm between state and family populated by organizations which are separate from the state, enjoy autonomy in relation to the state, and are formed voluntarily by members of society to protect or extend their interests or values (p. 379). Civil society includes a range of actors: non-governmental organizations (NGOs), trade unions, advocacy groups, CBOs (community-based organizations), the media (Diamond, 2005), church groups, social movements, and everything in between. Carothers (1999-2000, p. 19) included within the sector interest groups, advocacy NGOs, labor unions, professional associations, chambers of commerce and others. According to Linz and Stepan’s thorough characterization of regime transitions, a “robust” and “independent civil society” is invaluable at all stages of the democratization process (1996, p. 7). These actors assume a range of important functions: to channel the voices of diverse individuals to the state – assigning them a role of mediation; to generate political alternatives by bringing new issues to the public agenda, or influencing or reversing policy decisions already implemented (Smulovitz & Peruzzotti, 2003, p. 310; Linz & Stepan, 1996, p. 9); to discipline the state, ensure that citizens’ interests are taken seriously, and to foster greater civic and political participation (Campatella, Bombal, & Roitter, 1998; Smulovitz & Peruzzoti, 2003); and to encourage democratic governability (US Aid, 2004).

As we have seen thus far, the term civil society refers to a range of actors, including groups representing the interests of low income, underrepresented sectors as well as groups who represent resource-rich entities such as business or lending institutions. Civil society action is not inherently good or bad for democracy. Sweeping generalizations should be avoided, and any analysis should involve specific civil society groups and circumstances given the expansive nature of the category.
An important support by civil society actors for democracy strengthening is their ability to influence the behavior of government officials and state institutions by exerting “societal controls” or “societal mechanisms of accountability”\textsuperscript{41} to use Catalina Smulovitz’s and Enrique Perruzzotti’s (2003, p. 310) terms. Societal accountability refers to actions taken by citizens, mass media, and civil associations – actors that recognize themselves as legitimate claimants of rights - that intend to enforce standards for good conduct on public officials. Citizens are “rapidly redefining traditional links between the represented and their representatives” (ibid., p. 309) through both institutional (the activation of legal claims in oversight agencies or participation in institutional arenas for monitoring and policy-making) and non-institutional tools (social mobilizations and media denunciations) (ibid.). Societal controls are purely symbolic and their degree of effectiveness in regulating the state depends on public officials’ perception of the anticipated costs of public criticism (ibid., p. 312). That said, they have been found\textsuperscript{42} to activate “horizontal” controls (carried out by state actors, and described below) which, when carried out in tandem, can generate the ideal circumstances for accountable relationships.

Societal mechanisms tend to be successful in those cases where an interaction between the use of social mobilization, legal actions, and media exposure and denunciations can be found. That is, the politics of societal accountability appears to achieve its goals when citizens not only initiate a legal action but when they also support those actions with some kind of social mobilization and some sort of media exposure (Smulovitz & Perruzzoti, 2003, p. 327).

This is to say that multiple protest channels, when orchestrated across civil society actors, help to strengthen societal mechanisms of accountability. By combining and materializing

\textsuperscript{41} “Societal accountability is a non-electoral, yet vertical, mechanism that enlarges the number of actors involved in the exercise of control. In contrast to electoral mechanisms societal ones can be exercised between elections, do no depend on fixed calendars and are activated on demand” (Smulovitz & Perruzzoti, 2003, p. 310).

\textsuperscript{42} The authors listed three conditions that may activate horizontal mechanisms of accountability: 1. when social movement organizes and mobilizes around a particular demand or claim; 2. when the media gives coverage to actions or claims of a particular movement or when it develops its own investigation with regard to an issue, or 3. when individuals or associations activate regular local judicial proceedings, international ones, or oversight agencies (Smulovitz & Perruzzoti, 2003, p. 312).
the strengths of various civil society actors, as is the case when protesters’ efforts are paired with media attention and legal actions, democratic participation is enhanced.

Given the large, diverse set of competencies now assumed by civil society, it is important to question whether or not further investment in this sector presents the best option for strengthening Argentina’s weak democracy or, if in fact, better channels exist. Current trends in civil society growth in Argentina and elsewhere beg the question of whether or not civil society might be better suited to take on additional competencies, including those activities usually performed by political parties. Even though some of the activities assumed by civil society now overlap with the roles traditionally performed by political parties, such as the identification of party candidates, important distinctions are maintained between CSOs and parties by mainstream donor organizations, and a number of scholars. A brief theoretical review of the respective groups suggests that there is no replacement for political parties, nor for state institutions.

CSOs tend to concern themselves with single issues, and lack consistent access to the state. Political parties, meanwhile, are meant “to integrate multiple conflicting demands into coherent policy programs”, and are necessary “to build and aggregate support among broad coalitions of citizens’ organizations and interest groups.” According to McGuire (1997, p. 7), a political party is defined as an organization whose membership and leadership aspire to gain control of the state by means of elections that involve competing with other political parties. In order to fulfill this goal, NDI (2005) claims that parties “select and train legislative candidates and political leaders” and, if elected to office, they “stand collectively accountable for their actions in subsequent contests” (p. 4). In other words, “CSOs are concerned with and act in the public realm, relating to the state (without seeking to win control over it)... By contrast, the purpose of groups in political society—especially political parties...is to win and exercise state power” (Diamond, Linz, & Lipset in USAID, 2004, p. 7).

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43 Online Mar. 25, 2008.
Even though political parties have lost much of their allure in the region\textsuperscript{44} and civil society’s role has expanded, both the UNDP and USAID (United States Agency for International Development) caution that giving up on political parties could be potentially devastating for democracy (UNDP, 2004; USAID, 2004). These international organizations amongst others support civil society activity that aims to strengthen political parties. CSOs could do this by: supporting advocacy of legal and policy reforms that affect parties such as campaign finance reform; encouraging participation through voting or actual membership; party monitoring and observing elections; training politicians; holding fora for officials; polling and surveying; and other activities (USAID, 2004). USAID is looking at laws that could “encourage, or ‘incent’ CSOs to engage in political action and representation and link to political parties” (ibid., p. 21). This discussion would be incomplete without considering the state’s centrality in protecting and enabling citizens’ participation in democratic institutions.

Fox (1992) found that the “state comprises the ensemble of political, social, economic, and coercive institutions that exercise ‘public’ authority in a given territory” (pp. 11-12). An institution, then, puts into action a principal, value, or norm which, on the one hand, socializes and involves actors on its own terms, and on the other, tries to effectively implement the functions for which it was created (Nun in UNDP, 2004). The state’s public authority is derived from: its ability to concentrate and recognize the collective identity of the inhabitants in her territory\textsuperscript{45}; its legal system’s relative success in providing a network of judicial rules that aims to regulate a wide range of social relationships; and the extent to which its established bureaucracies achieve and protect aspects of the common good for which they were formally designed (UNDP, 2004, p. 64). To order relationships of power,

\textsuperscript{44} In a recent survey, reaching political leaders, experts and ordinary citizens alike, across 18 countries in the region, 40 percent of those questioned believe that democracy can exist without political parties (UNDP, 2004,p. 131).

\textsuperscript{45} This implies “being [s]tates-for-the-Nation or, in some cases, [s]tates-for-the-people, whose mission is to promote the common good, or the general interest, of a nation that is viewed as homogenous” (UNDP, 2004, p. 64).
prevent abusive practices and protect all actors’ rights, enforcing the rule of law is essential. This implies equality under the law, and is described as:

The independence of the branches of government and a legal system that is
democratic in three regards: it protects political freedoms and safeguards political
democracy; it protects people’s civil rights; and it establishes networks of
responsibility and accountability, so that the legality of the actions of public officers,
even at the highest level, are subject to appropriate controls. It also presupposes that
any action by the State and its branches is in line with norms that emanate from
democratically designated powers (ibid.).

Accountability is central to the rule of law. Accountability networks serve to subject state
actors, and their actions, to controls which serve as mechanisms of accountability.
Accountability refers to both “answerability and enforcement” (Schedler et al., 1999, p. 4),
and can be enacted by civil society and state actors. Civil society holds officials and
institutions accountable in two ways: through societal accountability, as described above, and
electoral accountability, consisting in “fair and institutionalized elections, through which
citizens may change the party and officers in government” (O’Donnell in UNDP, 2004, p.
58). The third form of accountability, horizontal accountability, refers to the presence of
state agencies that have the legal authority, and possess the proven ability and will to act.
State agencies’ actions would include everything from “routine oversight to criminal
sanctions or impeachment in relation to actions or omissions by other agents or agencies of
the state that may be qualified as unlawful” (O’Donnell, 1999, p. 38).

Before moving to the section of the chapter that focuses on reformists from within the
state’s work with pro-poor CSOs, it is important to mention that neither the rule of law nor
accountability mechanisms are enacted as consistently or as broadly as they ideally could be.
This holds true even in the most developed, wealthiest nations. Both of these central
components of democracies must be measured in relative terms, whereby a nation with a
weak rule of law tends to be considered a low quality democracy, and a nation with strong,

46 State actors, according to Jonathan Fox (1992), “are groups of officials whose actions push or
pull in the same political direction” (p. 29). The concept is not fixed, however, and depends on the
specific institution or level of government within a particular research agenda.
47 For other competing notions of accountability see, Mainwaring and Welna (2003), and
effective mechanisms of accountability is characterized by a higher quality democracy. As CSOs, political parties and state institutions become more enabled to occupy their respective roles as ascribed by the theories and concepts I have reviewed throughout this chapter, presumably the quality of democracy for all will increase. How, exactly, one set of actors influences the others and, in turn, encourages or discourages the expansion of rights for all depends on a number of factors. The case study in question will provide an analysis from the experience of CSOs in their collaboration and struggles with state representatives over a period of nearly twenty years.

The Interactive Approach to Pro-Poor Reform

Jonathan Fox (1992) adapted an interactive approach in terms of state and civil society to explain how “state action is a reciprocal cause and effect relationship between changes in the balance of power within the state and shifts in the balance of power within society (p. 22).” Fox claims that “[t]hrough conflict both are transformed (ibid.).” The author employed this approach to characterize the dynamics in a situation of reform in Mexico, whereby divisions within the state increased its capacity to carry out a distributive reform that actually reached the poor during non-revolutionary times, which was most of the time (ibid., p. 20). By definition, state actors, such as bureaucrats, appointed and elected officials, etc., share a common interest in perpetuating state power. This is a “necessary precondition for advancing whatever their particular agendas might be” (ibid., p. 30). At the same time, we know that state actors are also motivated by varying combinations of ideological persuasions and institutional motivations, not excluding individual career

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48 Fox (1992) highlighted that typically, “distributive reforms require deep state intervention in society, regulating rights, privileges, and access to resources that would otherwise be determined through the market, culture and coercion...[Furthermore], [i]f distributive reforms depended on unified, insulated states, they would be even rarer than they have been historically.” (p. 20).

49 For a broad interpretation, Fox reminded us that state actors in capitalist societies are fundamentally dependent on private capital accumulation and the preservation of some historically conditioned minimum level of political legitimacy (Fox, 1992, p. 30).
advancement opportunities or material gains (ibid., pp. 30-32). Fox’s research demonstrated that there is value in ascertaining, instead of assuming, state actors’ true goals and motivations. Just because state actors often claim to be acting out of the “national interest”, for example, or are commonly accused of “privatized rent seeking”, how and why various state actors pursue their professional objectives and the preservation of the state is something that requires an explanation. Fox’s approach (1992) “moves beyond the dichotomous assumptions that state actors are motivated either by interests determined externally” (no autonomy per society-centered approaches) or by an a priori commitment to promote an imputed general interest of the state independent of social forces or structures” (complete autonomy per state-centered approaches)  

Fox maintains that the implementation of distributive reforms, “which require highly decentralized actions”, relies on states to be, both, commanding and competent, but also responsive and participatory.

When policies need both coordination and extreme decentralization, as do many antipoverty efforts, state capacity depends in large measure on society’s response...The government’s capacity to carry out distributive reforms depended on the beneficiaries’ autonomous mobilization in defense of their interests against anti-reform elements within the state itself (ibid., pp. 10-31).

Fox found that the rules of engagement with the state apparatus are dynamic, in that they depend on historical interaction. These rules are: “shaped by past struggles with social forces but in turn define the terrain on which new rounds of social conflict over state action take place” (ibid., p. 22). Pro-reformists, or reformists from within the state, must organize allies and disorganize opponents, with the help of the poor from below:

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50 Fox described the two prominent approaches to explaining state action as inadequate for his reform case from Mexico. He found that, on the one hand, society-centered approaches explain state action based on the interests, relations and structures of civil society (Fox, 1992, p. 13). On the other hand, state-centered literature “highlights organizational coherence and insulation from social actors as prerequisites for effective state capacity to make distributive reform decisions; they begin with the interests and actions of the state as an organization, emphasizing institutional goals, personnel, and structures (ibid., pp. 13-21).

51 Distributive reforms “are qualitative changes in the way states allocate public resources to large social groups” (Fox, 1992, p. 10). Redistributive reforms change the relative shares between groups and are therefore more conflictive. Consequently, Fox found that social programs are often preferred because they avoid clearly extracting from one entity to give to another (ibid.).
Pro-reform policy currents must pursue strategies that strengthen them and their allies while weakening their opponents. Some reforms are initiated from above while others are responses to pressures from below...The successful implementation of distributive policies depends on the nature of the political interaction between the pro-reform forces in state and society” (ibid., pp. 39-40).

Fox used the term “reformists” to refer to “inclined pro-poor change-makers either within the state or in civil society” (1992, p. 40). I will continue to employ Fox’s use of “reformists” for actors who initiate their activity from within the state, in addition to “outsiders” and “challengers” (Tarrow, 1998) to refer to members of movements or social organizations who are working to gain access to the state. As we will see further below, state reformists’ interests can and do intersect with outsiders’ interests even though each group’s fundamental reasons for acting may be completely distinct.

Political Opportunity Structures

In his book, Power in Movement, Tarrow (1998) designed a framework for explaining certain dimensions of the political landscape that create opportunities from “above”. The author analyzed how social movements form when “ordinary citizens, sometimes encouraged by leaders, respond to changes in political opportunities that lower the costs of collective action, reveal potential allies and show where elites and authorities are vulnerable” (1998, p. 18). Tarrow defined a “movement” as: collective challenges by people with common purposes and solidarity in sustained interactions with elites, opponents and authorities (ibid., pp. 3-4). Political opportunity structures52 were considered by Tarrow as “consistent - but not necessarily formal, permanent or national - dimensions of the political environment that either encourage or discourage people from using collective action.” The author found four conditions that produce changes in political opportunity structures: gaining increased access to power, unstable political alignments, influential allies, and divisions

52 “Theorists of political opportunity structures emphasize resources external to the group – unlike money or power – that can be leveraged by challengers” (Tarrow, 1998, p. 85). Political opportunities are unevenly distributed, unlike a particular group’s internal resources. Sometimes the effects of such opportunities widen and apply to only some groups (ibid.).
amongst elites. First, with the opening of access to power, having access to participation and to expanding opportunities are key to incentivizing collective action (ibid., p.86). From there, movements seeking access instead of new advantages may end up better positioned to pursue further opportunities (ibid., p.87). Second, shifts in ruling alignments include electoral instability and the shifting tide of government and opposition parties. For example when parties are based on new coalitions, supporters’ uncertainty encourages challengers to try to exercise marginal power. This “may induce elites to compete for support from outside the polity” (ibid.). Third, the presence or absence of influential allies ready to help groups out is closely related to whether or not the groups succeed, and is understood to entice resource-deficient challengers to take action (Kriesi, Koopmans, Duyvendak, & Giugni in Tarrow, 1998, p. 88). Fourth, cleavages within and amongst elites encourage underrepresented groups to act collectively (Tarrow, 1998, p. 88). Tarrow (1998) found that reform was most likely when challenges from outside the polity provided a political incentive for elites within it to advance their own policies and careers (p. 98).

When elite minority factions - such as reformists within the state or other powerful elites with influence - joined together with outsiders to exert pressure on the state, Tarrow (1998) found that incentives were created for carrying out both political and institutional reforms. In other words, when reformists within the state join forces with outsiders from “below”, there is cause for state authorities to take notice and react, which in turn creates an opportunity for both state actors and CSOs. Once such an opportunity appeared, Tarrow attributed social movements’ effectiveness to their ability to challenge authorities or intimidate them, and to the extent to which they created the appearance of solidarity across

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53 Tarrow (1998) explained expanding access as elections, but said that even in authoritarian regimes, it can appear in more informal acts such as having access to information from abroad (p. 86).
54 Tarrow attributed this learning to Mueller’s finding that “the American women’s movement may have gained far more in new advantages by increasing its electoral access than it would have gained by directly demanding the same advantages” (in Tarrow, 1998, p. 87).
55 Movements’ claims are innately challenging because, if realized, the claims would conflict with someone else's interests and politics, in the sense that governments are implicated in one sort or another in the claim making (Tilly, 2004).
their membership base and allies - wherever they lied. One type of ally that proved to be crucial in determining whether policy change would be successful was individual bureaucrats, given that it has become apparent that initial commitment by officials is no guarantee that policies will be effectively implemented (Tendler & Freedheim, 1994; Lipsky, 1980). Overall, movements’ ability to intimidate has been linked to a group’s supporters publicly expressing their claims and developing strategic relationships with allies.

Intimidation relates to a group’s potential capacity to disrupt political or economic stability, which Fox (1992) found to be fundamental to its relative bargaining power (p. 25). Piven and Cloward defined disruption as the “withdrawal of a resource on which others depend” (in Fox, 1992, p. 25). In its most basic form, disruption obstructs the routine activities of opponents, bystanders or authorities; “by blocking traffic or interrupting public business, protesters inconvenience citizens, pose a risk to law and order and draw the state into a conflict” (Tarrow, 1998, p. 108). When protesters block public access, law makers receive additional pressure from norm-abiding observers in part because their daily lives are interrupted, but also because angry crowds conjure up fear through projecting a possibility of violence (Eisinger in Tarrow, 1998, p. 108).

Tarrow (1998) cautions that political opportunity structures create only temporary pathways to influence, alliances and realignments. Thus, movements must create more permanent resources in order to prosper, especially given the fact that forms of protest become institutionalized and lose their intended effect over time (ibid., p. 94). By more permanent resources, I’m referring to: access to relationships to people in influential positions who can: advance the movement’s goals in some sustainable way, and/or leverage sources of financing that are external to the group, and/or leverage financing for the purpose of generating internal financing for the movement.

Social movements frequently align themselves with political parties, corporations and other CSOs to advance their temporary or long term objectives. Because social movements
operate locally, precisely “where people live, work and socialize,” Wainwright (1994) concludes that they can only meet their goals by exerting pressure on “corporations” and other political decision-making bodies or influencers (p. 195). Wainright (ibid., pp. 190-1) considers political parties to have the capacity to provide access to key power arenas for movements. Additionally, movements look to like-minded organizations who also may maintain ties to other power-brokers. This strategy carries several advantages. Firstly, civil society groups can be better protected from the effects of changing political alignments and, thus, decrease their reliance on specific government officials or institutional arrangements. Secondly, multiple CSOs may have the same, or similar, objectives and, when combined, the groups represent a larger force by making joint claims. Joint claims are more likely to attract officials’ attention and lead to agreements that serve both civil society and state actors if common goals can be found. This is because larger public claims provide opportunities for officials to gain widespread public support and legitimacy - of course, if the demands are met. Thirdly, coalitions of CSOs or NGOs may be able to provide contact and resources to a particular group that one group working alone is unable to access.

Following Galjart’s work from 1982, Carroll (1992) sheds light on the importance for CSOs of reciprocal exchanges (direct exchange or pooling of resources, including non-tangible or political exchanges as well) that occur between higher level associations, what he called second- or third-level associations, and grassroots groups (p. 19). Carroll references Galjart and a few other Dutch colleagues, who he refers to as the Leiden group, who have contributed to “the role of the external change agent in capacity building, including participation (van Dusseldorp in Carroll, 1992, p. 19). Another member of the Leiden group emphasizes the critical role of external initiative and support for the creation of groups with a participatory structure: “Paradoxically, top-down planning and organization may be needed for the poor to participate from the bottom-up” (Grijpstra in Carroll, 1992, p. 21). This idea is, of course, controversial, but it acknowledges the possibility that middle income and upper
income individuals – presumably those best positioned to facilitate top-down planning – may have connections that the poor do not access easily. By working collectively, as we will see later in this research on Law 341, the poor may, in fact, be enabled to participate more fully. Other provocative strategies come from Judith Tendler’s (in Carroll, 1992, p. 20) assessment of a number of CSOs, including development organizations and a co-op from Latin America, for USAID and the IAF. Among other provocative ideas, the author argues for co-opting the elite instead of confrontation, greater cooperation with governments, a minimalist take on services and urban rather than rural strategies for poverty alleviation (ibid.). In a similar vein, Tendler (1997) also suggests that contact with like-minded decision-makers whether from elite civic associations, central government or local government may help disadvantaged groups meet their goals.

For the purpose of appropriately identifying the tactics employed by the social movement the MTL in my case study, I will combine theories on social movements and interest groups. In pursuing its housing development under Law 341, the MTL resembled both interest groups, specifically economic associations, as described by Mancur Olson (1965), and also McCarthy and Mayer’s contemporary Social Movement Organizations (SMOs) (1977). According to Olson, as a group grows numerically, leaders need to offer “selective incentives” to address the “free-rider problem, whereby the large majority stand by and benefit from the gains that result from the work of only a few (in Tarrow, 1998, p. 15). Olson found that a high percentage of an interest group’s membership needed to mobilize in order to be taken seriously, and that these groups were formally and transparently organized (ibid.). With regards to SMOs, theorists McCarthy and Mayer found that the “organizers” of the movements they observed in the 1960s (in the United States) more closely resembled professional “movement entrepreneurs” who belonged to the “new middle class” rather than the aggrieved group. These organizers were understood to work full-time for the movement,
with formally structured, centralized leadership hierarchies and clearly defined responsibilities (McCarthy & Mayer, 1977).

Even though social movements are “outside of the state” and “opposed to the state” per Tarrow’s (1998) characterization, the author finds that collective action “inserts them into complex policy networks” which, in turn, puts them within reach of the state (pp. 25-26). Tarrow specifically distinguishes social movements from political parties and interest groups because the latter two possess stable resources such as money, organization and access to the state (ibid., p. 4). The author argues that the mere existence of collective action paves the way for other like-minded individuals. Protesters put issues on the political agenda and demonstrate the value of collective demands which others can emulate for their own ends (ibid., p. 97). State officials decide which protest groups and which forms of protest receive official recognition, and appear to favor groups that present their claims within the existing established norms of the state. Movements that make extreme policy demands can be outmaneuvered by groups posing the same claim in a more acceptable form (ibid.).

Concluding remarks:

This chapter outlined various theoretical concepts to explain both the respective and collective roles that CSOs, the state, state reformists, and social movements assume in democratic systems. Democratic participation, understood as consistent interaction with the public decision-making arena mainly through political parties or CSOs (UNDP, 2004), is widely thought to increase governance and political legitimacy while increasing inclusion for the millions of invisible citizens in weak democracies such as Argentina. The dilemma that arose over the last thirty years, however, is that despite a widespread expansion in democratic participation by CSOs, the poor continue relegated in their ability to influence the political agenda. Unmet needs of the poor drive a number of grassroots organizations to continue their struggle for basic services and expanded rights. The chapter detailed a number of theories, which are also supported by multilateral organizations, relating to democracy strengthening
measures. The theories stress the importance of political parties and independent, competent state institutions to counterbalance and support civil society’s demands. The concepts that I reviewed suggest that formal, institutional deliberation channels are required for democracy building rather than the informal avenues most commonly used by the poor today. I will later show how democracy building may not depend solely on these formal channels. In a similar vein, Tendler (1997) argues that the poor can have their needs better served even when genuine representation fails to exist (p. 154). In other words, waiting on genuine representation may not be necessary to improve the quality of life of the poor. To this I would add that neither is it a prerequisite for improving the quality of a democracy.

With regards to civil society’s cooperation with the state, this chapter explained how CSOs stand to gain by engaging with government officials and even “elite civic associations” when opportunities arise. Opportunities for social movements come about through political opportunity structures which are understood as increased access to power external to the group, unstable political alignments, influential allies and divisions amongst elites (Tarrow, 1998). Movements leverage these openings by building up their organizational capacity through solidarity strategies with allies, such as other CSOs, political parties, bureaucrats and other state reformists, and/or elites - either inside or outside the state. Internal organizational structures and tactics that have been found to build strong organizations include centralized leadership networks; a clearly defined division of labor to allow for the poor to participate from the ground up; and regular public disturbances and large protests that include nearly all members of a particular group. Movements can maximize periods of increased collective action, as is the case with temporary opportunity structures, by establishing more permanent resources independent of the state.
CHAPTER II. HISTORICAL BACKGROUND

This chapter reviews part of the historical context that paved the way to a more participatory environment for popular housing groups in the CABA. The present chapter is divided into two principal sections. The first section details the evolution of the housing policies supported in mainstream development literature (MSDL). The review of MSDL related to popular housing will illuminate important trends that were influencing the CABA in the 1980s and 1990s. I will argue that the adoption of the mainstream donor community’s currently preferred housing paradigm, the so-called “enabling” approach, indirectly extended additional tools to both CSOs and state actors. Particular groups from each sector leveraged these tools to push for housing reforms that included the voice and needs of low income sectors. Law 341 incorporated a number of elements proposed in the enabling approach, and thus will benefit from an explanation of the paradigm and a review of how it came about. The enabling approach represented a shift in global housing trends for developing nations. I argue that this global shift converged with local political arrangements and realignments in the CABA\textsuperscript{56} to open up a number of political opportunity structures.

The second section of this chapter briefly outlines Argentina’s national context with regards to restrictive housing access and social protest. To appreciate and understand the full content of the most recent push from disgruntled housing activists for accountable politicians, participatory decision-making arenas, and responsive social and economic policies, a review of the country’s authoritarian and populist roots is imperative.

Popular Housing Policies in Mainstream Development Literature (MSDL)

Uniformity and top-down planning have long characterized public housing policies in both wealthy and resource-deprived nations. The models that eventually spanned the globe first emerged in Great Britain in the 1800s, then moved to the United States, and,
subsequently, were adopted throughout the developing world to accompany processes of national industrial growth. Each country’s exact timeline for implementing the espoused strategies depended on its unique circumstances. The strategies aimed at providing housing for the working class took on an almost uniform pattern: increased industrialization drew workers away from the countryside and attracted foreign immigrants into cities and factory towns. Housing needs quickly surpassed the available options. Overcrowding, growing numbers of disenfranchised farmers and a shortage of sound policies led to: the deterioration of the housing stock, the expansion of shantytowns, and the urbanization of poverty\textsuperscript{57}. Government officials reacted with a few targeted strategies: the periodic, slapdash removal and bulldozing of informal settlements, and the development of substandard tenement housing and tall apartment blocks for workers - sometimes carried out by speculators seeking high profits.\textsuperscript{58} These approaches produced dismal results. In fact, the “culturally-inappropriate” and poorly designed slum tenements came to signify important symbols of the very injustice that revolutionaries wanted to eradicate (Angel, 2000, p. 3). The extensive public investment in housing by paternalistic governments who promised to overcome monstrous housing deficits and offer decent housing to all (ibid.) proved financially unfeasible and lacked transparency.

While public agencies’ housing expenditures skyrocketed, entire urban populations were busy housing themselves through self-help\textsuperscript{59} initiatives. A number of early proponents advocated informal settlements as a solution to the housing shortage in developing nations and urged governments to support the ingenious initiatives of the poor (Mangin, 1967; Turner, 1976). These reformists from within civil society emphasized that there was a

\textsuperscript{57} The fact that an increasing number of those considered poor are now located in urban areas (UN-Habitat, 2006, p. 3).
\textsuperscript{58} See Table 1 for a complete list of the widely adopted approaches by the international development community.
\textsuperscript{59} Self-help initiatives begin with setting up stakes and four panels from highly inferior construction materials. Over time, the residents improve the structure and expand it as resources become available.
disconcerting gap between public authorities’ efforts and the work of affected communities. The new consensus became that housing built without formal financing on illegally occupied land and in contravention of regulatory requirements resulted in a positive contribution (UN-Habitat, 2006, p. 15). These reformists introduced new ideas and profoundly shaped the debate of how to house the poor. Many of their ideas were later adopted by the mainstream donor community such as: 1. the notion that participation by affected residents was a necessary tool for addressing the disastrous tendencies in social housing that were beginning to appear; 2. rather than restrictive regulatory frameworks and controls, what mattered in the housing process was the removal of constraints, such as the idea that expanding security of tenure would encourage further investment by dwellers in their housing improvements and maintenance (cf. Cohen, 1983; Turner, 1976); and 3. the importance of differentiating self-help construction from participation, which in the 1970s was taken to mean “management and maintenance” (Turner, 1976, p. 140). By separating out the term participation, space was expanded for additional arenas for dwellers’ direct action. One of the prominent reformists at the time, John F.C. Turner, went a step further and insisted that residents should be entitled to “self-government in housing” (ibid., p.102). For Turner, households and local organizations needed to actually control resources so that they themselves could determine the nature of their housing solutions. The international donor community was considering these concepts in the 1970s, but was only ready to embrace alternatives with self-help roles for low income households in the last nearly twenty years. The success and reach of such alternative policies depended heavily on local partnering, local demands and political will. As I show, Law 341 in the CABA is one example of organizations partnering with government to gain greater access to state resources for their own members’ housing needs.

It is important to note that the democratization processes in the 1970s and 1980s in several developing countries paved the road to expanded involvement for additional actors. In many cases of policy reform in democratic regimes, change has occurred because of
actions taken by both civil society and state actors. Experience shows that public unrest and lobbying by civil society and non-governmental organizations (NGOs) have led to reforms, and at the same time, reforms have enhanced the reach of meaningful participation and involvement for civil society actors (UN-Habitat, 2006, p. 39). Under authoritarian rule, these processes would not have occurred.

With good reason, donor institutions, governments of industrialized nations, and NGOs have expressed interest and concern with housing policies. This interest has been influenced by a number of interrelated factors. The increasing presence of democratic regimes and the end of the Cold War era increased the speed of globalization and economic integration. This global integration increased the already high total investment in housing in the urban economy in Latin America, which has been historically higher than other nations. Other important catalysts for the interest include: 1. a now familiar litany of documented stories of poor government practices in developing countries and a range of literature that tries to explain them (Tendler, 1997); 2. greater awareness of the link between housing conditions, policy options and the overall economy, such that growth in GDP is crucial to a well-functioning housing sector and vice versa (UNCHS in UN-Habitat, 2006, p. 8); 3. concern over diminished states’ ability and capacity to provide adequate resources and other provisions which are often necessary to fulfill economic, social and basic human rights, due to the impacts of globalization and the urbanization of poverty (UN-Doc. E/CN. 4/2002/59, paragraph 51); and 4. growing interest by donor institutions, including the World Bank and the International Monetary Fund (IMF), in influencing economic policy (via structural adjustment programs (SAPs), loan conditionality, etc.) and the operations and processes of the public sector in borrowing nations.

For all the above reasons, amongst others, a body of literature has been developed that is currently “proffered by bilateral and multi-lateral donor institutions, governments in North America and Western Europe, and smaller aid-giving organizations” (Tendler, 1997, p.
1). I refer to the literature on which the advice is based as mainstream housing development thinking, or mainstream development literature (MSDL) - pulling from Judith Tendler’s (1997) use of “mainstream development thinking” and the advice-givers as the mainstream donor community (p. 2). The most predominant institutions guiding mainstream housing development thinking are the World Bank and the United Nations, through the United Nations Human Settlements Program (UN-Habitat) and the United Nations Center for Human Settlements (UNCHS).

One important contribution to the analysis of mainstream development literature in developing countries is Judith Tendler’s Good Government in the Tropics (1997). She questions many of the donor community’s views about why governments perform poorly and about what causes them to improve. She draws from incidences of success by a state government in Northeast Brazil in rural preventative health, business extension and public procurement, public works construction and emergency relief, and agricultural extension. Despite the author’s focus on workers, her findings on the inconsistencies between the advice supported by the international donor community and her empirical studies cut beyond the boundaries of the cases she analyzed (Evans, n.d.). Throughout the rest of the chapter, I will reference Tendler’s and other authors’ findings as they relate to Law 341.

Between the 1980s and 1990s, the housing policies endorsed by the mainstream donor community gradually reflected more of the concerns of the reformists from the previous decade. The two principal approaches, “sites and services” and slum upgrading, relied on governments to outsource the provision of land and basic urban services (street layout, water, sewer, etc.) while the people contributed by building their own homes and donating their labor for community projects. The sites and services scheme corresponded to the philosophy of “self-help” and was seen as a distinct alternative to state subsidy and low-cost social housing construction, on the one hand, and total neglect as advocated by local oligarchies, on the other (Angotti, 1987). The upgrading strategies emphasized the
improvement of communal infrastructure (roads, market, healthcare and education centers) that were lacking or decaying, and basic services within established slums (sewage, water, sanitary, waste collection, electricity) (Pugh, 2001). With regards to implementation, the sites and services scheme was heavily criticized for its demolition and eviction practices. In some instances, dwellers were stuck in limbo without alternative shelter and land arrangements or compensation. These events aggravated the housing shortage and increased the dwellers’ distrust of authorities. The World Bank’s major complaint of these two schemes was the failure to achieve cost recovery. Other shortfalls included the relatively low number of beneficiaries, the lack of understanding and transparency around the activities of the private sector, the fact that beneficiaries did not improve their overall economic status and low or non-existent operating standards (ibid.). The performance of national housing policies, strategies and programs implemented across the developing world has been generally poor (UN-Habitat, 2006, p. 11; Angel, 2000). Governments had the primary responsibility for formulating and implementing housing strategies, policies and development until 1988 when the mainstream donor community officially changed its approach. A new approach was adopted by the United Nations General Assembly in the Global Strategy for Shelter (GSS) to the Year 2000. The fundamental policy change put forth in the GSS was:

The adoption of an enabling approach whereby the full potential and resources of all actors in the shelter production and improvement process are mobilized; but the final decision on how to house themselves is left to the people concerned (GSS paragraph 14).

The enabling approach proposed that governments empowered all other stakeholders, rather than continue in their role as direct providers. In this capacity, state officials were to ensure efficiency across the marketplace of public housing. The approach followed a number of the reformists from civil society’s suggestions as previously cited in that it implies that the affected populations will be given the opportunity to improve their housing according to their own priorities and needs. Some of the key policies endorsed in this approach included
legalizing land tenancy, broadening available housing finance for the poor, subsidies for residential urbanization infrastructure projects, and greater support for private sector initiatives. I will divide the policy recommendations of the enabling approach into four categories: 1. decentralization, 2. participation, 3. partnerships, and 4. regulation and governance. I will briefly describe these recommendations and reference dominant concerns raised by other authors as related to the case study that follows in Chapter V.

**Decentralization:**

The enabling approach, along with prevailing development wisdom, argued that the decentralization of political, administrative and financial authority to sub-national, local governments, and even NGOs, is advantageous for a number of reasons. These reasons included, but were not limited to: the building of stronger local authorities; improved policy-making through increased public participation and decision-making; more accountable and transparent local government; and increased efficiency and responsiveness of urban service delivery.

Concerns and critics have emerged in response to the view that decentralization is always a better approach to improving government. Tendler’s (1997) cases in Northern Brazil, for example, illustrated that successful decentralization strategies demand greater centralization and more sophisticated political skills at the national level. The author found that contrary to what MSDL suggests, local government improved less through decentralization and more as a result of a three-way dynamic among local government, civil society and an active central government. Two additional problems have been noted from Latin America. First, strong, existing clientelist networks can control access to the distribution of services, thus preventing proper distribution (c.f. Filgueira, 2001). Second, a lack of fiscal oversight can occur between central governments and local jurisdictions (ibid.).

**Participation:**
The enabling approach proposed that government efforts be geared towards establishing legislative, institutional and financial frameworks in order to better enable all stakeholders (private sector, CSOs, and community-based organizations—CBOs⁶⁰) to contribute to achieving the goal of adequate shelter for all. The concept of participation is used in a variety of ways - as we saw in Chapter II - in development literature and, depending on its application, can include anything from cost recovery in service provision to political empowerment (UN-Habitat, 2006, p. 45). One innovation in the late 1990s to increase broad-based participation in formulating goals to impact poverty was Poverty Reduction Strategy Papers. These papers were to be designed and implemented by local governments with extensive input from civil society actors. The IMF and World Bank have noted, however, that civil society participation in these planning processes has been minimal.

Tendler’s work in Brazil challenged two tightly held notions of civil society and participation found in mainstream development literature. The first assumption was “that a robust civil society is a prerequisite to good government”, and the second is that NGOs and other institutions of civil society are distinctly autonomous and independent of government (Tendler, 1997, p. 145). On the latter point, Tendler identified considerable overlap between government and non-government sectors. Members of NGOs and civic associations oftentimes accepted jobs with government agencies, only to build alliances with like-minded colleagues already within the public sector (ibid., p.146). In Chapter I we saw how neither

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⁶⁰ CBOs fall into the broader, theoretical category of CSOs but mainstream development literature tends to differentiate these organizations. Rather than CSOs, the United Nations and the World Bank typically use CBOs - to refer to organizations who work from the base, with neighbors and community members, for example, at a grassroots level. And rather than CSOs, these multilateral institutions use NGOs to refer to higher-level organizations. By employing these terms as such, these institutions are: stressing the importance of CSOs assisting other CSOs; and following their line of argumentation that decentralization provides participatory avenues for excluded populations which are considered to be accessible at the lowest level of community organization, that is, is through community based organizations or grassroots organizations. At the same time, NGOs are deemed to have greater access to higher level resources, while still considered better positioned to work with the people over state actors. Therefore, in theory, they are better situated to funnel resources and knowledge down to CBOs.
assumption should be assumed in the context of Latin America. In Chapter VI of this study I will speak to Tendler’s finding on civil society’s relative independence to the government.

Partnerships:

The enabling paradigm advocated an integrated approach to leveraging institutional, financial, and physical and human resources. Given the prevailing view of government in the 1990s as inefficient and weighty, the mainstream donor community advised the participation of only a minimal number of state actors to closely coordinate activities pertaining to housing the poor. Their principal task entailed forging dynamic partnerships between the formal and informal private sector, CSOs, and disadvantaged groups including the poor. The goal was for government leaders to recognize the distinct and valuable role each of these actors contributes and to activate the combined resources.

Partnering across sectors is critical to address the shortage of housing finance. Traditional avenues such as private commercial banks and finance institutions simply do not cater to low income households and individuals. Institutionally they are risk averse and are generally geared towards middle- and higher-income groups. From an institutional perspective, the anticipation of high transaction costs associated with screening, monitoring and collecting from the poor is a major barrier. Opportunities can be extended to a larger number of households through government-led, monetary and regulatory measures or alternative, non-conventional approaches. Some of the alternatives that have been instituted are: savings and credit systems; housing and multi-purpose community development cooperatives of various scales and scope; community mortgage programs; and micro-financing (UN-Habitat, 2006). The types of arrangements supported by the World Bank today are low, accessible interest rates for the poor, demand-side subsidies that increase a household’s ability to pay (over supply-side subsidies), loan guarantee funds by governments, and for governments to work with NGOs as substitutes for individual collateral for the benefit of the
poor borrowers, including extending credit on the basis of social collateral (UN-Habitat, 2006, p. 91).

NGOs and community-based organizations (CBOs), in particular, are now considered a major resource for the poor in MSDL. Oftentimes NGOs assist CBOs by opening up channels of financing for their members’ initiatives, or by disseminating their experiences to policy makers (Thomas, 1995). Their participation in housing schemes in Southeast Asia has democratized decision-making with regard to housing and contributed to the empowerment of urban poor communities (Porio in UN-Habitat, 2006, p. 55). By regrouping in federations and networks, organizations are understood to be better positioned to more effectively interact with the state. Examples of what federations can accomplish, deemed best practices in mainstream housing development literature, include city-wide surveys, mapping of informal settlements in cities, and an international network known as Slum/Shack Dwellers International (SDI) that lobbies locally and internationally and protects residents against forced evictions and more. Another successful example of a federation of CBOs is a nationwide network in the Philippines\(^{61}\) with 39,000 members that has successfully engaged the government in addressing their land and shelter needs. The MTL identifies itself as a social movement but also has managed to open channels to financing in order to address the needs of the poor. The movement has vowed to house all of its nearly 4,000 members in the federal capital of Argentina. In Latin America, large movements have tended to impact the poor more so than NGOs.

While nearly all forms of associationalism and participation are being promoted in development literature, the donor community has tended to view movements as radical, opposed to the state, and interested in subversion. However, given the pervasive nature of movements in Latin America today and their mixed results, movements are not necessarily detriments to democracy. Judith Tendler notes additional exceptions to the donor...
community’s support for social capital and associationalism. For example, public-sector unions and professional associations are portrayed as villains in cases of reform (Tendler, 1997, p. 7), and there is an abnormally limited amount of research on positive experiences involving worker associations. The author concludes: “We therefore know very little about their dynamics” (ibid., p. 8). In a related study on the responses of Latin American unions to proposed changes in social service delivery, Murillo (1996) found that despite “the common assumption...that public sector unions opposed these reforms, union responses were [in fact] diverse...[including] resistance, cooperation, negotiation and inaction” (in Tendler, 1997, p. 7).

**Regulation and Governance:**

The mainstream donor community turned its support away from the notion that governments are to be concerned with direct production and provision, and instead adopted the notion that political agendas should be directed at regulating market agents (Angel, 2000, p. 149). Enabling housing policies are one example of this overall shift, as they stress the setting of limits while relinquishing control. These limits are by no means “a single set of legislative decisions....Rather, regulation of most housing systems has arisen through a series of unrelated acts” (Barlow & King in Angel, 2000, p. 150). In Housing Policy Matters, author Shlomo Angel (2000) argues that while laws and regulations related to housing are typically promoted in the interest of the public good, they oftentimes are initiated outside the housing sector and generated without housing goals in mind – the result of initiatives of interest groups seeking to gain a specific advantage over others (p. 150). Typical interest-group motives, to name a few, are: “maintaining the social values or cultural norms of dominant groups, maintaining property values, excluding newcomers to the city or the neighborhood, protecting businesses from competition, and other forms of ‘rent-seeking’—pursuing monetary gains from the manipulation of the rules” (Francis, 1993, pp. 1-17).
Angel (2000) summarized the underlying rationale and motives for regulating the housing sector by underscoring three interlinking components (pp. 150-151):

1. urban growth controls that reduce and ration the amount of land available for housing, restricting housing supply, and making housing less affordable;
2. residential zoning and land development regulations that limit the options available to builders; such regulations also impose infrastructure and planning standards that raise the cost of land subdivision and development; and
3. building codes and standards that increase the cost of building or maintaining houses and, while increasing housing quality, reduce its affordability.

A recent United Nation’s Habitat (2006) evaluation of enabling policies indicated that governments do not, yet, fully understand how regulatory frameworks affect people’s decisions to build housing. This tendency results in: higher housing costs, lower productivity in the sector, benefits unintentionally skewed towards higher income groups, and an adverse impact on overall economic performance (UN-Habitat, 2006, p. 48).

Powerful interest groups play a large role in restricting both access to the city and affordable housing options for lower income households in the CABA. Interest groups’ general motives and influence are identifiable, and are sometimes challenged by reformists within and outside of the state. Reformists’ efforts, however, tend to fall short of bringing about institutional change in this regard. The fact that elite interest groups routinely access and influence government officials and decision-makers provides an additional challenge for both low income sectors and the state. Precisely in this place of overlap between institutional autonomy and democratic participation is where democratic governance becomes essential. Within the enabling approach, good governance is needed for the orderly development of land markets, and the creation of flexible consumer-oriented land management systems. Governance can be defined as a commitment to transparency, maintenance of public order, the resolution of social conflicts, upholding the country’s international reputation, and

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62 I will cover this in Chapter III.
securing its dominance over its internal affairs (Angel, 2000, p. 24) – all of which have a
direct bearing on housing policy.

Summary of the Enabling Approach:

As I have outlined thus far, the enabling approach to the housing shortage in
developing countries for the poor is a much more “sensitive” intervention compared with the
donor community’s preferred approaches from the past (Angel, 2000, p. 22). It is sensitive
because it signals to low income dwellers and governments that evictions are no longer
supported by the mainstream donor community. Additionally, stable living conditions for
low income households are now valued and understood to benefit the broader community and
economy. The enabling approach advocates increased partnering across all sectors to
leverage each stakeholder’s skills and resources, and thus opens additional participatory
avenues for those in-need of housing solutions. As we’ve seen, however, the notion of
participation can be applied to varying degrees and depends on local arrangements.
Furthermore, the approach assigns a greatly reduced set of responsibilities to the public
sector. The state is tasked with utilizing a part of its institutional and leadership capacity to
guarantee a viable housing sector rather than to directly provide housing. This changing
document requires that the state handle highly technical and specialized responsibilities -
precisely those that governments especially in developing countries typically lack.

Because low income households suffer the greatest need and are thus the most
motivated of all stakeholders to generate shelter options, they will ultimately end up
assuming the bulk of the responsibility for housing production. This is particularly so until
developers and finance institutions learn how to work with low income sectors’ resources.
The enabling approach transfers financial responsibility from the state over to the market.
Consequently, the organizations that typically represent the needs of low income households,
including NGOs, CBOs, and other CSOs, are left to position themselves creatively to
configure housing solutions for more of their membership base. When low income interest
groups organize for housing rights and resources, powerful interest groups representing elite
civil society associations and construction interests also are present to assert their agendas.

After years of cracking down on self-help endeavors, the state is supposed to promote
untraditional actors, like CBOs or social movements, so that they actively influence the
nature and implementation of housing policies. The enabling approach prioritizes local
knowledge and know-how, but only to the extent that local authorities enable actors from the
private sector (lending and real estate related sectors) and popular sectors of society to respect
each others’ differences. Government’s contribution should be to establish and ensure
democratic systems of housing governance, given the complications involved with regulatory
frameworks per se. If implemented appropriately, the enabling approach has the potential to
empower the poor and create relationships of greater accountability between all actors. This
broad agenda must be evaluated on its ability to deliver tangible results. The enabling
paradigm, then, is only a theory, “a theory arising out of particular historical conditions and
clarifying these conditions in the process. Political action based on this paradigm will change
these conditions and lead to a revision, enrichment, or rejection of the paradigm” (Angel,
2000, p. 22).

I will turn now to a brief historical overview of housing low income sectors in the
CABA. The tried strategies since at least the 1930s parallel the literature on popular housing
policies supported by the mainstream development community63 and reviewed in the first
section of this chapter.

Social Housing in the CABA (pre-1989)

The history of the housing shortage in Argentina’s federal capital, including the
problem and the official response, closely resembles the scenario from developing countries
that I presented in the first section of this chapter. Argentina experienced industrial growth

63 I use the term mainstream development community here instead of mainstream donor
community because the latter was not identified as such until about the 1970s.
and urbanization earlier than most of Latin America due to her strong agricultural sector and foreign ties. When millions of European immigrants flooded the Southern port neighborhoods of La Boca, San Telmo and Barracas at the end of the 1800s, housing options were limited to conventillos and inquilinatos, or tenement buildings. Such homes were constructed with inferior materials including wood and sheet metal, and contained improper flooring, water pipes and sewage connections. The political landscape at the time was permissive and has been described as somewhere between anarchism and socialism. Renters’ protests erupted frequently throughout the City, and the demands included better living conditions, lower rents, and higher wages. Even though the region was benefiting from both heavy foreign investment and a strong export sector (beef, hides and cereals), only a small group of elite landowners enjoyed the prosperity. International volatility brought about by the Great Depression and World War II disrupted traditional trading between Argentina and its European partners. Argentina managed to export only a few agricultural products and import few manufactured goods between 1939 and 1945, which promoted national industry. Entrepreneurs in Buenos Aires developed factories to manufacture those goods no longer easily imported, and both manufacturing enterprises and industrial employment boomed in the metropolitan area. This process marked the beginning of import-substitution industrialization (ISI). As an important consequence, crisis in rural areas pushed large numbers of farmers to relocate to the fringes of major cities for employment. Urbanization rapidly increased in the 1930s and 1940s, placing a heavy burden on the capital’s inadequate infrastructure systems and limited housing supplies. The first military coup in 1930 instituted a number of measures, many anti-democratic, including: electoral fraud, persecution of political parties, and concessions for British corporations. ISI policies received support from the military to strengthen national development, and, conversely, to decrease foreign dependence. The military maintained a conflicting agenda by pursing foreign ties on the one hand, and restricting foreign influence, on the other. This conflict was internalized within the
military’s rank and file and led to subsequent problems and destabilization. General Juan Perón is an example of a leader who pursued domestic and international development simultaneously. He moved up through the military ranks, eventually serving his first term as President between 1946 and 1955. He and his wife Eva worked to strengthen the nationalist industrial revolution, or national industrial movement, that was underway by broadening the movement’s social base, particularly in urban areas. He reached out to the working class, including women and ethnic minorities. Perón built the General Labor Confederation (Confederación General del Trabajo—CGT) and supported workers in bargaining with industry bosses for better wages. As the state successfully created greater protections for workers, unions lost their independence but became extremely powerful in negotiating with employers. Subsidized housing for party loyalists was introduced and distributed liberally as a tool to: increase rural-to-urban migration; create class solidarity; and build a stable working class. An alliance between classes and social sectors was created, marking a considerable change from prior decades. Industrial real wages increased for workers; owners saw their profits stabilize from increased domestic consumption; and a large sector of the middle class benefited from government patronage. Because of this alliance, and Perón’s lack of focus on building strong democratic institutions and a consolidated team of government leaders committed to democracy building, in addition to other reasons, Peronism became defined as a movement rather than a political party (McGuire, 1997).

Benefits under ISI were oriented toward employees in the urban, formal sector who benefited from ample and preferential coverage (Filgueira, 2002, p. 5). The definition of subsistence rights for city dwellers was broadened during ISI to include more than food, the typical concern of moral-economy theorists (cf. Walton in Eckstein & Wickham-Crowley, 2003, p. 19). “Conceptions of rights to livelihood came to include inexpensive housing plus

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64 Subsistence rights are understood as the most basic human rights such as nutrition, shelter, and health care, whose enjoyment is essential to all other economic, social and cultural rights (Chong, 2006, p. 2).
affordable…goods and services, like public transportation, piped water, and electricity” (ibid.), and, as a consequence, urban dwellers came to depend on these rights. The rural and poor populations were excluded from the benefits of the welfare system (Huber, 1996, p. 142). Within a context of growing inequality and protected markets, employers strengthened associations of salaried workers by extending them additional benefits and passing costs on to groups who lacked protections through indirect taxes (ibid., p.144; Alonso, 2000). The state absorbed the costs of excess manual labor and of providing capital for basic social and economic infrastructure under ISI.

The social and economic benefits from the Perón era and ISI, such as class unity and subsidies for the working class, proved to be short-lived. A rash of domestic and international pressures made the arrangements unsustainable and, combined with extensive protests, brought about a second military takeover in 1974. The nation renewed its preference for development through foreign investment and also lowered its trade barriers. Key industries became concentrated in the hands of multinationals. Under military rule, officials unleashed a prolonged string of “disappearances” which, according to the “Dirty War’s” leaders, formed part of an overall agenda aimed at maintaining social order. A number of citizens who were blacklisted by the military including students, university professors, journalists, trade-unionists and political activists, left the country and/or were exiled. Many joined similar movements that were underway across the region in places like Bolivia, Chile and Cuba. In the CABA, many sought out safe spaces for gathering with other civilians to discuss the litany of abuses taking place. Shantytowns became a focal point for social dissention – a place where organizations, activists, and other sympathizers gathered. These neighborhoods were highly stigmatized as being disorderly, filthy and unsafe, and the predominant policy by officials ranged little, from complete neglect to bulldozing. The

65 Some of the major influences were the oil crisis, Perón’s death and the havoc it caused across his staunch union support, increased competition to Argentine exports, growing balance-of-payments deficits, and radical terrorist groups on the left and right.
66 Sp: villas miserias, which translates directly as towns of misery.
population living in shantytowns plummeted from 280,000 in 1978 to 12,000 in 1983, with only a small fraction of residents able to resist. With few alternatives and mounting social unrest, a number of squatters flocked to abandoned buildings for shelter and, oftentimes, for communal solutions to their various unmet social service needs.

The debt crisis and extended recession in the 1980s accelerated the trend that had been underway since Perón died in office in 1974. Argentina became a state with a limited capacity for extending protections to lower-income sectors, and a nation more heavily-dependent on both global markets and the mainstream donor community. Such a high level of entanglement with the mainstream donor community led to fuller adoption of the policies backed in MSDL, especially with the country’s return to civilian rule in 1983. A shift had occurred away from the notion of the state as a provider of services and towards the state as an overseer and enabler of the housing sector. The extent to which housing authorities actually achieved its role of enabling other stakeholders varied greatly, and was stymied by local political patterns.

Under civilian rule, citizens regained their political freedoms, and, at the same time, citizens’ expectations soared for how democracy would enhance their daily lives. The state emerged from authoritarian rule with weak, disjointed institutions, a lack of legitimacy, and personalistic leaders unaccustomed to transparent checks and balances. Economic recession led to high inflation (reaching 5,000 percent in 1989), and unemployment and poverty rates continued to rise. These trends led to decreased food and housing subsidies for the working class. Possibilities for true democratic representation were limited, because rather than strong, independent political parties, an alliance was underway between two of the nation’s strongest parties (Peronism and Radicalism). Widespread protests reappeared and became increasingly more radical.67 The percentage of residents living below the poverty line

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67 One such example is the wave of looting that passed through supermarkets in large cities in 1989.
increased nearly 13 percent between ‘88 and ‘90. (Table 2 shows the impact to poverty of the extended economic crises in Buenos Aires.)

Table 2:
Poverty rates in Grand Buenos Aires (includes the City of Buenos Aires) 1988 – 2005 (percents)

<table>
<thead>
<tr>
<th>Year</th>
<th>Households Below the line of indigence*</th>
<th>Population Below the line of indigence</th>
<th>Below poverty line</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>5.5</td>
<td>22.5</td>
<td>8.6</td>
</tr>
<tr>
<td>1989</td>
<td>5.9</td>
<td>19.7</td>
<td>8.0</td>
</tr>
<tr>
<td>1990</td>
<td>8.7</td>
<td>33.6</td>
<td>12.5</td>
</tr>
<tr>
<td>1991</td>
<td>3.6</td>
<td>21.9</td>
<td>5.1</td>
</tr>
<tr>
<td>1992</td>
<td>2.3</td>
<td>15.1</td>
<td>3.3</td>
</tr>
<tr>
<td>1993</td>
<td>2.9</td>
<td>13.6</td>
<td>3.6</td>
</tr>
<tr>
<td>1994</td>
<td>2.6</td>
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<td>7.5</td>
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<td>39.4</td>
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<tr>
<td>2005</td>
<td>7.1</td>
<td>22.5</td>
<td>10.3</td>
</tr>
</tbody>
</table>

Source: Permanent Survey of Households, Onda Mayo.
* Indigence is defined as the inability to afford what is considered to be an adequate amount of food68.

One of the signature struggles that came to symbolize the profound socio-economic crisis that was underway was the land invasion69 movement throughout Buenos Aires. The movement began in the Buenos Aires Province, but shortly thereafter, expanded throughout the federal capital. After 1983, the prevalence of squatters increased dramatically. This increase was the result of the lack of any clear policy by the government on how to intervene. Additionally, state representatives needed the support of citizens for legitimacy given the nation’s authoritarian roots. These elements helped to delay any punitive action against the

68  Sp: canasta básica de alimentos
69  Sp: Tierra tomada
squatters. Estimates on the number of people living in usurped homes in the federal capital rose to as many as 200,000\textsuperscript{70}.

Concluding remarks:

This chapter described the historical context surrounding popular housing policies in Argentina prior to the 1990s, with particular focus on Buenos Aires. The first section analyzed the changing nature of the housing policies supported by MSDL. These policies were designed to guide developing nations with their housing strategies for the working classes. The second part of this chapter informs the changing nature of Argentina’s domestic social policies. It described how housing subsidies\textsuperscript{71} for the urban working class\textsuperscript{72} expanded under General Perón in the 1940s. The decision to do so was the result of a national expansion project which demanded a stable, urban base of supporters. With Perón’s leadership, labor relations and workers’ interests were negotiated through the unions. Union bosses received extensive backing from the state, and managed labor conflicts through personalistic politics rather than through parties. In the 1970s, inflation, pressures from the changing global economy, and demands from the international donor community persuaded Argentina to abandon ISI for a more liberal economic model. The term working class quickly became more accurately categorized as low income, disenfranchised sectors, or simply, the poor. By the time the nation emerged from authoritarian rule, state institutions lacked both the appropriate channels for funneling citizens’ demands from below, as well as, the capacity to bring about needed socio-economic solutions. Meanwhile, families faced steep inflation and skyrocketing rates of unemployment at the end of the 1980s. Squatter

\textsuperscript{71} Housing subsidies or key in-hand policies have never been universally distributed in Argentina nor in the CABA, and thus should not be considered a social right.
\textsuperscript{72} The term, working class has taken on different forms depending on the economics affecting the poor. During national industrial growth, the poor were typically rural peasants. With the demise of the welfare state in the 80s, the poor became the unemployed or underemployed, recent immigrants and other minorities, since benefits were only extended through full-employment situations and/or private insurance. When underemployment became the norm in the late 80s and 90s, the term “the new poor” dominated the discussion of the working poor, and was understood to be related to neoliberal reforms and restructuring. I will use these terms interchangeably to refer simply to the poor.
groups became increasingly prominent and began to demand solutions from local state authorities.

State reformists started to emerge to extend a hand to the more visible groups within the squatter movement. I argue that part of the reformists’ willingness to engage the housing advocates from “below” stemmed from the nation’s extensive experience with authoritarian regimes. The Dirty War (1976-1983) broadly affected the nation, instilling a sense of social justice in numerous state representatives and in ordinary citizens. This common sentiment would become part of a unifying platform around which reformists from the state could sympathize with challengers. After 1983, we find that reformists within the state relied heavily on the political backing of pro-poor CSOs in order to promote housing policies that challenged the state’s status-quo with regards to social housing.
CHAPTER III: THE EMERGENCE AND IMPLEMENTATION OF LAW 341/ 964

In this chapter, I will continue to describe the roots of Law 341. I focus on the trends and events after 1989 that helped to promote a number of new policies aimed at improving housing access for low income sectors. The most important of these policies was Law 341 in 2000.

The first section of the chapter will outline the early beginnings of landless persons’ pressure on the state for dignified housing following the nation’s return to civilian rule. This took the form of a squatter movement throughout Buenos Aires which became highly visible by the mid-1980s. In order to illustrate the relationships between squatters and the state that began to emerge, I will highlight three important organizational experiences. To this end, I will use both primary and secondary research. The squatter movement helped contribute to expanding participatory channels for the poor in the area of social housing.

The second section of this chapter will detail the specific global and local events that emerged to ultimately shape the socio-political environment and lead to Law 341. I will describe the local political opportunity structures, the roles assumed by the reformists from within the state, and any problems associated with Law 341 to date.

Examples of Organizations from the Squatter Movement

The squatter movement became a training ground for housing organizations and activists. The cases highlighted in this section became widely known, in large part, because the groups managed to negotiate their housing problems with government officials. Some of the organizations’ efforts continued over decades, despite the disappointing outcome of never being able to improve their overall housing situation. This is to say that the government’s response to squatters has varied widely.

Ex-AU3:
In the 1970s, the military began evacuating thousands of families along an extensive stretch of land in the CABA to prepare for a new freeway, the AU3. 800 homes were affected across a number of neighborhoods, including Coghlan, Colegiales, Villa Ortúzar and Belgrano R. The freeway intended to traverse the entire city. The project was aborted, however, and eventually roughly 775 households, or 1600 people, occupied the homes that were still habitable. By the early 1990s, under the looming threat of eviction, a number of the squatters began negotiating with city officials. A Law\(^{73}\) was passed in 1998 which paved the road to a commission whose goal was to study the problem. In 2001, the city proposed a number of alternatives for the affected families. For example, each household was offered a credit to either buy the home it was occupying, buy a separate property, build a house with other households, or build a separate home.\(^{74}\) By December 2004, only 160 of the households’ cases had been resolved (Auditoría General de la CABA, 2004, p. 84). Many of these families joined the parallel struggle underway in the late 1990s to expand housing access throughout the capital.

The Kids’ Kitchen — “Comedor Los Pibes” (CLP):

In 1992, approximately 220 families squatted\(^{75}\) in a privately owned, abandoned winery called Las Bodegas Giol in the neighborhood of Palermo. The federal police forcefully evacuated the families in 1994 with the help of helicopters, weaponry, and the federal police\(^{76}\). The resistance included building an organization, whereby a civil-society

\(^{73}\) Ley 8. (B.O 03/04/98) and Ley 324. (B.O. 08/02/00) created 5 distinct options for the families.


\(^{75}\) I’m referring to an organized “take” of a private or public building. In other words, a group of aggrieved citizens decides to take control of a building and, in this case, make it their home. Such groups are oftentimes referred to as squatters. The movement has expanded to include factories, schools, and other endeavors which are typically run as cooperatives. In the 90s, unemployed workers started taking over and reorganizing complete factories, typically the very factories that had previously employed them. This movement gained strength and visibility after the 2001 crisis, and has been successful at reaching out to leftist groups around the world for support and to pressure local authorities. This phenomenon appears to be gaining strength, due to increasing property values mostly in tourist areas and the lack of viable alternatives. For example, throughout 2007, 1976 evictions were delivered by the court in the capital (http://argentina.indymedia.org/news/2008/01/577273.php).

\(^{76}\) Interviews #3b, 3a, 11a
association was formed, to pursue permanent shelter. The organization entertained alternatives. What the members wanted was for government officials to recognize their right to live together - in dignified housing. They tried to purchase the land collectively with the idea of refurbishing and partitioning the building’s space to accommodate each group member’s family. When that option failed to materialize, the families looked at alternative properties as well as loans by private lenders (paraphrased from Interview #3a)\(^77\). But those options also failed.

We weren’t asking for any type of gift. We wanted a loan - the families wanted to pay for their houses, but all the negotiations that we had fell dead. At that time, it was the neo-liberal era under Menem’s government which closed all doors to social or popular housing construction [due to its preference for] market proposals (Interview #3a).

Following the massive eviction, many families were sent back to their birthplaces in the Buenos Aires Province, while others were sent to privately-owned hotels or other state subsidized properties that were dispersed throughout the capital for emergency situations. A number of the families reunited in the neighborhood of La Boca in the mid-1990s where they formed an organization, The Kids’ Kitchen (Comedor Los Pibes—CLP) on May 25th, 1996. Activists working with CLP refer to the Giol experience until today as a symbol of the need to continue fighting for dignified housing\(^78\).

\(^77\) Sp: Se da todo un proceso de organización con las familias, se arma una asociación civil, y se buscan alternativas. Las alternativas eran la compra del predio por parte de todas las familias y compartirlo en forma de vivienda digna o sea previeron? que no eran vivienda. No tenían una estructura para vivienda. Y una segunda alternativa era en caso de que no pudieran comprar ese lugar era buscar otro terreno y conseguir algún tipo de crédito. No íbamos a pedir ningún tipo de regalo ni nada. Se buscaba algún tipo de crédito, las familias querían pagar por sus viviendas, pero todas las negociaciones que habían caído en el año 1991 fueron muertas. En aquella época era la etapa neo-liberal con el gobierno Menemista, que cerraba todas las puertas a todas la construcción social o popular o la alternativa o lo que la fuera una propuesta del mercado. Tales así que la solución que ellos proponían y que ellos encontraban y que llevaban adelante en el '94 es el desalojo con la fuerza. …La historia de los desalojos es vieja. En ese momento la experiencia de la Bodega Giol era como un referente a todo el tema de la vivienda popular (Interview #3a).

\(^78\) (Interviews #3a, #21a). Paraphrased from the following quote from one of these interviews: Sp: Todos los compañeros que estaban involucrados no se dieron cuenta hasta que se produjo el desalojo y después en algunas reuniones todos como que se revindicaban y levantaban lo que había sido la pelea de Giol por la vivienda digna.
When in La Boca, the organization’s members turned their attention to food provision. Unemployment was climbing and a number of families found themselves unable to properly feed their children. CLP decided to open a community center and serve hot food to its neighbors. With its soup kitchen, the organization was able to tap into funds made available through the government’s decentralization of social expenditures. By 1997, widespread eviction notices in La Boca spurred CLP to work with local allies to ramp up pressure on local officials. The organizations combined their efforts and used direct pressure tactics that involved gathering large numbers of citizens for public disturbances. CLP takes pride in being amongst the first to employ *piquetero* tactics in the federal capital (paraphrased from interviews #3a, 21a, 23b)79. Such tactics included blocking bridges and holding public masses with support from the local parish. Ratcheting up the pressure on government officials helped bring about an ordinance (Ordinance 525) that allowed renters to purchase *conventillos* in La Boca; these *conventillos* were the same ones that immigrants occupied nearly 100 years prior. The organization continues its involvement with the *piquetero* movement until today, and runs several small enterprises that are organized as co-ops.

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79 Sp: Entonces, como no habían respuestas, empiezan a tomar medidas de acción directa. Empiezan a hacer movilizaciones, caminatas por el barrio, empiezan a aparecer las cortes de calles. Como teníamos la iglesia de nuestro lado, aprovechamos el paraguas de la iglesia y hacíamos misas en la calle o en el puente. Que era una excusa el hacer misa en el puente. Cortamos el puente. Mientras el sacerdote hablaba el puente estaba cortado entonces así que armaba un caos. Empezaban a aparecer los piquetes a la Ciudad de Buenos Aires. Disfrazados pero dentro de las organizaciones sabíamos lo que estábamos haciendo. Se hacía ollas populares en la calle. Una ola popular es hacer una comida para toda la gente en la calle. Es una medida de protesta. Cortar la calle y comer (Interview #3a).

Interviewee (#21a): Sp: A empezar a conversar con todas las familias y ver en que situación estábamos y empezar a pelear. Para nosotros, digamos, siempre decíamos los *piqueteros*, no, pero para mí ahí empezaron los *piqueteros* también. O quizás también más antes con otras organizaciones en otro lugar pero para mí, empezaron ahí, porque cuando nosotros sacábamos las ollas, los sartenes, y no teníamos noción. Nosotros sabíamos que teníamos que salir a pelear porque nosotros queríamos un techo. No queríamos otra cosa. No pedíamos un plato de comida (algo de comida) , no pedíamos plan, lo que queríamos era que el gobierno se haga cargo de la necesidad de la vivienda y que nos den bolilla. No, porque de repente tampoco estás pidiendo a algo que te regalen, estás pidiendo algo para que uno pueda pagararlo. Entonces bueno ahí empezamos a prepararnos, a luchar, a organizar y a salir a la calle. Porque no teníamos ningún problema en bajar y cortar la Paraguay y Godoy Cruz por ejemplo.
Two of CLP’s cooperatives\(^{80}\) are housing-related and are in the process of pursuing the rights and resources provided in Law 341. The cooperatives are the Kids’ Housing Cooperative (Cooperativa de Vivienda Los Pibes—COVILPE) comprised of 33 families, and the Kids’ Hopeful Housing Cooperative (Cooperativa Esperanza y Vivienda Los Pibes—CEVILPE) comprised of 16 families. The COVILPE purchased its property over 5 years ago\(^{82}\) (see picture of property in Appendix), and then waited for the housing credit from the IVC to begin construction. COVILPE’s members are currently in the process of developing their complex\(^{83}\), and are concerned about the availability of future loan installments from the City. The organization’s newer co-op, the CEVILPE, formed just over a year ago but has already faced delays due to changes in the city’s administration and appointed staff\(^{84}\) (paraphrased from Interview #10a). A key informant from the City’s Housing Institute

\(^{80}\) The Kids’ Kitchen has a number of people working on sewing machines, making aprons and uniforms for the government. They also run a bakery where they make alfajores, traditional cookies, bread sticks, bread, and more. They have a printing press, and a number of other cooperative enterprises.

\(^{81}\) This cooperative plans on using a construction system that has been adopted by Madres de la Plaza de Mayo. In fact, Madres, as they are frequently called, traveled to Italy with the head of the Kids’ Kitchen, and purchased materials from there. They returned to the City of Buenos Aires and started their own factory, where they employ local activists from a number of organizations and movements. The construction includes styrofoam and was used to rebuild a highly publicized project in a local shantytown where a fire took place (see Appendix for photos of the development). Most recently, the CLP split away from Madres because of disagreements over how the factory would be run.

\(^{82}\) Sp: Juana estuvo 5 años esperando que le bajaran el crédito.

\(^{83}\) The credit from the City is given in installments. 15% of the total cost of the construction was given in advance to the co-op, and corresponds to a certain piece of the entire development. Upon successful completion of the corresponding 15%, an architect from the IVC will visit the development and approve what has been constructed. From there, the IVC’s representative’s approval allows for an additional installment to be distributed to the co-op. This process continues until the project is completed. The developments already in progress are assured by signed contract by both the IVC and the co-op, but the Mayor could find a way to alter the contracts. The other variable is that the developments are dependent on future funding becoming available through the Legislative approval process. The PAV is routinely under-funded.

\(^{84}\) The President of CEVILPE told me in an interview that her co-op (in addition to five other co-ops) relied heavily on the Minister of Human Rights, Gabriela Cerruti, to advance its request to purchase land: “The problem is that we gave the folder to a Minister...in that moment she was in the government, [but] when she was dismissed, [the folder was abandoned]. No one knows where the folder is. We couldn’t buy the land so we have to start everything over again. This whole year was lost.”

Sp: El problema es que nosotros le dimos la carpeta a una ministra, pensando que – en su momento estaba en el gobierno- y al destituir a la Cerruti, quedó en la nada. Nadie sabe donde está la carpeta. No pudimos comprar el terreno así que tenemos que empezar todo de nuevo. Todo este año fue perdido....Son 5 las cooperativas que le entregaron las carpetas a Cerruti y nadie sabe donde están.
(Instituto de Vivienda de la Ciudad—IVC) attributed CLP’s cooperatives’ delays to the organization’s interest in “doing politics” rather than completing necessary administrative tasks that would in fact advance their projects (Interview #19a)\(^{85}\).

CLP is highly political. The organization worked closely with President Néstor Kirchner’s administration, and now supports President Cristina Kirchner. CLP was chosen to coordinate a new office in the capital at the end of 2006 which was designed exclusively to formulate and implement urban social policies. The organization was selected by the Ex-Minister of Social Development in the CABA, Gabriela Cerruti, through a recommendation by President Kirchner’s sister, Alicia Kirchner, who served as the country’s Minister of Social Development. The issue areas addressed by this office included housing, citizenship, and health programs with special attention given to the rising incidence of crack in poor neighborhoods. The office was called the Coordination of Territorial and Urban Policies (Coordinación de Políticas Territoriales y Urbanas), commonly referred to by CLP members as, “la Coordinación”, and it was housed within the umbrella of the Office of Human Rights.

In a popular assembly, the members of CLP voted Lito Borello\(^{86}\), the Head of CLP, to head up the office. With this appointment, Borello was able to hire a number of CLP’s members to work in the office to assist in designing and managing different policies throughout the City. Within the policy area of housing, Borello focused on shantytowns and Law 341. After ten months of work in Mayor Telerman’s administration, and just a few months shy of a mayoral election, Telerman sided with an opposition party headed by Elisa Carrió. CLP chose to defend President Kirchner’s political agenda and abandon its appointment within the City’s administration.

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85 Sp: …COVILPE que se concentró más en la política pura. No define, no termina, COVILPE tiene varios proyectos, por lo menos 4. Tres que se supone son compras de inmuebles, no para ser obras nuevas, sino para hacer refacciones que están prácticamente terminadas la mayoría y no terminan de cerrar el trámite, la subdivisión.

86 In an email newsletter sent to the author on May 3, 2008, the organization referred to Lito Borello as: Coordinator of The Kids’ Kitchen, from the neighborhood La Boca in Argentina and representative of the Latinamerican Coordination for Territorial Urban Movements – Argentina’s Chapter (Translation by author).
One important pillar of the organization’s work pursues the accumulation of the state’s resources for the purpose of building up popular sectors’ power relative to the state. Members of the CLP with whom I spoke referenced Borello’s term in the City’s administration as an example that, in fact, popular organizations govern and manage more effectively than the current political system. One of CLP’s central proposals has been a popular housing office to replace the IVC. While working within the City, CLP partnered with the well-known organization, The Mothers of the Plaza de Mayo\(^87\), to form a co-op and access funds through Law 341. The Mothers of the Plaza de Mayo instituted a training program for unemployed workers and then started a factory using a novel form of construction brought from Italy. The organizations teamed to combine resources and rebuild 60 burned-down housing units for 220 families in the shantytown, Cardboard Shantytown\(^88\). The development was positioned by CLP as a successful alternative to a dismal, monolithic block - made from plywood panels – provided by the IVC to house the affected families (See photos in Appendix D). The IVC’s development, only roughly 50 meters from CLP’s units, provided a strong visual symbol of the state’s neglect of shantytown residents. While Borello accessed emergency funds through Law 341, he also tapped into the Federal Housing Plan\(^89\) - an initiative run by the federal government and initiated by President Néstor Kirchner. The Mothers of Plaza de Mayo had long been aligned with Néstor Kirchner. As of March 2007, only the cooperative working with Borello and the Mothers from the Plaza de Mayo in Cardboard Shantytown had accessed funding from the central government\(^90\) (paraphrased from Interview #19a).

While working in the state, the CLP guided its policies with the participation of over 60 organizations through weekly, open gatherings in the Popular University of Mothers of the

\(^{87}\) Sp: Las Madres de la Plaza de Mayo
\(^{88}\) The slum is called, Villa Carton. See photographs of the novel construction in the Appendix.
\(^{89}\) Sp: Plan Federal de Vivienda
\(^{90}\) Sp: En un solo caso sí. En el Caso de la Asociación Esperando un Cambio que es la gente de Villa Cartones. La que se encendió en Febrero. Sí. En ese caso recibimos fondos del Plan Federal, en todos los otros casos no.
Additional outreach to the poor occurred through meetings and celebrations in different neighborhoods throughout the capital. In this way, the CLP put into practice the type of politics that it wanted to see for its country. The CLP worked to maintain transparency around the state’s decisions related to Law 341 by keeping other housing cooperatives abreast of any important decisions or changes. Borello and his staff worked as intermediaries between the state and PHOs. The CLP developed extensive email and phone calling networks to keep its members and allies informed of weekly outreach strategies, meetings with officials, and/or related protests.

**Ex PADELAI and the Movement of Occupiers and Renters (Movimiento de Ocupantes e Inquilinos—MOI):**

In 1984, 120 families occupied a large building, Children’s Social Services, (Ex Patronato de la Infancia—PADELAI), one block from Plaza Dorrego, a historical plaza in the neighborhood of San Telmo. A political puntero, or party middleman from the Peronist Party started the effort, but a number of neighborhood actors came together to redirect the work away from party clientelism (Barballo, 2007, p. 42). With assistance from students and professors from the School of Architecture and the School of Engineering from the University of Buenos Aires\(^{92}\), the families organized a cooperative named Cooperative San Telmo\(^3\) to manage their daily needs, such as after school tutoring and adult education. The threat of eviction in 1987, led by a councilwoman from the center right, inspired NGOs to get involved, including the NGO Habitat Program (Programa Habitat—PROHA), and a group of activist lawyers called CIBA, and formulate a larger vision inspired by the need for rights and protections for the poor who were struggling to stay in the city. The coalition’s agenda was radical given the direction of public housing at the time. The agenda included obtaining legal tenancy and establishing a condominium on the property in the name of both the Cooperative

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\(^{91}\) Sp: Universidad Popular de Madres de la Plaza de Mayo

\(^{92}\) University of Buenos Aires (Universidad de Buenos Aires—UBA)

\(^{93}\) Sp: Cooperativa San Telmo
San Telmo and the municipality of Buenos Aires. The co-op wanted to run the entire complex, including commercial and residential elements, through self-managed processes, and also looked to create a fund with the City to support their self-managed initiatives, and to formulate an agreement between all the institutions involved (the UBA, the Cooperative and the municipality) with regards to the architectural, administrative, financial and legal plans for the development. Members of the NGOs were instrumental in carrying out a series of discussions between families in the cooperative and city representatives over an ordinance that would meet the coalition’s goals. In 1990, the proposed ordinance was approved, and in 1991 both the agreement and property deed were signed. Since then the movement has gained momentum, additional support, and visibility. Leaders of the effort shared their success at a seminar in Uruguay which was organized by the originators of self-managed housing in the region- the Uruguayan Federation of Mutual Help Housing Cooperatives (Federación Uruguaya de Cooperativas de Vivienda por Ayuda Mutua—FUCVAM). The leaders traveled to the seminar with a city official from the CABA, and met with representatives from the United Nations while there. The coalition’s success was a catalyst for bringing together families from a number of occupied buildings throughout the city. In 1991, families and professionals from the UBA and the NGOs who had been involved in the process decided to form the organization, the Movement of Occupiers and Renters (Movimiento de Ocupantes e Inquilinos—MOI). A Latin American network of popular housing groups (Secretaría Latinoamericana de la Vivienda Popular—SELVIP) formed to support this and other self-managed efforts in the region and to disseminate information. After accomplishing their desired goals with the Ex-PADELAI, the MOI assisted a number of squatter cooperatives in different parts of the city to gain legal right to stay where they were.\footnote{In the second section of this chapter, I will mention another example of the MOI’s work with housing cooperatives.} They worked with the Legislature to authorize the purchase of buildings belonging to either the municipality or the national government through the program, Building Without
Bricks\textsuperscript{95}, or helped the cooperatives in privately owned buildings negotiate with the owners. Leaders of the MOI claim that a large number of the members of these cooperatives\textsuperscript{96} chose not to engage in the difficult work of negotiating and staging protests with the City for a number of reasons (Interview \#17a), which speaks to one of the problems of continued collective action. Subsequently, the MOI managed to win a dedicated source of financing from the City’s budget to support the internal development of its cooperative movement.

**Summary of the Squatter Movement:**

The squatter groups highlighted above demonstrate a range of experiences that were symptomatic of the squatter movement’s increased visibility after 1983. Four important findings are worth emphasizing. First, the strategies elected by each organization to defend against evictions and pursue its housing goals varied. The Ex-AU3 group engaged directly with city officials, while CLP used public protest tactics, and the MOI brought together a diverse set of allies. Eventually, all three groups turned to negotiations with city representatives to obtain permanent solutions to their pent-up housing problems.

Second, the state showed some willingness to dialogue with the poor in the early-90s. The state’s interest was expressed by a relatively small fraction of officials, but regardless, a major shift had taken place in the state’s approach to those without homes when compared with the state’s attitude in the 1970s. The conversations between state officials and the squatters were particularly revealing of this transition that had taken place because not only were the squatters stigmatized for their poor economic situation, they were also broadly seen as criminals for having occupied privately and publicly owned buildings. The shift in the government’s thinking in the CABA was partially prompted by the nation’s democratic transition, pressure from “below”, and the adoption of the enabling approach by international donor organizations.

\textsuperscript{95} Sp: Construyendo Sin Ladrillos
\textsuperscript{96} The cooperatives included: Coop. Perú in San Telmo, La Unión in Puerto Madero, and Consorcio E. Lobos in the neighborhood Parque Centenario.
Another pattern worth highlighting is that the groups’ experiences noted above demonstrate the trend in civil society participation that I have described in prior chapters. That is, following the nation’s return to democracy, pro-poor civil society groups’ demands increased as did their involvement with the state. Without state representatives, unions, or political parties with the capacity to channel these demands, the squatters’ participation took the form of direct negotiations and pressure. Through these negotiations, we saw how reformists from within the state emerged with a willingness to discuss housing access for the poor. During this process, the MOI managed to introduce self-managed housing policies to the city’s housing authorities and pass an ordinance that included the MOI’s allies (NGOs, activist lawyers, the university, etc.), Cooperative San Telmo, and the state.

Lastly, each organization achieved very different results while fighting to defend its members’ homes. As doors closed, each organization sought out alternatives. The squatters’ struggles lasted for several years, and many of the families continue fighting for permanent solutions until today. I will refer to these organizations again in the next section of this chapter given that their work morphed into the pursuit of a larger, more expansive housing policy.

**Law 341 in the City of Buenos Aires (post-1989)**

The political context that I will detail in this section intersects with and informs the squatters’ struggles that I highlighted in the first section of this chapter. The squatters’ work for the rights to safe, permanent shelter, a voice in the decision-making process, and the right to determine their living situations continued throughout the 1990s. Their efforts contributed to a number of new policies, the most inclusive and extensive being Law 341. I will describe a series of events that ultimately led to the passage of Law 341. Particular attention will be paid to: 1. The changing nature of housing policy in the CABA; 2. How President Menem’s reforms, also backed by MSDL, helped to expand pro-poor housing groups’ participation
with the state; and 3. Specific domestic political opportunity structures that arose between the late 1980s and 2001 to generate increased periods of collective action between pro-poor housing groups and reformists within the state.

Carlos Menem from the Peronist Party won the presidential election in 1989. He prevailed by appealing to low income sectors’ deep rooted sentiment for Perón and by establishing strong ties to the international donor community (World Bank and the IMF) and prominent banking institutions. Despite his campaign promises to the contrary, Menem, and Domingo Cavallo as Economy Minister, implemented a series of neo-liberal reforms, aimed at curbing the chronic high inflation, recurrent balance of payment crises, and stagnation. The reforms matched the formula preferred in MSDL: trade liberalization, decentralization, deregulation, a reductionist state, and privatization. One major caveat was the President’s unwillingness and inability to reduce provincial spending by instituting the World Bank and IMF’s recommended reforms aimed at fiscal responsibility. Menem shoddily sold off almost all government-owned industries, reduced social services, adopted a strict economic policy pegging the peso to the US dollar, deregulated the labor market, and decentralized funding from the central government and decision-making processes.

Many of the theoretical benefits of decentralization, reviewed in Chapter II, were challenged by local realities in Argentina in the 1990s. By decentralization, I am referring to state reform comprised of policies aimed at transferring responsibilities, resources, and/or authority from higher to lower levels of government (Falleti, 2005). Under President Menem, decentralization extended local political bosses’ power by allowing them to control the distribution of antipoverty and unemployment programs. In 1996, as referenced in Chapter II, President Menem instrumented Work Plans, called PJJH, which were co-sponsored by the World Bank. Because of the vertical, top-down distribution of the agreements, all levels of government played a role including mayors who held a high level of decision-making authority. CSOs and NGOs could propose social infrastructure projects, in some cases, that
could be carried out through public works. Decentralizing social services continued under subsequent presidents and is a process that, even until today, remains incomplete. The cumulative effects of decentralization strategies for CSOs meant stronger associations across unemployed workers, and clientelistic networks among local officials, party brokers—especially Peronist bosses, and possible beneficiaries (Auyero, 2001; Delamata, 2004).

Overall, Menem’s neo-liberal platform transferred much of the state’s responsibilities over to the private sector. This process accompanied little oversight around how the services were delivered or who ultimately benefited. In the area of social housing, the state’s total investment in 1992 was 33 percent less than it was in 1980 and 1987 (Auyero, 2001). Poverty and unemployment increased, and the population living in shantytowns grew by nearly 500 percent between 1983 and 1993, from around 12,600 to 63,000 (Auditoría General de la CABA, 2004). During the same period, powerful landowners and construction firms influenced more of the decision making related to local property values and land use. Much of this influence came about through changes in regulatory frameworks, which, as we saw in Chapter II, typically occurs outside of the reach of influence of low income sectors. In 1991 Menem allowed provincial authorities to divert 50 percent of the funds from the nation’s only funding source for public housing, FONAVI, to ongoing expenditures. This policy decision speaks to the federal institution’s poor reputation and the lack of institutional respect for subsidized housing. Also in 1991, FONAVI began decentralizing its operations after years of stigma from low recuperation rates on investments, a lack of transparency, faulty loan assignments, over-reliance on new construction, a lack of innovation and competition, delays in distributing land titles, and regressive subsidies (Zanetta, 2007). The CABA distributed hotel subsidies for households in situations of emergency from 1997, after authorities decided the housing deficit deserved additional funding. The decision to invest

97 National Housing Fund (Fondo Nacional de la Vivienda—FONAVI) is supposed to finance low income housing through a tax on gas and then distribute a portion automatically to each province, including the capital.
more resources in popular housing came about in part through PHOs’ demands. Subsidizing private hotels for low income families proved to benefit hotel owners more than the families given that the arrangements were often cramped, unsafe and impermanent. The local institution established to oversee low income housing, the Municipal Housing Commission (Comisión Municipal de la Vivienda—CMV, before it became the IVC), maintained three principal programs in the 1990s: 1. emergency housing subsidies (US$500 per family for hotel rooms); 2. tenement-like buildings near shantytowns which matched the recommendations of MSDL in the 1980s; and 3. a program targeting the middle class, Land, Project and Construction - despite the CMV’s stated purpose of serving the poor.

With Menem in office, the squatter groups mentioned in the first section of this chapter appeared at first to have reached agreements with officials to solve their pending housing problems. When it came time for local authorities to comply with the agreements, however, dialogue gave way to stagnation. In a recent book on the story of the MOI, one of the founders recognized this rather abrupt shift:

Soon after [a popular housing seminar in Uruguay], the ‘Menemization’ of local government set in: the budget process to begin the projects, along with dialogue, was brutally interrupted (Barbagallo, 2007).

Menem’s national agenda left PHOs poorly positioned, to a large degree. First, to meet the goal of allowing markets to work properly, government felt less pressed to respond to neighborhood demands for the urban and social services that occupied buildings and squatter settlements required. Second, by the end of the 20th Century, most available property in the city had already been claimed or belonged to the municipality and the national government,

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98 The CMV changed its name to the City’s Housing Institute (Instituto de Vivienda de la Ciudad—IVC) shortly after the federal capital became independent from the Municipality of Buenos Aires and the Executive Branch of government after 1996.

99 A number of problems emerged with this construction method: inadequate design; socio-economic discrimination; prohibitive costs, oftentimes fattening pockets of wealthy construction companies/politicians; lack of transparency in selection and distribution processes; and a dearth of research and evaluation on the long term impact of this investment.

100 Sp: “Terreno, Proyecto y Construcción”

101 Sp. Muy pronto se impuso la ‘menemización’ del gobierno local: la ejecución presupuestaria para dar inicio a las obras, junto con el diálogo, fue brutalmente interrumpida.
which limited the government’s ability to tolerate or accommodate squatters. Third, the government was biased toward market processes, not political ones (Eckstein & Wickham-Crowley, 2003, p. 19). Fourth, technocrats favored informal commercial dealings over land invasions to address pent-up demand for affordable housing, a more costly solution for people of humble means (ibid.). In light of these constraints, how did housing organizations in the CABA manage to successfully pass a series of laws between the late-1990s and 2002, the most significant being Law 341 which extended rights never previously enjoyed?

A unique confluence of events occurred in the City, creating opportunities for greater participation and new leadership. The following quote from Struggles for Social Rights in Latin America sheds light on how collective action comes about:

Collective views of violated rights are especially likely to crystallize when persons similarly situated in multiple institutional hierarchies share common values, customs, and beliefs, including so-called cultures of resistance. They are yet more likely to do so when macro political conditions are also conducive to collective efforts to assert and defend rights and when the disadvantaged have some support from politically, religiously, socially, or economically advantaged individuals or groups. Since members of advantaged groups often have greater organizational skills, networks, and other resources; enjoy greater social stature and thereby greater influence; and benefit from a broader understanding of the social setting, they are well situated to know how to exploit ‘the system’ to the advantage of the disadvantaged (Eckstein & Wickham-Crowley, 2003, p. 3).

In other words, according to Eckstein and Wickham-Crowley (2003), collective action by disadvantaged groups can gain momentum when individuals or groups with greater access to power lend their support or resources. This finding coincides with Tarrow’s (1998) political opportunity structures model on social movements and collective action that I reviewed in Chapter II. The other important factor noted by Eckstein and Wickham-Crowley (2003) that can encourage collective action is the presence of favorable “macro political conditions”, meaning those that support collective efforts. As I continue to describe the events that led to Law 341, I will note three political opportunity structures which created periods of collective action. These opportunity structures included:

- Protests for greater democratic participation by *piquetero* groups in the mid-90s – encouraged by the effects of Menem’s neo-liberal reforms;
Awakened interest in urban redevelopment projects which spurred real estate price hikes, eviction notices, and divisions across elites;

Strategic political openings that came about through elections and elite-restructuring in the CABA.

Argentina’s economy grew steadily between 1991 and 1994, until the effects of Mexico’s debt crisis helped bring to light Argentina’s insolvency. Argentine exports were quickly losing value in the face of an overvalued peso and increased global competition. Underemployment and informal employment increased, affecting millions in the 1990s as a consequence of the global impacts of the changing economy. Menem’s reforms put into place the recommendations made in MSDL: deregulation of the labor market, privatizing social protections and ridding the state of the responsibility of welfare subsidies, and privatizing national industry. (Table 3 shows unemployment rates in Buenos Aires.)

Table 3
Unemployment rates in Grand Buenos Aires (includes City of Buenos Aires) 1988 - 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate of Unemployment (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>6.3</td>
</tr>
<tr>
<td>1989</td>
<td>7.6</td>
</tr>
<tr>
<td>1990</td>
<td>8.6</td>
</tr>
<tr>
<td>1991</td>
<td>6.3</td>
</tr>
<tr>
<td>1992</td>
<td>6.7</td>
</tr>
<tr>
<td>1993</td>
<td>10.6</td>
</tr>
<tr>
<td>1994</td>
<td>11.1</td>
</tr>
<tr>
<td>1995</td>
<td>20.2</td>
</tr>
<tr>
<td>1996</td>
<td>18.0</td>
</tr>
<tr>
<td>1997</td>
<td>17.0</td>
</tr>
<tr>
<td>1998</td>
<td>14.1</td>
</tr>
<tr>
<td>1999</td>
<td>15.6</td>
</tr>
<tr>
<td>2000</td>
<td>16.0</td>
</tr>
<tr>
<td>2001</td>
<td>17.2</td>
</tr>
<tr>
<td>2002</td>
<td>22.0</td>
</tr>
<tr>
<td>2003</td>
<td>16.4</td>
</tr>
<tr>
<td>2004</td>
<td>15.9</td>
</tr>
<tr>
<td>2005</td>
<td>13.4</td>
</tr>
<tr>
<td>2006</td>
<td>12.5</td>
</tr>
</tbody>
</table>

Source: Permanent Survey of Households, Onda Mayo.
With the rise of labor-unfriendly government initiatives, the “invisible hand” replaced the military repression from prior decades as the source of weakened labor power (Eckstein & Wickham-Crowley, 2003, p. 25). The growing unemployed population turned to the street to protest. Organized groups of unemployed workers, known as piqueteros, or picketers, first appeared in the province of Neuquén (1996) and later in Buenos Aires. Their form of protest consists of a standing blockade of public spaces, such as streets, bridges, buildings or highways, followed by negotiations with political authorities around concessions for withdrawing. The immediate objectives of these tactics have related to accessing employment, or new or increased subsidies (Alcañiz & Scheier, 2007, p. 5). The piquetero movement began as a public outcry over rising unemployment and general societal frustration. The frustration, however, embodied much more than the longstanding discontent over the “political system”. It included concern for government corruption, dishonest local politicians, the lack of inclusive decision-making processes, inept labor unions and parties, and ongoing neoliberal reforms. Piqueteros, as well as much of the Argentine left, viewed neo-liberal doctrine as pro-Yanqui, meaning pro-United States and Western Europe, and against the interests of the working class and the poor.

As the nation’s recession deepened, the international donor community lost its confidence in Argentina’s leadership, and abandoned its hope of seeing significant reforms aimed at curbing public spending. The IMF made the decision to stop lending to Argentina and, thus, signaled to international brokerage firms that their investors’ capital was no longer safe. This catastrophic declaration sealed Argentina’s fate, and confirmed its most severe

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102 The official emergence of the piquetero movement can be traced to the privatization of major state-owned oil industries in the southern cities of Cutral Co and Plaza Huincul, Province Neuquén. These cities witnessed the development of a combative labor movement of petroleum workers in a region rich with political and social organization. After the state-owned extraction and refinery company, Yacimientos Petrolíferos Fiscales (YPF) was privatized and massive layoffs and a decline in the median income occurred, workers, union members and neighbors mobilized on June 21, 1996 to block a vital interstate. Unable to block the entrance to the now-closed plant, the picket line moved to the highway, managing to attract national attention to the conflict. The workers gained significant concessions, such as restoring water and electricity to families, and new unemployment subsidies. Following this incident, the piqueteros became formally known as a new social movement led by a political actor previously unknown in Argentina: the unemployed (Alcaniz & Scheier, 2007, p. 4).
crisis to date. On December 20th, 2001, President Fernando De la Rúa gave in to massive protests for his resignation, and in January 2002, the Argentine peso was devalued by two-thirds. Many middle class households plunged into poverty, while numerous lower income families fell into indigence. The shock of the crisis led to pervasive distrust, prompting widespread protests against government corruption and neo-liberalism – including a strong backlash against the multi-lateral institutions that backed the reforms. The disillusioned populace called for a more “participatory democracy” and demanded drastic changes at all levels of government. Because social movements had established themselves as a political force and an avenue for some semblance of representation, much of the public’s discontent was channeled through CSOs. Chaos fueled two years of various interim presidents and other government officials. The crisis crippled financial and construction-related sectors for two years. Families of all incomes put off house repairs in order to cover their most basic expenses. Others were forced to forfeit their homes, unable to pay their mortgages following the end of convertibility. The peso devaluation slashed families’ savings to one-third of their previous worth. Such drastic changes forced families into alternative living situations such as rentals, overcrowded situations with other families, or subsidized hotels.

In route to the 2003 presidential election between Peronists Nestor Kirchner and Carlos Menem, corruption charges against Menem encouraged him to withdraw from the primary. Néstor Kirchner assumed office with only 22 percent of the vote. He managed to garner support from the various “social organizations K”103, commonly known as piqueteros, including el Movimiento Evita, Libres del Sur, Barrios de Pie, Frente Transversal Nacional y Popular, CLP, and The Association of Mothers from the Plaza de Mayo104 (Asociación Madres de la Plaza de Mayo—AMPM) (Página 12, 6/11/2006). Once in office, Kirchner appeased his supporters by separating the nation from the “demons” of neo-liberalism and by

103 Sp: organizaciones sociales K
104 Sp: Asociación Madres de Plaza de Mayo
extending millions of dollars in subsidies to the marginalized. New initiatives were designed to fight the escalating rates of poverty, which now affected 50 percent of the country.

Government officials instituted a number of policies and practices that they likely would not have entertained under normal circumstances. For example, the President invited *piqueteros* to coordinate programs from within the state, such as Lito Borello from CLP. Kirchner also continued to distribute unemployment subsidies through the program PJJH, originally initiated in 1996 by Menem with help from administrative councils comprised of government representatives as well as representatives from CSOs, such as churches and labor confederations like the CTA. The press recently published that the heads of *piquetero* organizations in Buenos Aires managed the highest number of work plans in the nation. This figure speaks to the extraordinary influence that *piqueteros* have established through changes in presidential leadership and decentralization strategies, which were supported by MSDL. Upon decentralizing the federal government’s distribution of social protections, more emphasis was placed on organizations’ management abilities given that CSOs became directly involved in administering the state’s resources. After the 2001 crisis, new *piquetero* organizations started to form with somewhat different attributes from their predecessors in the mid-90s. The new organizations’ leaders had deeper roots in political activism and were mostly non-Peronist protesters with closer ties to local organizations and leftist political parties (Alcañiz & Scheier, 2007). Even within these left-leaning organizations, some of whose membership held prior union experience, the vertical organization—traditional of Argentine labor institutions—was rejected. Young, Guagnini, & Amato (2002) noted these differences: 1. the more recent *piquetero* movement was characterized by horizontal and voluntary ties, with formalized mechanisms to foster collective decision making; 2. negotiations with public officials to lift the picket line after demands were made were often carried out under the direct supervision of the rank and file; and 3. these organizations were partially self-financed, with members contributing a low monthly fee to cover the costs of the
ongoing protests. The MTL appears to fit some of these characteristics of the new *piquetero* movement, as I will describe in Chapter V.

As *piqueteros* received greater subsidies and concessions from the government, many organized themselves into MTDs, or workers movements. The MTDs formed cooperatives for a range of purposes such as barter markets for goods and services, small-scale food production, sewing workshops, food-distribution facilities, housing, etc. Three factions emerged within the movement in accordance with their relationship to the state: 1) groups or organizations more apt to enter into agreements with the state such as CLP are associated with the Federación de Tierra y Vivienda (the Federation of Land and Housing—FTV) and the labor confederation Central de Trabajadores Argentinos (Argentine Workers’ Central—CTA); 2) the intermediate Corriente Clasista y Combativa (Class and Combative Current—CCC); and 3) the more radical organizations such as the MTL which had, at first, worked within the National *Piquetero* Block¹⁰⁵ (Burdman in Alcañiz & Scheier, 2007, p. 157). Much has been written on the co-optation of *piquetero* movements and social organizations. Upon closer analysis, however, each group varies in regards to relative independence¹⁰⁶ from the state in terms of the amount of poverty subsidies it administers. The FTV-CTA coalition, for example, had the most affiliates and government subsidies, at the time Alcañiz and Scheier (2007) conducted their research, and even though the National Piquetero Block¹⁰⁷ had a larger membership than the CCC, it managed the fewest subsidies (p. 3). The *piquetero* movement paved a new path for how unemployed workers organized themselves to work with state officials. Each organization adapted its own means of generating resources and/or extracting subsidies from the state.

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¹⁰⁵ Sp: Bloque Piquetero Nacional
¹⁰⁶ I am referring to the term independence as a spectrum of possibilities whose values range from co-optation to complete autonomy. In Argentina, clientelistic networks weigh heavily in determining where an organization lies on this spectrum.
¹⁰⁷ Sp: Bloque Piquetero Nacional
Another opening for housing activists came about under a situation of increasing land values in the mid-90s in La Boca, just as families struggled to cope with the suffocating recession, as described above within the context of CLP’s community center. Preparations for a high-end, multi-million dollar project called Puerto Madero reawakened both national and international stakeholders’ interests given the fact that La Boca’s shore was the project’s southern continuation. The preparations, which included urbanizing the riverbank, were found by Hilda Herzer (2004) to have increased the estimated value of both land and homes in the area. The objective behind the Puerto Madero project, according to Herzer (2004), was to generate a product for real estate investors which also included a profit for the state. The initial estimate of the land needed for the project exceeded US$300 million, and because the land was owned by, both, the Municipality of Buenos Aires and the federal government, the profit would be divided (ibid.). The state had the power to set the appropriate density and zoning for its urban areas. In other words, the state could set the value of its own property and directly affect thousands of poor households in the process. Herzer suggested that despite the real estate operation in favor of the state, the project was never linked to any specific social policy and therefore, the final destination of the earnings is difficult to ascertain (2004, p. 108). I argue that this situation became an opportunity for housing activists in the CABA because elites’ interests were divided and the state was brought into conflict over the project. Herzer’s (2004) research best illustrates this conflict. One of the many real estate developers who paid a visit to Buenos Aires to show interest in developing the port was Donald Trump. He arrived requesting a meeting with President Menem. An

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108 The neighborhood La Boca has always been a type of entry point for the poor and/or recent immigrants who come to the City in search of a better quality of life. Widespread irregular housing tenancy facilitates their stay by way of unencumbered access to rentals. Owners are difficult to locate and keys, deposits and property guarantees are easily acquired. In the case of absentee landlords or properties without legal owners, typically, middlemen appear on occasion to charge renters but are unavailable for needed repairs or maintenance concerns. Housing for the poor in La Boca is highly precarious and the State’s efforts over the last several years have done very little to change this situation (Interview #3a).

109 Cited by Herzer in Beatriz Cuenya, Carlos Fidel and Hilda Herzer 2004: 100.
important local actor who was positioned to benefit both professionally and economically from the project was the private interest group, the Central Society for Architects (la Sociedad Central de Arquitectos—SCA). The group requested the project’s suspension at first due to the lack of involvement of local professionals, but then decided to sanction the development when the government granted the SCA direct participation. This example points to the fact that the government was divided between catering to international investors, appeasing local private sector interest groups, and also maximizing its own interests in the development since it was a principal investor. The state also knew that heightened dissatisfaction from local neighbors could stall the project or complicate its plans, which meant officials also had an interest in working with local community groups. In light of these competing interests and divisions across elites that accompanied the Puerto Madero development, I argue that the PHOs were able to increase their pressure on state actors and thus seek out allies who were willing to listen. These dynamics appeared when eviction notices started to appear throughout La Boca.

As speculations soared around the Puerto Madero project and its potential impact for La Boca, long-time absentee landlords returned to the neighborhood with hopes of maximizing profits from their rental units. They worked fiercely with city officials to deliver eviction notices to tenants in the hopes of raising rents and sidestepping rent protections. Their efforts were met with great resistance by local neighborhood groups. One organization in particular, Those Evicted from La Boca\textsuperscript{110}, had managed to gather a large number of

\textsuperscript{110} Sp: los desalojados de La Boca. Several variations of the organization’s name have been published: “Comisión de Desalojados de la Boca”, “Asamblea de Desalojados de La Boca”, and “Mutual de Desalojados”. Part of the confusion may involve organizational conflicts that came about following the death of DiPalma sometime after the passage of the Ordinance. According to DiVirgilio, 2004, p.223, the Asamblea de Desalojados passed through a series of divisions and led to the creation of several independent organizations who pick up the fight for dignified housing. These organizations include: la Mutual de Desalojados de La Boca, la Asociación Civil Pro Techo, la línea de hábitat del Comedor Los Pibes, Techo y Trabajo, y, más tarde, Manos Solidarios, Construyendo, etcétera. Fractions aside, this assembly created momentum and consensus in 1996 and 1997 and created a strong position that the leaders successfully leveraged in their discussions with the City.
families and smaller community groups\footnote{CLP at the time was working exclusively with its soup kitchen. It didn’t join Those Evicted from La Boca until later in 1996. May 25, 1996, marks the inauguration of Comedor Los Pibes’s soup kitchen. Much later, they expanded their operations to include a bakery and other cooperative endeavors.} for weekly gatherings to discuss the increasing threats to the neighborhood (unemployment, evictions, co-optation by state officials, etc.). The group’s success, in part, stemmed from the leadership\footnote{The other leader of this organization was a long-time resident of the neighborhood Carlos Alberto DiPalma.} of Father Enrique Lapadula from the local parish, Iglesia San Juan, who had the capacity to attract hundreds for important gatherings. The other critical factor proved to be the relationship that the organization’s leaders developed with a few reformists from within the city. The threat of eviction came at a particularly difficult time for local families given the impact of the deep recession that was underway\footnote{Complicating the cost of land and homes in La Boca, and escalating rates of unemployment, was the fact that the sales price of homes in the CABA increased by 50% between 1991 and 1996.}. The neighbors designed strategies to fight the evictions. They requested meetings with government officials, talked with owners to alert them of the eviction notices and to try to discuss alternatives, identified other possible rentals\footnote{In some cases where direct negotiation with the landlord failed, neighbors joined together to purchase other homes in the neighborhood with the help of individual loans from the CMV.}, and organized visits to the offices of those judges responsible for the eviction orders. They tried to convince judges to delay the evictions and, instead, encourage agreements between landlords and tenants. In 1996, Those Evicted from La Boca fought within the city legislature\footnote{The City Legislature at this time was the Consejo Deliberante.} and won a neighborhood-wide housing emergency fund\footnote{Sp: Emergencia Habitacional de La Boca.}, transferring US$1.5 million from the Municipality to the CMV, plus an additional US$1.5 million in leveraged funds from FONAVI (DiVirglio, 2004, p.223).

While the drive for pro-poor housing policies gained momentum through the work that was going on in La Boca, another housing conflict not far away brought additional awareness to the crisis. In the neighborhood of San Telmo\footnote{The address of the building is Chile 1670.}, 25 evicted families were awaiting a permanent solution to their temporary status in a hotel. Support and consultation
from the MOI helped this case become a priority for local officials\textsuperscript{118}. Additionally, community allies, NGOs including Pro Techo and Ayuaje, and neighbors from San Telmo and Barracas joined the effort to ramp up public pressure. The organizations in La Boca joined together with their counterparts in San Telmo to win the next considerable housing policy, Ordinance 525/97. (This (and the ordinance 282/98) provided the legal framework by which the emergency funds could be distributed.) Representatives from the CMV drafted the ordinance and delivered it to the organizations after months of intensified pressure including: protests, marches, public masses in streets and on bridges as a form of picketing, and “ollas populares”, preparing and eating meals on blocked roads (Interviews #3b, 4a).

The Ordinance 525/97 provided assistance under the following conditions:

- Individual families or groups of families could apply for the loans as long as each family earned between US$500 and US$1,800 (1 peso = US$1) per month and could prove residence in the City of Buenos Aires for at least 5 years.
- Priority was given to households facing imminent eviction as a response to the situation in La Boca, but the credits could also be applied to other areas of the City with similar programs per the stipulations of the Law FONAVI.
- Loans could be used for purchasing, upgrading, building, or expanding a home, and to legalizing the land tenancy.
- The maximum interest rate was 9% of the family’s salary, and the loan was to be guaranteed by the property deed in the name of the CMV.

Hundreds of families solved their immediate eviction problems\textsuperscript{119}, either through loans from the Ordinance 525, direct loans from the CMV, or by receiving assistance in negotiating with landlords. The ordinance\textsuperscript{120}, in effect until 2000, brought the organizations another step closer to the CMV and united the organizations internally to go after a more expansive law. On the flip side, the problems associated with the ordinance brought to light

\textsuperscript{118} This cooperative effort undertaken by the MOI is separate from the case of the Ex-PADELAI described in the first section of this chapter.

\textsuperscript{119} (Paraphrase Interview #21a): In speaking with a member of Comedor Los Pibes who was working in the bakery section of the organization, she had received a credit to stay in her conventillo in the ’90s, and was very proud of her house. In comparison to how she lived prior to receiving the conventillo, and in comparison to other neighbors, the conventillo was a major improvement to their quality of life. She remained hopeful that the recent notice left at her home by the City would actually result in needed repairs. The City had been promising repairs for years.

\textsuperscript{120} Ordinances depend on the political party in power. If the party in-charge changes, the ordinance is void. Where as a law can only be modified by another law; it has a higher legal statute.
the need for better legislation. First, the ordinance failed to consider the voice of the organizations in any sustainable way and it targeted families in housing emergency, providing individual mortgage loans. Second, the policy failed to meet the organizations’ needs and demands by denying the collective struggle that was underway. Third, the loans covered only the value of the existing house and excluded a mechanism for improving the deteriorated conditions. By ignoring families’ overall living standards, the ordinance, in effect, consolidated precarious housing situations in the neighborhood. Fourth, the conditions of the loans were problematic in that they generated the possibility for conflict amongst neighbors. For example, by issuing loans for the purchase of a single property to a group of families, problems arose each time one of the families failed to pay the mortgage. Moreover, the ordinance established condominiums on single unit properties. Families, therefore, became owners of a piece of a larger property and in order to transfer the land or modify it in any way, all the families on the property needed to be in agreement. In the end, this was not always an option. Many of the tenants had no other option than to remain in their dilapidated conventillos. Even today, many of the beneficiaries of the ordinance continue waiting on the City’s assistance to remedy the problems in their homes like rotting walls, leaky roofs, vermin, unfinished walls and floors, and inadequate plumbing and foundations.  

Following the passage of the Ordinance 525, another window of opportunity opened up for the organizations as a result of the federal capital’s own process of moving towards legislative independence. Furthermore, a presidential election was only a few years off. While the capital’s jurisdiction belonged to the Executive Branch of government until 1996, there was a governing body that served the capital called the Consejo Deliberante, serving as the city’s legislature. This elected body was comprised of councilmen from different political parties and contained a number of commissions, including the Housing Commission.

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121 A recent report by the Auditor’s Office of the City of Buenos Aires found that only a small percentage of the budget approved for updating substandard homes in La Boca had actually been spent, and that the funds failed to produce the intended results.

122 Sp: concejales
Some reformists within the state served on these Commissions, others worked as bureaucrats in the CMV or as Legislators. With an election in-sight, local politicians tried to position themselves as allies of the people. By showing a preference for lower income sectors, they symbolically separated themselves from both the Consejo Deliberante, ridden with corruption charges, and President Menem. One ex-Commissioner with a long track-record in politics explained that the organizations actively demanded a voice. They needed someone to listen to their needs:

> It’s not as though the City had to go looking for organizations to get involved. Rather, I joined some of my allies in the FREPASO to try to increase the importance of their voices (Interview #7b).

Other politicians became involved in the people’s popular struggles by attending meetings in La Boca to show solidarity with the organizations. Many participated in supporting a constitution for the CABA that reflected institutional willingness to take on greater responsibility in the form of inclusive housing policies, health programs, social assistance programs, etc. The political party FREPASO was growing in popularity. It was seen as a reform party, in part because of its willingness to challenge the President. When FREPASO won the elections to determine who would draft the constitution of the City, one of the officials with close ties to the housing organizations, Mr. Navarro, was elected from within his party to help write the constitution. As a writer of the constitution, he led a commission called, “special policies” which provided advice on social policies including health, education, social welfare and housing. Navarro worked closely with the MOI and Those Evicted from La Boca to draft an article to promote participation, permanent housing solutions, and self-managed cooperatives in the area of low income housing. According to Mr. Navarro, the organizations played an important role in pushing for the article by making themselves heard

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123 The Consejo Deliberante was well-known for its corruption. Within this office, the City decided which projects could be built outside of the existing building codes, and who could construct over the legal limit. Bribes and special favors were in constant negotiation.

124 One who is chosen to write a constitution is called a constituyente in Spanish.

125 Sp: politicas especiales

126 Name has been changed for confidentiality.
through meetings with top officials, such as Alvarez and Mejilla, and other members of the council. The language in Article 31 established a strong platform from which housing allies within the City could work on behalf of these disadvantaged groups. By legitimizing popular housing demands, the reformists’ from within the state also legitimized their own concerns which they had expressed before to other state actors. Article 31 was considered an enormous accomplishment given that Argentina’s constitution provides no further stipulations beyond granting the basic right to housing.

Table 4: Article 31, Constitution of the City of Buenos Aires

Chapter Five. Article 31: The City [of Buenos Aires] recognizes the right to dignified and adequate housing. To that end it:

1. Gradually resolves the housing deficit, regarding infrastructure and services, giving priority to sectors of critical poverty and of special needs with scarce resources.

2. Fosters the incorporation of idle real estate, promotes self-managed plans, the urban and social integration of marginalized residents, the recuperation of precarious housing and land tenancy, using criteria for permanent housing.

3. Regulates the establishments that offer temporary shelter, and ensures to exclude all those who conceal from the authorities existing access to housing facilities.

Article 31 recognized both organizations’ rights and the City’s responsibilities. Even though the attitude of the reformists likely did not match the dominant position of the FREPASO, once the Constitution was written and an instrument was in place, some of the old battles disappeared (paraphrased from Interview #7a)\(^{127}\). A clear path finally existed for continuing to advance proactive popular housing initiatives.

The presidential election in 1999 brought about additional realignments across elites, and consequently space was created for leaders from within the state to seek out outsiders as allies. Shortly before the election, the FREPASO joined with the UCR to form the party, the Alliance\(^ {128}\), and back candidate De la Rúa\(^ {129}\). He won the election with nearly 50 percent of

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\(^{127}\) For example, the informant mentioned that a few councilmen in the Consejo Deliberante believed that the CMV should not participate in direct lending but that once the constitution was written, the opposition had less ground to stand on.

\(^{128}\) Sp: Alianza
the vote in part because he criticized Menem’s record on corruption. A more radical subset of the FREPASO disagreed with the party’s overall direction, including the decision to align with the UCR. The citizenry continued to lose trust in her leaders with De la Rúa in office. Economic woes started affecting even the middle class, and the public felt the President and his cabinet had failed to fight systemic corruption adequately. The Alliance appeared to be another political disappointment. With mounting pressure for De la Rúa’s resignation, the immense support for Law 341 stood out as a real sign of hope in the CABA, which was certainly not the case in other areas of social policy (paraphrased from Interview # 7a). The City’s Legislature voted to pass Law 341 in February 2000:

I don’t remember a lot of conflict [over the Law’s passage]. It seems to me those who weren’t in agreement put limits on the Law’s language, on the organizations’ participation, by insisting that there were guarantees that the loans would be repaid....The lack of any major conflict didn’t signal complete buy-in from the political system.... Rather, there was a consistent proposal made by the organizations, and well, finally it was accepted (Interview #7a).

A number of shifts in leadership occurred around the time the Law was first approved. Mayor Aníbal Ibarra assumed office in August 2000. Almost immediately he appointed Navarro to head the CMV. Navarro was a close ally of the housing organizations who had backed Law 341. He was also seen as a rising politician within the FREPASO. Navarro’s professional trajectory differed greatly from the CMV’s prior directors who had arrived to the institution with intimate ties to elite construction interests. Groso, an Engineer, headed up the CMV in 1996 and 1997. He was a party boss from the Radical Civic Union (Unión Cívica Radical—UCR) and had worked with the City’s most notorious interest groups

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129 Prior to his Presidential nomination, De la Rúa served as the CABA’s first popularly elected mayor in 1996.
130 A few of his better-known allies that he mentioned were Barrancos, a fairly well-known feminist, and María Elena Aveleo(sp?).
131 Sp: Y no me acuerdo que había tanto conflicto. Porque me parece que la gente que no le gustaba... más bien ponían límites, en cuanto al texto de la ley, a la participación de las organizaciones, a exigir que bueno que hubiera una garantía de que los créditos se iban a pagar, pero no me parece que haya habido una pelea muy dura para probarla pero no porque todo el sistema político de la ciudad estuviera a favor si no porque hubo un trabajo insistente de reclamo y bueno, finalmente lo aceptaron.
132 Sp: puntero
such as the Argentine Chamber of Construction, the Argentine Center of Engineers, and the Central Association of Architects. Second to Groso was Ibañez, an architect and director at the Central Society of Architects. Prior to the vote, the reformists within the state had the organizations’ tight-knit support. This support gave the FREPASO a reputation within the, then, Municipality of Buenos Aires of a political party in favor of inclusive, transparent politics precisely when exclusive, corrupt practices weighed heavily on citizens’ concerns.

After the Law came into existence, the PHOs disbanded to some degree and each focused on its individual project. Reformists within the state like Mr. Navarro turned to another group of outsiders for support to back their pro-poor agenda, this time finding synergy with elected representatives from the shantytowns. Mr. Navarro, for example, quickly found that this group’s reputation within the CMV was quite different from the PHOs. In the minds of his peers, shantytown residents were viewed as being tied to political patronage and high degrees of conflict. The reformists’ ties to low income sectors turned into a major source of tension within the FREPASO and the Congress.

Mayor Ibarra appointed Ernesto Selser to replace Navarro as head of the CMV and demoted Navarro. Navarro continued working with the organizations to discuss how they wanted the Law to be designed, implemented and executed. They were working to establish a permanent Consultative Council of Organizations, to ensure ongoing participation and dialogue between actors. With limited interest in the progress achieved by

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133 Sp: Cámara Argentina de Construcción, Centro Argentino de Ingenieros, Asociad Central de Arquitectos
134 Sp: Sociedad Central de Arquitectos
135 Sp: villas miserias or villas. The two principal programs managed by the CMV include urbanization of the Villas, or slums, and programs for the middle class. Navarro worked very closely with leaders from the Villas and ran into problems because of the conflicts that existed from disempowerment, clientelism, divisions, and severe need.
136 The CMV had less authority than the current housing institution, the IVC. The head of the CMV was given the title, jefe politico, or political boss.
137 The process of implementing a law and deciding its corresponding rules and budget is called reglamentación.
138 Sp: Consejo Consultivo de Organizaciones
the reformists from within the state and the organizations, the Legislature and the CMV\textsuperscript{139} enacted the Law under the title, “Self-Management and Housing Emergency Operatory” in August 2001. By enacting Law 341, finally the exact steps that each organization needed to follow to be eligible for a loan were established. For example, applicants needed to complete five different stages, totaling 44 steps\textsuperscript{140}, in order to obtain the first certificate, “certificado de obra”. Seven distinct entities within the IVC helped process this cumbersome paper trail and five agencies outside of the IVC. The first cooperatives to benefit from the policy were Cooperativa La Fábrica\textsuperscript{141} (December 2001), and Los Invencibles and 20 de Julio (July 2002) integrated today into the Cooperativa El Molino\textsuperscript{142}. The work of designing the Consultative Council ended abruptly when Ibarra dismissed Navarro from the CMV in March, 2002. The organizations showed their disapproval by protesting and taking control of the government’s offices where the Mayor worked.

Navarro challenged the CMV’s culture which likely played a significant role in his dismissal. His actions expressed disproval for two important notions pervasive in the institution. The first was the norm that somehow employees in the CMV operated above the law, outside of both ethical standards and basic rules of democracy. The second was the idea that rising political figures limited their interaction with the poor. With regards to the former, Navarro tried to “clean up” the CMV’s practices. He incarcerated a few employees and pressed charges against a few others for unlawfully distributing state resources. In one case,

\textsuperscript{139} The Director of the CMV was Jaime Sorín, now the head of the School of Architecture at the UBA and Comedor Los Pibes’s arquitect.

\textsuperscript{140} (The steps include: Recepción de la demanda (5 steps); Solicitud del crédito (19 steps); Evaluación del proyecto de construcción (6 steps); Anticipo financiero (7 steps); Certificaciones (7 steps).)

\textsuperscript{141} Cooperativa La Fábrica in a factory building in Barracas, involved 50 families. It was the first project to “achieve the integration of CTA (Argentine Workers’ Union, Central de Trabajadores Argentinos) associated formal workers”. The property deed was signed in December 2001. [http://72.14.205.104/search?q=cache:CgYQ68xv4DYJ:www.hic-net.org/content/Online/Jeifetz-Co-operative%2520Movement_Buenos%2520Aires.pdf+Law+341+autogestion+de+vivienda&hl=en&ct=clnk&cd=3&gl=us]. Online January 29, 2008.

\textsuperscript{142} Los Invencibles and 20 de Julio, integrated today in the Cooperativa El Molino was originated by families who lived in hotels subsidised by the City. Located in the neighborhood Constitución, it was originally a factory. The CMV signed the property deed, consisting in 100 dwellings, in July 2002, to later transfer it to the cooperative (Ibid.).
an employee was found standing on a street corner offering housing to passersby for a large personal kickback (Interview #7a). In another example, Navarro raised his peers’ radar by selecting a construction firm with no established ties to the City. In doing so, he upset the unspoken norm dominant in the CMV which was to always select one of five companies when fulfilling public contracts. Immediately after Navarro made his pick, a high-up official from the influential Chamber of Construction paid him a visit to express his disapproval (ibid.). The last and final confrontation took place after Navarro questioned a special favor for a union boss that came across his desk. Just two days later, he was dismissed by the Mayor. In terms of challenging institutional bias against the poor, Navarro explained that he headed up the CMV because he believed in the importance of housing for low income sectors. His commitment to the poor was disruptive to the CMV, and provided the necessary support to challengers from outside the state to finally access the state’s housing resources.

The following quotation speaks to the entrenched patterns of influence by elite groups over the public decision-making process in the CABA.143

[Working in housing] is not a career of honors, rather a lot of fights. Housing didn’t interest the bulk of the Legislators. The reason why I was interested in housing was the same reason why most legislators were not interested in it, which is the presence of the poorest social sectors. The Housing Commission [in the Legislature] continues meeting with the Central Society of Architects; the Council for Constitutional Matters meets with the School of Lawyers; and the Commission for Housing with the Kids’ Kitchen and [the Director of the MOI]. Let’s say there’s no mechanism for assigning prestige [to popular housing] (Interview #7a).

Law 964, the modification of Law 341, December 2002

During 2002, numerous cooperatives formed to try to access the rights and resources made available through Law 341. At the same time, cooperatives got involved in trying to modify the Law given that a number of problems surfaced almost immediately. In December

143 Sp: Pero no es que una carrera de honores no, si no que había tantas peleas. El tema de la vivienda no le interesaba tanto, por ejemplo, al grueso de los legisladores. Es decir, la misma razón por la cual a mí me interesaba vivienda, yo creo que es la que a muchos diputados no les interesaba tanto, que es la presencia de los sectores sociales más pobres. La Comisión de Vivienda está todavía reunida por la sociedad central de arquitectos; el Consejo de Asuntos Constitucionales con el Colegio de Abogados; y la Comisión de la Vivienda con el Comedor los Pibes y Nestor Jeifitz. Digamos que no hay un mecanismo de asignación de prestigio.
2002, Law 341 was renamed Law 964, and the policy it created was changed to the “Program for Self-Managed Housing” (el Programa de Autogestión de la Vivienda—PAV). A few important changes were made to Law 341, formally called Law 964. First, inter-disciplinary technical assistance was made mandatory for the cooperatives and heavily monitored by bureaucrats within the IVC. Second, Law 964 established a Commission of Control, Evaluation and Maintenance where in the cooperatives would participate as “observers” - a large disappointment for the organizations. Third, the maximum amount allotted to each family in a given co-op was increased from $30,000 to $42,000 pesos, correcting a considerable weakness in Law 341. Fourth, the PAV now depended on the President of the IVC which concentrated decision-making in the hands of one appointed official, of course, within an institution widely known to act with little oversight from other state institutions. Fifth, the PAV made it so a co-op’s total loan amount was dispersed through smaller lump sums which gave the co-ops access to money sooner. This change allowed co-ops to advance their projects, and it allowed the City to review each stage of the development process before expending additional funds. This change meant that the organizations had a better chance at managing the building process in smaller, more acceptable pieces rather than as one lump sum. And lastly, Law 964 established a financial matrix designed to subsidize the lowest income applicants. This meant that interest rates on loans available through the PAV ranged between 0 and 1.5 percent.

Even until today, organizations continue trying to reform the PAV’s requirements to make the program more accessible for more cooperatives. The most recent set of proposals were drafted in 2006 by a number of federations made-up of housing cooperatives, including the 60 organizations that worked under CLP’s guidance. Most of the organizations’ proposals have been rejected, however. One change worth noting that was

144  (Acta #2.239-IVC): On January 31, 2007, the Law was again modified to set the maximum credit per family at $97,500 (US$ 31,452).

pushed through by the City and that affected all cooperatives purchasing land after October 2006 was the decision to require the technical teams to sign agreements with the IVC. Prior to this cut-off, the technical assistance teams were hired directly by the co-ops, oftentimes with no relationship to the IVC\(^{146}\) (paraphrased from interview with IVC Manager). After this date, the cooperatives could continue to select all the professionals that it deemed fit to accompany its housing development, but they needed to register first with the City.

According to the PAV’s Manager from the IVC, when the technical team registers with the City, each person must present credentials. The process gives the City greater control over the work that’s conducted. The informant noted that most cooperatives are unaccustomed to managing professionals. The concern is valid, but how will CSOs improve their ability to self-govern if not given the chance?

The organizations didn’t ask for the change- and there are some who don’t understand it- but in many cases organizations have understood that an agreement between a professional and the Institute is much clearer, especially in the case of an architect. Because co-ops aren’t used to relating to professionals. There are professionals that work well with cooperatives and there are others working in circles over a number of years, lying to the [co-op members], telling [the members] that everything’s completed when really nothing has been presented, and saying that the problem is with the Institute because they never paid out the money. Later, when [representatives from the co-op] comes to the Institute they realize the professional never produced anything\(^{147}\) (Interview # 19a).

Additional concerns with Law 341/ 964 voiced by the cooperatives and/or recognized by the author are extensive. The problems have related to a lack of institutional coherence\(^{148}\) within

\(^{146}\) Sp: Hay dos casos, hasta octubre del 2006: todavía se mantiene esto en mucho de los casos, con quien tenían una relación contractual con los profesionales era la coop. A partir de la nueva reglamentación, con los nuevos que compramos, la relación contractual de los profesionales es con el Instituto. En ese caso así tiene que ser porque así es el contrato. Pero con las otras que vienen manteniendo la relación no. No todos los equipos técnicos tienen relación con el Instituto- están en proceso de cambio.

\(^{147}\) Sp: Las organizaciones no lo pidieron pero terminaron- en muchos casos- hay algunos que no todavía- pero terminaron entendiendo que la vinculación con un profesional sobre todo en el área de arquitectura, con el Instituto es mucho más clara que con las coops. Porque las coops, no están acostumbradas a tener relaciones con los profesionales. Entonces hay profesionales que trabajan muy bien y hay otros que estaban ahí dando vueltas durante años, les mienten, les dicen que tienen todo presentado y no presentan nada, y es problema del Instituto que no te daban plata. Después cuando la gente vino acá se dio cuenta que el profesional no hizo nunca nada.

\(^{148}\) Examples include: 1. Some of the rights granted to cooperatives per Argentina’s law on cooperatives are violated by Law 341 (i.e. “free selection of property”); 2. Bureaucratic procedures
the state, obtrusive bureaucratic arrangements\textsuperscript{149}, and reluctance by the IVC to share responsibilities with the poor\textsuperscript{150}. The organizations that originally backed Law 341 share differences of opinion on how the PAV should be altered. For example, after homes were constructed under Law 341, the IVC promoted individual ownership, thereby impeding the path towards collective property and relegating the cooperatives to positions of mere intermediaries. This was a concern shared mostly by the MOI; the MTL, for example, strongly favored individual property titles. At the end of 2007, the members within a given cooperative held no shared financial responsibility.

I want to highlight a few additional concerns with Law 341 that I found to be particularly problematic in terms of democratic participation. The first is that the Commission for Control, Evaluation and Follow-Up\textsuperscript{151} (Comisión de Control, Evaluación y Seguimiento—CCES) within the PAV consolidated the cooperatives’ status as a second-tier partner with the IVC. In their formal role as observers within the CCES, the organizations were asked by the IVC to elect a number of representatives who could then voice their concerns. Amongst the organizations’ representatives figured members from the Ex-AU3 group and CLP. Even though Law 964 determined that the CCES was to meet regularly, the IVC failed to actually convene the Commission until 2007. This arrangement within the have no established time limits, leading to duplications of studies or investigations (i.e. on land titles) and lost documentation on behalf of the IVC.

\textsuperscript{149} Examples include: The process and political orientation of the IVC discourages the formation of new cooperatives (i.e. if an organization is not on the waiting list, they are ineligible to move forward in the application process. The problem is that the list is closed most of the time.)

\textsuperscript{150} Examples include: 1. Over emphasis on the Technical Teams’ participation detracts from improving the skill-set of the members of the cooperatives. The political standing of the technical teams’ may affect project approval. This reality makes the selection of the team partially subject to political ties and potentially to favors which could preclude the notion of fuller democratic participation. 2. Absence of participation of organizations in the program’s ongoing monitoring and evaluation, especially in light of the program’s origins. The Commission of Control, Evaluation and Maintenance as legislated in the Law’s text, was slow to get up and running. When it finally did begin meeting in 2007, the IVC limited the number of organizations who could participate formally by insisting that the organizations selected a small number of representatives. This meant that the organizations had to compete amongst themselves to win greater contact to the program’s decision makers, which further limited the notion of equal access.

\textsuperscript{151} Law 341 states: la Comisión de Control, Evaluación y Seguimiento de la Operatoria Instrumentada por la Ley 341.
CCES demonstrates that the organizations held no institutionalized role in monitoring the PAV and thus their ability to impact the decision-making process depended to a large degree on other forms of influencing the IVC.

The second concern that I want to highlight about the PAV is the lack of accountability. This problem is multi-faceted, and will be discussed further in Chapter V, but I argue that the state’s funding procedures complicate possible societal accountability measures and give individual state actors exceptional power and influence. It appears there is structural incoherence in the way budgets are approved and distributed in the CABA. To further confuse the matter, it is also true that housing budgets can be transferred to cover important social programs when the political will is present.

The process for funding housing programs is complicated, but as I describe below, the situation was additionally difficult in 2007 due to the mayoral election in the CABA. One source of housing funds routinely stem from the City’s Legislature. But from there, the decision to back a particular housing program such as the PAV depends on several institutions and multiple decision-makers. The process is as follows. All lead program managers in the IVC request specific amounts for their particular projects in August of each year for the following calendar year. After the budgets are prepared, they are transferred to the Ministry of Hacienda where cuts are made according to limits placed on the proposed budget by the heads of each ministry or institute. From there, the budget is sent to the City’s Legislature for study. Within the Legislature, the budgets are discussed and the reverse process takes place - lasting from August to December of each year. In August 2007, the Manager of the PAV requested 112 million pesos (about US$36 million) for 2008. In light of the events that had taken place in 2007, however, neither the manager nor the cooperatives knew for certain what would happen in 2008. For 2007, the Manager requested 70 million pesos (about US$23 million) but received only 10 million (US$3.2 million). That 10 million could not even cover the expenses related to 33 projects that were already underway, meaning
the program started the fiscal year with a deficit. With the severe budget crunch in 2007, the IVC decided to close the waiting list which is where all cooperatives needed to register to have a chance at accessing loans through the PAV in the event funds came available.

I found that the list operated more as a deterrent for smaller organizations with less knowledge of the City’s operations than as an actual tool for decision making and transparency. Larger, better connected cooperatives learned that the list was adjustable and they knew how to pressure officials regardless of their position on the list. The PAV established too many conditions under which a household could become a priority. With so many caveats, the list lost all legitimacy. The IVC looked to additional funding streams to cover the cooperatives’ projects. In November 2007, the President of the IVC was waiting on the federal government’s response to his proposal to acquire funding from the Federal Housing Program. President Kirchner made the request in March 2007 for 157 million pesos (about US$ 51 million) to cover 1590 housing units (61 projects), all of which were ready to undergo construction (Interview #9a). Both the President and the cooperatives eagerly awaited confirmation from Kirchner’s administration before the end of the year, because “there [was] no money to begin new projects” (Interview #19a). The Manager of

152 Sp: Hay dos vías: por un lado lo que es lo que pedimos, que lo revelamos más o menos en Agosto, que todas las áreas de gobierno formula el presupuesto para el ano siguiente. Sea que cada uno pide lo que necesita. En el caso del Instituto, cada Gerencia dice, necesito tanta plata. Nosotros pedimos para el Programa de Autogestión, para el ano que viene nosotros pedimos- pedimos elevamos a la gerencia financiera desde acá, 112 millones de pesos. Cada gerencia eleva su presupuesto, y en la gerencia financiera en la administración de finanzas, sacan un presupuesto general. Ese presupuesto general se lo llevan a obras públicas. De obras públicas se lo lleva como todos los ministerios, a ministerio de hacienda de la Ciudad. En Ministerio de Hacienda, hace su recorte según los techos que ponen los jefes de cada ministerio o instituto. Y eso se lleva al Jefe de Gobierno, y eso va a la Legislatura que estudia el presupuesto y en dic normalmente votan un presupuesto. Votan después de discutirlo, hacen el camino en reverso, y te dicen cuanto te tocó. El ano pasado nosotros pedimos 70 millones, y nos dieron 10. [para el programa no más]. Este ano pedimos 112 millones. [Lo deciden en la Legislatura en Dic] Estuvo acabado el presupuesto desde el principio de ano. Los 10 millones que nos dieron, el 1ero de enero empieza a correr, entre en vigencia el presupuesto de cada ano. El presupuesto que nos habían dado ni siquiera cubría las obras que estaban en ejecución. Tenemos 33 obras en ejecución, no nos alcanzaban para 10 millones de pesos.

153 Sp: Plan Federal de Vivienda

the PAV within the IVC managed to access funding from other housing programs’ budgets but the funding didn’t go far enough\textsuperscript{155}. In 2007, “there were two or three months where [the IVC] had no funding at all from Hacienda” (Interview #19a). The problem delayed the City’s disbursements to the cooperatives for work that had already been done by their technical professionals.

We received very little money this year. Usually when we receive a receipt demonstrating a co-op has completed a portion of its development, we reimburse the co-op within 20 days. This year the delay was extended more than normal, so that the coops didn’t have money to be able to advance quickly or pay their workers. We are currently with the last of the budget for the year and we hope to continue paying the cooperatives’ debts on all the projects. But it’s a very difficult year\textsuperscript{156} (Interview #19a).

**Concluding remarks:**

This section outlined the impacts of President Menem’s neo-liberal reforms on Argentina’s lower income sectors. The reforms increased unemployment and poverty on the one hand, and also allowed civil society actors greater contact with state institutions on the other. Not only were the poor able to directly access state actors, but so too could private interest groups in defense of powerful construction firms. This chapter provides evidence of elite interest groups’ hold over the capital’s housing institutions. We saw how private interest groups and labor bosses counterbalanced the efforts of reformists from within the state when trying to implement reforms that challenged the existing status quo. Even though the reformists within the state had developed pro-poor housing initiatives alongside a number of PHOs, the state expressed little institutional enthusiasm for the initiatives. The other

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\textsuperscript{155} She said she was only able to take funds from other programs with developments, or “obras”, such as the program, “social programs”- a newer program focused around unions.

\textsuperscript{156} Sp: No es así. La cosa es que recibimos muy poca plata. Con los pagos también se tiraba más de lo debido. Normalmente cuando recibimos un certificado de obra lo pagamos a los 20 días. Y se estiró más de lo normal, entonces las coops tampoco tuvieron el dinero como para avanzar más rápido y tener más pagos para presentar. Así que estamos con lo último que nos queda de plata y esperamos llegar a fin de año pagando todo y venimos pagando los certificados por suerte de todas las obras. Pero un año muy complicado.
limitation I found to the reformists’ success was the lack of sustained cohesion across the housing cooperatives following the passage of Law 341.

I identified a number of local political opportunity structures whereby collective action surged. These political opportunity structures evolved through: increased pressure from CSOs; the changing nature of social protest and government subsidies - result of the piquetero movement which is inextricably tied to the country’s populist roots under Perón and the state’s traditional sources of interest aggregation; restructuring of local representation and decision-making; and renewed interest in redeveloping the CABA’s historic neighborhoods. These periods of increased collective action all involved realignments across elites. The realignments created space for reformists to seek out allies inside and outside of the state. Reformists from within the state together with a number of housing groups wrote Article 31 in the capital’s first independent constitution, passed the emergency housing fund, passed Ordinance 525, and managed to win the more involved and inclusive Law 341 in 2000.

The division of responsibilities spelled out in the PAV resembles a number of the policies supported in the enabling approach. Firstly, the notion of partnership in social housing was broadened through Law 341 in the CABA. When a co-op purchased a plot of land, the co-op’s members assembled a development team. In addition to architects, sociologists, and accountants, a co-op could choose to partner with banks or mainstream financial institutions to assist with the development. In this sense, the extent to which each co-op partnered with other organizations or corporations depended on its philosophy and its networking abilities. Secondly, Law 341 extended housing finance to low income households, in part, through loan guarantee funds by the government. Thirdly, the IVC handled more of the regulatory concerns related to the cooperatives’ housing projects. For example, in the event that an organization received a credit and, then, chose a property with irregular land tenancy, the City would work to normalize the deed. Fourthly, Law 341 made
a contribution to democratic governance in public decision-making related to housing in the CABA. The PAV came about through extensive involvement from popular housing organizations and state reformists. The policy established the CCES comprised of co-op members, city managers, and the Director of the IVC.

Law 341 provided a participatory housing model which can be approved upon. The CCES was supposed to meet regularly to exchange information, work out any problems that emerged, and allow the cooperatives greater say in how the program was conducted. In these meetings, cooperative members request budgets, demand responses, and follow up on budget expenditures. In one such gathering, the cooperatives confronted the IVC on the whereabouts of 200 million pesos from the program’s budget. In essence, the cooperatives are now in a position to monitor the city and build relationships with city officials. The logical question is whether or not the organizations are able to utilize the participatory avenues that have opened up under Law 341 to solve their housing needs. One cooperative had enormous success under Law 341, and provided an example for other organizations and the state. In the next chapter, I will explain the most successful case to date within Law 341, the case of the MTL.

**Table 5: Summary of Events Leading up to Law 341**

<table>
<thead>
<tr>
<th>Period</th>
<th>Event</th>
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</thead>
<tbody>
<tr>
<td>80s-early 90s:</td>
<td>Economic recession and organized squats in the CABA led to the growth of housing organizations: CLP, the MOI, Ex-AU3. Neo-liberal reforms under Menem helped bring the organizations closer to state actors.</td>
</tr>
<tr>
<td>1996-1998:</td>
<td>Restructuring of the CABA and the <em>piquetero</em> movement created openings for negotiations between reformists and housing organizations.</td>
</tr>
<tr>
<td>1998 -2000:</td>
<td>Urban renovation in La Boca supported by the State, increased neighborhood participation and expansion of housing laws and credit to the poor.</td>
</tr>
<tr>
<td>2004-2006:</td>
<td>Project of the MTL in the southern neighborhood of Parque Patricios with Mayor Ibarra started in Mar. 2004 (described in Chapter IV).</td>
</tr>
</tbody>
</table>
2006-2007: Representative from CLP works from within the State; Law 341 modified for a third time in October 2006; and the MTL complex is completed in Mar. 2007.
The fact that these people, who come from the *piqueteros*,
became workers through training which they maintained
throughout the construction process was an important
display for the government of a self-managed
construction process.\textsuperscript{157}

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**CHAPTER IV: LAW 341 AND THE TERRITORIAL LIBERATION MOVEMENT (MOVIMIENTO TERRITORIAL DE LIBERACIÓN—MTL)**

This chapter describes the social movement, the MTL, and explains how the organization managed to complete the largest housing development within the umbrella of the PAV in the CABA. Similarities between the MTL and other organizations include the following: 1) The MTL played a role in shaping the history of Law 341 and/or its subsequent revision, Law 964; 2) It is headquartered in the Southern part of the City, but participates in issues affecting the entire City and beyond; 3) It is considered a *piquetero* group; 4) It maintains ties to political parties; 5) It has a tradition of engaging with political leaders, state officials, and other like-minded movement leaders in Latin America; 6) Its leaders are recognized for their work in popular housing by related stakeholders throughout the City; 7) Social housing is one component of a larger agenda assumed by the MTL to fulfill its overarching goals; 8) Throughout its history, it has managed to take advantage of political opportunities; and 9) It accesses external resources. These similarities show that the MTL resembles a number of other cooperatives that have also pursued the opportunities made available through Law 341. This is to say that the tactics used by the MTL with Law 341 would likely be effective for other social movements and PHOs in Buenos Aires. What I will show in this chapter is that the MTL used its superior organizational capacity to work within

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\textsuperscript{157} Sp: Que esta gente que venía de los *piqueteros* se fueron transformando en trabajadores a través de capacitación que fueron haciendo durante todo el proceso de obra, era una muestra importante para el gobierno lo que era un proceso autogestivo en el ámbito de la construcción.
the rules of the state and to leverage external resources. It must be said that until this time, no other organization has been able to combine all the factors that I will analyze below in the context of Law 341 to complete its proposed housing project.

Territorial Liberation Movement (Movimiento Territorial de Liberación—MTL)

The MTL quickly emerged during the mid-1990s and currently claims a membership base of about 30,000 across Argentina. When the organization first formed, the intention was broad and ambitious, consisting of:

A territorial movement with the purpose of building counter-culture and popular power based on the principal that the only way of resolving the existing representation crisis is through direct democracy and expanding projects for the people...with the capacity to penetrate distinct political cultures, such as popular revolutionary-nationalism, liberation theology, and Marxist currents, all of which are the components of the MTL. A [movement] with the capacity to include compañeros from distinct religious backgrounds and from various places in America. In particular, the MTL in the Federal Capital has compañeros almost from all over Latin America: Bolivia, Peru, Paraguay, Haiti, Columbia 158 (Interview #5a).

The MTL openly opposed President Nestor Kirchner’s administration and plans to launch a national constituent assembly seemingly similar to Bolivia or Ecuador:

We stand for the formation of a new, historic movement...for the [year] 2011. This year we will launch a citizens’ legislative initiative- the first gathering will be in July 2008. We will travel around the country, town to town, province to province, to generate a social contract159 (ibid.).

Although the MTL had long worked with popular housing struggles in the Buenos Aires Province and in the CABA, it didn’t formalize its presence in the capital until 2002. This


158 Sp: La idea de construir un movimiento de carácter territorial, que se planteara construir contra cultura, que se planteara construir poder popular en base a ubicar que la única forma de resolver la crisis de representatividad que existe es a partir del mecanismo de democracia directa, obras extendidas y aspiramos a construir un movimiento, que es, creo que lo hemos logrado, que tuviera capacidad de perforar distintas culturas políticas, nacionalismo popular revolucionario, la teología de la liberación, corrientes marxistas que son los componentes del MTL. Hay una diversidad de cultura política y que tuviéra también la capacidad de contener a su seno compañeros de distintas expresiones religiosas o de distintos lugares de América a si que particularmente el MTL de la capital tiene compañeros prácticamente de toda América Latina, Bolivianos, Peruanos, Paraguayos, Haitianos, Colombianos.

159 Sp: Nosotros somos opositores de Kirchner nosotros estamos por la formación de un movimiento de un nuevo movimiento histórico del país que no será para ahora será para el 2011. Vamos a lanzar este año una constituyente social el primer encuentro lo vamos a hacer en julio de 2008 vamos a recorrer todo el país pueblo por pueblo provincia por provincia para desembocar en una constituyente social.
means that while other organizations had focused their energies on Law 341, the MTL lent its support through protests as needed. More than anything, however, the MTL was involved with low income sectors in their neighborhoods through local activism. The movement was focused on reactivating disenfranchised workers and establishing a base of support in the late-90s. The MTL’s Director in the CABA explains its involvement prior to 2002:

[We were involved] as activists with the people, neighborhood activism, activism in the shantytowns, it’s not that we were estranged from the process [around Law 341], nor the discussion of the Law, or the need to implement it\(^{160}\) (Interview #5a).

The movement formed its housing cooperative in 2002. The cooperative’s name in the federal capital is the Emetele – the transliteration of the organization’s initials in Spanish. Its membership base includes all 2,000 MTL families in the CABA, approximately 5,000 individuals, in contrast to the 20 families that form the average number involved in each cooperative participating in Law 341. The Emetele is by far the most successful case under the PAV. The cooperative’s housing complex was built on Monteagudo Street in a traditionally blue collar neighborhood in the Southern half of the capital called Parque Patricios. The Emetele complex was the largest one proposed by any of the organizations participating in the program and it has advanced at a much faster pace. The entire development on Monteagudo was completed in only 36 months, just as the MTL’s contract with the City stipulated. The project’s inauguration took place in March 2007, three months prior to a mayoral election, in front of a large audience. Leaders from the organization accompanied Mayor Jorge Telerman, a number of other city officials, members of the press, and hundreds of other cooperatives for the public unveiling. The complex includes 326 apartments, a multi-purpose room, three common areas, and the following services which will soon be in operation: a community radio station, child care center, health clinic, and commercial space to help sustain the complex.

\(^{160}\) Sp: No, como militantes en el campo popular, militancia barrial, militancia en las villas, no es que éramos ajenos al proceso que había- ni la discusión de esta ley, ni la necesidad de reglamentarla.
Forming a Small Corporation:

Arguably the most fruitful aspect of the MTL’s experience has been its decision to form a “small construction enterprise”. The leadership that heads up the Emetele is the same that directs the small firm. By creating the firm, the MTL trained and hired more than 400 of its own members to work on the Monteagudo development. Additionally, the small corporation has already begun offering its services in the marketplace to other cooperatives, private firms, and the government, through the City’s public bidding process. Combined, these endeavors have generated 800 paid positions for the MTL’s membership base, including jobs in construction, maintenance, cooking, cleaning, etc. Each position pays between 1300 and 1500 pesos per month (about US$430 to US$500), the same salary the Emetele’s Director earns. Three side-effects of the organization’s construction firm are worth highlighting. First, for a stigmatized, piquetero movement, its construction arm and thus its access to permanent revenue gave the organization legitimacy. It proved to potential critics that members of the MTL were committed to gainful employment. By generating income, the MTL decreases its dependence on state subsidies and increases its capacity to take on additional projects.

Second, the MTL used its organizational capacity to design itself into the existing fabric of the construction industry in the CABA. Its organizational roots in anti-neoliberalism and neo-Marxist ideals would suggest that the MTL might try to establish a parallel construction market for popular sectors, or work to dismantle private sectors’ dominance over the state’s housing authorities. Instead, the MTL opted for neither option. It decided to tap into the existing construction industry and work as an intermediary to provide employment opportunities to its members. This happened in tandem with the MTL’s pursuit of larger, organizational goals.

Third, the movement takes on extensive administrative and operational duties that resemble the work of a corporation. Law 341 required all applicants to manage funds,
people, and the building process, but by forming a separate construction entity, the MTL assumed an ongoing role in this capacity which required the movement to broaden its skill-set. The MTL developed a sophisticated management operation for the Monteagudo development. If the firm was to succeed, the MTL needed to promote its services to a range of developers. Such tasks are atypical for most social movements.

The MTL’s unusual success, when compared with the hundreds of cooperatives that have failed to produce permanent housing, has sparked some resentment towards the MTL. The organization dismisses rumors that a political arrangement paved its project’s success, and attributes other organizations’ inability to complete housing developments to corruption.

When [Monteagudo] was inaugurated, everyone came to [take credit] but the truth is that this is the product of the people’s fight, not the result of any negotiation, spurious agreement, or sectorial fight. We have fought for universal rights. Our responsibility ended there. We know that a lot of organizations have received loans [but] don’t have the organizational capacity. Corruption also makes its way into organizations. We know they haven’t been able to solve the problems adequately\(^\text{161}\) (Interview #5a).

The MTL in Buenos Aires evolved from an explicit alliance between Communist Party (Partido Comunista—PC) activists with ties to organized, unemployed workers in southern Greater Buenos Aires\(^\text{162}\), and PC activists in the City of Buenos Aires who were working to help the poor with their increasing incidence of evictions (Alcañiz & Scheier, 2007, p. 166).

I agree with Alcañiz and Scheier on the MTL’s core tenets: the rejection of neoliberal capitalism; belief in labor organization\(^\text{163}\) and support for an alternative to the Peronist, clientelist tradition; the belief that traditional, Peronist institutions of interest aggregation (state, party, and union politics) in Argentina have failed the poor; and a “revolutionary interpretation of the events of December 2001” (2007, p. 161). The MTL views the

\(^{161}\) Sp: La verdad que cuando se inauguró esto, vinieron todos a sacarse la foto pero la verdad es que esto es producto de la pelea de la gente, no es producto de ninguna negociación, no es producto de ningún acuerdo espurio, no es producto de ninguna pelea sectorial. Nosotros hemos peleado por derechos universales. Nosotros hasta acá. Sabemos que muchas organizaciones que han accedido prestamos que no han tenido la capacidad organizativa- la corrupción también se mete dentro de las organizaciones y sabemos que no han resuelto los problemas acertadamente. Después hay otras cooperativas menores. Nosotros estamos construyendo una cooperativa, 10 casitas en el bajo flores. Estamos por construir...

\(^{162}\) The area consists of 33 districts located around the Federal Capital

\(^{163}\) Sp: trabajo genuino
“territory” as a place from which popular movements can establish an important presence - even in light of limitations placed on grassroots movements by neo-liberal economics and globalization.

[The territory implies having] a physical, political, cultural presence. I believe that debates and discussions happen there. Consensus is built. It’s the place where one can act under the best of circumstances, despite globalization, monopolitical concentration of the media, manipulation of public opinion, [consensus building] through the media. It’s important to say that the campo popular is much more complicated in that terrain. From this territory one can act, from the place of everyday organizing. In our territory we move with greater ease\textsuperscript{164}(Interview #5a).

In Buenos Aires, an area including both the CABA and Greater Buenos Aires, the movement has aimed, in part, at challenging Peronism’s hold on the poor by providing a viable alternative political project which included dignified employment. In a popular assembly in Lomas de Zamora in June 2001, a district in southern Greater Buenos Aires, the movement became formally constituted in the region. The location was symbolically important. It was the electoral district of future Peronist president Duhalde and the center of his “formidable patronage apparatus”\textsuperscript{165} (idem, p. 10). In 2002, the MTL officially emerged in the CABA:

We began after the crisis of Dec. 19/20, 2001. Here in 2002, the MTL in the capital was born. First MTL Province [of Buenos Aires], MTL Chaco, later MTL capital. The government had a policy of expelling people from the City. Then, the widespread, very widespread evictions started. We defended against kicking people out onto the street\textsuperscript{166} (Interview #8a).

**External Resources:**

\textsuperscript{164} Sp: Sí, [el territorio es una presencia] física, política, cultural. Yo creo que ahí es donde se debate, donde se discute. Ahí es donde se constituye el censo. Es el lugar donde uno puede actuar en mejores condiciones, a partir de la globalización, de la concentración monopoliza de los medios de comunicación, de la manipulación de la opinión pública, de la construcción de consensos mediáticos. Hay que decir que el campo popular está mucho más complicado en ese terreno entonces nosotros desde este territorio se puede actuar. De la organización cotidiana. En nuestro territorio entonces yo te decía: Ahí es donde nos movemos con mayor facilidad.

\textsuperscript{165} Duhalde, head of the Peronist party in the province of Buenos Aires, developed an extensive clientelist network through his wife, Chiche Duhalde, and the manzaneras, women in charge of delivering social services to the impoverished families in the southwestern districts of the Greater Buenos Aires (Szwarcberg cited in Alcaniz and Scheier.)

A brief description of the MTL’s connections to unemployed workers, political activists from the PC in Argentina, and advocates from different leftist movements will help explain its power and access to resources, and its ability to uphold its independence from the state. The leadership of the MTL has held significant leadership roles in powerful organizations with national presence. One example was Beto Ibarra, former PC leader and one of the MTL’s founders, who joined the influential Land and Housing Federation’s (Federación Tierra y Vivienda—FTV) national committee in 1997 (Ibarra cited in Alcañiz & Scheier, 2007, p. 165). Even though the MTL has changed its political affiliations multiple times, its ties to the PC remain strong. The following example demonstrates the dynamic nature of some of its relationships with allies and also its ability to maintain its distance from Peronist influences. In 2004, the MTL chose to replace Ibarra because of his soft lined dealings with the Kirchner administration (Alcañiz & Scheier, 2007, p. 166). The expulsion of Ibarra, a central actor in the PC network “underlined the intransigence of the MTL regarding its autonomy from the state despite the fact that most of its base depended on social assistance to survive” (ibid.). I will now explain the relationships that I deem to have been most useful for the organization.167

The MTL has a number of cooperative enterprises which help to finance the movement’s activities across the country. These enterprises have received assistance from the PC. The most important to date are La Brava in the Jujuy province, and the project on Monteagudo Street. The MTL’s cooperatives around the country evolved as a solution to the employment crisis in the 1990s. A leader from the MTL describes these enterprises:

We have a mine in Jujuy [province], an agricultural enterprise, we have agricultural enterprises in Chaco [province], in [the province of] Corrientes, a ball factory in [the

167 Details on how Argentina’s most powerful leftist groups and political associations mutually benefit one another is a large research topic on its own, and one worthy of study especially with regards to the realm of public housing. The case study model makes this type of analysis extremely difficult; especially given the range of assistance some of the larger organizations from civil society receive (regional NGOs, foreign governments, private banks, co-op banks, coalition partners, etc.) Applying the case study model to such a study would require an unfeasible amount of resources.
The undertakings at La Brava, a processing plant, took a number of years and generated infrastructure, organizational capacity, and a wealth of organizational know-how. I will describe the experience briefly to show the importance of the PC’s cooperative funding arm, the Institute for Mobilizing Cooperative Funds (Instituto Movilizador de Fondos Cooperativos—IMFC).

The plant, located in Tumbaya in the Jujuy province, went bankrupt in 1998 after being indicted for illegal activity. Of Tumbaya’s 300 inhabitants, many held extensive ties to the PC. Without any recourse following the plant’s closure and its accompanying layoffs, the unemployed laborers took ownership of the equipment that was left behind and formed a co-op with the MTL name. After six years of sustained struggle, which strengthened ties between the MTL, unemployed workers, and local officials, the co-op received its legal status in November 2004. The cooperative acquired a “subsidy of 365,000 pesos (about US$12,200) from the provincial Ministry of Social Development for the purchase of new equipment and the repair of old machinery (Miguel in Alcañiz & Scheier, 2007, p. 167). The co-op also managed to purchase the plant with money borrowed from NGOs and sympathetic social movements for 80,750 pesos (about US$26,050) in May 2005, and then sign a concession agreement with provincial authorities to mine ulexite in a nearby borax salt bed (ibid.). The plant was reopened by the MTL’s cooperative, and has been touted by both the MTL and the CTA as a considerable accomplishment. The reactivation of the plant could not have happened without the IMFC’s support because it provided legal and financial assistance.

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169 The plant processed ulexite, “from which boron is derived for use in such household and industrial products as Pyrex and porcelain” (Alcañiz & Scheier, 2007, p. 167).

(Alcañiz & Scheier, 2007, p. 167). Alcañiz and Scheier (2007) found that a number of MTL members have credited the IMFC with making their cooperative projects viable and sustainable (p. 166).

The PC’s connections have proven invaluable to the MTL’s growing visibility. In 1996, the PC helped to form the non-Peronist labor confederation, the CTA, through the Liberation Political Labor Movement\textsuperscript{171}. This new labor confederation was created to counter Menem’s extensive privatization of state-owned enterprises and the rigid bureaucracy of the Peronist General Confederation of Labor (Confederación General del Trabajo—CGT). The MTL’s Director in the CABA explained that the CTA operates differently from the CGT in that there is direct and open affiliation. The MTL’s current Director in the CABA is also a Board Member\textsuperscript{172} for the CTA in the same region.

The CTA supports the MTL’s tenets and strengthens its existing national project. The CTA is an independent national union confederation comprised of unions and six other movements within the City’s limits. Just as the MTL’s Director belongs to the CTA’s Board, all CTA leaders are active members of the other organizations that belong to the Confederation (Interview #5a)\textsuperscript{173}. The CTA aims to organize popular sectors by “promoting political proposals through their organizational bases, and then by presenting these proposals for discussion and even referendum by the wider population” (Delamata, 2004, p. 16). The MTL’s admission to the CTA strengthens its national structure and political ties. It also creates a strategic approach “involving both the struggle for the recognition of citizenship rights and for a transformation of political territories away from partisan structures

\textsuperscript{171} Sp: Movimiento Político Sindical Liberación (MPSL)
\textsuperscript{172} Sp: Secretaría del Interior
\textsuperscript{173} Sp: Dentro de la central hay otros movimientos. No somos el único. Hay por lo menos en la capital hay seis movimientos territoriales más que están dentro de la Central. Fabio Asteiro que es el secretario general sindical de CTA es miembro del sindicato de APA. El secretario de organización, el secretario adjunto es Leopoldo Gonzalez que es de ATE, de Trabajadores Estatales, Asociación de Trabajadores del Estado, ATE.
fighting for neighborhoods into the construction of a collective political project from below” (ibid.). The MTL’s Director has maintained contact with other leaders of the CTA since the 1970s.

**Organizational Capacity in the CABA:**

In 2002 the MTL began formulating housing initiatives for its members with the government. The Emetele’s Director explained that the city alerted its leadership to the benefits of working in a co-op:

> Since we had come with problems of resisting evictions, and the emergency units, [officials] told us that in order for our movement to have a permanent housing solution, we needed to have a cooperative. While we worked in that vain, our movement- we ourselfs- looked for the project and we found [Monteagudo].

Forming a legal “cooperative” allowed the movement to access City subsidies (through other housing programs) and a housing loan through Law 341 to advance its agenda. Immediately it recognized a number of benefits inherent to the idea of self-managed funds:

> We realized that the Law that was conceived to build housing - which was planned so that cooperatives hired construction companies- included a possibility to optimize the resources. [By] training compañeros, offering them jobs, and, of course, [by] managing the resources ourselves. The Law says that [the City] gives you a credit, you can hire a construction firm or you can build it yourself. Each co-op can decide. (Interview #5a)

The organization’s superior capacity to execute multiple projects in any given moment is noteworthy. The fruit of its labor speaks for itself. In 2002, the organization defended against evictions, acquired emergency housing units, and began to form the co-op Emetele

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174 The Co-op’s Director referenced the utility for the organization in forming a cooperative twice in the same interview. Here’s an additional reference from the one offered in the text: “One time they told us that in order to build housing for our members, or to be able to support the project, we needed to be a co-op. So the movement approved a co-op. [Sp: A nosotros una vez nos dijeron que para poder construir las casas del compañero, o para poder apoyar el proyecto, teníamos que ser cooperativa. Entonces el movimiento aprobó una cooperativa.]”

175 Sp: Como nosotros veníamos con todos estos problemas de la resistencia, de las casas, nos dijeron que para poder construir las casas del compañero, o para poder apoyar el proyecto, teníamos que tener una cooperativa. Mientras trabajamos esta salida, nuestro movimiento con nosotros mismos buscábamos la cooperativa y el proyecto y lo encontramos.

176 Sp: Nosotros ubicamos que la ley que estaba concebida para construir vivienda, que estaba concebida para que la cooperativa contratara una empresa constructora, nosotros advertimos en su momento de que ahí existía una posibilidad de optimizar los recursos, capacitando compañeros, proveándoles oficios, y por supuesto haciendo nos cargo del proceso constructivo. Lo cual la Ley tampoco lo especifica. La ley dice que te otorgan un crédito, vos podés contratar a una empresa constructora o podés construirla vos. Es una decisión de cada uno de nosotros.
while identifying a potential project within the umbrella of Law 341. One of its founding members in the CABA explained the MTL’s initial successes:

*Between 2002 and 2003, more or less, we defended against 35 evictions...alongside the media, radio stations, [and] with arrests, and special forces. [In one incident called] Ayacucho 132.... That ordeal started at 8am and we finished at 10pm. They came in, broke things, removed a lot of items... and barricaded the house. We broke through the circle, pegged ourselves to the house, brought the media, did everything. No one was arrested, and they had to leave*177 (Interview #8a).

At the end of 2002, the organization rented 15 homes for emergency situations in its own name. Per the City’s Decree 895 from the same year, the City gave subsidies to each family totaling 1,800 pesos (US$600) each year for two years. The money dried up in 2004, but the experience became the Emeltele’s first attempt at teaching its members how to live together according to the values of the organization. Its leadership presented videos to its members and held a series of discussions on a range of subjects central to its revolutionary vision of society and political culture. Topics included material accumulation and neoliberalism, the loss of core family values, the societal shift away from the family and community towards the individual, and a range of other topics that fit into what its leadership calls “counterculture”178 (ibid.).

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177  Sp: Entonces entre el 2002, y el 2003, mas o menos, nosotros defendimos unos 35 desalojos, evitamos que 35 lugares grandes no fueran sacados a la calle, con la TV, con la radio, con detenidos, con fuerzas especiales, hay una que tu podes buscar en la prensa, hay uno que llamó Ayacucho 132, así se llama el domicilio. Comenzó a las 8am, (el intento), terminamos a las 22 horas. Todas esas horas de negociación. Entraron, rompieron, vaciaron, apesaron, golpearon, y lo cerramos. Rompimos el cerco, nos pegamos a la casa, y trajimos la prensa, hicimos de todo, un quilombo bárbaro, y a las 22 horas se tuvieron que ir. No hubo detenidos. Ellos se tuvieron que ir.

178  Sp: contra-cultura... Cuando resistíamos, elaborábamos propuestas. Entonces empezamos a caminar una etapa a fines de 2002, donde buscábamos los dueños que nos alquilaran lugares. Alquilamos casas- 15 en total en el 2003. Conformamos 15 hogares de emergencia. Qué hacían estos hogares? A los compañeros el estado les daban un subsidio- tenían contratos de alquiler al nombre del MTL- que era bajo el decreto 895, que eran la primera vez 1,800 (1er ano) y segunda vez (segundo ano), 1,800 pesos. Con estas viviendas vivían 2 años -por familia! Entonces, 2003, al 2004. No había más plata. Era para emergencia. Ya no está más. Acá, en cada casa, lo primero que había que hacer era un proceso de contra-cultura. La cultura que tenemos hoy, el individualismo, salvase a quien pueda, mirar la tele, no me preocupo de los problemas ajenos, miro la telenovela, me mandan mensajes, soy nadie, soy documental, quiero TV de 40 pulgadas, porque el sistema capitalista te va metiendo hasta donde lo elemental queda olvidado, el chico quiere sus propios Nike, que no sea Japonesa, que venga de los EEUU, y como no sale del salario porque no hay salarios, entonces el sistema...
Even though the MTL had succeeded in housing 400 families in the emergency housing units and was teaching “respect for [their] neighbors, respect for common space, the struggle”, etc., “everyone lived in one bedroom” (idem). Each family occupied a single room, irregardless of the size of the family, “because [the housing] was for emergencies”. As a legal cooperative, the families who were forced to leave the emergency units qualified for and obtained transitional housing through the City. The transitional housing program covered cooperatives that had already purchased land under Law 341 and were awaiting construction, and other households with emergencies including those who had received subsidies for City-owned hotels. Rather than individual rooms, families had their own small apartments in the transitional housing program. It appears that during this same time, the Emetele acquired additional units for its members, given the fact that their entire membership base, nearly 5,000 affiliates (Interview #5b), qualified as residents “in transition” on their way to permanent housing.

In 2004, [the City] sent [the 400 families] to transitory housing....We decided that all families in the movement were going into permanent housing. So, we started having buildings. [The difference was] that [transitional housing] had spaces that included private bathrooms and kitchens, [not the emergency housing]. If you had a family of 4 or 5, they fit and had there own space....The cooperative was the legal tool for doing it. So, the money came to the cooperative [during that long period [from 2001 to 2007] (Interview #8a).

The Monteagudo development - permanent housing and more:
The cooperative was a legal formality but highly significant in that it gave the movement access to state resources. The organization’s leaders mentioned repeatedly in my interviews that their “instrument is the movement, not the cooperative”.

Cooperatives are legal entities that serve whatever purpose one gives them. In fact, many companies that want to deregulate-the employees mask themselves as cooperatives. As the MTL we have another problem. It’s a national movement of the so called piqueteros. We needed a legal frame that allowed us to access credit and it seemed to us that the frame that best fit with us was the cooperative, understanding the cooperative as a legal mechanism to legalize a social movement. Our tool is the movement, not the cooperative. Later, we could continue advancing ourselves (Interview #5a).

Law 341 extended the state’s traditional ways of managing its resources and changed the state’s decision-making patterns around public housing beneficiaries. An interviewee described the Law’s contribution as lending transparency to well-insulated, paternalistic patterns of distributing popular housing in the federal capital:

What the co-op does basically is access a loan and administer that loan. That loan is to be used to build popular housing and, later, guarantee that the house is delivered to those who need it....Until that moment, the mechanics were that the state built [housing], the state determined the worth of what it built, and later the state distributed it, but no one knew how they did it. This [Law] allowed resources to be administered and guaranteed that they’d reach those who needed them. This [change] signified terrible damage to what is called ‘construction mafia’...which involves the construction companies constituted in mafias that utilize the political apparatus to keep state resources in order to build high-cost, low quality housing with companies that later go bankrupt and where no one knows why or who distributed the housing... (Interview #5b).

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182 Las cooperativas son formas jurídicas que sirven al propósito que uno quiera darle. De hecho hay muchas empresas que para flexibilizar a los trabajadores se disfrazan de cooperativas. Entonces, claro nosotros tenemos otro problema. El MTL es uno de los movimientos de carácter nacional de los denominados piqueteros que necesitamos una forma jurídica que nos habilitara a acceder a un crédito y nos pareció de que la forma que mejor se llevaba con nosotros era el tema de la cooperativa entendiendo la cooperativa como una medida para legalizar una organización política social. Después seguimos avanzando nosotros.

183 Sp: Lo nuevo de esta ley era que permitía extender la administración de los recursos estatales. Básicamente era el tema fundamentalmente, era lo nuevo.

184 Sp: La coop básicamente lo que hace es acceder a un crédito y administrar a ese crédito. Ese crédito está destinado a construcción de viviendas populares, construir la vivienda, y posteriormente garantizar que esa vivienda sea adjudicada a quienes la necesitan. Porque es la coop que lo hace. Hasta ese momento ¿cuál era la mecánica? La mecánica era que el estado construía, el estado decía lo que valía las cosas, y después el estado adjudicaba en donde nadie sabía como se adjudicaba. Esto permitía administrar los recursos y después garantizar de que la vivienda fuera a las manos a quienes tenía que ir. Esto significaba provocarle un terrible daño a lo que se denomina la patria contratista que son las empresas constructoras constituidas en mafia que actúan y operan con el aparato político para quedarse con los recursos estatales para construir vivienda a muy alto costo de muy baja calidad con empresas que posteriormente quebraban y donde nunca se sabe por qué y quién adjudicó la vivienda. Esta ley
As soon as a co-op receives a loan through the PAV, it must assemble and hire its Interdisciplinary Technical Team (ITT). To kick-start the development on Monteagudo, the MTL hired “the premier architectural firm in the country...Pfeifer-Zurdo.” The two architects Pfeifer and Zurdo were thought to hold a similar ideology to the MTL since they had experience with the PC before being exiled to Europe during the dictatorship. According to the MTL’s leadership, the architects shared the necessary commitment to both the housing complex and to the MTL’s larger political project. The other members of the technical team were identified from within the MTL, which means they were militants and also professionals. This exemplifies, both, the organization’s commitment to its membership base and its preference for developing its internal capacity rather than relying on outside organizations. For most cooperatives, the required bureaucratic steps needed to apply for a loan under Law 341 require a number of years. Forming the cooperative alone can take several months. In the Emetele’s case, it could have taken much longer given that each member of the co-op is required to register with the IVC. This timeline excludes the typical year long process involved with identifying possible development sites, and acquiring the necessary approvals. The Emetele’s Director was rather vague in her response as to the type of problems the organization faced when working with the City.

Your deadlines are yours, you have the problem today. No, the government no. They have a calendar, the state is very bureaucratic. With any task, you have the administrative part, [which results in nothing]. The [administrator] has the paper [you need] here, it depends how [much] you scream, it could be ready in a day, it could be ready in 3 years. And then you have the managers. They are assigned depending on the elected government. And that’s how we got [the project].

(Interview # 8a).
The Emetele managed to surpass any difficulties that arose, and completed the entire approval process “in [a matter of] months”. Its members received exceptional treatment from the City. For example, “[they] never had to wait in-line to be attended to” and “high level [officials] always waited on [them]”. The Director attributed this to the following: 1. The fact that the MTL is the most important social organization in the CABA, 2. The fear and respect with which officials treat the MTL, in part because the movement has an extraordinarily large ability to mobilize, either through protests or the blocking of public buildings, and 3. Its proven ability to manage a professional team of experts and millions of dollars - with transparency (paraphrased from Interview #5b).

The MTL described its relationship with city officials as diplomatic and respectful, but also oppositional because the movement proposes a different political model from the one currently followed by the government. The MTL prefers meetings and ongoing dialogue with officials, accompanied with strong pressure in the street: “political fights aren’t needed; that’s solved with protesters in the streets”. The Director explained the organization’s work that led to the project’s success as follows:

There’s an equation that exists for social organizations that is 50% management, 50% protest. That equation needs to be protected. If one assumes that management 

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189 Sp: Bueno yo tengo que decir que a nosotros siempre nos atendía los jefes. Nunca tuvimos que hacer fila en los mostradores.
190 Sp: Supongo que tiene que ver con la cuestión de, primero que nada ellos tienen la obligación de recibirlle; sin ser soberbio, el MTL es la organización más fuerte de la capital; yo diría respeto y no quieren conflictos nosotros estamos generando a nivel conflicto político entonces evitan pelearse con nosotros.
191 Sp: Nosotros somos una organización yo diría sin ser soberbio creo que somos la organización social más importante de la capital, la mas grande, la mas fuerte. Por lo cual tenemos mayor capacidad de realización y de pelea también.
192 Sp: No cualquier organización puede administrarse millones de dólares. Nosotros lo hemos hecho sin mayor dificultad. Hemos construido un mecanismo de administración de los recursos muy transparente, hemos construido capacidad técnica también. Hemos seducido a técnicos para que se incorporen en este proyecto. Técnicos calificados.
193 Sp: En realidad nuestras relaciones son una relación diplomática es una relación cuestionadora porque no acordamos el modelo cuidad que plantea, es una relación de oposición a la gestión política pero es una relación de respeto.
194 Sp: No hace falta una lucha política, eso se resuelve con la gente en la calle.
will resolve the problems, she’s wrong. And if one assumes that pure protest alone will resolve the problems, she’s wrong...I believe that that equation worked in the context of protest related to street protesting, with management and parliamentary fights too. We worked a lot with the City’s Legislature during that time (Interview #5b).195

The “street protesting” signifies public disturbances in general. An interviewee explained that protest was part of the administrative culture then196, and that even though, “with Ernesto Selser”, the head of the IVC, the MTL’s Director had arrived at “even a personal friendship”197, the organization took control of the IVC’s offices six times “until [Selser] learned it was better to talk than fight”198.

The Monteagudo development was completed amidst changing political guards. The project began with Aníbal Ibarra as Mayor and Eduardo Jozami as the head of the, then, Municipal Housing Commission, (Comisión Municipal de la Vivienda—CMV). Shortly after, Ernesto Selser replaced Jozami. And in 2004 when Ibarra was removed from office, Jorge Telerman assumed his Mayoral seat. Additionally, political affiliations changed. Selser was Ibarra’s appointee from the FREPASO, and Telerman began as a Peronist. Selser resigned and Telerman appointed Claudio Freidin to the IVC. Then, in 2007 when the Mayoral election approached, Telerman increased his criticism of President Kirchner and aligned himself with the political party of Elisa Carrió called the Civic Coalition199. The MTL’s accomplishment with Telerman in office held symbolic importance in light of Mauricio Macri’s, Telerman’s competitor, support for private sector development and his

195  Sp: Existe una ecuación para las organizaciones sociales que es 50% gestión, 50% lucha. Esa ecuación hay que tenerla, hay que cuidarla mucho. Si no presupone que la gestión va a resolver los problemas se equivoca. Y si no presupone que la pelea pura y sola va a resolver las cosas también se equivoca. Pero hay que ser cuidadoso con esa ecuación. Y yo creo que, igual esa ecuación funcionó en el marco de una lucha que tuvo que ver con lucha callejera, con gestión y lucha parlamentaria también. Trabajamos mucho con la legislatura de la ciudad en aquel entonces.
196  Sp: Primero que nada supongo porque esa relación se construyó en el marco de “hago de gestión y de pelea también”. Nosotros les tomamos 6 veces el instituto de la vivienda.
197  Sp: No, pero [Setser y yo] somos muy amigos de verdad. Nos conocimos en el marco de la gestión de él….Y con Ernesto Setser nos recibió y fuimos construyendo hasta un grado de amistad personal.
198  Sp: Cuando Setser entendió que era mejor dialogar que pelearse, bueno.
199  Sp: el partido Coalición Cívica
open opposition for pro-poor housing, even that which includes the direct involvement of low income citizens. A key interviewee from the IVC described the project as follows:

It was an example of construction. It’s the first large complex constructed under this program that has an important impact in the City. Besides, the formation of the group that did the project was part of the co-op, it’s not that they contracted a construction firm but it was done as a social project. These people, who come from piqueteros, transformed themselves into workers through training that happened during the whole development. [It] was an important display for the government of a self-managed process within construction...It was important for the project to finish on time. It was completed in March 2007200 (Interview #19a).

The MTL had political connections and these connections facilitated their transactions201. At the same time, the organization worked hard to make the project a reality. MTL members approached the City from all angles: “fighting in the streets, [good] management and parliamentary battles”202. The organization dealt mostly with the Mayor’s office203 instead of the IVC204 - but not exclusively. The Mayor’s office used its authority, in this case, to “press the IVC” by calling and asking for bureaucratic procedures to be processed within the IVC as quickly as possible (paraphrased Interview #19a).205 At the same time, members of the MTL interacted frequently with the City, rather than leaving the bulk of the responsibilities to the technical team.

200  Sp: Era un ejemplo de construcción. Es el primer conjunto grande que se construyó este programa que tiene un impacto en la Ciudad importante. Que además, como la conformación del grupo que hizo la obra era como parte de la gente de la cooperativa, no que contrataron una empresa constructora sino que fue todo un trabajo social que fue haciéndose?. Que esta gente que venía de los piqueteros se fueron transformando en trabajadores a través de capacitación que fueron haciendo durante todo el proceso de obra, era una muestra importante para el gobierno lo que era un proceso autogestivo en el ámbito de la construcción. Que no es lo mismo que una cooperativa que contrata una empresa constructora que 326 familias que pueden tener trabajo además de/ a partir de la propia experiencia de construcción. Entonces era importante que se termine, que se termine en tiempo, se entregó en Marzo de [2007].
201  Sp: En cambio el MTL se dedicó con conexiones políticas, que les facilitaron, pero ahora, conexiones políticas que les facilitaron el trámite.
202  Sp: Y yo creo que…en el marco de una lucha que tuvo que ver con lucha callejera, con gestión y lucha parlamentaria también. Trabajamos mucho con la legislatura de la ciudad en aquel entonces.
203  Sp: Jefatura del Gobierno
204  Sp: Sí trabajaban más alto porque estaba más en la jefatura del gobierno. Si, pero también estaban acá [IVC].
205  Sp: La Jefatura del Gobierno puede presionarte para que acelere ese proceso. Te llaman, y te dicen tal cosa, que por favor, pero no puede hacer trámites que tiene que hacer el Instituto, no.
In the case of the MTL, the co-op handled a lot. The technical team appeared in the background. With other co-ops, the technical team works more with the IVC and the co-op is relegated or doesn’t participate in the same form...The heads of the co-op were very, very active206 (Interview #19a).

The Emetele’s small construction enterprise managed to train and employ its own members with the credit they received from the IVC. The funds were being deposited into the Banco-CrediCoop (Interview with Housing Program Manager, IVC), a cooperative owned by Carlos Heller who is a member of the PC. The IMFC assisted with managing the loan (Alcañiz & Scheier, 2007, p. 12) - a substantial contribution given the amount which totaled 16 million pesos (approximately US$5.3 million)207. To build Monteagudo, the MTL used some equipment that was already in their possession, and then used the credit from the IVC to buy what was needed. The MTL’s leaders argue that both the scale of the project and their managerial skills helped reduce the individual per unit cost of the housing, which gave them a cushion that they were able to leverage to finish the rest of the development. For the “small corporation’s” equipment needs, for example, at the site with 400 homes that they’re currently working on in Lugano, a neighborhood bordering the capital’s southern limit, the co-op “received donations” and “they took out loans”208. In describing the overall role the IMFC plays for the MTL, the Director explained:

“Basically the Institute [IMFC] is always next to us, always willing to assist us, but as we began to explore the world, the human resources were there. There is a great deal of technical expertise, a lot of experience excluded from the labor market. The only thing that was missing was the political decision of managing a construction company and having these men contribute their experience” (in Alcañiz & Scheier, 2007, p. 167).

206 Sp: En el caso del MTL, la cooperativa se ocupó mucho. El equipo técnico apareció como en segundo plano. En otras cooperativas en que el equipo técnico trabaja más con el Instituto y la Cooperativa queda relegada o no participa de la misma manera. En el caso del MTL, las autoridades del MTL se movían muchísimo, muchísimo.

207 The 16 million is corrected for inflation. In print media, oftentimes the complex is said to have cost 13.6 million. This difference alone depicts another difficulty in finding adequate funding for the cooperatives’ developments. This said, correcting for inflation in public projects is not a new topic for Argentina’s public institutions.


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For a movement that openly opposes the current political system and all viable parties, the MTL is held in high esteem by City officials. One IVC representative described his experience with the organization:

The MTL does not engage with the [IVC] in a conflictive manner, irregardless of who is in charge. They understand that they sit down with the Institute, that we are the ones who will give [them] the money, and who puts the conditions. They try to fit into the conditions; they can come and fight so that the Institute pays them faster, all that, but they aren’t the type to come and insult us or make a scene for no legitimate reason (Interview #19a).209

**The MTL’s Leadership and Organizational Decision-Making:**

The MTL prides itself on a horizontal decision-making style, which is distinct from typical *piquetero* and Peronist labor organizations. At the same time, however, I identified a number of ways in which the organization is run by way of vertical, centralized structures.

Here, no one elects himself. The MTL is a horizontal organization with annual meetings where its direction is chosen. Without the meetings, the movement would have no leadership. Each man and woman is elected randomly. It’s never hidden, there are no secret votes; it’s done democratically and it’s for everyone. Here associates vote for the person who they think has developed his personal politics and has completed what the movement expected of him (Interview 8a, but echoed in Interviews #13a, 12a).210

The fact that the organization lacks secret voting suggests that a basic democratic principle is being compromised. This internal voting arrangement could mean that loyalty to fellow members conflicts with sound policy judgment on policy direction or organizational priorities. The organization’s leaders contend that “the people guarantee transparency”, and that the movement maintains “open information so that [everyone] knows everything that goes on” (Interviews 5a, 13a, 12a). Of course, the Director added: “when one gets involved

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209 Sp: El MTL no tiene un vínculo conflictivo, no la tenido con ninguna gestión. Entienden que se sientan con el Instituto, que es el que les va a dar la plata, y quien pone las condiciones, y tratan de encuadrar dentro de las condiciones, pueden venir a pelearle que les paguen más rápido, todo esto, pero los tipos no vienen aunque alguna vez han hecho una movilización porque no les pagaban.

210 Sp: No, acá no se elige nadie. El MTL es una organización horizontal, que tiene encuentros anuales donde se elige sus direcciones, sin los encuentros, el movimiento quedarse sin dirección, y cada hombre y cada mujer es elegido con voto al azar. No se hace escondido, no hay votos secretos.... Es un voto de carácter muy democrático y muy popular. Acá el compañero vota a quien cree que se ha desarrollado una política y ya ha cumplido con lo que el movimiento le ha demandado.
in [building a movement], he looks to his best men and women - [those who are most responsible and who can be in positions with high responsibility, be it political or institutional” (Interview #5a). At the same time, the movement’s director in the CABA is the visible face of the organization who heads up all negotiations with state representatives (paraphrased from Interview 5b).

Leaders of the movement have been heavily involved in leftist struggles throughout Latin America, and continue to partner with a number of organizations. One interviewee referenced the MTL’s regional reputation:

[A group of people] just arrived that’s part of an organization of Peruvians who operate in Peru and in Argentina with those who are exiled....The Ambassador of Bolivia is a good friend of ours. I, in particular, was really committed to the Bolivian process. I’m a good friend of Antonio Toledo, of Evo [Morales], of [others]. Now they’re men of the state, now they’re important- before [they weren’t]....In Venezuela...a while ago they had a problem with me but I live here. The media invented – I’m saying this seriously – that they kicked Capela out of the country due to his relationship with us. The media said that the MTL was going to be a force against Chavez in the election (Interview #5b).

The movement is comprised of both educated professionals and poor individuals whose political orientations range from apolitical to communism. One of the administrators at the Monteagudo site belongs to the MTL and is a lawyer. The Emetele’s Director, who is Chilean and a self-proclaimed socialist, studied medicine and then audiology in different

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211 Sp: La transparencia la garantiza la gente. Teniendo la información abierta, que la gente conozca todo lo que pasa. Por el otro lado, no es que acá existe una casta dirigente, y una cantidad de gente que hace lo que ese dirigente dice. Acá lo que existe es una organización de carácter horizontal donde cualquiera puede en cualquier momento estar en cualquier lugar. Entonces por supuesto cuando uno se mete en estas cosas, mira que sus mejores hombres o mejores mujeres sean los que tengan los mayores grados de responsabilidad y puedan estar en los lugares de mayor responsabilidad sea política o institucional.

212 Sp: Sí. La cara visible de la MTL en capital soy yo. Las negociaciones habitualmente las encabezo, no las hago yo, pero si las encabezo junto a otros compañeros. Pero no tengo responsabilidad institucional alguna.

213 Sp: Nosotros como MTL trabajamos con muchas organizaciones. Los compañeros que acaban de llegar son parte de una organización de peruanos que actúan en el Perú y en la argentina con los exiliados. Entonces bueno. El embajador de Bolivia es muy amigo nuestro. Yo particularmente estaba muy comprometido con el proceso boliviano. Soy muy amigo de Antonio Toledo, de Evo, de que se yo, de Loaisa…Lo que pasa que ahora son hombres de estado, ahora son tipos importantes antes no. Si con Chaji Jandal comandante de la revolución faraundo Marti, con el frente sandinista…En Venezuela también hace un tiempo tuvieron problema conmigo pero yo vivo aca los diarios inventan te lo digo enserio a Capela lo echaron del país por la relación con nosotros. Los diarios de Caracas decían de que el MTL iba a ser la fuerza de choque de Chávez en la elección.
The MTL in the CABA is organized into 10 separate “zones”.216 Each zone contains about 300 families, about 4 or 5 persons per household. Additionally, 15 members make up the executive committee and 65 members belong to a “federated committee” which works solely in the capital’s limits. Members in each zone are divided into a number of “commissions”, and each one has its own set of responsibilities relating to several areas: human rights, documentation, food related politics, health, education, youth, organization, small enterprises, and housing. Below a leader explains the commissioners’ roles that relate to housing:

They are the ones who attend to new families. Because [if] a family comes to the MTL, wants to get involved, and says, ‘I live there, and [I’m squatting at my house]’, they’ll visit the family. Fiscalization goes where the family lives and verifies if it’s true, and if it is, they do a census of the family. The MTL has an official census so when the family comes to a meeting, and says I live in the street with 5 children, those working in emergency housing takes down their information and goes several times to make sure what they’re saying is true. And if the house is illegal, or has an irregular tenancy, the family is passed to the legal area. Those in “project” look for available

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215 Alcañiz and Scheier (2007) found that the MTL managed to remain autonomous from the state because of external resources and because of the nature of the PC. The authors found that the PC allowed the MTL great flexibility and asked for little in return.
216 Sp: zonales
spaces for the family without a home. For example, homes, for rent, or whatever (Interview #8a).  

In each zone, the housing committee has 30 members, who are then assigned into clusters, such as “emergency housing, management, legal teams, and project”. Committee members work on their assigned tasks about one time per week, and the only MTL members receiving salaries are those who are paid for their work with the Emetele.  

Additionally, each zone has about two coordinators for each commission area. There are 18 coordinators in the housing commission across the CABA, for example. These commissions “bring all the parts together with the whole”. The coordinators gather information on the families’ living conditions and take it to regular meetings with the leadership of the MTL’s housing coordinator. There the information is reviewed and the problems are solved.

When the Monteagudo project was being built, the organization conducted a thorough discernment process that lasted nearly six months, given the challenge that “everyone wanted to live in Monteagudo”. The movement’s executive committee oversaw the effort because in the end, “the [members] know each other much better than [the director]
knows [the compañeros]." They looked at members’ “behavior”, “commitment to their
tasks”, and how well they “assimilated” the significance of the development for the
movement. They considered members’ longevity in the movement, participation, and any
immediate housing needs.

Aside from each member’s vote in annual meetings which represents a degree of
horizontality, I found that the Leaders of the movement maintained a well-organized, tightly
controlled operation. The movement’s leadership works from an office at the Monteagudo
complex. Someone is there screening visitors and redirecting inquiries almost always. In
trying to talk with members, most roads led to the directors and commission leaders. To
illustrate how the organization seems to maintain order, during one of my interviews an
interviewee said to her husband – who walked into the room and saw me there - that the
Director of the Emetele “had authorized her” to speak with me. On another occasion,
when I asked the Director to talk with additional members, he told me to go through the
Housing Director first. Every time I went to the complex, a number of meetings were
taking place or being advertised. During another interview, the informant received four
phone calls from members who were attending a meeting in the neighborhood La Boca.
They wanted to know why he wasn’t there, and if he was going to be attending. The
informant explained he was in “another meeting”, and that the Director had given him
permission. Another leader commented on the organization’s protest culture: the “MTL is
unique, in that we know when to protest. What we don’t know is when not to fight, because

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222 Sp: Por ejemplo yo no participé en la asignación de la vivienda. Considero no los conozco
suficientemente como para opinar. Ellos si se conocen entre ellos (Interview #5b, but also stated by
#13a, 8a).
223 Sp: Me está haciendo un reportaje acá la señorita, me está grabando. Ya me dio permiso, me
la trajo [la Directora].
224 This behavior stood out given that the other cooperatives with whom I spoke allowed me
nearly free access to their members. I found that the MTL’s leadership was much more
accustomed to outside inquiries when compared to other co-ops in light of their handling of
interview requests, the words they used, comfort level, as well as the topics they avoided.
the social crisis is so profound that there’s not enough time, nor is it mentally possible, to be present for each situation...:"

We were rushing so that they’d give us a paper we needed, and were rushing to a protest for the project, and then rushing to block an eviction and at the same time we were closing a house and at the same time mobilizing to ensure food for our compañeros.225

Alcañiz and Scheier (2007, p.166) found that in exchange for the IMFC’s “know-how” and “technical staff to help unemployed workers create and operate cooperatives”, the IMFC holds workshops and meetings for the MTL to discuss and “impart” the PC’s ideological position.

With regards to future steps, the organization’s leadership is anticipating the real battle which is just around the corner. That is, when each household receives its own property deed. The concern is that the “[households] close their doors and forget about the [larger] fight”. “Hours of activism, talks and discussions”, are the proposed formula; “[they’re] working so that it doesn’t occur” (Interview #8a)226. The MTL is already working on purchasing another property to build more homes for its members through the PAV:

We are there fighting to purchase the land and be able to start [building] this year - next year at the latest... That’s with Law 341.227 (Interview #5a, May 30, 2007)

The City has yet to finalize the MTL’s members’ final monthly payments, although the understanding is that each household will pay between 175 and 250 pesos per month (US$56

225  Sp: Nosotros tenemos una característica. Nosotros sabemos cuando nos levantamos, lo que no sabemos es cuando no se junta. Porque es tan profunda la crisis social que no te da ni cerebralmente, ni físicamente los tiempos a poder encarnar cada una de esas situaciones. Entonces íbamos para que nos diera un expediente, íbamos para una marcha para el proyecto, íbamos para parar un desalojo y al mismo tiempo cerrábamos una casa, y al mismo tiempo hacíamos marcha para conseguir alimentos para los compañeros.


227  Sp: Estamos ahí peleando para la compra del terreno y poder empezarlo este año, el año que viene como tarde. Eso bajo la ley 341.
to 81) – which is highly accessible\textsuperscript{228} (Interview #5a). Members expressed confidence in the MTL’s Director’s ability to work out a reasonable price with Mayor Macri (Interviews 8a, 12a, 13a). This confidence was somewhat surprising in light of other housing activists’ concern\textsuperscript{229} over Macri’s agenda before he assumed office in December 2007. The Mayor had criticized popular housing efforts and is well known for his personal interest in both private construction firms and real estate, given that he owns a cement company and is an important land owner in the CABA. The only cost to the residents at Monteagudo thus far has been electricity.

**Concluding remarks:**

This chapter described the social movement, the MTL, as an ambitious and well-organized operative. The MTL didn’t formalize its work in Argentina until the 1990s, and not until 2002 in the CABA. In only five years, the organization established a base of 5,000 members in the CABA alone. Organizations like the MOI and CLP can claim, at most, a few hundred members.

The MTL uniquely acquired financing and then managed it successfully to complete the largest complex within Law 341. I described how the MTL pursued both institutional and non-institutional channels to access the state, which I refer to as working within the rules of the state, when working to complete the Monteagudo complex. It worked closely with the Mayor’s office, the City’s Legislature, and the IVC while maintaining its presence in the streets. It broke from the typical tactics of piquetero organizations by moving beyond cooperative enterprises supported mostly through poverty subsidies. Instead, it leveraged a wider range of state subsidies in order to employ its members and offer construction services in the marketplace. In doing so, the MTL redefined the boundaries around the state’s

\textsuperscript{228} Sp: De todas formas las cuotas van a ir entre $175 y $250 son bastante accesibles son mucho menor que la de un alquiler.

\textsuperscript{229} The Kids’ Kitchen’s (Comedor Los Pibes—CLP) members with whom I spoke were extremely apprehensive about Macri and expressed little confidence in future possibilities. The assuredness of the MTL’s membership base was noteworthy when compared with the dominant perspectives of other grassroots activists.
willingness to work for popular sectors. The MTL’s experience demonstrates that the options available to PHOs in the CABA may be, in fact, more extensive than their accomplishments until now have suggested.

One exceptional trait of the MTL relates to its broad connections to power brokers, such as the CTA, the PC, other Latin American leaders, as well as to the *piquetero* movement throughout the Buenos Aires Province, the capital’s housing officials, Mayor Telerman, etc. While other co-ops also establish external ties, they appear to not be capable of leveraging them in the same way as the MTL. The MTL established these alliances and also maintained its independence which allowed it to pursue its long term objectives while working on its housing complex. Its independence was shown through its changing political affiliations, its outspoken criticism of the president, and its use of government subsidies.

The other noteworthy attribute of the MTL in its completion of the Monteagudo complex was its superior organizational capacity. This showed through in its dealings with city officials, its ability to resolve its members’ basic social and economic needs, its ability to mobilize thousands of protesters, and its leadership structure. The MTL acquired subsidies for the purpose of improving their members’ quality of life through employment, housing, food subsidies, and cooperative enterprises. The cooperative proved to be a vehicle for teaching additional skills to its members, employing its members, and also distributing additional income to each household for its participation in the movement’s cooperative enterprises. The organization’s centralized structure allowed it to keep tight control over all its activities in any given time.
CHAPTER V: RESULTS AND FINDINGS

This study analyzed two separate but related areas of inquiry. The first is the emergence and passage of Law 341 in the CABA. The second area is the MTL’s extraordinary achievement in its Monteagudo Street complex. Particular attention was given to the conditions under which pro-poor housing cooperatives try to apply for loans and build housing for its members within the PAV. By analyzing the collective experience of the cooperatives I am better informed of the specifics surrounding the MTL’s unique success with Law 341. The MTL’s complex far out shadowed the smaller buildings completed under the Program.

Two converging streams of influence in the late 1980s and 1990s rearranged democratic participation around social housing in the CABA. The first was a shift in mainstream donors’ recommended policies for developing countries. The second stream of influence was a series of policy transitions in the CABA. The local policy changes reflected the suggested formulas in MSDL for developing nations. The specific changes that I referenced from the CABA include the rise of the *piquetero* movement, the plan to redevelop La Boca’s port, the federal capital’s process of writing its first constitution, and divisions within the political party, the FREPASO.

Together these streams of influence account for a series of political opportunity structures that allowed for the passage of Law 341 and, subsequently, its successful utilization by the MTL in developing the Monteagudo complex in Argentina’s capital. Political opportunity structures, according to Sidney Tarrow (1998), are defined as “temporary pathways to influence, alliances and realignments” (p. 88). This chapter recapitulates the two overlapping streams of influence mentioned here. In doing so, I will review the overall framework established in this body of research for explaining the antecedent conditions to Law 341 and the MTL’s success. Additionally, I will discuss the
possible implications of these factors for democratic participation and other housing cooperatives in the CABA.

**Law 341 in international perspective: the influence of international donors**

The global shift towards neo-liberal reforms and the “enabling” approach, both backed by the mainstream donor community, rearranged the relationship between civil society and state actors. The content and ideology of the reforms initiated under President Menem in 1989 aimed, in part, at reducing the level of state intervention in the provision of public services, privatizing national industry, and promoting the expansion of the private sector. The mainstream donor community flanked these economic reforms with social and political initiatives, such as poverty reduction strategies and democracy-strengthening measures, aimed at enhancing broader participation by decentralizing the decision making process. The enabling approach, approved by the United Nations General Assembly in 1988, became a mechanism for spreading these initiatives through social housing reform.

Law 341 encompasses all of these goals. I laid out the many ways in which Law 341 mirrors the concepts and policies suggested in the enabling approach. I also drew parallels between the history of housing policy in the CABA and the historical housing paradigms supported in MSDL. The enabling approach is a more inclusive paradigm when compared with previous policies supported by MSDL that suggests additional avenues for participation for all popular housing stakeholders. In Chapter IV, I reviewed the extensive effects of neo-liberal policies on local politics and lower income families in Argentina.

As noted in Chapters II, III and IV, the Argentine state had limited resources with which to respond to escalating social and economic deprivation in the 1980s and 1990s. Making matters worse, citizens lacked democratic representation and the state was unable to guarantee citizens’ basic social and economic rights. In the wake of the state’s withdrawal, social movements and other CSOs expanded their traditional set of activities to fill in for the
state’s absence. Decentralization reforms contributed to strengthening CSOs’ influence in relationship to housing authorities and other related decision-makers.  

As I explained in Chapter III, low income households in the CABA have benefited only partially from the federal government’s decision to decentralize social expenditures. On the one hand, decentralization has allowed CSOs greater access to state officials. On the other hand, decentralization policies have failed to assign responsibility adequately. This entails a partial transition of decision-making power from the federal to regional and local levels of government without any assurances that resources will effectively reach lower income sectors or augment their opportunities to participate in public decision-making. Both potential benefits are cited as reasons for instituting such reforms. Thus far, pro-poor CSOs find themselves competing amongst their peers for the state’s limited resources especially in light of the dearth of clear, concise rules for selecting beneficiaries. The arrangement draws state representatives into conflict over which groups will receive public financing and under what criterion.

In much the same way, the “enabling” approach brings the state into conflict. The paradigm backs greater participation for both private construction sector interests and popular housing interests. In the absence of a clear division of roles and weak public institutions, the housing cooperatives compete with both other grassroots organizations as well as powerful interest groups for officials’ favor. One consequence has been increased competition across political elites over who will extend a hand and determine the distribution of the state’s housing resources. The competition has transferred potential influence to reformists who are able to seek out openings to exert their influence. With their increased power and presence, social movements and community based-groups are now viable allies for reformists within the state who are interested in implementing pro-poor policies.

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230 Decentralization of social policy initiated by Menem established the conditions for the emergence of new patron-client exchange networks (Alcañiz & Scheier, 2007, p. 3; Delamata, 2004).
Law 341, Mainstream Development Literature (MSDL), and Democratic Participation

As noted in Chapter II, social movements and interest groups typically work with single-issue agendas. However, given Argentina’s troubled economics and rising rates of poverty, coupled with state cutbacks since at least the late 1980s, the social movements and other pro-poor CSOs involved in Law 341 are not afforded the luxury of addressing only one issue at a time. Rather, they confront several political struggles simultaneously due to their members’ extensive needs, lack of political representation, and associated incentives to participating in social programs (i.e. active participation in political life increases the likelihood of kickbacks through clientelist networks).

This research supports the need for stronger political parties and state representatives given that a robust, effective party system is better equipped to pursue multi-issue, national agendas and national reforms. Moreover, CSOs cannot offer their members the stable ties to decision-making, institutional bodies that true representation could afford. In light of the time commitment needed to pursue Law 341’s resources\(^{231}\), the possibility of a social movement or housing cooperative sustaining a fuller political agenda is unsustainable from an organizational resource perspective. In Chapters II and III, I reviewed how MSDL suggests that the best roles for CBOs and NGOs when participating in democracy building are to strengthen political parties, enhance political transparency, assist in polling or other efforts geared at assessing citizens true needs from “below”, improve electoral participation, and other similar activities that build CSOs’ role as intermediaries between civil society and the state. I also showed how the CBOs, squatter organizations and social movements working within the PAV have not directed their efforts towards any one party. In fact, it appears unlikely that PHOs in the CABA engage in the party-building activities suggested in

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\(^{231}\) Law 341 grants low income groups the right to resources and additional rights, such as the right to access a loan and the right to adequate shelter. The PAV’s implementation is what turns these possible “rights” into potential benefits for only some groups.
MSDL in the near future. While pro-poor groups are now more involved in housing-related decision-making, these groups have rarely directed their energy to strengthening political parties’ capacity to resolve citizens’ problems.

For this reason, this research presents an even stronger case for sustained, innovative and institutional ties between state actors and low income sectors with the ongoing support of CSOs. Moreover it suggests that CSOs can work directly with officials and bureaucrats alike in the building of a culture of state-responsiveness. The more active co-ops working within Law 341 already rely heavily on direct action tactics. These co-ops engage directly with individuals from the state to either extract resources for their immediate groups’ needs, or to speed-up the IVC’s paper trail, or to narrowly influence the political agenda. This research also demonstrates how the co-ops maintain differing degrees of independence from the state. The squatter group that became a community center and then set-up two cooperatives to access the PAV’s loans, the Kids’ Kitchen, or CLP, maintains much less independence from the state than the MTL for example.

Given a high degree of contact between individuals across the public-private divide, as described in the context of the PAV, each sector’s relative autonomy is called into question. This is important because the theories that I discussed in Chapter I on state-civil society linkages in the context of democracy strengthening, supported by multi-lateral development institutions, stress the importance of an independent civil society and formal democratic input channels for all citizens.

The logical question, then, raised by this discussion of democratic participation is whether or not the cooperatives’ work within the PAV strengthens democracy. This research shows how “a stable degree of connection with the area of public decision-making, principally through political parties or CSOs” (UNDP, 2004) has been strengthened, and thus,

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232 See Chapter II for the recommendations by USAID and the UNDP.
233 Hundreds of cooperatives sit on waiting lists, maintaining only a distant hope of being contacted at some point by the IVC. This is to say the level of activity across co-ops varies widely.
democratic participation has as well. I argue that despite the state’s lackluster avenues for channeling low income sectors’ demands, a culture of democracy is being built through the cooperatives’ experiences under Law 341. Meeting more low income households’ basic social and economic needs is an important demonstration of politics in action as well as the state’s role in improving living conditions for ordinary citizens. With the MTL’s case alone, more families now have access to sustainable living conditions. Resolving more citizens’ basic needs is precisely what will build confidence in the democratic system. Additionally, this research demonstrates that state reformists can advance their individual agendas as they relate to pro-poor initiatives when partnering with civil society groups with similar objectives. By advancing their own objectives, state reformists actually enhance their authority, capacity and legitimacy as well as that of the reformists’ parties, potentially, if action is taken in the name of a particular party. It’s interesting to point out that whether or not reformists in the CABA may be able to advance their political careers over the long term by working closely with pro-poor groups cannot be substantiated by this research. In fact, the results of the most prominent reformists reviewed in prior chapters show the contrary. At the same time, however, the reformists within the state needed the political backing of the housing cooperatives to further Law 341 and to implement it more fully. When the cooperatives disbanded following the Law’s passage, the reformists’ efforts in support of a broader adoption of the Law were stymied. In summary, both CSOs and reformists within the state can advance their goals through cooperation rather than isolation, separation, or high-degrees of conflict. The plausibility of cooperation as a means to needed reform is particularly important given Argentina’s history with military regimes, whereby even under repressive state control and complete autonomy from civil society, officials still failed to address large sectors of the population. This is to say that democracy and also the reforms noted in this research have allowed joint initiatives to emerge across civil society and state officials. In turn, space is created for pro-poor CSOs to weigh in on how the state’s resources
might be redirected towards poverty mitigation given the state’s natural propensity to cater to
the middle and upper income earners. Had the co-ops not exerted pressure from outside the
state, reformists inside the state would likely have been silenced by those in favor of the
status quo.

Both decentralization and the “enabling” approach brought civil society actors closer
to the state. I argue that many of the theoretical benefits of greater participation for lower
income sectors are compromised by the design of the PAV. First, the way the PAV is
organized actually works to diminish the housing cooperatives’ chances of pursuing their
own organizational goals while receiving equal treatment from state authorities. The
Program requires all cooperatives to execute their projects alongside the IVC. Because the
IVC demonstrates limited support for the PAV, the housing cooperatives absorb the bulk of
the responsibility. Another complication is that the cooperatives are forced to suggest policy
alternatives and/or hold accountable the very officials with authority in determining the
program’s beneficiaries. This arrangement draws the housing cooperatives into a role of
executing the state’s housing policy. In other words, the organizations, to some degree, have
become a policy arm of the state. With so much at stake for the cooperatives, these civil
society groups are restricted from acting independently, according to their individual
members’ values and interests which is, again, an important attribute of CSOs. The MTL
remains better positioned than many other cooperatives to adapt to the state’s rules and
operations but also maintain its own longer-term agenda. The organization’s ability to
sustain its broad goals stems from the power it derives from its exceptional mobilization
capacity, its access to external resources, and its national, prior accomplishments. I argue,
therefore, that the MTL might be uniquely positioned to operate within a fuller set of state
norms and also avoid cooptation. Additional research is required to determine which other organizations may have a similar advantage.

For developing countries to follow the economic arrangements suggested in the enabling approach, extensive financial capabilities must be present. Such capabilities entail established relationships between state-led housing institutions and private lenders which, presumably, are based in trust, oversight, sound economic principals, and strong leadership. The results from the PAV demonstrate that MSDL may underestimate the importance of appropriate institutional structures for establishing and maintaining creative financial arrangements in developing nations. For the PAV to serve more housing cooperatives in the CABA, just as the enabling approach encourages, the state needs to forge multiple relationships with banking institutions. The cost of housing all those in need and all those eligible for the resources laid out in Law 341 largely outnumber the City’s committed resources. This imbalance sets the state up for disappointed cooperatives and implies competition across like-minded CSOs. As it stands, the IVC only works with one bank, Banco de la Ciudad, and this is a fairly recent arrangement. The enabling approach as supported in MSDL could provide additional resources to developing countries on how to, essentially, democratize housing practices and involve financial institutions in catering to lower income sectors. A considerable leap is required to bridge Argentina’s top-down, heavily influenced, paternalistic housing ways with an inclusive, participatory housing paradigm. Despite the state reformists’ best efforts to introduce popular sectors to the ongoing process of formulating housing policy, the institutions in place in the federal capital have been unable to absorb the democratic currents underway. This means that the state will likely continue serving only a small sector of the eligible cooperatives.

The fact that the cooperatives worked so intimately with the state under the PAV clashes with Linz and Stepan’s finding (1996) that CSOs’ “relative autonomy” is critical for all stages of democratization.
Even if Law 341 has not been enacted exactly according to the principles contained in the enabling approach, the results of this study demonstrate that the increased contact between CSOs and state actors within the umbrella of the PAV has been beneficial. The benefits from this increased exposure of state representatives to the poor helps counter some of the historic barriers described in this research that have long biased the state’s orientation away from low income sectors. The PAV has increased the level of both contact and conflict – albeit contained within the PAV – between those state actors whose responsibilities relate to popular housing and the housing cooperatives who work to pursue the resources afforded through Law 341. This contact has generated a high degree of institutional learning since the PAV came into existence. The PAV legitimized the PHOs’ claims for dignified housing, the right to permanent and affordable shelter, and a voice in the decision-making process. By allowing organizations to apply for loans, choose amongst a range of housing solutions, and hire a team of technical experts, they began to be perceived as administrators of official, state resources. This perception of PHOs meant that the organizations that participated in Law 341 have broadened their status within the IVC, beyond their assigned identity as mere challengers or sources of social dissention.

The PAV is a clear aberration for the IVC on many levels. Law 341 remains the only program in the federal capital to allow civil society, or self-organized cooperatives in this case, to assemble their own development teams. All other proposed projects in the federal capital pass through a public bidding process, for the purpose of transparency (paraphrased from Interview # 19a).

The cooperatives have to adjust to assignments for which they aren’t normally prepared. The firms [who want to partner with co-ops] have to adjust to the public even though they aren’t prepared, and the relationship between the state and professionals [who want to work with the co-ops] is complicated because the state is

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235 Sp: Es el único programa que permite, porque toda otra obra que no pasa por la 341, pasa por licitación. Es por la Ley de contratación que existe en la Ciudad que por transparencia y lo demás se llama por licitación.
Representatives of the IVC have stepped outside of their routine activities to try to serve or, in most cases, to appease the cooperatives. Buy-in has also occurred across certain top officials. Evidence of this is how the Director of the IVC lobbied both the Legislature and President Kirchner for additional funds for the program in 2007. Learning has taken place slowly, albeit with resistance and trepidation. As it stands, the IVC is not an institution accustomed to relating to low income sectors. The director of the IVC receives frequent complaints from bureaucrats about having to work with the cooperatives. It is well known that state employees prefer isolation to direct contact with the public, especially low income populations (paraphrased from Interviews #19a, 7b, 9a). The problem stems from a history of limited interaction between the sectors, differences in objectives and work styles, and a general lack of appreciation from the state towards low income sectors. All of this is changing now that the PAV is in place.

It has been a huge learning for [the co-ops] and the Institute. The entire state is run without much contact with the public. It’s a lot more comfortable of course. Can you imagine if the state didn’t have to answer to the cooperatives’ problems, and many times internal problems between the cooperative members and the professionals? (Interview #19a)

While the state now “answers to the co-ops’ problems”, the organizations have also made adjustments to their normal procedures. The co-ops, like the squatter groups reviewed in Chapter II, do this to varying degrees and with diverse outcomes. Those organizations

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236 Sp: Las cooperativas se tienen que acostumbrar a tareas para las que no están normalmente preparados. Los estudios se tienen que acostumbrar al público que no están normalmente preparados, y la relación con el estado con los profesionales es complicada porque el estado es totalmente burocrático, lento, y las obras requieren de mayor velocidad, el financiamiento y plazo de obra, siempre es así entonces te produce muchos conflictos.

237 Sp: Fue todo un aprendizaje para ellos y el Instituto. Todo el estado se maneja sin mucho contacto con el público. Es mucho más cómodo por supuesto. Te imaginas si no tuviera que atender problemas con las cooperativas, y muchas veces problemas internos de las cooperativas también con los profesionales.

Another informant (#7a) stated: [Sometimes an official] is tempted to see a bunch of people from a shantytown coming to demand something as a bad thing when he’s sitting at his desk.

Sp: Por que uno a veces está afrontado a verlo como algo malo o está sentado en su despacho y viene y mira ahí cuantas personas de villa tal reclamando tal cosa, entonces ya es un problema.
willing and able to bend their ways to fit within the state’s procedures and norms will likely
fair better than those sticking to their traditions. We saw this in the case of the MTL and we
saw the absence of this trait in the case of CLP’s work within Law 341. Organizations with
larger mobilization capabilities fair better than smaller groupings given that the state responds
to and expects such tactics. While a number of the co-op members cited in this research
noted their frustration over the state’s pace and its governing procedures, many now can
navigate the IVC. Individual ties have formed time-and-time-again between CSOs and
specific state actors holding differing levels of power, but from an institutional perspective,
the state’s housing institutions have remained far removed from popular sectors. A manager
from the IVC testified to the cooperatives’ enhanced ability to work within the establishment:

People from the cooperatives know much more than many of us about how this
[bureaucracy] works here from the inside. They know where to go, who the people are,
the person who has their paperwork, who it needs to be passed to next, who has their
chart...they come and tell you: such and such person has the paperwork in the office of
finances [or] so-and-so has it in the technical department. Could you call so that they do
something? Not everyone- not everyone- but a lot of people know perfectly well which
are the procedures, what they have to do. They know who will serve them, who won’t,
and with whom to speak so that the paperwork moves a little faster (Interview # 19a) 238.

The cooperatives have gained extensive knowledge of the CABA’s institutions’
operations through their intimate, ongoing involvement. Even those unable to visit the IVC
regularly receive information through their participation in larger federations. In order to
promote both their individual project goals and their broader proposals for improving the way
Law 341 is run, most of the cooperatives rely on public, time-consuming and open
institutional channels of decision-making for the most part. These routes include demands at
the IVC building, filling out requested paperwork, follow-up within the IVC, attending
legislative hearings, etc. This research brings to light the presence of separate and unequal

238 Sp: Sí, siii!!! Claro! La gente de las cooperativas conoce mucho más que muchos de nosotros
como funciona esto acá adentro. Saben a donde va, quién es, quien lo tiene su expediente, a quién le
pasa, vienen ellos y te cuentan, lo tiene tal persona en el área financiero, lo tiene tal persona del área
técnica, no puedes llamar para que hagan algo, para que lo firmen, no todos, eh, no todos, pero
muchísimos saben perfectamente. Cuales son los tramites, que tienen que hacer, saben quien los
atienede, quien no los atiende, con quien tienen que hablar para que algo pase un poco más rápido.
access channels to decision-makers. A lack of transparency around these two nearly distinct spheres complicates the accountability vacuum that continues to pervert public participation.

The pro-poor CSOs analyzed in this research paid regular visits to the IVC’s buildings. Any smaller meetings by state representatives with relatively powerless co-ops were likely reported back to law makers in the city’s legislature for political posturing. Such meetings would demonstrate to other Legislators that those representatives were “in-touch” with the people’s needs. This is especially likely given the profuse divisions between and within parties in the latter half of the 1990s. This is to say that even private meetings between most co-ops and the state were shared with other decision-makers, and thus open to criticism and comments from possible opposition. Of course, an exception would take place if a personal relationship developed between a particular lawmaker and a cooperative. In other words, if the lawmaker could use the ties to his advantage, the chances are high of insulating the interaction from outsiders.

In contrast to the pro-poor CSOs, we saw how private interest groups address individual power brokers, such as the Director of the IVC, directly. Such interest groups send only one representative to visit an official. Should his concerns go unaddressed, he receives support from higher-level officials. When private sector elites impact the “public” decision-making process, no transparent, open mechanism exists for these opinions to be heard and considered by other constituents. Oftentimes, ordinary citizens are advised only after officials decide to commit public resources to a particular project.

The utilization of *piquetero* protest tactics seems to enhance cooperatives’ efforts within Law 341 but it appears the size of the protest matters, as does the manner in which related negotiations are conducted. Partly it is the allure of larger protests that spurs organizations to cluster into larger federations for increased visibility and pressure on the state. This research shows that the degree to which each administration tolerates traditional *piquetero* tactics varies, but the existence of these techniques is now a part of today’s political
culture. Whether or not following strictly institutional, public access channels are a sufficient condition for accessing the rights and resources afforded through the PAV has yet to be determined. Both the MOI and the MTL, the cooperatives who have managed to access resources to finish off or complete projects under Law 341, worked extensively through smaller meetings, personal connections with policy makers and utilized external resources. As noted, however, in the Introduction, the MOI worked with the same union as the MTL but has failed to see results similar to those of the MTL’s. In analyzing the Monteagudo complex, it is clear that the state subscribes to a much fuller set of rules and operations than are typically afforded to most social movements in the CABA. I argue that the MTL was, in part, successful because it managed to access resources which allowed the organization to work through the same access channels that private interest groups typically utilize.

**Law 341 in local perspective: local political opportunity structures**

I will turn now to review the second stream of influence, comprised of a series of political opportunity structures that emerged between the mid- to late 1990s. I will provide only a brief summary of each event given that I covered these points extensively in previous chapters. In each incident, divisions and realignments across elites occurred. These divisions gave reformists within the state greater space to seek out support from outsiders and in turn influence the housing agenda. These divisions also worked in favor of the organizations. They managed to utilize these periods of heightened collective activity to push for policies to help alleviate the housing crisis. The organizations together with the reformists from within the state won a series of policies in the late’90s which paved the road to Law 341.

First, the rise of the *piquetero* movement in 1997 created an important opportunity for both social movements and policy makers. The *piquetero* movement changed the dominant paradigm of social protest. The new paradigm involved social movements demanding both benefits from the policy making process and direct contact with state
representatives in order to negotiate concessions. The success of the protests generated conflicts for state representatives in part because many citizens disagreed with the state’s position. Citizens’ widespread dissatisfaction was reflected in the media, which conveyed *piqueteros* as lazy protesters demanding subsidies in exchange for *not* seeking employment and for disrupting public order. The MTL’s proposal, in contrast, challenged the negative paradigm of the *piquetero* movement and presented potential supporters with a proactive solution to poverty and unemployment.

The second political opportunity structure that I identified arose when interests surged around Puerto Madero and the possibility of extending this urban redevelopment project to the neighborhood of La Boca. Foreign investors, local and national government entities, local construction interests and property owners all stood a chance at reaping substantial financial rewards from the development. We saw how an elite architectural association withdrew its support for the project until it received confirmation from President Menem that its interests would be accounted for in the project. Amidst the heightened interest surrounding the neighborhood and its future worth, CBOs concerned with the lack of dignified, affordable homes found a political opening to voice their need for a policy solution specific to La Boca. Shortly thereafter, Ordinance 525 was drafted. This ordinance helped ready housing reformists from within the state and PHOs to formulate a larger policy – one with the capacity to deliver dignified, permanent housing to its beneficiaries.

Lastly, I noted that the events leading up to the federal capital’s process of moving towards legislative independence from the Municipality of Buenos Aires created alignments and realignments across party representatives. Inter- and intra-party competition occurred within the city legislature\(^\text{239}\) as politicians vied for visibility and the honor of writing the capital’s first constitution. This was followed by the City’s first mayoral election which brought to light additional power struggles and strife across political elites. These events

\(^{239}\) This was the Consejo Deliberante for the CABA prior to 1996.
dovetailed a fission within the party FREPASO over differences in loyalty to President Menem and disagreements over the party’s decision to align with the UCR and back presidential candidate De la Rúa. Throughout this series of events that called into question elites’ unity, reformists within the state surfaced and sought outside support given that space was created “from above”. In other words, these divisions and new party coalitions enticed challengers to work to exert at least marginal power, just as Tarrow’s (1998) work on opportunity structures would indicate.

From the series of changes in political opportunity structures noted above, it appears likely that pro-poor reforms are more likely when demands on the system by outsiders provide policy makers with opportunities to advance their own political agendas. In earlier chapters, we saw how policy makers and individual state actors held considerable authority with which they could advance change initiatives. Implicit in the following examples of the state reformists reviewed in this research was the presence of relationships forged between state and civil society groups: bureaucrats (i.e. Jaime Sorín who moved from the CMV to work as the head architect for CLP\(^{240}\)); managers and/or appointed directors (i.e. Selser who became a personal friend of the MTL, and the head of the Ministry of Human Rights who tried to help CLP); and Legislators (Navarro who traveled with the MOI to Uruguay, helped write the CABA’s first constitution, and headed up the effort for a Consultative Council comprised of organizations for Law 341.) As demonstrated in this study, members of pro-poor CSOs can and do share interests and agendas with elites and vice-versa. In the case of the MTL, the fact that the movement benefits from close contact with a political party, corporations, and state representatives supports Tendler’s (1997) finding that the poor can have their needs at least partially met by partnering with elites even in the absence of full political representation.

\(^{240}\) This example is being referenced for the first time here.
This research uncovered at least three motivations which contributed to the state reformists’ support for, and/or active defense of, the organizations’ demands from “below”.

To speak to Fox’s (1992) finding that state actors’ motivations need to be ascertained rather than assumed, I will highlight three interrelated motives. First, as noted in the previous paragraph, self-interest certainly played a role. The reformists aforementioned were able to leverage the grassroots housing movement that was underway to position themselves within their own parties or institutions as well-supported leaders worthy of additional responsibilities. Given the political backdrop of the restructuring that was underway in the CABA and the historical negative reputation of the Consejo Deliberante, it was in the reformists’ self-interests to maintain contact with potential allies from outside in order to be able to take credit for any improvements that might follow. Second, the organizations that positioned themselves to challenge the government and demand dignified housing shared similar ideologies to a number of CABA’s reformists. The shared ideology stems from mutual concern for the value of social justice. Both civil society reformists and a number of reformists from within the state became politically sensitized during the last dictatorship and shared a common history. Concerned dissidents from civil society in the 1960s and 1970s worked within the national arena through the limited channels that existed, or participated in neighboring countries’ struggles. Activist circles overlapped, and networks were established across the Argentine left in the face of severe repression. Third, the reformists needed the support of challengers from outside. After Law 341 was approved by the City’s Legislature, it received limited institutional support from the IVC, the Mayor’s office, and the Legislature. I attributed the state’s withdrawal of support to the fact that most of the organizations disbanded after Law 341 came into existence. Just as Jonathan Fox (1992) noted from his study of pro-poor reform in Mexico, once such a reform is introduced within the state, state action is dependent on civil society support. In other words, given the nature of the federal capital’s quality of democracy and its leadership, the reformists’ ability to push innovative
policies or inject pro-poor decision-making processes into public housing was heavily
influenced by the strength of the organizations’ unified demands. While this motivation
could be masked as self-interest, it is distinct in that the CMV, and later the IVC, held an
institutional mandate to serve the housing needs of lower income families. The fact state
actors are now pushed to rely on outside organizations for support to complete their job
responsibilities with regards to the poor exposes the severe need for both the democratization
of the city’s housing institutions and greater governance.

While it is true that reformists within the state were able to advance individual
cooperatives’ housing projects, it appears that in order to receive a loan, support from more
than just one reformist was needed. Individual reformists’ efforts were cut short due to
institutional coherence problems, competing opportunities for individual state actors to
advance their objectives, and divisions across the cooperatives who were lending their
support. I disagree with Rodriguez’s (2006) conclusion that the PAV is institutionalized. Its
ability to endure a number of political appointments – while noteworthy – falls short of
institutionalization. According to the American Heritage Dictionary241, institutionalization
means: a. To make into, treat as, or give the character of an institution to; or b. To make part
of a structured and usually well-established system. When applying this definition to the
PAV’s status at the end of 2007, the program was facing increasing instability. All parties
involved (the PAV’s manager, the IVC director, and the cooperatives) were unclear about the
program’s future, due to Mayor Macri’s stance on popular housing. In other words, all feared
for its chances of survival. Had Law 341 truly applied evenly to all eligible applicants, the
organizations could have acted boldly in overseeing the state’s activities. That would be a
large contribution to accountability and transparency in housing practices in the CABA.
Rather than a consolidated, institutionalized housing policy, the PAV has witnessed a number
of changes and continues to evolve. While this is a somewhat logical process for such an

innovative social program, negative consequences accompany its ongoing changes. The program blurs actors’ expectations and complicates its chances of becoming institutionalized in the way it was originally designed. The lack of institutional support for the PAV draws the cooperatives into additional uncertainty about the program’s future. It shows a lack of general support for social housing and, yet, leaves organizations with few options outside of championing individual state actors. The alternative identified in this research was the work of the MTL. I will now specify the exact components that led to the MTL’s successful development on Monteagudo Street.

**Success of the MTL’s Monteagudo Street Complex Explained**

The MTL completed the largest development to date under Law 341 and, therefore, managed to exploit the temporary political opportunity structures described above. According to Tarrow’s (1998) political opportunity structures model, political openings can affect either all movements or just a few movements working within a given area or jurisdiction, wherever the changing political arrangements take place. In this research, I attributed the MTL’s success on Monteagudo Street to three factors. The MTL: 1. operated within the rules of the state; 2. accessed external resources; and 3. possessed superior organizational capacity. I will now describe and explain each of these elements.

The first factor refers to one characteristic identified by Tarrow (1998) that may give movements an advantage when political opportunity structures arise which is by demanding access rather than new advantages, or, in my words, by operating within the rules of the state. The MTL sought access despite the movement’s more radical philosophy and national agenda. One way the MTL did this was by describing its efforts in the context of reinstating the culture of employment for its members. The organization pushed to access the same rights as other construction companies by trying to compete for contracts in the marketplace and assist its members in sustaining dignified work. The MTL made its demands through
both formal and informal channels of access. Both sets of channels are legitimate, permanent, and consistent ways to reach and navigate the state apparatus in the CABA. I’m referring specifically to the channels previously described, and to the fact that two separate but unequal routes exist. The MTL pursued both paths. On the one hand, it worked as a private interest group might. Leaders from the MTL arranged to meet with city officials to discuss the Monteagudo project, rather than the approach taken by other cooperatives of showing up and demanding to be seen with 20 other co-op members, for example. The movement’s leaders negotiated with decision-makers individually, or sometimes in very small groups. As one interviewee mentioned, the MTL always recognized the state’s authority and never undermined it or insulted state actors in any way. The organization used its network of connections to access higher-level officials rather than wait in long lines at the IVC’s offices. Such occurrences would be considered routine for high-level corporate representatives or private interest groups, but suspicious for social movements. By understanding how state officials and the state apparatus operate, the MTL avoided the more cumbersome bureaucracy fueling other co-ops’ delays. Another example of how the MTL followed the state’s logic was in designing a project that appealed to officials. It consisted of an attractive development accompanied by an architectural firm already familiar with the deployment of state funded contracts. This inevitably helped squelch some of the naysayers within the state who felt piqueteros couldn’t be successful loan recipients.

While appeasing the state by taking on activities which are more typical of private interests, the MTL carefully maintained its identity as a social movement. The major difference between the MTL and a corporation - which is not to be minimized - is that as a social movement, the organization’s fundamental backbone was its people rather than capital, or the threat of withdrawing it, as Piven and Cloward (in Fox, 1992, p. 25) suggest. Moreover, the MTL appears to have maintained its identity in tact and prioritize its organizational long term vision. The MTL never supported Telerman during his 2007
reelection campaign. Such an endorsement would have contradicted the organization’s message of independence and its commitment to an alternative political project - one that sets itself apart from the current ideology and goals of the city’s leadership. The MTL displayed its social movement prowess by taking control of the IVC’s headquarters but according to a key informant from the IVC, the protests only occurred when the organization failed to receive a response. The informant’s reaction to the MTL’s protests suggests that the MTL’s behavior was considered acceptable by the IVC, and thus acceptable behavior within the rules of the state. Clearly the MTL’s protests had no negative bearing on Monteagudo’s success.

The MTL strayed much more from socially accepted notions of social movements in Argentina than from the implicit and explicit rules of cooperating with the state in the CABA. I say this because a number of social movements since the 1980s have opted to work around any established mechanisms of cooperating with state institutions and associated power brokers in attempts to seek out alternative solutions. For example, in the recuperated factory movement, after the 2001 crisis workers tended to demonize factory owners and preferred avoiding authorities and addressing their immediate employment issue. The case of the MTL differed dramatically in that the movement established a mechanism for directly competing for public construction contracts. The MTL broadened its umbrella of support beyond traditional social movement sympathizers, and for it received pushback from other groups. By forming a small construction firm within the movement, some corporations felt threatened when the MTL won a public bid and, in fact, complained to IVC officials. Had the MTL lacked such political intelligence and had the development simply come about through political favors, the state’s usual, private beneficiaries probably would not have taken notice. Outsourcing development to corporations and strengthening the private sector is not surprising from a policy perspective given the prevailing logic of MSDL. What is,
perhaps, is that a social movement accessed the same privileges typically available only to well-connected, private corporations.

I argued throughout this study that the MTL was radical in its approach to working with the government. As previously explained, it deviated from the path that most piquetero groups followed by not distributing large numbers of social plans directly into its members’ hands. It opposed President Néstor Kirchner, and unlike other piquetero organizations, it used its connections to build partnerships with established corporations and private interest groups. Again, the organization’s radical nature pertains to stepping outside of what has come to be expected for social movements rather than what is radical in terms of how the state works with social movements or pro-poor civil society groups. The MTL successfully accessed state resources but then utilized those resources to continue to generate its own finance mechanisms. The organization effectively managed millions of pesos, partnered with reputable banking institutions, and oversaw its own housing development in a timely manner. These outcomes defy what is typically expected of Argentina’s social movements. Of course, the MTL received extensive support from outside allies with resources, but the MTL invited in those resources and could have cut those ties in any moment.

I will now turn to the second factor that led to the MTL’s success within the framework of Law 341: external resources. External resources should be understood in conjunction with Tarrow’s (1998) definition of opportunity structures, but the exact definition is my own adaptation. External resources are understood as more permanent resources, such as access to relationships to people in influential positions who can: leverage sources of financing external to the group, and/or leverage sources of financing so to generate internal, ongoing sources for the movement, or advance the movement’s goals in some sustainable way. The organization’s ties to a leftist party with a limited national presence, the PC, and the union, the CTA, were

\[242\] How much, exactly, the MTL received in subsidies between 2002 and 2005 is unknown in terms of the housing units it received for its members, but the Monteagudo project received $13.4 million pesos from the PAV’s budget.
reviewed in Chapter V. Both of these relationships are more permanent than subsidies from the IVC, especially in light of the fickle nature of approved housing expenditures in the federal capital. The PC’s cooperative banking institution, Banco Credi-Coop, and its capacity building arm directed at cooperatives, the IMFC, assisted the MTL as needed which included monitoring the IVC’s loan. Additionally, the IMFC delivered invaluable workshops to the organization’s members on how to live in self-managed arrangements and how to contribute to the life of a cooperative. This is an example of the MTL partnering with another organization from civil society and a corporation to give the MTL more credibility. The role of “external change agent in capacity building” (van Dusseldorp in Carroll, 1992, p.19) is certainly relevant in this case. The content of the IMFC’s workshops on group living was important to the organization’s short and long term success given that at least most of its members had never lived in cooperative settings. The MTL’s membership base varies greatly with that of the MOI’s in this regard. Without a large organizational priority given to cooperative living arrangements, the movement could have disintegrated over internal conflicts. The mere offering of workshops (at a minimum they were optional, but most likely the workshops were obligatory as Scheier and Alcañiz noted) to the MTL helped build broader support for the Monteagudo project. At first, neighbors in Parque Patricios voiced concern around the possibility that *piqueteros* would decrease the value of their properties and bring down the overall quality of the neighborhood. However, when they saw the project’s quality and the extensive investment made in cleaning up the area, installing a water tank, improving roads, and classes to *piqueteros* on living harmoniously, avoiding violence, respect for self and neighbor, etc., the neighborhood embraced the development, with few exceptions. These upgrades included in the development came about through careful financial management and thus provide another example of the importance of the MTL’s access to external resources. Lastly, the MTL’s links to city leaders, party brokers, and unions described here challenge previous scholarship that indicates a
reliance on clientelism for connecting city leaders, party brokers, and unions (Alcañiz & Scheier, 2007, p. 3; Auyero, 2001).

The MTL’s ties to Pfeifer and Zurdo appear to have improved the perception of the Monteagudo complex from the state’s perspective. Both the MTL’s leaders and state officials emphasized the importance of these top-rate architects stepping into the paradigm in which social movements operate. These architects are rumored to have received advanced payment on their work from the PC’s banking arm given the uncertainty of the city’s disbursement cycle. This well-renowned firm did not solely partner with the MTL for material gain. Clearly Pfeifer and Zurdo shared the MTL’s ideology and social commitment in light of the architects’ willingness to dialogue with the MTL’s base and conduct brainstorming and feedback sessions. Were it for economics alone, they could have completed other projects in less time for a greater reward. This type of involvement is rare for architectural firms and demonstrates that there’s a strong possibility of a lasting association between the two organizations. Just as social movements’ interests are not necessarily separate and distinct from those of government officials’, neither are elites’ interests. The MTL’s work with the PC and the CTA suggests that social movements can remain independent and pursue organizational agendas while actively partnering and sharing resources with parties and interest groups such as labor unions.  

In Chapter V, I explained how the MTL’s construction firm/ housing cooperative, the Emetele, used building equipment that had been acquired with outside resources, unrelated to the state, to complete its contracted developments outside of the Monteagudo project. The fact that the City supported the Emetele’s initiative to form a corporation but was unwilling to purchase materials to ensure the firm’s follow-through shows that there were limitations on the city’s financial support to the MTL. The city’s limits on

243 I did not focus on what the MTL did in return for these other large CSOs but both sides benefited from the affiliation.
financing the organization required the MTL to seek out alternative sources of support. It appears the MTL had equipment from its other cooperative enterprises by the time it proposed Monteagudo to the CABA’s housing authorities. This track record made the MTL stand out from other organizations, even if other organizations also maintained ties to political parties. Overall, the MTL’s consistent access to external resources demonstrated to the state that the social movement was competent and, in fact, worthy of additional investment. In terms of MSDL, a CSO that partners with a solid banking institution, and possesses a history working with other government officials, signals credit-worthiness, transparency, and business intelligence – the exact type of relationship capable of attracting donor support. However, in light of the MTL’s current associations with neighboring countries and regional social movements, the organization will likely receive assistance from these sources rather than the mainstream donor community. Regional partners will likely contribute to maintaining the MTL’s consistent access to external support and assist in future MTL undertakings.

All of these resources combined ultimately helped the MTL to not be cornered into traditional control tactics over the poor which are typical to the capital’s political system, such as clientelistic distribution networks. External resources gave the organization greater relative leverage, or independence, from the state which allowed it to maintain its radical political agenda and, at the same time, cooperate amicably with officials around the Monteagudo complex. The loan from the IVC was an enormous economic catapult for the MTL and demonstrates how the movement is in no way monetarily independent from the state. However, with the loan through the PAV, the MTL launched its construction firm. The firm allows the movement to increase its access to the state because it is now arranged to compete for public construction contracts, in addition to pursuing additional resources through the PAV as a cooperative.
The third factor that figured into the MTL’s success with Law 341 was its superior organizational capacity which refers to the movement’s ability to execute and manage the Monteagudo complex appropriately within the acceptable rules of the state. As explained in previous chapters, Law 341 requires all eligible co-ops to manage both extensive monetary resources and professional technical teams. Such activities are added to popular housing groups’ more traditional undertakings, such as advocacy, training, protests, and lobbying state representatives, not excluding activities directed at their own members’ needs. I described in Chapter III how CLP has faced extensive delays by not following the strict guidelines set-up by the IVC. This is to say that organizational capacity is necessary for the successful completion of a project within the PAV. To profit from Law 341, organizations do not necessarily need to partake in clientelist arrangements or subsidy distribution schemes, as many social movements typically do. Rather, those organizations that in deed “professionalize” their activities, complete with auditing and accounting services, are better positioned to fulfill the required steps involved in this convoluted process of co-management with the state. It has yet to be seen whether or not a co-op with only strong management skills – such as timely follow-up, effective methods for maintaining transparency, strong capacity to manage the construction team as well as to manage the co-op’s relationship to the state – can successfully complete its housing development within the PAV. For instance, the MOI managed all these tasks but yet has failed to complete all of its projects within the PAV. I also noted that there has been a close connection between direct pressure tactics and the government’s willingness to respond. For these reasons, it’s important to extend the definition of organizational capacity.

I argued that the rise of the piquetero movement changed the protest culture in the CABA. A number of social movements and neighborhood centers became involved with the piqueteros and emerged with increased visibility and vitality, many actively bargaining for
the few pockets of public assistance that were being distributed for social programs. The movement broadened the political pathways through which CSO sought out and pursued basic social protections. The new protest paradigm increased the institutional importance placed on organizations’ physical presence in mass mobilizations, which played into one of the MTL’s core strengths. Continuously producing large crowds for marches has always been part of the MTL’s philosophy and culture. The fact the organization can arguably organize more people than any other social movement in the federal capital increases its real and perceived capacity to disrupt political and economic stability. These factors call the state’s attention and all but ensure an official response, when performed within the parameters of what the state deems acceptable.

Coordination across the MTL necessitates a high degree of organization. Part of the MTL’s success with pressing the city stemmed from its sustained presence in both the IVC’s and the Mayor’s offices. The former consisted of regular visits to bureaucrats to advance important documents. When bureaucrats failed to follow through, the MTL had members there to protest and push for resolution. When the organization took control of the IVC’s headquarters on six separate occasions, it acted without the help of other organizations and within the short period of time that the approvals process required. With the Mayor’s office, the MTL’s leaders and the organization’s architectural partners handled the communication.

The MTL provides a participatory structure whereby all its members assume a particular set of responsibilities. Additionally it appears that the MTL’s membership feels ownership for the movement’s activities. My interviews revealed members’ deep trust for the MTL’s top leaders and their capacity to work with the state. By working collectively with a clear division of labor, the poor have been able to participate more fully, especially given the large time commitment required for each and every interaction with state authorities. With each member entitled to a vote, the organization works horizontally in that the MTL’s base elects its leaders and helps decide future strategic steps. Its voting structure enhances
accountability, on the one hand, but also compromises transparency, on the other, given that it’s open and public. Just as each individual holds the same amount of decision-making authority as his peer, each person can also speak his grievances or ask difficult questions. That is, outside of the seemingly more exclusive circle in which the elected commissioners operate.

Those holding leadership positions are clearly identified. Such defined leadership structures are not as extensive in other cooperatives with whom I spoke. We saw that the most sensitive negotiations were routinely handled by small committees which were headed up by the MTL’s director, or by the movement’s top individuals. While the leadership committees are effectively elected by the MTL’s membership, these members are few in number when compared with the larger membership base. Overall, internal decision making is funneled upwards from the organization’s broad support base through its representative decision-making bodies. When combined, all of these structures suggest verticality and centrality, possibly to a higher degree than the MTL would like to present publicly.

Centralized, top-down models are the norm for socialist and communist organization models, and tend to enhance organizations’ abilities to set agendas, sustain various efforts at the same time, protect controversial decisions from criticism, prevent or limit corruption, and carry out reforms. A higher degree of control accompanies the MTL’s centralized decision-making structure, especially when compared to the other co-ops highlighted in this research.

The MTL’s organizational make-up proved to be effective for partnering with the state in order to complete the Monteagudo complex. The organization’s voting structure legitimizes the movement from below. Its centralized decision-making helps to oversee and coordinate all the movement’s efforts. This structure consists of key leaders orchestrating close ties to both external allies and to the movement’s base. The MTL’s elected commissioners regularly meet with their constituents. This structure seems to guarantee contact between the organization’s leaders, or professional organizers given their full-time
status according to Social Movement Organization theory, and the organization’s membership base so that individual needs and concerns can be accounted for by those in positions of greater authority. Many of the MTL’s leaders and allies hold a college level education and/or grew up in middle class families. This suggests that maybe middle income and upper-income allies are better positioned to access resources that lower income individuals cannot. The top-down planning and organization of the MTL matches Grijpstra’s finding that in fact such an arrangement may be necessary to allow the poor to participate from the “bottom-up” (Grijpstra cited in Carroll, 1992, p.21). The organization’s decision to form one single co-op rather than numerous small ones played into the organization’s structure, and obviously streamlined the MTL’s involvement with the IVC. One question that remains unanswered is to what degree individual members can move up or advance through the organization. This refers to how fluid the MTL’s leadership structure is and to the type of training and preparation its members receive. In the event members learn leadership skills, in what direction does the movement encourage its members to progress? Because while the MTL on the whole has increased and deepened its participation with the state in the CABA, a question remains as to what extent and in what fashion participatory mechanisms work internally across the movement.

The MTL’s experience with Law 341 overshadows the smaller organizations’ successes to date, such as those of the co-ops that worked with the MOI immediately after Law 341 was approved at the time Argentina’s crisis. At the same time, however, it is important to draw attention to the fact that the mere existence of Law 341 has already extended additional social, economic and political rights to all qualified applicants. The Law grants eligible low income households the right to organize cooperatives and access loans, a freedom never before available to groups. Rather than middle income households and construction firms reaping benefits from another program from the IVC as historical

244 The loans could be used to pay individual members of the cooperative just as the MTL did by training its members in construction, or pay external professionals to build permanent housing units.
patterns would predict, Law 341 set into motion permanent access to affordable housing for the organized poor. Second, the Law repositioned low income housing groups in relationship to technical professionals in the housing sector. Architects and construction firms were positioned to benefit from Law 341 but needed to acquire contracts through the cooperatives. Third, with the state’s original declaration of support for popular housing initiatives, organizations and federations of interested civil society groups surged. Many of these groups continue working together to lobby the state, to educate and help form additional cooperatives, and to formulate agendas including making suggestions on how to improve the PAV. Fourth, pro-poor housing CSOs now play a role, albeit diminished from the original Law’s draft, in evaluating the IVC’s activities through its oversight role within the PAV. This alone is a monumental change given the IVC’s historic isolation from any possible oversight body. Just as the Director of the IVC notes: “there are very few limits on [his] autonomy”\textsuperscript{245} (Interview #9a). The organizations have acquired regular access to members of the IVC. Even though representatives of the IVC fail to offer consistent, thorough responses to the organizations’ inquiries, even at the current level of participation, collective action should continue to expand and create additional opportunities for other cooperatives (Tarrow, 1998; Eckstein & Wickham-Crowley, 2003).

**Concluding remarks:**

The extraordinary achievement of the MTL with its Monteagudo development eclipses the other projects that are either in progress or already completed within the PAV\textsuperscript{246}. I have argued that the success of the MTL can be explained with the following factors: its ability to work within the rules of the state, its access to and utilization of external resources, and its exceptional organizational capacity. Additional research is required to determine if other organizations would also advance their developments further within the context of Law

\textsuperscript{245} Sp: “Qué tanta autonomía tiene como Director del IVC?...Hay muy pocos limites.”

\textsuperscript{246} See Table 1
by applying these learnings. The formula that worked for the MTL is summarized in Table 6.

The MTL’s creative partnering with public and private sector elites, and other pro-poor CSOs, fits into the initiatives advocated in the enabling approach. Even in the MTL’s case, however, the onus fell strictly on the movement. The CABA’s housing-related authorities from within the state offered little outside of helping reduce potential barriers. This proved invaluable, but the process only came about through the help of allies from within the state such as Ernesto Selser and allies like Pfeifer-Zurdo with extensive prior knowledge of the IVC. Of course the MTL developed these ties over time, with its organizational capacity and management skills.

Despite the MTL’s case study, the cooperatives’ overall experience demonstrates the state’s ongoing challenge over how to best implement an enabling paradigm for popular housing. The state has yet to broadly harness or “enable” the cooperatives’ abundant resources systematically. I discussed (Chapter I and II) how mainstream donors try to influence the way civil society groups interact with the state. Their suggestions coincide with Linz and Stepan’s (1996) findings that in fact democracy is strengthened with intermediaries, an independent civil society and the structuring of fluid compromise. Given this case study on Law 341, however, it appears additional avenues can also pave the way to more inclusive decision-making arenas and stronger democracies. After all, the MTL’s complex reflects well on both state officials and the movement’s membership.

Table 6:

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<tr>
<th>The MTL’s Monteagudo Street Complex and Law 341</th>
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<tr>
<td>Conditions for Success</td>
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<tr>
<td>Following rules of state</td>
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<tr>
<td>Institutional</td>
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<tr>
<td>Non-institutional</td>
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<tr>
<td>Ties to decision-makers</td>
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163
<table>
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<tr>
<th>Establishing external resources</th>
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<tbody>
<tr>
<td>Contact with other CSOs</td>
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<tr>
<td>Ties to corporations, parties, etc.</td>
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<tr>
<th>Superior organizational capacity</th>
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<tr>
<td>Management skills</td>
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<tr>
<td>Mobilization capacity</td>
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<tr>
<td>Producing tangible results</td>
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<tr>
<td>Managing conversations with state</td>
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<tr>
<td>Effective leadership structure</td>
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CONCLUSIONS

This study detailed the history behind Law 341 and the pro-poor housing reform that it created, the Program for Self-Managed Housing (PAV) in the City of Buenos Aires (CABA). I analyzed housing cooperatives’ participation with state actors within the context of the PAV, and established a framework for explaining the MTL’s extraordinary success under the umbrella of Law 341.

Pro-poor civil society housing groups since Argentina’s return to democracy in 1983 had pressured the state for permanent solutions to a number of pent-up housing problems. Through dialogue and protest, these groups obtained greater contact with housing authorities despite a range of structural limitations. These limitations took the form of: increasing rates of poverty, unemployment and inequality which undermine individuals’ full participation in political life; an erosion of the state’s capacity to resolve groups’ competing demands; a representation crisis; and minimal tolerance from housing officials for the poor.

Whereas social movements and other pro-poor organizations largely operated at the fringes of state activity prior to the 1990s, changes in local political opportunity structures and the introduction of neo-liberal reforms altered these groups’ potential influence over housing-related decisions. Both of these streams of influence were shaped by the mainstream donor community’s recommendations for developing countries. After decades of prescribed policies that aimed to discourage popular sectors’ efforts at housing themselves, the United Nations formally adopted the enabling approach. This approach is a more inclusive housing paradigm that supports more active participation by both low income sectors and private construction interests to address the shelter crisis.

As the participation of popular housing groups increased in the CABA, so too did the willingness and capacity of pro-poor reformists within the state to cooperate with these organizations. The idea of inviting the poor to determine and manage their own housing solutions stems from grassroots housing advocates in the 1970s, but a policy solution wasn’t
proposed and passed into law until an alliance formed between a number of local authorities and a range of pro-poor CSOs nearly twenty years later. This alliance shifted the boundaries of what was politically possible in popular housing in Argentina’s capital. A series of policies emerged that effectively redirected more resources towards housing the poor, the most important being Law 341.

Law 341 includes a number of policy elements suggested in the enabling approach. This approach is only a theory – a theory that needs to be evaluated for the results it produces in local policy environments (Angel, 2000). Thus, my research on this Law contributes to the ongoing discussion of how mainstream donors’ policies can shape housing reforms and positively impact the poor. Given the more inclusive practices being supported in MSDL, it is my hope that additional research continues on this topic.

To date, the Law has resulted in huge gains for the MTL while most co-ops continue struggling to access the state’s resources. The greater good, however, that has resulted from the PAV is more accurately identified in how PHOs now work with the state’s housing-related institutions, and how these groups are learning to leverage their access to resources. This study paid particular attention to the MTL, but it also mentioned other co-ops’ experiences with reaching out to a range of civil society groups. The trend in partnering across CSOs and state actors is in no way limited to the MTL. Given that the MTL’s Monteagudo complex is the largest tangible by-product of the PAV, the way in which it came about helps elucidate how, in fact, the needs of the poor can be mitigated in a context of a reductionist state with minimal capacity for resolution.

In addition to providing nearly 20 percent of its total membership base with housing, the MTL effectively managed a loan from the City through the PAV to establish the internal capacity to employ its members and generate ongoing revenue for the movement. I attributed the MTL’s unique success in leveraging the state’s resources to its: ability to work within the rules of the state, access to external resources, and superior organizational capacity. The
MTL prioritized the long term goals of its movement, rather than emulating most piquetero movements which strive to channel the state’s poverty subsidies directly to their members. It covered more of its members’ subsistence needs than any other co-op under Law 341 through its sophisticated management capabilities and intricate network of allies.

While the MTL accesses many of its allies’ resources, including those of the Communist Party (PC), the MTL does not focus its activities on strengthening political parties’ capacity. The movement did not try to subvert the state’s authority nor did it become co-opted in any moment. Both of these opposing extremes are typical risks associated with social movements’ pursuits. Instead, the MTL avoided these problems. By establishing strong working relationships with state officials on the one hand, and also holding protests in the event the state failed to follow through on its assigned responsibilities on the other, the MTL adapted to the state’s accepted norms and standards while also keeping its identity intact. It respected housing officials and the institutions they represent while defending its organizational agenda.

The MTL’s choice of tactics demonstrates value for social movements and other CSOs in reading and understanding the political environment, and then cooperating within the established rules and operations of the state. The movement’s completed housing complex helps to legitimize local politics and challenge the widely held belief that politicians are exclusively self-serving and corrupt. It also provides a symbol for other activists that policy makers and private interest groups can and do embrace popular initiatives. All of these elements translate into the MTL’s housing development being: a display of democracy in action, an example that social movements can achieve their results when working at least in part through institutional channels, a demonstration of social movements’ capacity to execute development projects and manage resources, and a symbol of hope for the large number of residents currently lacking dignified housing. The MTL’s housing complex exemplifies the promise of civil society groups’ capacity to engage both the poor and public
housing institutions in innovative policy solutions that effectively address families’ basic social and economic needs.

This case study on Law 341 calls into question the notion by the mainstream donor community that CSOs’ contribution to democracy building is best kept to a role of intermediation between individuals and the state through political parties and elected representatives. The housing co-ops involved in the PAV have addressed bureaucrats and state officials alike through direct citizen participation. This trend will likely continue in light of these individuals’ demonstrated authority and capacity to advance individual cooperatives’ housing proposals.

The caution that emerges is that by furthering personal politics, political parties’ capacity to drive reforms that benefit all citizens is weakened. Another related concern identified in this research is that reformists from within the state who are willing to promote pro-poor housing initiatives rely heavily on the unity and backing of their counterparts in civil society to institutionalize such reforms, which matches Fox’s finding (1992). One of the problems with this is that the extensive demands on challengers’ resources means it is increasingly improbable that reformists’ efforts from within the state will be completed.

In other words, while the PAV’s results demonstrate that the participation of social movements and other pro-poor CSOs can improve the lives of low income sectors and further the state’s pro-poor currents, overall the state’s institutions lack the capacity to process and absorb the ongoing efforts at democratization. Broad-sweeping, sustainable, pro-poor reforms will require improved institutional coherence and revised channels for enabling both the resources available from “below” as well as those from “above”. The state’s best contribution would be to embrace and promote the partnering that is underway while providing both a regulatory framework that is more in-line with the enabling approach and deliberation mechanisms for more stable governance.
APPENDIX A: List of Acronyms

AMPM. Association Mothers of Plaza of Mayo (Asociación Madres de Plaza de Mayo)
BID. Interamerican Development Bank (Banco Interamericano de Desarrollo)
CABA. City of Buenos Aires (Ciudad Autónoma de Buenos Aires)
CAI. Argentine Center for Engineers (Centro Argentino de Ingenieros)
CBO. Community Based Organization
CCC. Classist and Combative Current (Corriente Clasista y Combativa) piquetero group
CCES. Commission for Control, Evaluation and Follow-Up (Comisión de Control, Evaluación y Seguimiento)
CEVILPE. The Kids’ Cooperative of Hope and Housing. (Cooperativa de Esperanza y Vivienda Los Pibes)
CLP. The Kids’ Kitchen (Comedor Los Pibes)
Coordinación. Coordination for Territorial and Urban Policies (Coordinación de Políticas Territoriales y Urbanas) (ran by CLP)
CSO. Civil society organization
COVILPE. The Kids’ Cooperative of Housing. (Cooperative de Vivienda Los Pibes)
CMV. Municipal Housing Commission for Buenos Aires (Comisión Municipal de la Vivienda (before being changed to the IVC in December 2003.)
CGTA. Central General de Trabajadores de los Argentinos.
CTA. Argentine Workers Central (Central de Trabajadores en Argentina)
Emetele. MTL’s Housing Cooperative
ETIs. Interdisciplinary Technical Teams (Equipos Técnicos Interdisciplinarios) (Ley 341)
FONAVI. National Fund for Housing (Fondo nacional de la vivienda—FONAVI)
FREPASO. Front for a Unified Country (Frente para un País Solidario)
Ex-AU3. Zona de ocupaciones en la traza planificada de la Autopista 3
Ex PADELAI. Children’s Social Services (Ex Patronato de la Infancia)
FECOVISA. Federation of Housing Cooperatives for Self-Management (Federación de Cooperativas de Viviendas Solidarias por Autogestión)
FREPASO. Alliance for a United Country (Frente para un País Solidario).
FTV. Federation for Land, Housing and Habitat (Federación de Tierra Vivienda y Hábitat).
FUCVAM. Uruguayan Federation of Housing Cooperatives for Mutual Help (Federación Uruguaya de Cooperativas de Vivienda por Ayuda Mutua)
HIC. Habitat International Coalition
IAF. Inter-American Foundation
IMFC. Institute for the Mobilization of Cooperative Financing (Instituto de Mobilización de Fondos Cooperativos) (part of PC)
INDEC. National Institute for Statistics and Census (Instituto Nacional de Estadística y Censo)
IVC. City’s Housing Institute (Instituto de Vivienda de la Ciudad de Buenos Aires).
MOI. Movement of Occupiers and Renters (Movimiento de ocupantes e inquilinos)
MSDL. Mainstream development literature
MTDs. Movements of Unemployed Workers (Movimientos de Trabajadores Desocupados)
MTL. Territorial Liberation Movement (Movimiento Territorial Liberación)
NBI. Unmet Basic Needs (Necesidades básicas insatisfechas)
NGO. Non-governmental organization
PAV. Self-Managed Housing Program (Programa de autogestión de la vivienda) run by IVC
PC. Communist Party of Argentina (Partido Comunista)
PFEH. Roof and Work, federal program for emergency housing (Programa Federal de Emergencia Habitacional, "Techo y Trabajo")
PHO. Popular Housing Organization
PJ. Peronist Party (Partido Justicialista)
SAP. Structural Adjustment Program
SCA. Central Society of Architects (Central Sociedad de Arquitectos)
SMO. Social Movement Organization
UNDP. United Nations Development Program (Programa de Naciones Unidas para el Desarrollo)
PJJH. Work plan for heads of households (Plan Jefe y Jefas de Hogar)
PROHA. Habitat Program (Programa Hábitat) (NGO)
PVTs. Transitory Housing Program (Programas de Vivienda Transitoria)
UCR. Radical Civic Union (Unión Cívica Radical)
USAID. United States Agency for International Development
SELVIP. Secretary of Popular Housing in Latin America (Secretaría Latinoamericana de la Vivienda Popular)
## APPENDIX B: The evolution of housing policies by mainstream donors

<table>
<thead>
<tr>
<th>Phase and approx. dates</th>
<th>Focus of attention</th>
<th>Major instruments used</th>
<th>Key documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modernization and urban growth: 1960s-early 1970s</td>
<td>Physical planning and production of shelter by public agencies</td>
<td>Blueprint planning: direct construction (apartment blocks, core houses); Eradication of informal settlements</td>
<td>Vancouver Declaration and Plan of Action (1976); Shelter, poverty and basic needs (World Bank, 1980); World Bank evaluations of sites-and-services (Bamberger and others, 1982a, 1982b; Keare and Parris, 1982; Mayo and others, 1986; Mayo and Gross, 1987); UNICEF urban basic services (UNICEF, 1984).</td>
</tr>
<tr>
<td>Redistribution with growth/ basic needs: mid 1970s-mid 1980s</td>
<td>State support to self-help ownership on project-by-project basis</td>
<td>Recognition of informal sector; Squatter upgrading and sites-and-services; Subsidies to land and housing</td>
<td></td>
</tr>
<tr>
<td>The enabling approach/ urban management: late 1980s-early 1990s</td>
<td>Securing an enabling framework for action by people, the private sector and markets</td>
<td>Public/private partnership; Community participation; Land assembly and housing finance; capacity-building</td>
<td>GSS (1988); Urban policy and economic development (World Bank, 1991); Cities, poverty and people (UNDP, 1991); Agenda 21 (1992); Enabling housing markets to work (World Bank, 1993).</td>
</tr>
<tr>
<td>Sustainable urban development: mid 1990s onwards</td>
<td>Holistic planning to balance efficiency, equity and sustainability</td>
<td>As above, with more emphasis on environmental management and poverty-alleviation</td>
<td>Sustainable Human Settlements Development: Implementing Agenda 21 (UNCHS, 1994c).</td>
</tr>
<tr>
<td>Habitat II: 1996</td>
<td>‘Adequate shelter for all’ and ‘Sustainable human settlements development’</td>
<td>Culmination and integration of all previous policy improvements</td>
<td>The Habitat Agenda (1996); Global report on human settlements (UNCHS, 1996a).</td>
</tr>
<tr>
<td>Istanbul+5: 2001</td>
<td>Review of the Habitat Agenda process</td>
<td>Renew Habitat Agenda commitments and develop more effective strategies</td>
<td>Declaration on cities and other human settlements in the new millennium (2001); Global report on human settlements (UNCHS, 2001a; UN-HABITAT, 2003g; 2005b); The state of the world’s cities (UNCHS, 2001d; UN-HABITAT, 2004f); Implementing the Habitat Agenda: The 1996-2001 experience (UNCHS, 2001b).</td>
</tr>
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</table>

Source: Based on UNCHS, 1997b, pp. 22-23; and Ergüden, 2001, p. 11.

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247 UN-Habitat (2006)
### APPENDIX C - Semi-structured interview guide

<table>
<thead>
<tr>
<th>Date</th>
<th>Interviewee #</th>
<th>Organization</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.17.2007</td>
<td>1a</td>
<td>Coop Alto Corrientes, Independent</td>
<td>President</td>
</tr>
<tr>
<td>4.19.07</td>
<td>2a</td>
<td>IVC, Tecnico con la Ciudad</td>
<td>Manager</td>
</tr>
<tr>
<td>4.24.07</td>
<td>3a</td>
<td>Coordinator, Comedor Los Pibes (CLP)</td>
<td>Coordinator</td>
</tr>
<tr>
<td>5.8.07</td>
<td>3b</td>
<td>Comedor Los Pibes</td>
<td>Coordinator</td>
</tr>
<tr>
<td>5.29.2007</td>
<td>4a</td>
<td>Director, Comedor Los Pibes</td>
<td>Director</td>
</tr>
<tr>
<td>5.30.07</td>
<td>5a</td>
<td>MTL</td>
<td>Director</td>
</tr>
<tr>
<td>9.24.07</td>
<td>5b</td>
<td>MTL</td>
<td>Director</td>
</tr>
<tr>
<td>7.31.07</td>
<td>6a</td>
<td>CMV</td>
<td>exMgr emergency hsg program, party activist</td>
</tr>
<tr>
<td>6.15.2007</td>
<td>7a</td>
<td>CMV and Legislature</td>
<td>ExCMV, Legislature, wrote Constitution</td>
</tr>
<tr>
<td>6.30.2007</td>
<td>7b</td>
<td>CMV and Legislature</td>
<td>ExCMV, Legislature, wrote Constitution</td>
</tr>
<tr>
<td>10.20.2007</td>
<td>8a</td>
<td>MTL</td>
<td>Director MTL's Coop</td>
</tr>
<tr>
<td>11.6.07</td>
<td>9a</td>
<td>IVC</td>
<td>Director President of COVILPE</td>
</tr>
<tr>
<td>10.19.2007</td>
<td>10a</td>
<td>CLP</td>
<td>and other members</td>
</tr>
<tr>
<td>10.19.2007</td>
<td>11a</td>
<td>CLP</td>
<td>Member who works in the coop</td>
</tr>
<tr>
<td>10.20.2007</td>
<td>12a</td>
<td>MTL</td>
<td>Hsg commissioner</td>
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<tr>
<td>10.31.2007</td>
<td>13a</td>
<td>MTL</td>
<td>Member</td>
</tr>
<tr>
<td>10.30.2007</td>
<td>14a</td>
<td>federation of housing coops</td>
<td>Director of federation of hsg coops</td>
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<tr>
<td>10.25.2007</td>
<td>15a</td>
<td>ex-MTL and architect</td>
<td>Ally</td>
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<tr>
<td>7.3.2007</td>
<td>16a</td>
<td>MOI</td>
<td>Founder</td>
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<tr>
<td>7.3.2007</td>
<td>17a</td>
<td>MOI</td>
<td>Trainer/ Researcher</td>
</tr>
<tr>
<td>10.22.07</td>
<td>18a</td>
<td>IVC</td>
<td>Manager</td>
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<tr>
<td>11.2.07</td>
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<td>IVC</td>
<td>Appointed Manager for the PAV</td>
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<tr>
<td>11.2006</td>
<td>20a</td>
<td>Buenos Aires</td>
<td>Manager</td>
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<tr>
<td>6.1.2007</td>
<td>21a</td>
<td>CLP</td>
<td>Member</td>
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<tr>
<td>6.1.2007</td>
<td>22a</td>
<td>CLP</td>
<td>Member</td>
</tr>
<tr>
<td>8.3.2007</td>
<td>23a</td>
<td>CLP</td>
<td>President of CEVILPE coop</td>
</tr>
<tr>
<td>8.3.2007</td>
<td>23b</td>
<td>CLP</td>
<td>President of CEVILPE coop</td>
</tr>
<tr>
<td>11.2006</td>
<td>24a</td>
<td>Buenos Aires</td>
<td>Manager/ Researcher</td>
</tr>
</tbody>
</table>
APPENDIX D: Photographs by Author

The MTL Monteagudo Street Complex
From the inside of an MTL apartment

Murals in the MTL complex
Housing (in forefront of photo) provided by the IVC after a fire ravaged 60 homes in the slum, *Villa Carton*

This housing built on adjacent property in the same slum to replace the families’ homes. Built by CLP for the families affected by the fire (Alternative to the state’s offering)
Innovative construction method taught and used by CLP and Madres de Plaza de Mayo
Cooperatives protest at the door of Mayor’s Office, led by CLP
COVILPI, Cooperativa de Vivienda Los Pibes
COVILPI’s purchased land for 33 families
BIBLIOGRAPHY


