The public has almost always viewed state-owned enterprises as “its own,” and to a certain extent these companies have served public or national interests. Many state-owned enterprises were created following the economic crisis of 1929 and especially during and after World War II. During those years, the decline of Great Britain as the hegemonic power in Latin America and its replacement by the United States encouraged tentative development based on a more active role for nation-states in economic management through import-substitution industrialization.

State-owned enterprises—generally services, transport providers, or manufacturers—were part of the national wealth, although they were known to be mismanaged and to primarily benefit the political elite. Though state-owned companies were necessary for countries attempting to industrialize, many governments used them to perpetuate their power by doling out favors and privileges. These practices, along with inefficient management, undermined state enterprises by unnecessarily bloating employee rosters, thereby reducing efficiency and raising costs.

Consequently, in varying degrees from one country to the next services provided by state-owned enterprises deteriorated for three decades following the end of WWII. Many had fallen into serious financial crisis. This state of affairs greatly facilitated the work of the privatizers of the eighties. Promising efficiency to consumers fed up with shoddy goods and second-rate services, this first wave of privatization encountered little effective resistance.

The Debt Crisis

Broadly speaking, “the privatization of state enterprises is always linked to the renegotiation of a country’s foreign debt,” notes Belgian economist Eric Toussaint, president of the Committee for the Abolition of Third World Debt. The roots of privatization policy can therefore be traced back to the so-called “debt crisis” ignited by Mexico’s payment moratorium in August 1982.

At that time, Washington was facing a crisis in its global hegemony caused by the United States’ military defeat in Vietnam, domestic antiwar protests allied with the black civil rights movement, and the demands of Third World countries. This erosion of power culminated when the Iranian Revolution of 1979 sparked the hostage crisis the following year.

The convergence of these multiple challenges laid bare the declining hegemony of the world’s most powerful nation and ushered in a long-term shift: “Domestic and global New Deals were abandoned, and the United States tried to restore its military prestige. To pay for increased military expenses for the Second Cold War, it raised interest rates and began to compete actively for international capital in search of investment. During the 1980s, it attracted the global surplus and precipitated the ‘debt crisis,’ signaling the abandonment of the promise of ‘development.’” As the U.S. Federal Reserve hiked interest rates, loans to poor countries were drastically curtailed, preventing them from obtaining new loans to repay their debts. As a result, Third World debt became unpayable.

Until the 1980s, Third World indebtedness had several objectives: to create an outlet for Eurodollars accumulated in financial markets, to encourage arms purchases, and to lubricate the corruption mechanisms of pro-U.S. governments. By design, Third World debt did not affect the balance of payments of the lending countries. To give just one example, two-thirds of all debt assumed by the Argentine military dictatorship (1976-83) was deposited in bank accounts in the North. Needless to say, the money lent—largely as “aid” to poor countries—often never arrived or arrived piecemeal to the economies of the recipient countries and their constituencies.
The Brady Plan, devised in the 1980s, required bilateral accords between Latin American countries and U.S. authorities on the reduction or staggering of debt payments. One of the linchpins of the Brady Plan was the privatization of state-owned enterprises. In 1985, after a conference on foreign debt in Berne, Henry Kissinger was characteristically blunt: “There is no painless solution to their critical situation, but we must promote some corrections to the IMF’s adjustment program. The solution will entail sacrifice; I prefer that debtor nations ensure their external obligations vis-à-vis their creditors rather than receive aid in the form of real assets, by surrendering the assets of state companies.”

To ensure their ability to repay their debts, countries adopted structural adjustment policies promoted by the International Monetary Fund (IMF) and the World Bank (WB). As far back as the early 1980s, those two bodies became the debt crisis managers and were put in charge of implementing adjustment policies and collecting debt payments. IMF- and WB-promoted adjustments touted macroeconomic stabilization (devaluation, lifting of price controls, and fiscal austerity) as a first step on the path to structural reforms based on trade opening, deregulation of banks and financial activities, greater labor-market flexibility, and privatization.

This set of policies clearly entails a loss of economic sovereignty for countries applying them. In addition, debtor nations had to forfeit their political sovereignty, either beforehand or simultaneously. As dictatorships and corrupt democracies did the “dirty work” of applying the reforms, foreign debt in Latin America multiplied eightfold between 1971 and 1980.

In nearly every Latin American country, state-owned companies were already heavily indebted, since governments used them to contract debt as a way of obtaining loans from private banks. In 1976, at the beginning of military rule, Argentina’s state-owned petroleum company, YPF, had a debt of only $372 million. Seven years later it owed $6 billion, and nearly all of the money borrowed remained in the hands of the dictatorship without entering the coffers of the company. YPF was forced to send its petroleum to private refineries, since it was not permitted to acquire its own refinery. In 1982, when the dictatorship ended, nearly all of the company’s assets had been collateralized for debts. As a result, when the company was privatized the sale price did not even cover outstanding debts. The debt merely served to enrich those in charge of implementing the policies of dependence and subordination.

A Gangster Style of Operating

Joseph Stiglitz, 2001 Nobel Prize winner in economics, former chairman of the Council of Economic Advisers for the Clinton administration, and former vice president of the World Bank, argues that one of the main problems with the IMF- and WB-promoted privatization policy was that it “had to be carried out quickly.” Thus countries that “privatized more quickly received the highest scores.” Stiglitz, a proponent of privatization, complains that the privatizations were carried out without the proper controls, that they replaced public monopolies with private monopolies so burdening consumers, and that they were shrouded in corruption and bribes.

In Latin America, privatization has not only decimated countries such as Argentina and Peru, but has also exacted a high human cost. Consider, for example, the October 2003 massacre during the “gas war,” in which Bolivians attempted to recover control of their main natural resource that a succession of neoliberal governments had surrendered to Repsol-YPF, Shell, Enron, and Petrobras.

Several significant cases reveal the modus operandi employed in the rush to privatize. In Argentina, a privatizer’s paradise, the first company to be put on the auction block was ENTEL, a telecommunications firm. Although its appraised value was $3.1 billion, the government set the minimum bid at $214 million. The sale needed the approval of the company’s creditors. After several delays and numerous irregularities, ENTEL was sold to a joint bid by the Spanish firm Telefónica and France Telecom. The companies paid a total of only $214 million in cash; the remainder consisted of the acquisition of foreign debt. At the time of privatization, ENTEL’s debt totaled $1.9 billion—$1.4 billion to foreign creditors and $500 million to Argentine contractors.

Although the government had promised to invest the privatization proceeds in health and education, 60% was used for foreign debt payments, and the remaining 40%, according to researcher Daniel Muchnik, “was lost in the back alleys of public administration accounting.”

Carlos Menem’s government merely continued the corrupt ways of the Argentine military dictatorship. Between 1990 and 1992 the Menem government privatized much of the nation’s wealth, precipitating $60 billion in losses. In the privatization of YPF, U.S.-based Merrill Lynch was given the task of assessing the company’s value. But Merrill Lynch deliberately underestimated the company’s oil reserves by 30% to reduce YPF’s appraised value.
Once the privatization had concluded, the hidden reserves reappeared on the books, and the purchasers thus reaped fabulous profits, thanks to the immediate increase in the stock market valuation of YPF shares.

In what might seem like a bad joke, “Argentina’s Central Bank stated that because it had no record of public foreign debt, the Argentine authorities that succeeded the dictatorship had to rely on declarations from foreign creditors and contracts signed by the members of the dictatorship, without these contracts having been verified by the Central Bank.” Moreover, the military government nationalized private debt contracted by the affiliates of Renault, Mercedes-Benz, Ford, IBM, Citibank, Chase Manhattan Bank, and Bank of America, among others. In 1981 and 1982, exchange risk insurance regimes were established—the state ensured a preferential exchange rate for these companies—through which a large part of the debts of those economic groups was transferred to the state.

In Brazil, in 1997 Fernando Henrique Cardoso’s government hired Merrill Lynch to appraise the leading public company, the mining concern Vale do Rio Doce. Numerous Brazilian congressmen accused Merrill Lynch of underestimating the company’s mineral reserves by 75%. During the Cardoso period, in addition to the state mining company, the state-owned telephone company (Telebras) and government-owned gas and coastal shipping businesses were also privatized.

In Peru, the task of privatizing much of the nation’s wealth fell to Alberto Fujimori’s government, amidst notorious cases of corruption. Fujimori applied a neoliberal program of brutally and completely eliminating all controls on financial capital, reducing the country’s tariff protection, eradicating the entire regulatory framework governing wage labor, and dismantling state-owned manufacturing and services. Peru was thus relegated to the status of producing raw materials. The number in poverty rose from 7 to 12 million, between 1990 and 2000.

In recent years, since the failure of the neoliberal model has become obvious, privatizations have grown increasingly thorny and have encountered strong opposition. President Alejandro Toledo took office in Peru on July 28, 2001, after championing the social movement opposed to Fujimori’s policies. During his campaign, which focused on poverty and unemployment, he promised not to privatize state-owned enterprises in the southeastern city of Arequipa. But once in office, Toledo aligned with big money. To win the bankers’ confidence and tame the fiscal deficit, he continued with his predecessor’s privatization policy. Toledo’s privatization targets included two state electricity companies (EGASA and EGESUR) in the southern departments of Arequipa, Moquegua, and Tacna. Even though the sale violated a court order to bring the privatization process to a halt, on June 14, 2002, the two firms were awarded to a Belgian firm accused of paying kickbacks to Fujimori.

In Bolivia, the October 20, 1999, passage of Law 2029 privatizing drinking water services took place with no public consultation whatsoever. To avoid a debate on water resources, Bolivia’s ruling coalition entered into a temporary alliance with its main political opponent, the MNR. The MNR is the party of former president Gonzalo Sánchez de Lozada, under whose administration the current economic model was designed. Law 2029 enacted regulations regarding the provision of drinking water and access to water sources for any use, granting exclusive rights to the licensee without taking into account the practices and customs of communities and social organizations, which were to become mere consumers of the services provided by the concession holder. The law pegged rate increases to the U.S. Consumer Price Index and gave legal status to contracts held by companies such as Aguas del Tunari, a subsidiary of the London-based International Water Limited, owned by Bechtel Enterprises of San Francisco, California, and Edison of Milan, Italy.

Both in Peru and Bolivia (as well as in Paraguay and Uruguay), the privatizations sparked strong social opposition, leading to popular uprisings in several cases.
A Shocking Failure

Not only did the privatizations take place against a backdrop of rampant corruption and plundering of national resources; they were also a commercial failure, and the population of the countries involved ended up footing the bill. Meanwhile, poorer-quality services, higher rates, and a deterioration in infrastructure due to a lack of investment resulted in fabulous profits for multinational corporations.

A recent book by the American geographer David Harvey explains the logic of privatization.11 Given the growing difficulty of obtaining profits, due to an overabundance of capital and a dearth of opportunities to profitably invest it, global elites developed what Harvey calls “accumulation by dispossession.” This term refers to the fencing of communal land in Victorian England, which served as the catalyst for capitalist expansion.

But unlike the expropriation of communal lands—and the entire process of plunder, war, and colonial conquest through which capitalism established its ascendency—the accumulation by dispossession currently under way combines brutal forms with more subtle “legal” types of dispossession: biopiracy, intellectual property rights, the pilfering of humanity’s genetic resources by a half dozen pharmaceutical companies, and privatization. Indeed, in capitalism’s current phase, neoliberalism “internalizes cannibalistic, predatory, and fraudulent practices” that once seemed eradicated.12 Most importantly, Harvey’s analysis shows that in the current economic era, corruption is the system’s “habitual” way of operating.

In response to the large number of irregularities in Argentina’s privatized companies, Néstor Kirchner’s minister of economy, Roberto Lavagna, requested a report from the General Auditing Office of the Nation. The agency compiled 40 studies on privatizations conducted since 1993, and found that companies do not comply with investment commitments, modify work plans, amounts and time schedules without authorization; do not comply with minimum asset requirements set forth in contracts to ensure solvency; resort to borrowing to finance operations; owe payments to the pension system; modify stock-options packages, despite contract prohibitions against this practice; and fail to protect assets.

Moreover, privatized companies fail to take out insurance or allow their policies to expire, adjust rates in violation of their contracts, neglect to pay fines imposed by regulators, lack complaint-reception procedures, and fail to submit government-required documentation. Several of the studies recommend that many privatization contracts be rescinded.13

A recent report by FLASCO (Latin American Faculty of Social Sciences) asserts that privatized companies in Argentina reap profits unparalleled anywhere else in the world. From 1993 to 1999, the country’s 200 largest businesses generated 25.9 billion dollars in profits; 54% of these profits accrued to 26 companies, which grossed $2 billion a year. The study concludes that in the 1990s, “the average profitability of privatized companies was between seven and eight times higher than the rest of the country’s largest firms.” The study also notes that illegal rate increases were levied, the quality of services worsened, and employee rosters were cut, resulting in a “transfer of resources, first, from wage-earning and low-income sectors to business sectors, and, second, within businesses, from small and medium enterprises to large ones.”14 Though the Argentine and Peruvian cases are among the most extreme, they illustrate how privatization has contributed to the concentration of wealth, eroding economic security for most people, polarizing countries, and undermining social harmony.

Resistance: From Opposition to Insurrection

In the final decades of the past century, broad popular struggles in Latin America took aim at fiscal adjustment policies (the “Caracazo” in 1989) or at the corruption endemic to neoliberal governments (the “impeachment” of Brazilian President Fernando Collor de Melo in 1992) or at neoliberal policies generally, in nearly every country. This resistance intensified beginning in about 2000.

A series of struggles against privatizations succeeded in imposing bottom-up changes in neoliberal policies vis-à-vis state-owned enterprises. Most notable are the early-2000 uprising in Cochabamba over control of aquifer resources, the broad-based struggles in Peru and Paraguay in 2002, and the 2003 referendum in Uruguay on the privatization of the state oil company.

As the failure of privatization became evident, opposition grew more radical. Protests and referendums gave way to direct action in a process that accelerated toward the end of the 1990s from the revolts in Arequipa, Cochabamba, and Paraguay to the events of December 19 and 20, 2001, in Argentina and the gas war in Bolivia in September and October 2003. Neoliberal policies—especially privatizations—catalyzed opposition forces,
uniting diverse social sectors including workers, the unemployed, and the middle class and triggering unprecedented crises.

Several examples illustrate this radicalizing transition.

In Uruguay the grassroots movement has often used legal mechanisms to repeal laws. By submitting the signatures of 25% of registered voters, activists can force the executive branch to call a referendum. In December 1992, during the term of Luis Alberto Lacalle, a broad social, trade-union, and political movement succeeded in blocking the State Companies Law (which called for several privatizations), when 72% of the votes cast in a referendum favored repeal. In 2002, the union of the state-owned oil company, ANCAP, the trade-union movement, and the political left obtained enough signatures to force another referendum. An overwhelming 62% of the voters favored repeal, while 35% voted in favor of leaving it on the books.

In countries without legal safeguards to prevent privatization, people have resorted to direct action. In Peru, on the day the government announced privatization of the power companies (July 14, 2002), Arequipa residents took to the streets, erected barricades, and openly defied the police. “¡Arequipa revolución!”—the mythic rallying cry used decades before in this city with an unruly tradition—was taken up once again.

Hundreds of protestors seized the airport, forcing flights to be rescheduled. Although the government sent in police and military reinforcements, the populace continued to rally. Not even a curfew and the imposition of military control convinced people to retreat. As the days went by, the protest contingent grew, spreading throughout the entire southern portion of the country and taking on insurrectional overtones. Cuzco, Tacna, Moquegua, and Puno demonstrated their solidarity with Arequipa, which by then had become the epicenter of an uprising that threatened to engulf the entire south.

On July 18, four days into the uprising—which had already killed one person, injured 100, and caused extensive damages—President Toledo backed down, apologized to Arequipa residents, and began negotiations with local mayors and the Frente Amplio Cívico de Arequipa (FACA). The talks resulted in the signing of the Arequipa Declaration, in which the government renounced its privatization project and promised to leave the entire issue in the hands of the judicial branch. Celebrations erupted, as the rebellion spurred the erosion of Toledo’s government.

An entire book could be written about Bolivia’s “water war” in the city of Cochabamba. This was the first victorious large-scale street battle with specific objectives in many years and succeeded in coalescing very diverse social actors: workers, peasants, Indians, housewives, professionals, and young people. In early 2000, the Coordinadora por el Agua y por la Vida (Coordinating Group for Water and Life) was created as an umbrella group comprising a Water Defense Committee; Irrigators Federations; unions of factory workers, teachers, merchants, and peasants; and associations of professionals, including engineers, lawyers, and economists. The Coordinadora convened a popular consultation for Sunday, March 26, after marches, town meetings, and mobilizations were severely repressed by military deployments in the city. Fifty thousand persons expressed their opinion at more than 140 polling stations in every neighborhood in the city.

Based on the outcome of the consultation, starting April 4, calls were made for a general shutdown of the city and key roads. Appeals were issued for the government to find a definitive solution to the water problem, amid warnings that the “final battle” was beginning. Demands were made for the privatizing company, Aguas del Tunari, to leave the region, for water rates to be frozen, and for water privatization to be repealed. Starting April 4, the Coordinadora began its strike by closing local roads. It was joined by the Campesino Federation (CSUTCB), which blocked roads throughout the country. Workers of one airline (LAB) even delayed flights in support of the struggle in Cochabamba. Four days into the general strike, military and police forces seized Cochabamba’s main plaza, which was packed with protestors, arrested the Coordinadora leaders, and declared a state of siege.

In the rural areas of the department of La Paz, three town meetings were held (the most important, in
Achacachi near Lake Titicaca, was attended by 15,000 Indians) ratifying proposals to continue with the highway blockages. On April 7, Cochabamba was once again taken over by thousands of protestors, who regained the plaza and faced down the forces of repression. The mayor announced that Aguas del Tunari would leave, and a grassroots celebration broke out. Members of the military and police were cowed into returning to their barracks by the massive presence of the street protestors. In this climate, on April 10, the government acquiesced, signed an agreement with peasant groups, and confirmed that Aguas del Tunari would depart.

The Cochabamba insurrection witnessed “unprecedented forms of organization, capable of harboring a modern, hybrid proletarization of the urban population and the expansion of discursive constructs firmly anchored in a self-recognition of want, suffering, and laboriousness.” Marches and strikes—usually deemed appropriate for moments of upsurge—were eschewed as the main form of struggle in favor of the occupation of spaces. Grassroots opinion was polled through town meetings, and traditional representation gave way to self-representation. Such representation, exemplified by the multitudes in the street, was “an all-out expression of local self-organization,” a powerful network of power, mobilization, and territorial and regional self-control.15

An analysis of how opposition to privatization moved from disarray to militancy potency reveals its intense mobilization and the changes away from the centrality of the worker as the main social actor.

An analysis of how opposition to privatization moved from disarray to militancy potency reveals its intense mobilization and the changes away from the centrality of the worker as the main social actor. “Each neighborhood, each water committee, began to arrive at the plaza with its leaders and banners at the fore of compact formations of young people, of men and women brandishing sticks, bottles, Molotov cocktails, rocks, and knives. Each neighborhood, agrarian union, and water committee had decided to wage war and was willing to do so.... The militarization of local structures of mobilization later led to the emergence of water warriors who entrenched themselves in Plaza 14 de Septiembre for the three following days.”16

In Paraguay, the leading protagonists of the struggle against privatization were the peasants, who in just four years succeeded in unifying the entire grassroots movement into the Democratic People’s Congress (CDP). The congress, an umbrella group of more than 60 peasant, trade union, grassroots, and political organizations, was constructed from the bottom up after peasant unity was fractured in 1998. In addition, activists wove broad alliances that coalesced in the formation of the Front for the Defense of Social Assets and National Wealth and the People’s Plenary Against State Terrorism.

Anticipating the imminent privatization of state-run enterprises and increased repression, including the introduction in the Paraguayan Congress of an antiterrorist law openly promoted by the U.S. Embassy, the CDP was created on May 15, 2002. In its first session, attended by more than 1,000 delegates, the CDP resolved to launch a broad-based national mobilization for the rejection of the Privatizations Law, the public banking system reform law, the antiterrorist law, a law privatizing national roads, and a law establishing an agricultural tax. The delegates also chose to target rampant corruption and impunity in the country.

On May 21, the first of a series of mobilizations began, with intermittent road closings at 18 points in 12 of Paraguay’s departments. In this highly polarized climate, peasants collided with the forces of repression, and more than 100 protestors and several social leaders were arrested. In the city of Coronel Oviedo, 130 kilometers from Asunción along the country’s main highway, solid walls of police and military prevented some 5,000 peasants from continuing their march to the capital, where one of their number had died. But in the coming days the campesinos broke through the cordons of repression and neared Asunción, while the wave of protests spread throughout the country. On June 3, peasants began streaming into Asunción, where they camped in the plazas across the street from the Paraguayan Congress, while in the other main cities protests raged and the highways remained closed. The next day, thousands of campesinos from the North broke through police cordons to converge on the capital with other columns that were approaching from the east and the south, while 1,500 protestors seized the commissariat of San Estanislao. Meanwhile, students closed highways, and classes were suspended throughout the country. In
that climate, the Senate indefinitely suspended the Privatizations Law. This important victory came after 16 days of intense mobilization.

**Tentative Balance: Social and Political Crisis**

Seen through the prism of grassroots struggle, the victorious campaigns against privatizations in Peru, Paraguay, Uruguay, and Bolivia reveal how new social actors have evolved in the wake of changes promoted through two decades of neoliberalism. These conflicts also reveal the fragility of nation-states, the emergence of new forms of struggle, and the maturing of relations between social and political stakeholders.

Since 2000 the social sector has regrouped—as manifested in the struggles against privatizations—following setbacks in the 1980s and 1990s. However, this offensive occurred within a social landscape modified by the neoliberal model. The most obvious tactical adaptations embraced by grassroots activists are related to the nonexistence of a central stakeholder comparable to workers in the previous period. In their stead a diverse ensemble of protagonists (from informally employed and unemployed laborers to technicians and professionals) has emerged, establishing de facto alliances responding to concrete situations. In all cases, there has been a tendency for distinct relations to be established between social forces and political ones. The vitality of the mobilizations has been provided by the former, while the latter seek to reshape old structures on the left (as in the Bolivian case) or are excluded offstage (as in Peru).

The South American struggles against privatization also reveal the increasing weakness of nation-states. Except in Uruguay, where the state has maintained discipline over civil society, governments have exhibited a striking inability to resolve social conflict without resorting to repression. This undermining of social contracts is directly related to neoliberal policies and to the further weakening of the traditional left throughout most of the continent.

Sociocultural changes are reflected in changing forms of struggle, closely linked to the crisis of representation experienced in most Latin American countries. Road closings and insurrectional mobilizations have nudged into the political space once occupied by the labor movement’s strikes and work stoppages. These innovative forms of struggle have two noteworthy characteristics: they represent the emergence of geographically delimited stakeholders with a new configuration and spatial relationship in which shantytown dwellers, peasants, the unemployed, women, and young people all play a significant role. Grassroots movements seize public spaces, because they reject representation. By organizing independently, they give life to a new grassroots force that has characterized the most important civic battles in recent years in Latin America.

**Same Old Problems, New Questions**

Lastly, a new debate is taking shape that is intimately related both to the failure of privatizations and to the success of struggles against neoliberalism: What is to be done with the privatized companies? How are they to be recovered? And, above all, how are they to be managed, and who is to manage them?

The recent referendum in Bolivia may provide some insights. First, the social movement, which appeared very united in its opposition to privatization, fragmented when solutions were sought. The Bolivian people’s solidarity in defending the gas nationalization with their lives evaporated when Carlos Mesa’s government called for the July 18 consultation.

The problem, in the end, is the state. An increasing number of social sectors are suspicious of governments’ capacity to properly manage national resources. The memory of corruption in the managing of companies that were later privatized undermines the option of state ownership. Nevertheless, the debate is still alive. In Bolivia, since both the water war in Cochabamba and the October 2003 uprising over the gas issue, as well as in Argentina and in many other countries, these issues are being hotly debated.

The choice is no longer reduced to public vs. private ownership. The Argentine economist Julio Gambina, echoing the sentiment of popular assemblies and piquetero (unemployed) groups, recognizes that the outright nationalization of the privatized companies is not the answer, “because [nationalized companies] end up being bureaucratic and subjugated to the political group that happens to run the state at a given moment.”

No one has ready-made alternatives, but the ongoing debates reveal possibilities for state-run or, at least, mixed management: cooperative companies run by users by users, with the possible participation of the state, and for creating a flexible social space capable of accommo-
dating non-state-run companies, mutuals, cooperatives, and community organizations.

All of these options can be open to joint management by consumers, workers, and perhaps the state. This still-inchoate debate has an enormous virtue: it channels the concerns of common people in a new direction—toward resolving how to achieve empowerment vis-à-vis public assets without blindly handing over their management to some outside expert. If this direction is strengthened and clarified, the terrible history of privatizations might yet have a happy ending.

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ENDNOTES

1 Eric Toussaint, Dueda externa, p. 86.
2 Nicholas Brady was then secretary of the treasury.
3 Quoted by Toussaint, Dueda externa, p. 79.
4 Toussaint, Dueda externa, p. 189.
7 Toussaint, Dueda externa, p. 191.
10 Harvey, New Imperialism, p. 121.
11 For more information, please see www.agn.gov.ar.
12 A summary of the FLASCO report “El modus operandi” can be found at www.lavaca.com.
14 Ibid., p. 157.