The Grassroots of Resilience

Contributed by Kate Bodi
31 October 2010

This report starts with the U.S. and concludes with a presentation by a witness to Argentina's financial collapse and community-based response a decade ago.

It shouldn't take a worst-case scenario such as the complete economic and political collapse of Argentina in 2001 to teach us how to reduce our collective vulnerability to economic and political stressors. However, neither should we ignore history's narrative on community resiliency amidst past disasters.
In fact, the United Nations International Strategy for Disaster Reduction (UNISDR) created specific terminology to provide broad common understanding.

Resilience / resilient: The capacity of a system, community or society potentially exposed to hazards to adapt, by resisting or changing in order to reach and maintain an acceptable level of functioning and structure. This is determined by the degree to which the social system is capable of organizing itself to increase its capacity for learning from past disasters for better future protection and to improve risk reduction measures. (from UNISDR's Basic Terms)

Most large cities such as Washington, D.C. and Oakland, California have developed official assessments in key systems such as local food security, including an analysis of grassroots-type community initiatives. The Oakland Mayor's office of Sustainability stated in May, 2006, "A significant portion of Oakland's population experience food insecurity or are at risk of experiencing food insecurity.

This conclusion was based upon 2004 economic data showing 1 in 5 people in Oakland subsisting below the federal poverty level; and a 2000 study showing the same percentage of people without personal transportation." Hopefully the Mayor's office will update their assessment soon to reflect the new real economy because, as New Orleans Mayor Ray Nagin learned in 2005 (msnbc.msn.com), federal officials were either not equipped or not inclined to provide the City of New Orleans the necessary support during the Hurricane Katrina disaster. For this reason we, as citizens, need to perform similar appraisals to aid us in developing more community resiliency especially in urban areas.

We in the U.S. no longer have a choice but to make drastic adjustments in virtually every aspect of our daily lives. The expansionary credit economy is over and we have real challenges ahead of us, forcing us to re-evaluate our priorities. No longer can we find solace in 'retail therapy' consuming binges, but instead in developing community connections. The retail, service and even information jobs of the past are fewer, followed now by the evaporation of the civil and public service sectors. Instead we must re-learn traditional skills such as community-based agriculture, local manufacturing, trade and craftsmanship before it is too late and our cultural knowledge fades away forever. We also must adapt as best we can to a rapidly changing global climate and resist continued dependency on foreign oil even if it means sacrificing foreign trade.

When people think of the 2001 Argentinean collapse, they automatically think of riots, looting and violent unrest. It's true. Social cohesion did break down in large cities as they negotiated both the erosion of societal norms and the carrying capacity of the land beneath them. On the other hand, in rural Patagonia a different dynamic existed that allowed for the spontaneous emergence of barter markets. These markets self-organized to create a flow of trade in necessary goods and services when access to standard currency was radically reduced and even ultimately removed from society. Community cooperatives also formed to provide the means for a higher level of local function and, thus, greater regional stability. During the collapse, both functioned together to create a culture of mutual cooperation, to decrease tensions and conflict and to safeguard the basic needs of every individual within the community. (See "Argentina from a political, ecological, social and artistic perspective," next report below.)

Recent trends suggest that social and cultural change in the U.S. is occurring on the local level despite the lack of leadership from federal and state government. Since the 2008 financial meltdown, grassroots food buying cooperatives have expanded to work with people receiving federal government food assistance. Many community cooperatives, farmers markets, community supported agriculture farms and local farms

are beginning to widely accept EBT cards and WIC vouchers as alternate currency, making healthy local food choices available to the most nutritionally at-risk and economically disadvantaged.
These are the government food assistance electronic benefits card under the Supplemental Nutritional Assistance Program (SNAP/Foodstamps - fns.usda.gov) and
vouchers under the Special Supplemental Nutritional Assistance Program for nutritionally at-risk Women, Infants and Children (WIC - usda.gov). Such funding sources are increasingly the only form of income many people have. The New York Times on January 6, 2010 revealed that "six million Americans receiving food stamps... have no other income." (nytimes.com) Alternate food markets are most urgently needed in U.S. cities where ‘food deserts’ are problematic, to provide greater food security.

Community Food Compact of New York (see Farm To City) is one such example also offering scholarships for membership shares to low-income residents. Another type of cooperative, the worker cooperative, strives to create worker-owned business opportunities for low-income neighborhoods. The Mandela’s Farmers Market in West Oakland supports African-American farmers and serves surrounding low-income neighborhoods by not only accepting EBT cards, but also by providing screening and application assistance for residents to receive government assistance for food and health-care coverage through Medi-Cal. In Austin, Texas, Third Coast Worker’s cooperative has been developing worker-owned businesses such as Yo Mamas Catering Co-op, owned and operated by a group of low-income women. These kinds of community cooperatives are ideal local-resiliency adaptations because the worker-owners live in the communities they serve. They are in the best position to understand the needs of others living there and to implement creative solutions during times of crisis and disaster, adding value to their communities.

You can learn more about adaptive community responses during the 2001 Argentinean collapse by reading the following collaborative essay, “Argentina from a political, ecological, social and artistic perspective” incorporating Max Edleson’s experiences in Patagonia during 2001-2002. This lecture and discussion was held on April 1, 2009 in Coos Bay, Oregon, part of an ongoing weekly collaborative exploration on ‘Alternative & Green Energy’ in the local community.

Argentina from a political, ecological, social and artistic perspective

Article by Kate Bodi based on a presentation by Max Edleson.

Introduction

Max Edleson, formerly of Cob Cottage Company, lived in southern Argentina, in a region called Patagonia, for 7 years before moving to Coquille, Oregon to be a part of the Center for Natural Building. Early in his time in Argentina, Max witnessed the collapse of its economic system and observed and participated in the creative social responses to this crisis. The most notable of these responses was the emergence of the barter market, which was an alternative market place with its own currency and served most of the people’s needs. The town Max lived in, El Bolsón, is considered by many to be the cultural capital of Argentina. Max observed and participated in many exciting aspects of community ranging from ecological activism, natural building, art, music and community radio. (biography courtesy of Cob Cottage Company)

The "Corralito"

Max Edleson arrived in El Bolsón, Patagonia, in January, 2001 and personally experienced the currency crisis that accompanied its economic collapse. As part of an international attempt to stabilize currency and during a time of gross political instability, Argentina agreed to peg the value of its peso to the United States dollar. This was initially set at a ratio of 1:1. However, Argentina could not compete with surrounding economies and this exchange swiftly rose to 4:1 before settling at approximately 3:1. By 2001, investors had lost all confidence and a flight of capital followed.

In a very short period of time, Argentina saw the rise and fall of five presidents. Measures adopted to deal with the economic crisis included limitations on bank withdrawals. Citizens were allowed to pull out approximately 200 pesos a week (about $70.00 USD) and the government began seizing public servant pensions. A bank run ensued which led to the adoption of the "Corralito" (small corral). That measure initially froze all bank accounts for a 90-day period and no US currency was released to depositors at all. In December, 2001 violent rioting broke out as people demanded money to conduct business. The government responded by transitioning to the "Corralón" (big corral) which meant that all currency deposits were seized and bonds were instead issued. Following the collapse of currency, the government defaulted on its debt obligations. Soon, there was no cash at all circulating within the Argentine economy.

Emerging Barter Markets

Bartering began to rise spontaneously in communities everywhere. Few people had any knowledge or experience in barter markets. Those who did, swiftly began to organize training sessions. Initially, people began showing up at public spaces such as schools, parks and gymnasiums. It became apparent that communities which had greater degrees of local production in value-added areas such as food, wood, and even specialty commodities like honey were much stronger than communities with less local production. Not only were they better suited to meeting their own needs, but they also emerged stronger overall as local currencies cropped up which were only good in issuing areas. Regional trade became possible only through value-added goods.

Another important early discovery was that beyond the collapse of complex systems, which often do not serve a community's best interests, people learned what was real to them. Real things included not only those necessary for survival but also items which strengthened the community overall. Barter markets level societies in unexpected ways. This lesson was hard-learned by public servants who were the last reluctant segment to join the barter markets. Physicians, in particular, valued their services initially on par with farmers and other experienced food production laborers. As the government collapse continued and economic pressures mounted, they swiftly found themselves adjusting their prices downward. Many professionals learned that their knowledge and education could not compete with those of organic farmers, bee-keepers and even those who manufactured musical instruments.

Building Democracy & Solidarity

As barter markets took root, communities began the work of market organization. In order to participate in the market, a person was required to attend training sessions run by facilitators. The idea of solidarity became important as local currencies developed. Self-organized local and regional trade began to transcend
borders established by governments when they didn't realistically
reflect the nature of actual available goods and services. Regions were then divided into neighborhoods and nodes (footnote 1).

A family gained membership of the neighborhood market where they resided (footnote 2). No more than one member was required to attend at least 3 out of every 4 planning and market meeting. With subscription to the market, each member received 50 credits of exchange currency. Members were expected to arrive early and help set up tables. Before each session, people first browsed the market in order to plan their trades. Market rules and guidelines were created to help the process run smoothly and fairly. They also developed strategies so that entertainment was provided for children to keep them occupied away from trading areas. Street theater, clowns, musicians not only improved the atmosphere for the young, but also gave an avenue for expression that served to diffuse conflict. Thus, a culture flourished alongside trade.

Although the process developed simply at first, over time the level of complexity began to rise. While direct transactions were always promoted, multi-barter trade and leadership issues occurred. In order to preserve the strongest sense of democracy, leadership was offered by roster. In orderly fashion, three people were offered leadership roles for a period varying from 2-3 months. The option of refusing to serve was always reserved without repercussion, but everyone had the same opportunity to lead. In spite of this, tensions still developed as people began to question their roles. Those with ideas and a strong knowledge base felt their services should be highly valued, as did those who labored and produced necessary goods. Where then, did this leave others who offered less?

Social & Cultural Phenomena

Some important distinctions should be made about different social responses to the economic crisis in Argentina. Larger cities and urban areas experienced a much higher degree of breakdown in social cohesion. Throughout 2001, there were violent protests, riots and looting. Many supermarkets were completely shut down early on as looters broke in and emptied shelves. Angry citizens struck out against banks, businesses and multi-national corporations, and confrontations with armed police officers became more frequent. The government desperately declared a state of emergency, but this only served to heighten populist backlash. After several civilian casualties in mid December, the government collapsed entirely.

Rural areas such as Patagonia had much less dramatic experiences. First, it needs to be understood, even more remote areas of Argentina are fairly well developed. They had services such as water, electricity, telephone and transportation systems. While it is true there are more work animals on farms and ranches, there are also many late model and new automobiles, trucks and tractors. However, a fundamental difference in perception and response to economic pressures developed primarily because of the nature of available resources. Rural areas are considerably less populated in relation to their agricultural capacity.

These factors greatly influenced the nature of trade. In cities, most bartering dealt in used and second-hand goods such as clothing and furniture. A significant portion of the population resorted to scavenging and scrapping of recycled goods. In contrast, rural areas quickly began producing a diverse range of durable goods as well as commodities such as food. Labor intensive services were in greater demand. Rules regarding property rights also became more relaxed as squatters no longer faced government prosecution. Because less populated areas also tend to have a higher degree of personal accountability (footnote 3), this actually worked to increase social cohesiveness. The breakdown of imposed societal norms which often led to chaos in cities actually helped bring about cultural renaissance in many parts of the countryside.

Community Cooperatives

An increase in local currencies combined with a decrease in production led to inflation. This was particularly noticeable when one needed to replace items not manufactured locally. A machine part could be difficult to locate and very expensive to purchase. It was crucial that a community possessed the goods it needed to function in order to remain strong. Over a period of time, people became more resourceful. One example of creative problem-solving was the conversion of an old 'wringer' style washing-machine to serve as a pulping machine for producing juice. Solar and outdoor ovens became more prevalent, though they had limited seasonal use. Services fared best in areas where they were run by local community cooperatives whose members had a strong interest in maintaining them.

Patagonia had not been traditionally settled to the extent it has in recent times. Many ecological issues were developing over mining and indigenous rights.

As more people began homesteading in recent decades, new buildings were constructed using natural materials. A kindergarten was built in El Bolsón by the parents themselves. This school was created from timber framing, bricks, stone and adobe. Teachers and parents collaborated on its design. The building was structured so that it would be centered primarily upon the children with many low windows and a huge balcony to accommodate the culturally-valued story-telling hours. All parties with a stake in the school were pleased with the results. This is another example of community involvement and responsibility almost never seen in "advanced" urban, industrialized societies.

Conflict & Consensus

Community barter markets, as mentioned earlier, were run by members who served as coordinators. Decisions were arrived at through the process of consensus. This essentially meant that no one should ultimately disagree. This contrasts with how many decisions are made in modern society. Most of the time, each party is holding out for the best possible deal for them personally. In consensus bargaining, negotiating and compromises are traded until every person feels satisfied with the result. The ultimate goal is to reduce conflict and tension within the community while safeguarding the basic needs of every individual. This can be difficult unless all parties are coming from a position of mutual cooperation and should; therefore, be the basis of any barter system.

It is also important to recognize that times of conflict and crisis affect individuals in unique ways. As barter markets and community cooperatives evolved in Patagonia, entire social networks were also changing. Markets and other community events became centers for information and cultural exchange. Music, street theater and the arts served not only as entertainment but also outlets for public protest and resistance. Murals on public buildings often reflected ongoing cultural struggles against political and economic forces. Different segments of the population identified with and offered distinct forms of cultural expression. All of these together served as powerful tools to strengthen communities.

NOTES:

1: A node typically consisted of no more than 40 people. 35-40 was considered a good size.

2: You were allowed to attend markets outside your neighborhood but only upon the condition that you "added value" to that market. This means that you offered either goods or services as an entrance fee. The reason for this is that exchange currency quickly threatened to outnumber goods and services in many regions.

3: "A higher degree of personal accountability" existed because most people tended to have more kinship and stronger social ties to that region. The sense of personal anonymity experienced in larger cities is much less evident in smaller communities.

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More background on Argentina's experience:

Argentina bleeds toward healing by Raul Riutor, Culture Change correspondent, 2003.

"Argentina has several million people trading in local currency since their inflation went through the roof." — Paul Glover, Ithaca, New York activist

On the collapse of the U.S. kill-for-oil culture: paper or plastic? (scroll down to sixth paragraph for discussion on Argentina and Cuba)
Culture Change Letter, 2004

Argentina's crisis and liberation:
Zmag.org.

Global Justice Media: A collective of media activists fighting corporate globalization in solidarity with Latin American struggles.

Learn about Argentina's anti-capitalistic experiment, from
Utne Reader, 2003

For general information on Argentina, see
iaqi.com

Watch the acclaimed documentary The Take