

Neoliberal associations:

Property, company, and family in the Argentine oil fields

ABSTRACT

The transformation of Argentina's state-owned oil company into a transnational joint-stock corporation and a series of worker-owned subcontracting microenterprises in northwestern Patagonia provides an example of an actually existing neoliberal project. In this article, I illustrate how this project was as much a process of sustaining affective relationality as it was a process of fostering calculative rationality. The privatization process generated corporate subjects attached through familial associations of property, company, and family. Kinship sentiment was also the crucial force that incorporated former state oil workers into the inequitable circuits of the global petroleum industry. I argue that this neoliberal process was effective inasmuch as it worked affectively. [*neoliberal, kinship, property, affect, corporations, structural adjustment, petroleum, Argentina*]

At the time of the privatization of the Argentine oil industry in the early 1990s, Diego Parmado was one of 51,000 workers who called themselves “YPFianos,” after the state-owned oil company, YPF Estatal, for which they labored. Born and raised in a Patagonian oil town, he had followed his father and uncles into YPF at age 14, expecting to retire from the company as they had.¹ After the state oil company was converted into a privately owned corporation, Diego and the workers in his division were dismissed from their jobs but were told to re-form their production units into worker-owned microenterprises that would offer subcontracting services to the newly formed “parent” company. This change occurred so rapidly, Diego explained, that “you went to sleep at night with a baby bottle and the next day you got up with a tie and briefcase.” With his Kafkaesque vision of metamorphosis, Diego captured an understanding, shared by his fellow YPFianos, that this formal conversion of state workers into small-business owners happened overnight. However, their substantive transformation was a far more arduous and extended process. Bodies toughened by years of labor in the harsh Patagonian oil fields did not easily fit into business suits meant for deskwork.

Neoliberal projects like the one experienced by the YPFianos constitute efforts to alter how commodities and services are produced, distributed, and consumed across the world. In the process, they remake the people who produce, distribute, and consume these commodities and services. One of the most prominent pieces of the “neoliberal reform” in Argentina was the conversion of YPF Estatal into a privately owned transnational oil corporation (YPF SA, later renamed YPF-Repsol) and a series of microenterprises known as *emprendimientos*.² When the vast majority of YPFianos lost their jobs during this process, many became worker-owners in *emprendimientos*. Yet only a few remained in the oil industry a decade later. In this article, I examine how these remarkable state oil workers remade themselves into business owners and maintained their microenterprises for a dozen or more years against seemingly impossible odds. I argue that the men and the few women who sustained *emprendimientos* employed kinship discourse and practices of familial care to strengthen the affective dimension of their labor relations, despite state and corporate policies that

dismantled familial privileges in the oil industry and encouraged dispassionate calculations in their place. I also show how kin-based obligations became a problem for these business owners at the same time that affective bonds were assets that they used to develop their businesses. In short, I analyze how this neoliberal project was both enabled and troubled by the YPFianos' kinship sentiments and familial relationships.

The architects of the so-called neoliberal reform in Argentina stressed the privatization of state enterprises and services as the panacea for multiple ills, including state debt, bureaucratic corruption, market inefficiency, and the failure of both import-substitution industrialization and state welfare to make Argentina into the "First World" nation many believed it could be. The state-led process of privatizing YPF transferred property rights and industrial management from state to corporate actors, and state agents assumed that their juridical and administrative changes would inevitably lead to modifications in YPF employees' dispositions and relationships. However, I argue, YPF's privatization did not generate the entrepreneurial individuals that were advertised as the product of neoliberalism but, rather, re-formed relational subjects attached to and through affective associations of property, company, and family.

To scrutinize the reconfiguration of personhood and social relations in the name of neoliberalism, I explore how state workers-turned-business owners deployed notions of YPF kinship to reshape three sites: oil workers' "start-up" oil service emprendimientos, the transnational "parent" corporation that contracted them, and workers' kin-based households.³ In the northern Patagonian oil fields and towns, the state oil workers who became small-business owners maintained, but also refashioned, the labor relations of the paternalistic state company and their affective attachments to YPF. They envisioned their industrial relations in familial terms, preferentially hired and promoted their fellow YPFianos, and supported their kin, much as the state company had done. They also reconciled these acts of care with calculative strategies for generating a productive workforce and a viable business. At the same time that it provides a vivid example of an actually existing neoliberal project, this analysis reverberates beyond the Argentine oil fields because it suggests that affect, as much as rationality, has been a crucial component of neoliberal projects (see also Rofel 2007).

Analyzing neoliberal projects

The large body of policy-oriented scholarship defines neoliberalism as a series of ideologically aligned processes that include a shift from state to foreign investment in economic ventures, an increased focus on exportation as a strategy for income generation, a decrease in state regula-

tion of economic action, and the transfer of state-owned enterprises and services to corporate entities. The final item in this list, commonly known as "privatization," occupies a prominent place in neoliberal theory and policy because it purportedly solves overlapping problems of government—including the corruptibility of state representatives, the irrationality of state regulation, and the poor quality of state services—with strategies embodying core neoliberal beliefs in the efficiency of private businesses and in the impartial judgment of "the market" (IMF 1998:5–6). The stated goals of privatization schemes have shifted over time yet have consistently included increasing economic efficiency and promoting private property ownership (Manzetti 1999:14–16; Megginson and Netter 2001:321). Most of the policy literature identifies factors that lead states to adopt neoliberal "structural adjustments" but rarely questions the economic rationality on which they rest. For instance, a study of privatization in four Latin American countries asks why numerous states carried out massive privatization projects in the 1990s but not in the 1970s and 1980s, despite "making perfect economic sense in many countries" since the early 1970s (Manzetti 1999:1, 4–5).

The anthropologists who have tackled "neoliberalism" in recent years have taken a decidedly distinct approach from that of policy-oriented social scientists. The burgeoning anthropological scholarship on neoliberalism has contributed significant insight into the effects of neoliberal projects on everyday life by tacking between neoliberal policies and their official discourse, on the one hand, and the quotidian experience of neoliberal programs, on the other hand. It persuasively shows that the move from state-led to market-based government has involved far more than removing state and social controls over economic relations. Much of this work points to a radical new form of capitalism spreading across the world today. It portrays neoliberalism as representing a profound break between the era of state-led development and the era of accelerated globalization.

A special issue of *Public Culture* provides a seminal elaboration of neoliberalism as the hegemonic form of capitalism emerging at the turn of the 21st century. In the issue's introduction, Jean Comaroff and John Comaroff assert that "neoliberalism aspires, in its ideology and practice, to intensify the abstractions inherent in capitalism itself: to separate labor power from its human context, to replace society with the market, to build a universe out of aggregated transactions" (2000:305). They further argue that neoliberalism has already changed "the phenomenology of being in the world," albeit unevenly (Comaroff and Comaroff 2000:305).⁴ Harvey concurs that neoliberalism has become devastatingly hegemonic in the contemporary moment but challenges the fit between neoliberal ideology and practice. He asserts that advocates and practitioners of neoliberalism use a benevolent discourse about rights and freedoms to

mask “the grim realities of the restoration or reconstitution of naked class power, locally as well as transnationally, but most particularly in the main financial centres of global capitalism” (Harvey 2005:118–119). Harvey and other scholars have singled out privatization schemes for their spectacular failures to live up to their promises, their dramatic escalation of poverty and inequality, and their fragmentation of communal belonging.⁵ Much of the scholarship on neoliberalism highlights the penetration of market relations into new sites and the polarization of world populations along myriad axes.

Rather than portraying neoliberalism as the latest stage of capitalism, several anthropologists have employed an analytic of governmentality to conceptualize neoliberalism as a set of governing techniques that work by shaping market relations so that people learn to govern themselves. These anthropologists engage scholars in other fields who have scrutinized the development of a neoliberal rationality or “style of thinking,” and the norms of human behavior it suggests, but they seldom consider its actualization.⁶ Elizabeth C. Dunn (2004), however, employs ethnographic investigation to show that foreign neoliberal norms of rationality and subjectivity were introduced, although not faithfully replicated, when a baby-food factory was privatized in post-socialist Poland.⁷ Other critical studies have shown how NGO representatives, medical practitioners, and other nonstate actors have taken over governing positions previously occupied by state agents, for example, as providers of health care.

Although ethnographic studies of actually existing neoliberalisms provide nuance to the frequently broad-brushed portraits of neoliberalism as the newest capitalist logic or ideology, they tend to de-emphasize the failures of state welfare and development and to neglect the continuities between neoliberal and other regimes of rule. They also tend to overlook the ways in which people participate in advancing neoliberal projects. In particular, there has been scant ethnographic attention to the corporate actors who participate in neoliberal projects.⁸ The scholarship also glides over the distinctions among neoliberal projects and, in the process, frequently suggests a universal neoliberal subject. It, thereby, forgets that these projects are still unfolding and comes to premature conclusions about neoliberalism’s effects.

In this article, I describe the privatization of YPF as an unfinished process in which an experiment known as “neoliberalism” has been translated into a series of situated practices in the Argentine oil fields and towns. In other words, the Argentine petroleum industry has served as a laboratory for reformers trying to figure out how to turn certain speculative ideas about the ideal relationship among state, economy, and society into a material reality on, and under, the ground. I focus on how this process unfolded between 1989 and 2005 in northwestern Argentine Patag-

onia. In doing so, I join Lisa Hoffman, Monica DeHart, and Stephen Collier in asserting the need to “reassess neoliberalism’s coherence as a hegemonic project, and its stability as a predictable ‘package’ of policies, ideologies and political interests” (2006:9). I aim to do this and a bit more: to show not only that the privatization of Argentina’s state-owned oil company failed to constitute a coherent bundle of ideas and practices based on universal norms but also that it was achieved using forces it was supposed to eliminate, namely, familial sentiments and practices of kinship. As a result, I demonstrate, the neoliberal project carried out in the Argentine oil industry did not generate autonomized individuals who “enterprise[d] themselves” as they enterprised their work (Rose 1996:57; see also Rose 1998). Instead, processes of economic restructuring presented dilemmas through which people negotiated calculative and caring practices, detached and loving affect, and nurturing and disciplining governing techniques. I show how these dilemmas generated thoroughly relational and affective corporate subjects who, in turn, embodied novel formulations of agency and sociality.

The juridical process

The privatization of Argentina’s state-owned enterprises and services was not a policy imposed by the IMF and its Argentine allies on an unwilling population but an experimental process shaped by differently positioned participants to different degrees.⁹ Although YPF employees were largely unable to direct the legal and legislative aspects of this process, the charismatic Peronist leader Carlos Menem was well situated within multiple networks of power to play a crucial role in guiding it. When Menem became president in 1989, he surprised many Argentines, including his own Peronist Party (Partido Justicialista) membership, by intensifying and expanding the transition from state-supported import-substitution industrialization to corporate ownership and management of Argentine industry, commerce, and banking, which the military dictatorship (1976–83) had initiated and the first postdictatorship administration (of Raúl Alfonsín, 1983–89) had haltingly pursued. The concomitant deunionization of the Peronist Party allowed Menem to fill his cabinet with prominent businessmen, rather than the expected Peronist union leaders. In accordance with guidelines from multilateral lending agencies offering substantial but conditional loans, these corporate executives and their foreign collaborators quickly devalued the Argentine currency, suspended the legal restrictions on foreign investment, dismantled union institutions, and announced the imminent privatization of state enterprises and services. These were the first steps in a process that scholars have labeled “a neoliberal revolution” (Acuña 1994:31). Between 1991 and 1994, the Menem administration transferred ownership and control of

90 percent of Argentina's state enterprises and public services to conglomerates of business corporations and banks (IMF 1998:5).

Yacimientos Petrolíferos Fiscales (YPF Estatal) was the world's oldest vertically integrated national oil company. In part because it was also the largest enterprise in Argentina, the Menem administration selected it as one of the first to privatize. After Congress approved two laws that greatly expanded executive authority early in Menem's first term, Menem began issuing presidential "decrees of necessity and urgency" that transferred many state assets to corporate entities. The decrees ended state control of oil prices and production levels, terminated YPF's monopoly on the sale of crude oil within Argentina, eliminated tariffs on importing and exporting fuels, and suspended the YPF union's collective-bargaining contract (Etchemendy 2001:11–12; Murillo 2001:153). Moreover, the Menem administration appointed corporate trustees who renegotiated YPF contracts with the privately owned companies that provided services from exploration to transportation, began granting concessions to other oil companies, and entered into joint ventures to extract petroleum. The Argentine Congress affirmed Menem's privatization of the oil industry when it approved the Privatization of Hydrocarbons and YPF Law in 1992 (Llanos 2002:137–152). This act legally sanctioned the reconstitution of YPF Estatal as YPF SA, that is, the conversion of the state oil enterprise into a joint-stock corporation, which was already well underway. It also enabled the transfer of \$5.6 billion in foreign debt from the company to the state, a vast reduction of YPF's labor force, and the formation of the *emprendimientos*.¹⁰ As its enormous debt was repositioned and its expenses were cut, YPF's finances passed from a deficit of \$576 million in 1990 to a profit of \$400 million two years later (Manzetti 1999:115).

The company directors began selling shares of stock to corporations, banks, and individual investors only after YPF SA's profitability was established and the company had become more enticing to investors. The initial offering of 45 percent of YPF's stock on the New York Stock Exchange in June 1993 generated more than \$3 billion for state coffers in a matter of weeks (Gerchunoff and Cánovas 1996:210–211). Although the 1992 privatization law required the state to retain ownership of more than half of YPF SA's shares, Congress amended it several times to allow the state to sell more of its shares, and, shortly thereafter, private shareholders' stake eclipsed that of the state. In 1999, the privatized Spanish national petroleum company, Repsol, bought the Argentine state's remaining shares of stock and renamed the company YPF-Repsol SA. The Menem administration used the money from its shares to repay some of the state's foreign debts, but Repsol has used the stock to make enormous profits ever since.

Existing studies of the privatization of Argentina's state companies and services conclude with these juridical and administrative changes, but ending the story of YPF's privatization here is deceptive. Doing so gives a false sense of the efficacy of legal discourse and bureaucratic structures to remake social worlds, and it ignores the far messier process by which corporate enterprises were carved from the remains of a state company and corporate subjects were molded out of state workers. Although the sale of YPF to Repsol may seem, in hindsight, the culmination of a coherent neoliberal policy implemented by a collaboration between the Menem administration and transnational institutions, it is better understood as a result of a process that involved numerous differently positioned people experimenting with a mixture of strategies as circumstances changed and initial techniques failed to produce desired results. The abridged chronicle of events given above only begins to illustrate how a wide variety of actors who had previously managed the state ownership of petroleum did not fade from view but facilitated the shift to corporate ownership and control. Moreover, the term *privatization* too readily bundles together a set of complex and contradictory processes that developed over more than a decade and whose effects are not yet fully realized. Thus far, this process has remade the people involved in the oil industry as much as it has reconfigured the property and other legal relations of the state.

In Mexico, Cori Hayden (2003:44–47) points out, the juridical reconfiguration of private property erased indigenous claims to territory, materials, and knowledge while enabling national and corporate claims. Similarly, in Argentina, the legal configuration of a new domain of private petrolic property elevated some property claims while foreclosing others. For instance, each of the privatization laws included a provision establishing a Participatory Property Program to incorporate state workers into the privatized companies by making them shareholders with a "stake" in the new firms. However, the process of creating private ownership did not follow its legal discourse about inclusion and representation.¹¹ The workers still engaged by YPF at the time of its conversion into a joint-stock company were given a (minuscule) percentage of the new corporate stock, but they were also dispossessed of their entitlement to state employment and benefits, including housing, health care, and livable retirement pensions. Then, the company directors illegally rescinded these workers' shares of stock when they dismissed them from the company. Initiatives like the Participatory Property Program promised the state oil workers inclusion in the private ownership of petroleum, but the privatized industry excluded the vast majority of YPFianos.

At the same time that YPFianos were being multiply excluded from participation in YPF SA, foreign investors were gaining an increasing percentage of the company's stock. YPF's privatization was celebrated in international business

circles as a neoliberal success story, while it was decried in the Argentine press as giving away “grandmother’s last jewels” (e.g., compare *Clarín* 1999 with *Wall Street Journal* 1999). This frequently repeated metaphor portraying petroleum as a family heirloom illustrates that many Argentines saw the conversion of oil from state to corporate property as a loss of a national treasure and a betrayal of kin. This process of transforming the Argentine oil industry played out quite dramatically in the oil towns of Plaza Huincul and Cutral C6, situated on the desert plateau of northern Patagonia, to which I now turn.

The Patagonian “start-ups”

The state’s sale of YPF SA stock had little impact on the lives of the investors who bought shares, but the process of realizing these sales dramatically reconfigured the everyday lives of the tens of thousands of YPFianos in oil towns across Argentina. More than simply a legal reclassification, the privatization of YPF enabled the reduction in its personnel from 51,000 employees in December 1990 to 8,000 in December 1993.¹² After YPF-Repsol moved its regional headquarters from the company town of Plaza Huincul to the provincial capital of Neuqu6n, Plaza Huincul and neighboring Cutral C6 lost their special status as towns that fueled the nation, and their unemployment rate rose above 20 percent.¹³ Numerous YPFianos bitterly recall that, at the same moment that YPF SA’s profits began to soar, they arrived for their shifts to find long lists of those who had been dismissed pinned to the fence outside the refinery. In myriad additional ways, the legal conversion of oil from public to private property replaced the claims of state workers and their families with those of corporate executives and shareholders, most of whom were historically, geographically, and socially removed from the Argentine oil fields.

The privatized oil corporation promptly ceased to produce petroleum in any straightforward sense; YPF SA became a management firm. Its small labor force did not explore, drill, or refine oil but negotiated, supervised, and audited those who did. Of the 43,000 veteran oil workers across the country who left the state enterprise during the conversion of YPF Estatal to YPF SA, some were formally laid off, some accepted early retirement packages, and others were forcibly retired. In northern Patagonia, as in Argentina’s other oil regions, the majority left because they were instructed by their bosses and their union to convert their YPF units into *emprendimientos*, special oil service microenterprises collectively owned, managed, and staffed by former state oil workers.¹⁴ The *emprendimiento* program promised workers that they could retain their oil sector jobs and “stake” in the industry, only now through subcontracting agreements between the *emprendimientos* they owned and the giant corporation they did not. The *emprendimiento* program was initially intended as a tempo-

rary measure to ease the transition to a privatized industry. In Plaza Huincul and Cutral C6, YPFianos founded 45 different *emprendimientos*, in groups of worker-owners as small as three in some cases and as large as 200 in others. Although a few of these ventures were organized as worker cooperatives like the auto-parts factory portrayed in the film *The Take* (Lewis 2005), many more were organized along more normatively capitalist lines and reproduced the hierarchical structure of YPF Estatal’s production units. Many of the *emprendimientos* closed by the end of 1993, but the ones discussed in this article survived at least until 2005.

In Plaza Huincul and Cutral C6, as elsewhere, oil workers were expected to make the change from state employees to small-business owners just as quickly as Menem signed the law that remade YPF Estatal into YPF SA. Although YPFianos were told to refashion their YPF units into independent service providers, the vast majority of the public assets they produced and handled did not become their private property. Furthermore, the privatized YPF SA did not provide the welfare benefits to its subcontractors that the state had provided to its workers. Their health care was transferred from the YPF hospitals and clinics to the overburdened and inferior state system, their company housing was sold as private real estate, and the YPF clubs that housed social, sports, and entertainment programs were left to fall, or be taken, to pieces (see Figure 1). Increased subcontracting was a technique employed worldwide by oil executives eager to decrease corporate costs and liabilities, but in Argentina it especially served to shift the responsibility for rising unemployment and falling welfare away from corporate and state actors and onto the shoulders of workers.

The former state workers who became partners in *emprendimientos* continued to do almost everything necessary for petroleum production—from geological imaging and well drilling to pipeline cleaning and paper filing—but without the guarantees of stable employment with high, predictable wages and numerous benefits they had had as state workers. In addition to doing for the private corporations much the same work they had done for the state oil company, they also assumed complex new responsibilities—including negotiating contracts, managing large cash flows, providing insurance, obtaining credit, and paying business taxes—for which they were unprepared. Toward the ostensible end of helping workers make this transition, YPF SA gave each *emprendimiento* a no-bid contract for a few years, sold each of them the (far outdated) equipment that the workers had used in YPF Estatal, and established schedules for repayment of debts from these sales with deductions from the *emprendimientos*’ earnings. The *emprendimientos*’ subcontracts did not automatically generate the entrepreneurial subjectivity that they were supposed to, and the new *emprendimiento* partners struggled to figure out how to make the transition from state workers



Figure 1. The YPF movie theater in Plaza Huincul, which was shut down after the company was privatized. Photo by E. Shever.

to business owners. They frequently turned for help to the small group of YPF Estatal bosses who had become managers in the privatized oil company.

The upper-level supervisors who retained their jobs in the privatized corporation asserted that they assisted the emprendimiento owners in becoming independent “entrepreneurs.” At YPF-Repsol’s posh high-tech office building in Neuquén City, an hour’s drive from Plaza Huincul, an YPF-Repsol external-relations manager explained that corporate representatives such as he “had to change the mentality of these people a little, because they were employees, not entrepreneurs.” When I asked him to clarify the difference between these two subject positions, he stated,

To be an employee is to be dependent. For example, in a bar there is the owner, who is the entrepreneur, and the others are all employees. Here, the owner was the state and everybody was an employee, you understand. They didn’t have the mentality to advance a business, because the business belonged to the state. And so when they became entrepreneurs they didn’t know anything, they had no entrepreneurial mentality, and they were missing the *management*. An employee normally doesn’t think, he receives orders. So, these people suddenly found themselves as owners of a company, and they didn’t know how to manage it.

This corporate executive suggested that the YPFianos’ difficulty in becoming successful business owners stemmed from their lack of an entrepreneurial disposition as much as

their lack of financial and administrative skills. He did not mention either their insufficient capital or their substantial debts to the privatized YPF.

The experience of Hernán de la Cruz provides an illustration of how YPFianos understood the difficulties of learning to manage an emprendimiento in terms distinct from those of the corporate managers. When a mutual friend introduced us, I never would have guessed that Hernán was the managing director of a company with more than 100 workers. He was a burly man who appeared older than his 48 years, with a head of salt-and-pepper hair and the leathery skin of someone who had spent most of his life outdoors. Despite his new position, he continued to wear the sweater, jeans, and boots of the field foreman he previously had been. Between drags on a cigarette in a cold YPF warehouse-turned-office, he told me how he learned of YPF’s privatization: “One day the shift director appeared and said, ‘YPF Estatal is finished.’ They just announced, ‘Gentlemen, it is finished.’” Hernán repeated for emphasis, “YPF directly informed the management, and they informed all the employees that YPF was finished and that all of the sectors had to form companies.” Like the comment by Diego Parmado quoted in the opening of this article, Hernán’s pithy account of YPF’s privatization indicates how the dissolution of the state-owned petroleum enterprise was immediately translated into an imperative to create privately owned service companies. YPFianos were not simply dismissed but, instead, told to remake themselves from civil servants into corporate entrepreneurs. Likewise, the

social relations that bound these workers within the company were supposed to be transformed, with state dependency replaced by corporate independence. Although YPFianos frequently described YPF's privatization as "dismembering the YPF family," it was as much a process of putting together corporate associations as taking apart statal ones.

Hernán spoke to me at length about his experience as we sat at his desk while construction workers knocked down the walls around us to transform a long-neglected YPF building into offices for his emprendimiento, POLIP. He leaned back in his chair, lit a cigarette, and told me how he tried to remake himself from an YPF unit head who inspected equipment into POLIP's managing director:

When it fell to me to sit at a desk and look at the whole commercial part, it taxed me. I did not understand it; I did not understand it. Therefore, what did I have to do? I had to grab the accountant and say to him, "Explain this to me, explain what profit is, explain the Value Added Tax, explain the 21 percent that we have to pay, explain what insurance is," everything that I am learning. I had to go picking it up day by day. Nobody taught it to me. Look, no one explained to me, "When you assemble a company, when you are the head, you have the year end bonus, you have the lawyers, you have the accounting practice." It was difficult.

As other studies of neoliberal projects suggest, the privatization process encouraged the creation of corporate subjects who were responsible for their own education. A new businessman like Hernán had to actively seek business knowledge and skills. Yet, Hernán did not reschool himself by increasing his autonomy from the state but by strengthening his engagements with others. He described this learning process as being made up of a series of somatic practices: "sitting down at a desk," "looking at papers," and "grabbing an accountant." After stressing how taxing his education was, he concluded, "Now this is simple for me because I have lived it in my own body." In establishing new affinities and collaboration and strengthening existing ones, Hernán and his partners drew on the twofold meaning of YPF kinship, as a set of both domestic and industrial arrangements. Kinship sentiment was a crucial force of production (Yanagisako 2002) in the formation and development of the emprendimientos. To elaborate this, I first explain the historical basis for the familial idiom and practices used in the Argentine oil industry.

YPF kinship

The 1879 military expedition known as the "Conquest of the Desert" subjugated the indigenous inhabitants of Patagonia and established military garrisons to impede Chilean land claims (Rock 1987:154; Viñas 2002) just as petroleum gained prominence as the primary engine of capitalist production

across the world. In 1915, the Argentine Bureau of Mines, Geology, and Hydrology sent an exploration team to examine a promising spot for oil drilling in Neuquén Territory, on the high desert of Patagonia. When the team struck oil there three years later, President Hipólito Yrigoyen designated a 70-square-kilometer octagon centering on the first productive well a national oil reserve for exclusive exploration by state agents (Favaro and Bucciarelli 1999:230). As petroleum exploration turned into crude oil extraction, the hastily established camp grew into the company town of Plaza Huincul, with administration buildings, employee barracks, a hospital, and other facilities. The settlements scattered near it, in which domestic and field laborers and peddlers lived, developed into the adjoining town of Cutral C6.

As the national oil industry developed following the founding of YPF in 1922, the state-owned company encouraged its predominantly male workforce to form nuclear families in the oil towns. YPF and its closely allied union, la Federaci6n de Sindicatos Unidos Petroleros del Estado (SUPE), provided workers both with well-remunerated employment and with benefits that allowed them to support wives and children. To promote women's full-time care of homes, children, and husbands, the YPF pay scale accounted for a worker's marital status and number of children in addition to position, rank, and years of service. Furthermore, men and women alike frequently cataloged the "cradle-to-grave" services that YPF collaborated with SUPE to provide in the oil towns. They built hospitals and clinics, ran commissaries, operated movie theaters, sponsored sports clubs, provided transportation, and offered paid vacations for YPF employees and their immediate kin.

Beginning in the 1930s, company architects in Buenos Aires designed housing projects to accommodate YPF's growing workforce and to better realize its "social mission." The company housing built in Plaza Huincul included not only more barracks for single men and new communal athletic and social facilities but also row homes and bungalows for YPF worker families, differentiated by rank and family size. In these residences, YPF provided electricity, heating, and indoor plumbing. What is more, I was told many times, a company employee would even come to change a light bulb when one burned out. With far fewer family dwellings than YPF families, an YPFiano told me, "a family logic" grew up with the company housing: YPF workers helped their sons get jobs in the company, passed their housing to their sons when they retired, and continued to live with their sons after retirement. For families that did not obtain company housing and, instead, built or bought homes in Cutral C6, YPF provided loans, construction materials, and utilities. As one YPFiano explained, "YPF's purpose was not only that it had to extract petroleum but also that it had to fittingly support its personnel."

Octavio Marquez was among my many informants in northern Patagonia who described his family as "all

YPFiano” and enumerated each of his relatives who had labored for the company. He explained that working for YPF was a tradition that was handed down from generation to generation like a family heirloom.¹⁵ The passing of positions in YPF from father to son or son-in-law was more than an informal practice; YPF policy gave priority to children of employees in hiring and guaranteed positions to relatives of employees who were incapacitated or killed at work. Furthermore, oil worker families were increasingly linked together as the sons and daughters of YPFianos married each other and formed their own homes. Thus, one meaning of YPF kinship was constituted by the numerous families in which almost everyone worked for YPF and in which domestic and industrial relations intersected so that one’s brother was also one’s workmate and one’s uncle was also one’s boss.

A second meaning of YPF kinship lay in its use as a metaphor for the company itself. YPFianos discussed their relationships to fellow workers through discourses of kinship and depicted the national oil company as a loving and caring—if stern—father or, sometimes, mother with a “head,” “heart,” “bosom,” and other corporal parts. Speaking on behalf of his workmates from an YPF refinery, an YPFiano stated, “We gave our youth to YPF, but YPF took care of us.” Of his own experience, he recounted, “I entered work one morning and that afternoon my first son was born . . . and when I left, I had grandchildren.” Fusing his industrial and domestic relations as the giving and receiving of care, he rhetorically asked, “How could one not love [*querer*] the company that offered [*brindaba*] you everything?” One of his workmates simply stated, “Everyone felt the company was a family.”

Although the critics of YPF Estatal decried a “culture of dependency” and unhealthy paternalism of the prebendal state, YPFianos discussed labor relations as reciprocal, if hierarchical, practices of giving and receiving care in which the company and the household formed parallel domains. This double sense of YPF kinship as referring to both an employment and a domestic unit was a crucial resource that YPFianos deployed during the privatization process. They drew on kinship sentiments and familial relationships as they worked to remake themselves into business owners in the absence of important other resources like subsurface rights, shares in the privatized corporation, or access to capital.

“Soup all around!”

The YPFianos in emprendimientos reconfigured their affective attachments to YPF and to each other to deal with the oil industry’s transformation and to generate associations largely removed from the purview of the state. They aimed to re-form YPF labor relations from bonds between a domineering father and his obedient, although some-

times rebellious, sons into bonds of familial cooperation to which all members equally contributed. They emphasized how they each converted the final benefit they received as state workers—their severance pay—into the foundation for their joint ventures as emprendimiento owners. Although only a few of the emprendimientos were worker cooperatives, most worker-owners placed great emphasis on their shared labor histories and similar financial situations to establish a parity in which the partners made equal investments, had an equal role in decision making, and contributed equal amounts of sweat to keep the oil rigs and refineries running. Their definition of business partnership as brotherhood was facilitated by the fact that the emprendimientos were composed of YPF workers within a narrow range of rankings, from laborers to skilled workers, but not upper-level managers or engineers. In generating business partnerships as kinship bonds, the emprendimiento owners emphasized the mutual care within YPF families while de-emphasizing or explicitly rejecting the unequal division of labor and hierarchical relations that were also crucial aspects of YPF Estatal.

YPFianos described their emprendimientos as products of kin solidarity in a manner that paralleled the way they spoke of the state oil company. For instance, when I asked Hernán de la Cruz why POLIP survived when so many other emprendimientos succumbed to bankruptcy, he turned off his cell phone so we would not be interrupted and narrated the story of how “a strong human group formed in the company.” He recounted how the partners “put all the force that they had” and “suffered in the flesh some months” to make sure the company survived. Instead of paying their own salaries, they paid their debts to suppliers, insurance premiums, and taxes. He concluded, “It taxed us a great deal; therefore, it seems to me, our combined effort [*esfuerzo en conjunto*] is like a family. If everyone contributes and everyone helps, I believe that you can move things forward.” When Hernán asserted that POLIP endured the hardships because it was organized around family bonds, he implied that his and his partners’ unpaid labor was equivalent to parents’ work to ensure the survival of a newborn child. He asserted that sustaining industrial relations within the privatized oil industry required as much shared sacrifice and mutual assistance as it had in YPF Estatal. “Moving the emprendimiento forward” involved combining this affective labor with the kind of calculative work, like managing payroll and taxes, that he previously described.

The Lucano family provides a vivid illustration of how YPFianos reconciled familial and commercial obligations in developing emprendimientos. Alberto Lucano came to northern Patagonia as a teenager to take a job with YPF, as his brother had a few years before him. There, he met Teresa, who was the daughter in an YPFiano family and a secretary at the YPF offices in Plaza Huincul. They soon

married. Alberto continued to work for YPF, but Teresa left when she was pregnant with their first child. Their three children were born in the YPF hospital in Plaza Huincul, raised in a workers' cooperative housing complex in Cutral C6, and educated with YPF funding. Like most YPF employees, Alberto expected to work for the state company until he was ready to retire. When he was dismissed at age 50, Alberto was among the enormous number of YPFianos who were "too old to find a new job but too young to retire." Thus, he joined a small group of skilled workers in YPF's exploration division to form Napalco, an emprendimiento offering oil well maintenance services.

Only a few years after Napalco was founded, Alberto's daughter, Carolina Lucano, returned from university to find her father's emprendimiento on the brink of bankruptcy. As a professional who credited her college education to her father's work at YPF, Carolina repaid her debt by assisting Napalco in facing its financial disaster. She managed the administrative aspects, while her father and his partners conducted the work at the wells. As they labored to salvage Napalco, they translated the affective bonds that had existed in YPF to fit the meager possibilities available to subcontractors in the privatized oil industry. Carolina told me about the emprendimiento's May Day barbeque (*asado*) as an example of how her father and his partners "loved each other like a family and acted accordingly." The event was a small-scale adaptation of the May Day celebrations that YPF Estatal and the union SUPE had sponsored each year. In the photos Carolina showed me, the Napalco partners, their wives, and children paused their celebration to put their arms around each other for the camera in a display of affection that recalled the earlier celebrations.

Once Napalco began to increase its business contracts and hire a few technicians, the owners drew on their experience in YPF Estatal to strengthen their microenterprise, especially to incorporate the new employees who were not owners. During one of our long conversations over tea at her house, Carolina told me a story that demonstrated how her father took a role "as the bonding [*aglutinante*] element" in establishing kin relations within Napalco: A team of Napalco workers was staying in a hotel while they worked in the Catriel extraction site, and when it was time for dinner they would sit down together in the hotel's modest cafeteria. There, Carolina told me, Alberto "would ask for the food and would say, 'Soup for everyone!' Like the father of a family, that's how he was seated and [ordered] 'soup for everyone, of course!'" As both worker and owner, Alberto tried to provide some of the same benefits for Napalco's employees that the national oil company had given to him in a comparable situation. He could not afford to offer them as abundant a buffet as YPF had provided him when he was a junior assistant, but he saw soup with dinner as a fitting substitute. Carolina asserted that "the thing over there [in Catriel] is what generates belonging," thus interpreting her

father's action as a calculated strategy to lead his employees to be more dedicated to their jobs. Alberto, for his part, did not see himself as buying his employees' commitment; my conversations with him made evident that he was continuing YPF's tradition of nourishing those who gave their labor. Providing soup was a compromise that allowed Alberto to reconcile the paternal obligation he felt to care for his employees with the financial demands of the privatized oil industry.

When I asked Alberto how his feelings about his emprendimiento compared with what he had previously described to me as his loving attachment to YPF, he answered that property ownership made his affection for Napalco stronger than his love for YPF had been. This intensification occurred, he explained, because the company "is more our own," and then he repeated more emphatically "because it is ours." Alberto credited YPF with having provided for him in almost every aspect of his life, including the (unrequested) opportunity to form his own business. Yet he stated that his care for company property increased when he was dismissed from YPF, because the oil company was transformed from state to private ownership. Like a house you own rather than rent, Alberto analogized, "you can do anything with what is yours, you do it and you are doing it for yourself." He, like many of his contemporaries, suggested that private property ownership was not only a more effective but also a more affective form of property relations than the national ownership that had previously existed in the Argentine petroleum industry. The privatization process had, quite unexpectedly, strengthened his affective attachments.

The affective kind of property ownership that Napalco embodied emerged most clearly as its owners attempted to extend care not only to their growing group of employees but to their equipment as well. When Alberto's division of YPF Estatal was dissolved, his unit's trucks were converted from state to private property and sold to POLIP as part of its first contract with YPF SA. Carolina told me how the Napalco partners carefully maintained these possessions as an example of their "great love for their company." "If you get into one of their trucks, even though it is ten years old ... everything is impeccable because they take care with an enormous consciousness that it is theirs." When Alberto stopped by the house a few hours later, Carolina asked her father to explain to me himself why he and his partners loved Napalco with such intensity. Alberto immediately answered, "I have always said that our company was an adoptive son." Without having heard my previous conversation with Carolina, he too used the truck to explicate this understanding of his business as a web of loving kinship. He explained, "Because you love your son like a dad, you love him a lot. Also when you have an adoptive son that you raised from very small, you hold him with affection. For us, it taxes us very greatly to detach ourselves from things.

Yesterday—we sold a truck . . .” As he said these last words, the voice of this sexagenarian, burly oil worker broke, and he began to cry about the loss of this arm of his “adoptive son,” which had accompanied him through all the trials of birthing Napalco and making the transition from state employee to small business owner at an advanced age.

After Alberto recovered his composure, he told me how he and his partners had discussed building a pedestal mound and mounting the truck outside POLIP’s main building so it could stand as a testament to how their emprendimiento was born. In what Carolina called “the owners’ mental model,” the truck was not only a piece of private property whose benefits could be calculated in terms of financial risks and potential profits but also a member of the Napalco family that was owed respect for its (his?) longevity and dedicated service. However, after a series of long discussions with Carolina, the Napalco partners realized that they had to “adapt to the times,” try to replace their affective relationship with the truck with the properly detached perspective of businessmen, and sell this object of their love. Unlike his actions at dinner in Catriel, in this case, Alberto’s effort to make himself into the company father was severely constrained by his contractual agreement with YPF-Repsol. Napalco’s service contract with the oil company stipulated the maximum age of trucks that could be driven into oil extraction sites, and, regardless of the partners’ efforts to keep it in excellent condition, theirs was too old.

Events such as a May Day barbeque and quotidian practices like eating soup and repairing a truck illustrate how the emprendimiento owners expended a great deal of labor and capital reinforcing loving relations within their service companies at the same time that they were adopting calculative business methods. Carolina suggested that establishing intimate connections among Napalco’s workers contributed to the emprendimiento’s success but that maintaining loving attachments to material things blocked them from making proper business decisions. Alberto saw the same events from the perspective of a father who was trying to keep his family united as they labored to overcome the challenges of their new situation. Alberto’s business acumen emerged through his efforts to find compatibilities between his love for a truck and his need for cash. He and his fellow emprendimiento owners reconciled the historical labor relations of the Argentine oil industry with the realities of the corporate ownership of oil by creatively combining calculative and nurturing techniques.

Driving lessons

Whereas the YPFianos in emprendimientos employed kinship discourse and practices of familial care to construct, sustain, and expand their subcontracting businesses, the senior managers at the privatized oil company drew on the same notions of YPF kinship to establish

patriarchic relationships between contractor and managing firm. At corporate headquarters in Neuquén City, the representatives of YPF-Repsol emphasized their efforts to help emprendimiento owners overcome their lack of “entrepreneurial mentality,” but back in a rundown office with a broken window in Plaza Huinca, I heard a different version of this history. As I sat in front of the electric heater with him, Andrés Esposito, who never had been an YPFiano but became the director of an emprendimiento named OptaNeu, offered a spectacular description of how, in the process of teaching managerial skills, the oil company managers presented themselves as fulfilling a parental or avuncular role to which the YPFianos were long accustomed:

It is like there is someone who doesn’t know how to drive and you say, “I will help you.” Then, you sit next to him and you say, “Well, you have to—the steering wheel, the pedals—go faster, go faster.” And when they go 120 [km/hour], you say, “Good, I’ll get off here.” Then, the other finds himself with a car that goes 120 and believes he knows how to drive, but in reality he learned a part of what he had to learn. And so it goes that he crashes on the first curve.

Andrés’s simile implies that the company managers’ instructions for steering their new oilfield service microenterprises gave the emprendimiento owners a false sense of their business aptitude and autonomy, which was destroyed soon after it was developed. Instead of teaching self-sufficiency, YPF SA’s tutorials made the emprendimiento owners into “dependents” of the transnational company, providing lessons that Andrés and his partners in OptaNeu came to view quite critically.

The kind of relationship the corporate executives wanted to establish with the YPFianos became evident to Andrés and several other emprendimiento directors in 1998, when YPF SA managers used the rapid drop in the price of crude oil on global markets as a justification to reduce the amount the oil company paid the emprendimientos for their services. By this time, more than a third of the emprendimientos had closed. Those that had survived the tumultuous first years depended on YPF SA as their sole client as well as their principal counselor. Diego Parmado, whose story opens this article, comanaged the emprendimiento FESTA with a man named Edgar Mancini. Completing each others’ sentences like an old married couple, Diego and Edgar recounted with more than a touch of sarcasm how an YPF SA accountant called them “strategic partners,” when they were really partners “in the losses . . . but not in the profits.”

To further explicate the dynamic of FESTA’s partnership with YPF SA at that time, Diego related that, when an YPF SA accountant came to talk to him about renegotiating FESTA’s contract, the man sat down beside him like an old work buddy, patted him on the back, and used the

informal second-person form (*vos*) to declare, “Look, you have to lower ten percent for me because crude went down to nine dollars a barrel. And you, as our workmate [*compañero*], you see, as an ex-YPFiano, you have to support us in this. Take ten percent off your costs and when the price of a barrel goes up, we will improve the prices [we are paying] you.” This corporate manager coded his demands in the same language that the YPFianos used to portray the labor relations within the emprendimientos (although note the *ex-* in front of *YPFiano*). He and his colleagues attempted to divest the emprendimiento owners of their expectations for care while still presenting the privatized oil company as the “father” to the emprendimientos. They employed their shared history and affective ties in YPF Estatal to form an oil services market in which short-term legal contracts replaced life-long commitments of mutual support.

The FESTA partners recognized the inequities of their contracts, but they were in no position to either negotiate for better terms or walk away from the new arrangement. Instead, they joined with the owners of the other emprendimientos that remained to present their shared dire situation, and its threat of producing even greater unemployment in the region, to representatives from YPF-Repsol and Neuquén Province. Diego recounted the decisive moment in which the owners of these emprendimientos resolved to take joint action:

The spark was the fall of the giant [emprendimiento] that invoiced the most and had a very large quantity of assets. All of a sudden, from one day to the next, it was in bankruptcy. What happened? That was the way in which many of [the emprendimiento partners] started to face reality and recognize their own problems. There was one reality that was killing us all, and the assassin was the same. “Yes, YPF [SA] hit me with a [belt] tightening and I lowered my price ten percent.” Therefore, it was the last smack to a drowning man.

In Diego’s words, their loving father had shown himself to be a bloodthirsty murderer. As a result, 19 emprendimientos jointly negotiated with the transnational oil company and the state from a stronger position than any individual emprendimiento could. This tactic led to the formation of a formal corporate association of emprendimientos, the Transitory Union of Emprendimientos in Neuquén (hereafter, UTE). YPF-Repsol assented to contract with the UTE members for four years and to provide 30 million pesos (at the time, equivalent to \$30 million) to pay the emprendimientos’ tax arrears and other debts but placed the money under the control of an outside administrator. The administrator, which the agreement granted YPF-Repsol free rein to select, was a team from a transnational oil service corporation, similar to Halliburton but headquartered in Europe, named Muller-Lange.¹⁶ In exchange for sup-

porting the UTE, the provincial authorities extended YPF-Repsol’s contract to exploit the largest natural gas field in Argentina and to own any petroleum extracted from it for an astounding 17 years.

The emprendimiento owners who joined the UTE believed that they had reached an agreement that merged principles of YPF kinship with corporate rationality, but the company executives interpreted these notions differently than the UTE members did. Carolina Lucano explained to me how she came to realize that Napalco’s relationship with YPF-Repsol and Muller-Lange was not what it first seemed. She recounted how the corporate representative with whom she dealt most closely promised that he and his colleagues would “train” the emprendimientos to manage their own affairs, and at the same time, he told her, “I am going to donate [money] for doing this, this and this, and in this way.” Gabriel Peretz, a business consultant hired to tutor the emprendimientos in entrepreneurship, described what transpired in somewhat different terms:

Carolina was the girl who defended them [i.e., the Muller-Lange administrators] to the death, and then ended up realizing that they almost melted down, almost broke, her father’s company (because in reality it’s her father’s company). And we had disputes with Carolina, I swear, we stayed up arguing with her until 11, 12 at night in the Hotel Isola drinking coffee. . . . The [consultancy] team showed her the numbers. “Look, look at what they are doing to you!” And she defended them to the death, and then at the end realized that the administrator was not so good because it let go of her hand. It is like your father gives you a hand, takes your hand and leads you to the park, takes you to the zoo, and then lets go of your hand and you are left alone. She realized this.

Like Andrés Esposito’s driving simile, Gabriel’s zoological one indicates that the emprendimientos traded one dependency for another. Rather than fostering autonomy, the UTE sustained the emprendimientos by reconfiguring the long-standing tradition of paternalism in the Argentine oil fields.

When family became a problem

YPFianos continued to envision oil industry employment as the most significant legacy that they could pass on to their children, and an especially important assurance in the face of their dangerous, sometimes lethal, labor in the oil fields. Working for YPF was at times also a duty children of YPFianos felt they must fulfill. Verónica de Ramos explained that she and her two sisters were too young to take positions at YPF Estatal when her father died in a work accident at the age of 41, but “there was always the latent possibility of entering to work myself in the same sphere in which my dad had been.” By the time she had finished her formal

education and was looking for full-time employment, the YPF directors had initiated the drastic reduction of the labor force and she did not receive a position. She sought work in the privatized petroleum industry, she explained, "as a debt, that is, as something pending from my dad." Verónica took a job with a foreign subcontracting company and then moved to a position at one of the emprendimientos, because it was "like an issue of continuing to inherit, let's say, leaving our surname within the petroleum field." As Verónica's comment illustrates, the expectation of familial inheritance was hardly erased by the privatization of YPF, the elimination of familial benefits, and the reconfiguration of labor norms. Verónica translated job inheritance from the national company into the world of the privatized oil industry and creatively preserved her YPF legacy. However, employment was no longer the responsibility of the national polity toward the families who provided it with energy but, rather, a concern of individual emprendimientos that was governed by their agreements with the transnational oil corporations.

Although emprendimiento partners continued to view kinship bonds as strengthening their companies, job inheritance became a serious challenge to the survival of their businesses. When the emprendimientos were first created, all YPFianos who wanted could join one. Soon, however, it became clear that these microenterprises were supporting many more people than YPF SA executives were willing to pay. Many of the emprendimiento partners were unwilling to thin their own ranks and borrowed money to pay salaries. This contributed to the bankruptcies that led several large emprendimientos to close and sparked those that remained to join the UTE. When a few of the surviving emprendimientos began to contemplate hiring additional people, they attempted to meld their hiring practices with the YPF tradition of job inheritance. When I asked at the Lucanos' home about Napalco's hiring practices, Carolina explained that the partners prioritized "taking on the unemployed people who remained," because by doing this "we can resolve, although minimally, someone's problem by giving him work." Alberto interjected to impress on me "the quantity of people who ask you for work because they know that you are in a company." Former workmates regularly stopped Alberto in the street to ask him to "give me a hand," explaining that their sons could not afford to stay in school but had not found a job.

The emprendimiento partners found it extremely difficult to deal with these pleas for employment. They could not create enough positions to give work to even a small fraction of the YPFianos whom the privatized corporation let go but who continued to see employment as an inherited right, not to mention those teenagers who had grown up expecting to take over their fathers' positions and the children of workers killed on the job. In addition to the emprendimientos' decreased need for laborers, they faced pressure to restrict the age and educational backgrounds

of their employees. Executives at YPF-Repsol and the other transnational oil companies working in the Neuquén oil fields wanted their subcontractors to hire only young workers with recent technical degrees, not YPFianos whose skills and knowledge came from work experience (*idóneos*) or children of YPFianos who had not completed their studies, like the ones Alberto mentioned. The value placed on learning a trade from one's father had been replaced by Repsol's numerical employment matrix, and emprendimiento owners found themselves in an increasingly tight bind. The transnational oil company executives, their consultants, and state allies used neoliberal discourses of efficiency and transparency to code job inheritance as backward. Yet children of YPFianos claimed they were the natural continuation of YPF kinship and appealed to the emprendimientos owners' sense that their subcontracting enterprises must preserve the legacy of YPF.

The salience of the problem of filial job inheritance became evident to me when I conducted participant-observation in OptaNeu in September 2005. The company's ambitious managing director, Andrés Esposito, had recently let go two partners' sons and warned the remaining ones that "their last name was their biggest problem." He reminded them that everyone was watching them especially closely to see if they took their job for granted and did not work hard enough. As Andrés drove another OptaNeu employee and me from their base in Plaza Huincul to the remote extraction site of Rincón de los Sauces, I asked them about job inheritance. Andrés said that OptaNeu's informal hiring policy gave partners' family members a chance but that he had no problem firing them if they did not work well in the company. Although Andrés's role may have been made easier by the fact that he was not an YPFiano himself, firing the son of a partner in an emprendimiento was a far from straightforward undertaking.

This was clear when one of the most experienced partners at OptaNeu suddenly died, leaving his son Humberto working in a low-status administrative position at the emprendimiento. The partner's death was a shock to the whole staff, who had looked to him as a role model, but it was especially difficult for Humberto, who had had the most intimate kin-labor relation with his father. In the months that followed, Humberto asked to be promoted to a technician position, but he fought with his coworkers and, according to many at OptaNeu, did not perform his duties well. Andrés was sympathetic to his situation and told me with great concern that Humberto carried his father's death "like a backpack that he could not take off." However, in addition to Humberto's poor performance, his technical degree was not in the right field for OptaNeu's services, which made him a weak candidate for promotion. After much discussion, the OptaNeu partners decided to move Humberto from the company's main office in Plaza Huincul to their smaller office at Rincón de los Sauces, where he would

have additional responsibilities as an independent office manager, and they would call his new position “administrative technician.” Andrés hoped Humberto would not be constantly reminded of his father’s absence in new surroundings, would see this change of position as a promotion, and, therefore, would become a more productive employee. When I last heard, these hopes did not seem to be reaching fruition, but Humberto had not been dismissed. As this instance shows, the neoliberal experiments carried out in the Patagonian oil fields could neither neatly divorce familial and industrial domains nor make impersonal property ownership and other contractual relations eclipse the affective ones that preceded them. In the emprendimientos of northern Patagonia, as elsewhere, kinship sentiment continued to exert significant force, and everyone working in the privatized oil industry had to contend with the historical legacies of YPF.

Conclusion

Anthropological investigations of neoliberalism have carefully shown how calculative mechanisms, quantitative evaluations, and commodification have become important techniques that state and nonstate actors use to govern people. However, scholars’ focus on neoliberal rationality has largely neglected the affective dimension of neoliberal projects. In this article, I highlight four crucial aspects of a neoliberal project that would be overlooked without close attention to familial sentiments and kinship practices. First, my analysis of YPF’s privatization reveals lines of continuity between neoliberal and previous methods of government that are not evident from studying the introduction of new technical mechanisms alone. Although the privatization dismantled familial privileges in the oil industry and encouraged dispassionate calculations about equipment, employment, and benefits, it did not replace state paternalism with an imported model of disinterested rationality. Instead, YPFianos reconfigured their affective ties to YPF and to each other to fit the restructured oil industry. At the same time, corporate managers placed themselves in paternal or avuncular positions in relation to the emprendimiento owners with whom they contracted. As Andrés Esposito articulated, the YPF SA representatives taught the emprendimiento partners to drive their vehicles in ways that bound them as “dependents” of the transnational company. Investigating only the juridical and administrative changes would have made the privatization seem a radical break with a preceding regime of rule, but attending to kinship and affect demonstrates how a neoliberal project worked to sustain previous governing relations.

Second, I illustrate not only how an actually existing neoliberal project reinforced affective bonds, reasserted kinship, and taught calculative business methods but also how it dissolved distinctions among them. The YPFianos who

were able to sustain emprendimientos through the privatization process did so by developing business practices that were at once generous nurturing acts and prudent financial computations. Alberto Lucano’s offer of soup with dinner and the OptaNeu partners’ transfer of Humberto to the Rincón extraction site are both illustrative instances of this. The executives at the privatized oil company also blurred boundaries between nurturing and disciplining techniques as they managed the corporation’s subcontractors by, for example, helping the emprendimiento owners in budgeting while reducing their compensation rates.

The entangled constitution of calculative rationality and familial sentiments, and of market relations and kinship bonds, is further illustrated by focusing on the question of petrolic property. Study of the technical mechanisms involved in privatizing oil shows that the rise of neoliberal rationality in Argentina prompted a shift in the “way of thinking” about oil beginning in the late 1980s. Prior to that moment, petroleum was valued in terms of its use in ensuring state sovereignty, creating middle-class citizens, fueling industrialization, and promoting national development. With the emergence of a neoliberal style of thinking, the understanding of oil as a “national treasure” was supplanted by a view of oil as a financial resource that was best used to improve Argentina’s fiscal position in the world. This shift in thought helped enable the Menem administration’s privatization of YPF Estatal, a move that was politically impossible only a few years earlier. Yet it does not explain the unusual process by which YPF was privatized, particularly the YPFianos’ tenacious effort to ensure the survival of the emprendimientos. Attention to the affective dimension of the privatization process is necessary to understand how YPF production units were transformed into subcontracting microenterprises, and why the conversion of petroleum from public to private property strengthened affective bonds in the oil industry.

Third, my analysis of YPF’s privatization illustrates how measures that failed as technical mechanisms to convert state workers into independent entrepreneurs succeeded as techniques to reinforce the “goods” of corporate ownership and private property rights. The Participatory Property Program, for instance, taught YPFianos to desire private property by promising that owning shares of YPF SA stock would enable them to continue to participate in the oil industry. After the YPFianos were dispossessed of their shares when they were dismissed from YPF SA, they sought property ownership in other places, principally in emprendimientos. As Alberto Lucano explained, the YPFianos who formed emprendimientos came to love them more intensely than they had loved YPF because they owned these microenterprises. POLIP’s ten-year-old truck stood as a testament to the investment—of capital, labor, and affect—YPFianos made in their emprendimientos: The partners received the truck as part of their first contract with YPF SA, gradually

paid for it through their work in the oil fields, and spent numerous hours cleaning and repairing it. They loved it as a vital organ of their “adoptive son” and cried when they had to sell it to raise cash and to comply with YPF-Repsol’s inflexible regulations. The emprendimiento owners’ relationships to vehicles, in particular, illustrated that private property ownership was grounded in love as much as it was in law. In short, the privatization worked because it worked affectively.

The YPFianos’ love of the petroleum-powered vehicles in which they learned to be small business owners leads me to emphasize a fourth and final reason it is important to pay attention to the affective dimension of the privatization process. Put most starkly, affect was the crucial force that incorporated the emprendimientos into the petroleum industry’s global circuits of extreme inequity. Although the juridical and technical mechanisms of the privatization process excluded the YPFianos from the oil industry, its affective aspect included them. Kinship sentiments and practices of familial care carried Diego Parmado, Hernán de la Cruz, Alberto and Carolina Lucano, and their partners through the arduous process of remaking themselves from state workers into business owners. These YPFianos’ desire to fulfill their debts to kin, to claim their inheritance, and to preserve their families’ place in the oil fields motivated these many men and few women to work harder for less pay and fewer benefits than they had received while laboring for the state enterprise. Affective ties to YPF also led the emprendimiento owners to accept old equipment, exploitative contracts, arbitrary rules, and great risks. In other words, it was their affective attachments that enabled these YPFianos to be incorporated within a global oil industry in which a small number of giant corporations make enormous profits by subcontracting the labor of producing oil to people who, as Diego Parmado and Edgar Mancini aptly put it, share “in the losses . . . but not in the profits.”

Notes

Acknowledgments. Research for this article was supported by the National Science Foundation, the Fulbright Foundation, and the Graduate Division of the University of California, Berkeley. I am indebted to Lawrence Cohen, Jessica Greenberg, Cori Hayden, Jonathan Levine, Donald S. Moore, Andrea Muehlebach, and Alexei Yurchak for their critical reading of drafts of this article. I am also very grateful to Donald L. Donham and the three anonymous reviewers at *AE* for their insightful comments.

1. All the names of people and microenterprises appearing in this article are pseudonyms, and I have changed some identifying details, as required for this project by the University of California, Berkeley, Committee for the Protection of Human Subjects. I use the real names of transnational corporations and state officials, as they are matters of public record.

2. My naming of the oil company requires some explanation. First, I employ the term *transnational* to describe those corporations whose operations span multiple states, that link employees

who identify with different nationalities and speak different languages, and that participate in different state property regimes. I use this term with significant reservations because it contains within it the assumption that nations are isomorphic with states and positions the corporation as uniquely able to transcend the boundaries of these entities. In other work, I analyze the spatial politics of corporate practice within the oil industry, in which geography and materiality, especially, matter but exceed both the social and juridical boundaries defined by national states (Shever 2008). In the present article, I use the term *transnational* because it highlights one of the most salient changes brought by privatization, that is, the conversion of YPF from a company that extracts oil only from the Argentine subterritory to one that works in more than 30 states. Second, I use the anachronistic term *YPF Estatal* to differentiate the state enterprise from the joint-stock company YPF SA and the transnational corporation YPF-Repsol. *YPF Estatal* refers to the national oil enterprise that existed from 1922 to 1992. *YPF SA* refers to the privatized oil corporation that operated from 1992 to 1999. (*SA* stands for *sociedad anónima*, which is equivalent to *incorporated* in English.) *YPF-Repsol* refers to the company created after Repsol, the former national oil company of Spain, purchased the controlling shares of YPF SA in 1999.

3. I understand *sites* here not simply as the geographical distinctions of “multisited research” (Marcus 1998) but, rather, in the wider sense of multiple positions that can spatially and temporally overlap (Moore 2005).

4. No edited volume is homogeneous. In the same *Public Culture* issue, Fernando Coronil argues that neoliberal globalization presents an image of an agentless process that hides the “Western” political project that is the source of its power. This camouflage enables the disastrous effects of neoliberal globalization to seem to be market effects rather than political ones (Coronil 2000:369). This argument articulates both with the other articles in the *Public Culture* issue and with David Harvey’s work.

5. Critical investigations that emphasize the failures of neoliberal privatization include Coronil 2000:362; Ferguson 2006:11, 212 n. 9; Harvey 2005; Paley 2001:75–76; Rofman 1999; Svampa 2005; and Verdery 1996:133–167.

6. Examples of this kind of scholarship can be found in Barry et al. 1996, Gordon 1991, and Miller and Rose 2000. I think it important to heed E. P. Thompson’s warning that “too often in our histories we foreshorten the great transitions” (1991:253) and mistake assertions of a new economic rationality by privileged actors for its acceptance within a far more varied population.

7. Other anthropologists have illustrated that people contest neoliberal projects by deploying neoliberal discourse against the authority figures who promoted it (Paley 2001:143–181), by engaging in movements that draw on alternative forms of communal belonging, such as indigeneity (Sawyer 2004:15) or popular nationalism based on race and class (Postero 2005), and by joining in protests that assert moral claims against economic ones (Ferguson 2006:81).

8. The growing body of work on neoliberal governing by non-state actors includes Ferguson 2006, Ferguson and Gupta 2002, Gupta and Sharma 2006, Paley 2001, and Sharma 2006. Suzana Sawyer’s (2004) study of oil extraction in the Ecuadorian Oriente is one of the few that examines corporate actors. Although I find these analyses persuasive, they sometimes romanticize the welfare state, overlooking states’ repeated failure to provide what they legally guaranteed. Even at the height of Peronist nationalist development in Argentina, state entities never fulfilled the rights of, or delivered social services to, the entire population. YPFianos received more social services from the state than almost all other Argentines, making employment in the company highly desirable. I find it valuable to examine how well-warranted criticisms of

welfare-state apparatuses have been used to justify the privatization of state services.

9. For a robust refutation of the assertion that privatization was imposed on Argentina by foreigners, see Etchemendy 2001:3.

10. This enormous foreign debt had been accumulated under the most recent series of military dictators. Much of the dictatorships' debt was held by public enterprises, like YPF, which were uniquely able to offer collateral to lenders. The easy availability of foreign loans, in which significant funds came from Middle East oil profits funneled through U.S. banks, facilitated the enormous military expenditures that sustained the dictatorships' control. After the Mexican state defaulted on loans in 1982, foreign banks suddenly ceased their generous lending in Argentina. The military dictatorship rescued from bankruptcy some owners of debt-ridden private companies holding state contracts by nationalizing their foreign-debt obligations (Canitrot 1994:76, 80). The state's foreign debt, consequently, rose 106 percent between 1980 and 1989, to reach \$16.4 billion by the end of the decade. YPF was the state enterprise that possessed the largest foreign debt, holding \$2.9 billion in 1980 and \$5.6 billion in 1989 (Manzetti 1999:82). For further discussion of how petrodollars became invested in the Global South, see Harvey 2005:27–31.

11. Crucial details of the program, such as the number of shares involved, were established through negotiations between state and union representatives for each privatized state company, thus offering an opportunity for the Menem administration to differentiate among loyal and disloyal unions (Murillo 1997:142 n. 30). The state oil workers union, SUPE, negotiated the clause in the 1992 Privatization of Hydrocarbons and YPF Law that entitled those employed by YPF Estatal at the time of its conversion into YPF SA to collectively receive five percent of the new corporate shares of stock. This was a low percentage compared with that offered by other state companies, especially considering YPF's large number of employees.

12. These numbers, which were often repeated to me by informants, are also published in Manzetti 1999:115.

13. This number is the percentage of the "economically active population" (Costallat 1997:5).

14. *Emprendimiento* is a term coined from the verb *emprender*, to embark or launch. These microenterprises might have been called "start-ups" in English if their owners had been much younger, wealthier, and more formally educated.

15. For a similar discussion of national patrimony, inheritance, and natural resource extraction in Mexico, see Ferry 2005.

16. Although it was a transnational corporation, I use a pseudonym here because its identity was not widely known.

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accepted March 26, 2008

final version submitted May 3, 2008

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