

**‘Theory-risk’:  
Reflections on “Globalization Theory” and the Crisis in Argentina<sup>1</sup>**

**Neil Larsen**

**University of California, Davis**

During the final months of 2001, when I first conceived the idea for this essay, Argentina had become the sudden focus of world attention. The International Monetary Fund, in what seemed at the time an unprecedented move, had refused to continue loaning money to the De la Rúa government, and, in the course of the following weeks, and the effective economic collapse of the country, a quasi-revolutionary situation appeared to prevail. On December 20, 2001 there occurred the now near-legendary uprising of the people of Buenos Aires that succeeded in forcing the resignation of De la Rúa. Though upwards of forty people were killed by police in the course of the uprising, the Argentine armed forces refused De la Rúa’s plea for intervention, thus marking what seemed, indeed, a revolutionary new phase in Argentine political and social history.

I am trained as a Latin-Americanist and had, not long before the ‘revolution’ of December, 2001, spent some weeks in Buenos Aires, so the events of those days—and developments since—were to leave a especially acute impression on me. The leading institutions of finance capital, under pressure from the United States of course, had effectively decided to jettison entirely not only a close ally of the G-8, but also a national economy that had not long before been the second largest in Latin America, one whose relatively sizeable and affluent middle class, and once well-organized and

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relatively highly-paid industrial working class, had long merited Argentina—or, at any rate, Buenos Aires-- a kind of honorary ‘first world’ status in the eyes of the world capitalist elites. In effect, the biggest bankers of the world, in keeping with the many other drastic measures introduced by the US hegemony after 9/11 and with their own serious internal financial crisis, had made a calculation: Argentina was no longer worth ‘saving.’ Its ‘country-risk’--a rating scale used by the IMF and the World Bank to inform potential investors of the most and the least secure ‘national’ havens for parking their excess capital-- was suddenly on a par with that of sub-Saharan African countries. In August of 2001 there was already to be heard in Buenos Aires the pun which had it that Argentina’s ‘country-risk’—in Spanish, “riesgo **país**”—had risen so high that that the country itself had become a “**riesgo país**” – a ‘**risk** country.’

But what struck me with equal force, at the time, was the sense of the gap that separated these clearly world-historical but *conjunctural* events from what was then, and largely remains, the tenor of ‘theoretical’ discussions of “globalization” in the academy and in radical-intellectual circles in the US. At the center of these discussions was, of course, the sensation generated by Michael Hardt and Antonio Negri’s *Empire*, a tract celebrated (if also, by then, notorious) for its literally millennial proclamation of a ‘new world order’ that had, so its authors told us, rendered virtually all heretofore existing secular forms of knowledge about the world, and its social, economic and political constitution(s), obsolete. I won’t pause to summarize here what must already be familiar arguments to many readers, except to emphasize the ontological, and almost religious fervor with which Hardt and Negri and their many avid readers proclaimed a kind of Copernican revolution-in-the revolution, a ‘new world order’ at the same time sinister,

ubiquitous, strangely fascinating in its ‘shimmering planes of immanence,’ and—sure enough—ripe at any unpredictable moment for the world-revolution vouchsafed in the massing at all points of the center-less and rhizomatic network of Empire’s own twenty-first century grave-diggers: the “multitude.” Old fashioned Marxist notions such as the law of combined and uneven development, according to which breaks in the world system would occur, if and when they did, serially, and at local and conjunctural nodes were, to hear *Empire* and its celebrants tell it, a thing of the past, since, in this most epical and chiliastic version of ‘globalization’ theory, the janus-faced Empire/multitude global entity had long since spilled over and washed away the uneven and sub-global barriers once erected by such things as sovereign nation-states.

No one, of course, could doubt the implied sympathy of *Empire*, and the more broadly constituted left-theory/ critique of globalization that it had evidently succeeded in condensing, for the “multitude” that had taken to the streets and struck a momentary but impressive blow against capital in Buenos Aires. But the gap that opened up here, as I saw it, between a metropolitan-based and essentially academic “theory” and a distinctly national-popular instance of spontaneous revolutionary practice seemed to me especially acute, not to say grotesque. Here, I thought, was an ideological and perhaps cultural blind-spot notable in itself and worth some reflection. It is these reflections that follow. The reader, whose indulgence is hereby begged, will note, however, that they do not unfold in a smooth and linear course from ‘theory’ to ‘event’ or vice-versa, but, rather, assume a roughly paratactical format, hovering in range of a number of problems and symptoms peculiar to “globalization theory” in the US, before tracing their way back to Argentina. The wished-for critical and rhetorical trump in which ‘practice,’ in the form

of national crisis and popular uprising, shatters the false idols of a smugly self-removed ‘theory’ proves more elusive than expected, leaving one instead with a set of even more pronounced doubts as to what really counts as ‘theory’ in the first place, and, alongside this more skeptical stance, the chronic question for both Argentina and the globe, viz, what is to be done?

## I.

When it comes time, if it ever does, to write the intellectual history of the ‘theoretical’ wing of the humanities in our own moment, that history will be punctuated less by its changing paradigms than by the rise and fall of its jargons. Of course, jargons are nothing new, and, in principle, all intellectual histories could be written this way. But what is particular to our moment, what bespeaks its specific form of intellectual poverty, is an apparent change in the relationship of terminology to concepts. This is a relationship whose messiness and general unevenness it has been the historical role of jargons to hide, but a relationship that jargons, acting as a kind of conceptual shorthand, could also keep from collapsing altogether. So, for example, even if one had never read or studied psychoanalytical theory, one’s casual use of terms such as “return of the repressed” or even “Freudian slip,” however pretentious and hollow, might still contain enough of a connection to the theory itself to lead one, eventually, in the direction of its real conceptual content.

But even that precarious link, as concerns much of what we are now given to understand as our ‘work,’ appears to have been severed: with increasingly fewer exceptions, it is no longer concepts that mediate terminologies, but the reverse. Adorno’s

strictures against the linguistically certified conceptual frauds of Heideggerianism and the post-war German existentialism it later spawned had already pinpointed this tendency in 1967:

What is or is not the jargon is determined by whether the word is written in an intonation which places it transcendentally in opposition to its own meaning; by whether the individual words are loaded at the expense of the sentence, its propositional force, and the thought content.<sup>2</sup>

To compensate for this ideological ‘loading’ of words at the expense of their conceptual content, the latter necessarily discursive, there is substituted the pseudo-discursive context of the linguistic ‘performance.’ Terms simulate concepts merely by being uttered or prominently displayed, a practice that not long ago seemed almost to approach the level of self-parody in, for example, the case of the term “the body.” Concepts become, at best, what is necessary to produce sentences containing the terms that identify the speaker as rightly (or wrongly) affiliated. I may not be able to explicate it or mediate it conceptually, but if I pronounce or write the term “hybridity” my audience will immediately be given to understand whose ‘theoretical’ authority I invoke and what books are on my bookshelves. And, for many of us, that seems to be ‘argument’ enough.

As the lives of jargons go, the now decade-plus old buzz over ‘globalization’ has a curious, perhaps even a novel feature: in naming what is purportedly a process or an existing or threatening condition that has, in principle, swallowed up everything, the thing that actually does the ‘globalizing’ or swallowing seems necessarily to lack a name. What would we call it? Not “the globe,” surely. “Globality”? “Globalism”? The latter has a nice ring to it, but perhaps only because it can’t rub off an already noticeably ironic nuance as the term that would also refer to the ideology that governs the consciousness of

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<sup>2</sup> Theodor W. Adorno, *The Jargon of Authenticity* trans. Knut Tarnowski and Frederic Will. (Evanston: Northwestern University Press, 1973): 8.

those who replicate, without a moment's hesitation, the jargon of 'globalization.' 'Globality' would then make sense as the term denoting the utopian face of this ideology or will-to- jargon. (Adorno, for whom "ideology" itself "has shifted into language,"<sup>3</sup> already considered these as amounting to the same thing.) "Globality" would be that quality or state of mind or society that meant that the world had finally caught up with 'globalization.'

Note that in the now seemingly more august case of the jargon of 'postmodernism,' this strange defect of the nominal did not obtain, since that term could function equally well as noun or adjective, viz, 'postmodern culture' or just 'postmodernity' or 'the postmodern.' Ditto for the 'postcolonial.' If culture could be said, in historical terms, to have become 'postmodern,' then *the* 'postmodern' could itself migrate from the predicate to the subject position. But a term such as 'the global' seems always about to fall back upon a mundane, merely descriptive connotation, lacking the aura of novelty and esoterism without which contemporary intellectual jargons cannot long survive. To say 'global culture' or even 'a global culture' may describe something real—the exportable form of Hollywood, for example—but, theoretically, it says very little, and perhaps nothing really new at all. For it is with 'culture' as it is with any concept: it must name a universal aspect in its object for it to have become a concept in the first place, and hence to refer to its 'global' aspect is, beyond its minimally descriptive value, fundamentally pleonastic. Culture must in some way already *be* a universal for it to be a particular. At best, 'global culture' becomes a novelty with, paradoxically, no place

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<sup>3</sup> *Jargon of Authenticity* xxi.

to *be* in relation to something else that it supersedes, since, presumably, there is no place left where it is *not*.

On the most vulgar plane, the advent of a new jargon merely indicates the exhaustion of an older one. This, to a depressing extent, probably explains the preponderance of individual uses of the term “globalization.” In the sphere of literary criticism, cultural studies and ‘Theory,’ one tends by default to say “globalization” where, more often than not, one once said “postmodernity.” The appetite, if not the need for epochal markers of some sort, for regular re-toolings of a self-consciously and, so to speak, prematurely declared ‘Zeitgeist,’ obeys the banal logic of an intellectual marketplace flooded with surplus and unsaleable goods: the same article on, say, Toni Morrison or teaching Shakespeare becomes a new one by being framed against a ‘new’ cultural dominant. Though they bear no direct responsibility for the phenomenon itself, Fredric Jameson’s widely disseminated theoretical writings, especially his essays on postmodernism, have given an ironically Marxist sanction to this taste for simulated paradigm-shifts. Both ‘postmodernity’ and “globalization” (the latter following Jameson and Miyoshi’s widely-read volume, *The Cultures of Globalization*<sup>4</sup>) are, in their Jamesonian acceptance, “logics” of a late capitalism that, even if most of us understand very little about it in any genuinely critical or theoretical sense, nevertheless satisfies better than other brand-name historicisms our need to be located in an “age” of something. The ‘Jamesonianizing’ of these jargons makes them more respectable because, in principle, they are more readily subject to an eventual ideological-critique-cum-Aufhebung that, even if it never really occurs, allows us to occupy more

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<sup>4</sup> (Durham: Duke University Press, 1998).

comfortably our putative form of secularity, acknowledging its sway without having to endorse it as a desirable state of affairs. The fact that, even more markedly than in the case of ‘postmodernity,’ the jargon of ‘globalization’ is launched by the right rather than the left<sup>5</sup> only further underscores the degree to which the propensity to re-‘historicize,’ every decade or so, our own cultural ‘moment’ has become an inveterate way of not ‘making history,’ at least not if we can help it. And in that case it really makes no difference where or by whom the epochal terms are set.

## II.

Of course, we are omitting the term that, though rarely pronounced in polite circles, would seem to denote what it is that is doing the globalizing: capitalism. But here too the jargon of globalization already begins to collapse back onto itself, losing that minimal referentiality that even jargons must possess in order to reproduce themselves. To say “global capitalism” or “capitalist globalization” threatens to become pleonastic too, but here in an even more insidious way, having to do with the nature of capitalism itself. For capitalism, from its inception, *is* global, if not immediately in its actual range and extension as a planetary network of economic relations and agents, then in its structural-historical particularity and difference vis a vis other, anterior modes of production. The language of the *Manifesto* remains insuperable here:

The need of a constantly expanding market for its products chases the bourgeoisie over the entire surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere.

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<sup>5</sup> As David Harvey has noted, the term ‘globalization’ first rose to prominence as part of an advertising campaign for the American Express credit card, and soon thereafter “spread like wildfire in the financial and business press, mainly as a legitimation for the deregulation of financial markets.” See *Spaces of Hope* (Berkeley, Los Angeles: University of California Press, 2000): 13.



The bourgeoisie has, through its exploitation of the world market, given a cosmopolitan character to production and consumption in every country. To the great chagrin of reactionaries, it has drawn from under the feet of industry the national ground on which it stood. All old-established national industries have been destroyed or are daily being destroyed. They are dislodged by new industries, whose introduction becomes a life and death question for all civilized nations, by industries that no longer work up indigenous raw material, but raw material drawn from the remotest zones; industries whose products are consumed, not only at home, but in every quarter of the globe. In place of the old wants, satisfied by the production of the country, we find new wants, requiring for their satisfaction the products of distant lands and climes. In place of the old local and national seclusion and self-sufficiency, we have intercourse in every direction, universal inter-dependence of nations.<sup>6</sup>

To speak of ‘global capitalism’ makes superficially good sense, but it lags conceptually because it suggests that it would make equal sense to speak of a ‘local capitalism,’ whether present or past. Yet we know that there is not presently any such thing, and that, over the course of its history, capitalism could not properly be said to have been ‘local’ with respect to anything that was itself ‘global,’ unless it was simply the uneven patch-work of tributary and tribal societies that capitalism has now fairly long since overthrown and reduced to mere cultural outposts. In referring to the ‘global’—unless by that term we mean, in a purely geographical or geological sense, the planetary—we refer to a social logic, a capacity for a *social* form to become fully global, or *spatially* universal in its constitution, a capacity that capitalism itself inaugurates.

### III.

As purely a gesture of ‘theoretical’ affiliation, the jargon of “globalization” is no doubt preferable in certain ways to the jargons it has displaced. At least here there is the promise of a real concept, of some possible theoretical or even just secular purchase on

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<sup>6</sup> Karl Marx and Friedrich Engels, “The Communist Manifesto” in David McLellan ed., *Karl Marx: Selected Writings* (Oxford: Oxford University Press, 1977): 224.

something. With the jargon of “postmodernism” one could never quite be sure even of this. The term, of course, could be and was sometimes used to describe any number of genuine and at times interesting cultural phenomena, but the concept itself has always, even in the best of hands (e.g., Jameson’s or David Harvey’s) remained so amorphous and ultimately indistinguishable from others—including that of “modernism” itself—that one wonders whether, if we all stopped saying it (that is, if we haven’t all at this point already stopped saying it) it would make the slightest difference to the content of what we were saying. At any rate, we’ve clearly moved on to affiliate ourselves, as ‘loci of enunciation,’ in other ways.

The current common sense about globalization seems to run something like this: inexorable advances in the spheres of technology and communications, together with the irresistible pull of market forces—especially after the collapse of the last socialist and national-liberationist bastions erected against the latter—have integrated the peoples and nations of the world as never before into a single, planetary network. So, for example, a flyer for a lecture on “Teaching Foreign Languages in the Context of Globalization” posted on the walls of my university office building proposes, with good sense, that the very notion of what a “foreign language” is has changed since the institutionalization of foreign-language instruction in US universities at the end of World War II. Multilingualism becomes more and more the norm within certain existing national boundaries, making it uncertain what the term “foreign” could now possibly mean.

But how to get from this sort of modest observation to, say, an “untotalizable totality which intensifies binary relations between its parts,” Jameson’s provisional

“definition” of globalization in his preface to *The Cultures of Globalization*<sup>7</sup>? Without ruling out the possibility that Jameson may have been on to something insightful here, the sense of *what kind of thing it is* that is being ‘defined’ in the first place remains fundamentally vague and unmediated conceptually. Leaving aside the question of whether “untotalizable” could really mean anything at all in this context, the reference to “totality” seems purely scholastic here, since whatever it was that universally named our “age” or our “culture” before “globalization” was presumably also a “totality.” The very will-to-theorize here, asserted in advance of any sense of what, besides the jargon-driven flight from socio-lexical boredom and exhaustion, the objective occasion for theorization itself might be, reduces talk of “globalization” to the primitive level of a kind of picture-thinking. “Globalization” becomes a way of thinking whatever we were thinking about before, but with the image of a globe—that is, of a planetary, rather than a purely social and relational entity—now hovering above our heads. Like Sherwin-Williams paint, which once advertised itself with a picture of a cosmic-sized can of its product being poured over the planet earth, globalization “covers the earth.” Of course, by all accounts, what really matters about “globalization” are the social effects attributed to it, providential or catastrophic, depending on whom you believe. But underlying all such accounts, from the familiar Green-spirited bumper sticker enjoining us to “think globally” and “act locally” to an add for the American Express Card, the idea is that we are all now planetary beings in our most direct forms of spatial immediacy. Planetary being itself becomes the false universal of ideology, reducing the social logic of universal mediation by capital to its lowest common denominator as a shared space, and thereby making it

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<sup>7</sup> Op. Cit., see p. xii.

seem as much a given as having the earth beneath our feet. In one, terrifying sense, this may be true: were the social being of capital and the physical, spatial existence of the planetary ever to fully coincide, that would no doubt entail the effective destruction of the latter as a place for social habitation. Meanwhile, however, the pseudo-critical picture-thinking of “globalization” ironically pushes this prospect to the margins of social and political consciousness. As we go about our business ‘thinking globally’ and ‘acting locally’ it is as if we were looking at ourselves safely from another planet, a now fully extra-terrestrial site for a transcendental Subject that cannot otherwise be both social and global at the same time.

In yet a further irony, it is the dominant, corporate version of this scenario that undertakes to historicize all of this, as, in a mock-Hegelian reprise<sup>8</sup>, it equates the reality of globalization with the rational, and vice-versa. Those who, in steadily increasing numbers and with deep ethical conviction, oppose the real irrationalities and depredations of corporate-led globalization seem, however, to succumb to its ‘Hegelian’ logic nevertheless: the ‘rational’ may in fact be irrational, but it is still the real, for what could be more real than the planetary? In actively opposing globalization, one must paradoxically do so from within its *planetary* realm, i.e., at some impossible, utopian point that the ‘global’ itself has determined as ‘local.’ Again, the resort to the extra-terrestrial as the socially and historically negative: to oppose globalization ‘globally’ would seem to require a non-existent Archimedian point, *another* globe from which to resist or thrust aside this one. This, in fact, is the fantasy worked out in Deleuzian irrationalist terms in *Empire*, a tract with a picture of the planet on its cover and whose

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<sup>8</sup> popularized in the early 1990s by Francis Fukuyama’s notorious *The End of History*.

brave and mystical talk of “the multitude” “planes of immanence,” the “poor as god on earth” and “anthropological exodus” reads less like ‘a *Communist Manifesto* of the twenty-first century’ than a *Communist Manifesto* for another planet altogether.

#### IV.

To explode the US corporate jargon—and ideology—of “globalization” we need look no further than Argentina, whose dramatic economic collapse in 2001 has produced levels of misery, political upheaval and institutional crisis that--while ‘commensurate’ with those in already devastated sections of the globe such as, say, Indonesia or the Philippines, or even parts of sub-Saharan Africa--afflict what was, only a few years ago, a country proclaimed by finance capitalism as a showcase of neo-liberal reform. The chain of events leading to collapse is well-summarized by the economist Joseph Halevi, writing the April, 2002 issue of *Monthly Review*:

The political crisis of this important South American country formally erupted when, in the first week of December 2001, the IMF decided to withhold a \$1.3 billion loan approved for servicing the country's \$142 billion external debt. The IMF claimed that the government, then led by President Fernando De la Rúa of the Radical Party, was not meeting its commitment to further cut its spending. This claim was false. From the fall of 2000, when the Argentine government entered yet a new round of negotiations with the IMF, until the Buenos Aires uprising of last December [2001], the government ...systematically cut spending. It privatized social security and cut the provinces' funds, forcing many of them to use surrogate (scrip) money to meet their payments. During the summer, the economic minister, Domingo Cavallo—a darling of the IMF who, by the way, was undersecretary of the interior (Federal Police Department) during the bloodthirsty military dictatorship in 1981—set the goal of a zero budget deficit. If the target was not attained, it was not for lack of trying, but because of the galloping social crisis, with unemployment reaching 18 percent and an equal percentage classified as underemployed. Immediately after the withholding of the loan by the IMF, the government embarked on an even tougher round of cuts, which included freezing

people's bank accounts and limiting withdrawals to \$250 a week. It was at this point that the people of Buenos Aires rose up against the government.<sup>9</sup>

The uprising of December, 2001 was followed by a rapid series of caretaker regimes, the latest of which, that of the Peronist Eduardo Duhalde, is now (March, 2003) preparing for new elections. The freezing of bank accounts that, sealing the fate of De la Rúa, brought the middle class of Buenos Aires into the streets—the so-called “corralito”—has since been partially lifted, leading to the partial resumption, in appearance at least, of ‘normal’ economic activity, regularly trumpeted by neo-liberal organs such as *The Economist* as signs that the crisis is easing. After formally defaulting on its debt to the IMF in the early days of the Duhalde government, Argentina has resumed negotiations with that body. But any impending recovery is a figment of neo-liberal imagination. A recent article in the *New York Times* reports, in figures from as recent as January, 2003, a 12% shrinkage of the Argentine economy since December, 2001, leading to unprecedented levels of misery:

[A]t least 60 percent of the country’s 37 million people now live in poverty, defined as an income of less than \$220 a month for a family of four. That is nearly double the number toward the end of 2001. Even more alarming, more than a quarter of the population is classified as “indigent,” or living on less than \$100 a month for a family of four.<sup>10</sup>

In traditionally poorer, rural regions of Argentine, such as Tucumán, deaths due to starvation are increasingly frequent, leading to fears—in a country that has historically produced huge quantities of grain and meat for export—of famine. Meanwhile, as a result of successful law-suits lodged against the government by banks and large depositors, demanding that accounts forceably converted from dollars to devalued

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<sup>9</sup> See “The Argentine Crisis,” available on the *Monthly Review* webpage:  
<http://www.monthlyreview.org/index.html>

<sup>10</sup> Larry Rohter, “Once Secure, Argentines Now Lack Food and Hope,” March 2, 2003.

Argentine pesos in the wake of the December revolution be “re-dollarized,” the public debt of a country already technically in default threatens, according to the Buenos Aires daily *Página 12*<sup>11</sup>, to increase by at least \$27 billion, an amount greater than the net worth of the entire national banking system. There are even reports of government negotiations with foreign financiers concerning the possibility of paying off all, or part of the national debt through the “sale” of Patagonia, Argentina’s large, sparsely populated southern province, to oil prospectors and wealthy ‘ecological’ investors eager to buy up its huge tracts of wilderness<sup>12</sup>.

Of course, this picture of an emerging, if not already full-blown social and economic catastrophe is, in a “global” context, nothing new. Argentina now joins the ranks of millions, if not billions of other groupings of human beings, from sub-Saharan Africa, Afghanistan and Indonesia, to broad swathes of the Balkans and the former Soviet Union--and, indeed, to much of the rest of Latin America--for whom “globalization” has meant almost total disarticulation from the circuits of finance capital and commodity exchange, leaving these same, countless human beings to stagnate in the liminal state that the German economist Robert Kurz characterizes with the term “Ausbeutungsunfähigkeit”—“unexploitability.”<sup>13</sup>

What makes the Argentine experience especially stark, however, vis a vis the policy-sermons and suburban homilies of the official neo-liberal ‘new world order’ is both the statistical and, so to speak, the historical steepness of the fall. In contrast, say, to

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<sup>11</sup> Claudio Scaletta, “El costo de los fallos judiciales redolarizadores puede ser simplemente sideral,” March 10, 2003

<sup>12</sup> Antoine Bigo, “Estado en agonía vendería la Patagonia” Spanish translation, Andrés Meléndez y Domingo García, from *Liberation* (Paris), March 4, 2003, <http://www.liberation.com/page.php?Article=92905>

<sup>13</sup> See *Schwarzbuch Kapitalismus* (Frankfurt Am Main: Eichborn Verlag AG, 1999) and *Weltordnungskrieg: Das Ende der Souveränität und die Wandlungen des Imperialismus in Zeitalter der Globalisierung* (Bad Honnef: Horlemann Verlag, 2003).

a brutally impoverished society in Southern Africa only fairly recently emerged from colonial domination and violently and negatively integrated into the capitalist world-market, Argentina has been a modern, independent national entity--with its own long history of economic and political class formation, extensive industrialization and—in sum—national self-integration and near-complete global integration into the modern world-system—for almost as long as the United States. The effective economic annihilation of its once relatively extensive urban middle class after December, 2001 can be, to be sure, compared to similarly brusque and violent class decompositions in provincial cities of the former Soviet Union. But, whereas the latter catastrophes can be blamed, by the official neo-liberal party line, on the errors and the historical futilities of ‘socialism,’ Argentina’s middle-class catastrophe is the “global” foundling left on the door-steps of Wall Street and Washington. Though, like much of the rest of Latin America and what was once termed the “developing world,” Argentina has never fully overcome the gap separating relatively prosperous and modernized urban enclaves from much poorer and less-industrialized rural hinterlands, this gap was nevertheless probably closer to being closed in a historically peasant-less Argentina than anywhere else in Latin America, with the possible exception of its smaller neighbor, and effective twin, Uruguay. It is a gap now restored to an enormity not seen in Argentina since the earliest days of its history. In Argentina, as in few other places outside metropolitan Europe, Japan and North America, the fate of the city is the fate of the whole country. If, to be sure, one can still point to the relatively unscathed fortunes of (the proportionately smaller) urban middle classes in Brazil, Uruguay or Chile, or to the now more chronic and less dramatic and sudden pauperization of the same class sectors in Caracas or



Mexico City, all that really separates the latter from the nightmare of waking up to vanished bank accounts and pensions, hospital closings and the wiping out of professional careers is, in effect, a “Deer Hunter” like game of Russian roulette, in which the IMF and the US Treasury Department hold the pistol to the head of Latin America, and the relative and momentary needs of one group or another of panicked Wall Street investors spin the chamber. As of today, the foreign policy of US finance capitalist elites probably cannot afford to let what has happened in Argentina happen in, say, neighboring Mexico—a much more important US trading partner than Argentina, with a traditionally impoverished rural sector on which to impose the most violent side-effects of austerity programs, and a country for which, from the US standpoint, an Argentine-like political crisis, would pose enormous “security” risks. But, by the same token, if Argentina and its once quasi-cosmopolitan petty bourgeoisie, must, at a certain juncture, be heaved overboard, the clock is set ticking for Santiago, São Paulo and Mexico itself. Globalization gathers up the world into a single network of finance and communication, precisely so as, once the speculative bubbles start bursting in chain-reaction, the more quickly to explode its cosmopolitan and pseudo-planetary, ATM/airport-lounge zones of LCD-illuminated complacency.

## V.

But if the crisis in Argentina effectively short-circuits vulgar, neo-liberal “globalization” theory, it belies, no less dramatically, the seemingly more ‘theory’-inflected and critical accounts of globalization typified in tracts such as *Empire*. The latter, seduced, like the former, by the ideological utopianism of the ‘planetary,’

envisions, in the erosion of older forms of capitalist national sovereignty, the spontaneous emergence of a correspondingly ‘planetary’ form of polity. Nations, conceived, according to the picture-thinking of “globalization,” as so many multi-colored puzzle pieces on a child’s miniature globe, dissolve and melt into the unified color scheme of ‘the world.’ But nations, though necessarily territorial in their historical genesis and in their economic and political structures of reproduction, are not, in this sense, spatial, sub-planetary entities. They are complex historical and social entities, and when globalized finance capital begins, as it has now begun, to burst asunder these ‘sovereign’ structures of reproduction, the resulting, crisis-driven forms of sociality look nothing at all like Hardt and Negri’s fantasies of the “multitude.” They remain ‘national,’ or perhaps, more simply, in some as yet scarcely definable sense, ‘local’—but in ways that, one may speculate, force us to re-think the very social coordinates of the national as they have grown up on the modern historical subsoil of the commodity form and its corresponding forms of ‘real abstraction.’

Consider, in this regard, the following<sup>14</sup>. One of the most dramatic features of the Argentine crisis was, and in large part remains, monetary. Even before the climax of December, 2001, the impending financial collapse of the country, both induced, in part, and aggravated by the state’s desperate attempts to adhere to the one-to-one peso/dollar convertibility rule instituted in the early 1990s by the Menem regime, produced what Halevi, in the article cited above, identifies as a deflationary episode. In effect, by continuing to pay its debt, or at least to adjust all aspects of national economic life to the

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<sup>14</sup> In what follows, as, parenthetically, throughout this essay, I follow both the account and the analysis of the Argentine crisis made available in Martín Caparrós’ extraordinary collection of interviews and conversations with Argentine intellectuals (and non-intellectuals): *Qué País: Informe urgente sobre la Argentina que viene* (Buenos Aires: Planeta, 2002).

needs of global finance, Argentina saw money itself cease to circulate within those sectors of the economy that, for purposes of the local regime and the IMF, had become superfluous or unsalvageable. This partial collapse of the national currency was and still is partly disguised by the issuance of scrip--i.e., local, emergency currencies--by provincial and even municipal governments so as to be able to 'pay' their employees. This was effectively the prelude to the "corralito," the freezing of private and of some commercial bank accounts after the break-down of negotiations with the IMF, a measure that literally condemned large sectors of the population, not restricted to the rural and urban poor, to live without money.

Of course, money still circulates in Argentina, and still, as the quintessential commodity-form, functions, by default if nothing else, as the abstract social nexus. But the response of poor and middle class Argentines--that is, of everyone but those members of the national capitalist elite who had managed long since to place their holdings into overseas, dollar accounts--was not merely to pour into the streets of Buenos Aires, beating in protest on pots and pans (the so-called 'cacerolazos') and demanding the reopening of their bank accounts, but, of necessity, to build emergency forms of social distribution and organization, unmediated, in essence, by the commodity form. These emergency formations--literally hundreds of neighborhood level 'asambleas' (assemblies), trading clubs ("clubes de trueque") and, in the poorest neighborhoods, political-cum-distributive collectives known as 'pickets' ("piqueteros")--are, in themselves, not a new historical phenomenon, and have sprung up whenever severe capitalist crises take deflationary turns. But, for a time at least, extending, arguably, up to the present moment, they become the central arena, the privileged social space, of

Argentine national ‘life.’ Incorporating, as part of their culture, a violent, if still spontaneous and volatile rejection of official politics in Argentina (expressed in the popular slogan, “que se vayan todos,” loosely translated, “throw all the bastards out”) these are new forms of sociality that experience themselves as *both* national *and* as unmediated, of necessity, by the subject-less abstraction of a ‘national’ currency—indeed, as unmediated by the abstract, non-conscious subject-form of money itself.

The crucial point here is that, due to the specific historical circumstances and configuration of the contemporary Argentine crisis, a more or less fully modernized national formation, epitomized in a large, urban middle class with more than a century of national-cultural tradition, experiences in full, public and collective self-awareness, what the Argentine economist José Nun has characterized as the melting together of economics and politics<sup>15</sup>. If, as a result of the advanced crisis of global, finance capital, of the accelerating and fatal separation of speculation and investment from any real, productively-based economy, all capital increasingly becomes “fictional,” then, in Argentina, the nation itself becomes, so to speak, the *real* of fictional capital.

It would, needless to say, be a folly to romanticize this phenomenon, to see in it a definite harbinger of a global movement beyond capital. Actually existing globalization has, without significant exception, prompted forms of national political and economic crisis in which the rule has been the reversion to “economies of plunder,”<sup>16</sup> violent class re-composition and civil war. Argentina may, in the long run, prove no exception to this rule. But, in ways that most current globalization theory simply does not allow us to perceive, the relative strength of national-cultural forms of association and experience in

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<sup>15</sup> See *Qué país* 26.

<sup>16</sup> See Kurz, *Weltordnungskrieg*.

Argentina—an ironic product of its colonial history and formation—seems to have poised it, at a crucial juncture, to ‘act locally’ outside the fetish-forms of alienated, global modernity.

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