Workers Seize Plant, Confront Argentine Rulers

The workers of Zanon, Argentina’s largest ceramic/tile factory, located in the city of Neuquen, held a march and rally on July 7 (see photo) to reaffirm their right to continue to occupy and reconstitute their factory after seizing it four years ago following the owner’s lockout. The march, reflecting the wide community support for the tile workers, included health workers, public employees, teachers, professors and students, townspeople, and the unemployed organizations (“piqueteros”). They proclaimed the right of Zanon workers to establish a “Fabrica sin Patrones” — “Factory without Bosses."

Several weeks earlier, a bankruptcy court judge had reopened bids to place the factory in private capitalist hands once again. However, the workers had expropriated the plant without payment, arguing that since the bankruptcy declaration was both criminal and fraudulent, there must be no compensation to the former owner or creditors. Zanon’s boss owes back pay to his employees and paying off the fraudulent debts would weaken the community that depends upon the factory as a principle source of income.

An appellate court disallowed the new bid on August 5. The Zanon workers’ ultimate aim remains state ownership of the tile factory under worker control.

The former owner, Luis Zanon, was awarded a $45 million loan and credits from the World Bank, Banco Rio and the Neuquen Province and then liquidated and sold the plant, after years of firing workers and instituting dangerous speed-up, killing one worker and injuring countless others. Zanon used his capital for speculative and personal investments. Of the 380 workers still on the payroll, 240 remained to occupy the factory and began production in February 2002 under worker control. (This action grew out of a mass nation-wide uprising in December, 2001, which forced the former president to flee.) By August 2005, employment had risen to 480 workers and production had increased 15-fold.

The workers’ take-over of the ceramic factory had become the symbol throughout Argentina of opposition to neoliberal governmental collusion with corporate finance. Governor Jorge Sobisch supported the former owner and the factory shutdown and viewed the worker takeover not as increasing provincial employment but as a working-class virus that had to be crushed. Given that Neuquen province contained the newly-privatized gas and petroleum holdings, employing over 15,000 workers, the Zanon workers represented a dangerous alternative model. Since the 2001 economic crisis, over 5,000 factories have closed and approximately 180 have been taken over by, and transformed into, workers’ cooperatives. Zanon stood out as workers beginning production without legal permission from a bankruptcy court judge or a provincial legislature.

While many Argentine labor unions have not supported worker cooperatives, in 1998 the Zanon Ceramic Workers local had won control against the former bureaucratic union’s collusion with the owner and began to confront the repress-