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The Socio-Politics of Taxation and Tax Reforms in Latin American Countries: Political Ideology, Anti-Tax Rhetoric, and Business Mobilizations

A dissertation submitted in partial satisfaction of the requirements
for the degree Doctor of Philosophy

in

Sociology

by

Germano Ribeiro

Committee in charge:

Professor Isaac William Martin, Chair
Professor Lane Kenworthy
Professor Kevin Lewis
Professor Sebastian Saiegh
Professor Carlos Waisman

2024

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University of California San Diego

2024

EPIGRAPH

"I never asked but I heard you cast your lot along with the poor
But then I overheard your prayer
That you be this and nothing more
Than just some grateful faithful woman's favorite singing millionaire
The patron Saint of envy and the grocer of despair
Working for the Yankee Dollar"
(Leonard Cohen)

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I conducted fieldwork trips to Argentina on three different occasions – 2018, 2020, and 2022 – and could not have received better assistance and professional support. In Buenos Aires, Carlos Gervasoni opened the doors of the Department of Political Science and International Studies of the Torcuato di Tella University, offering an office space, networking opportunities, and additional institutional support. Natali Risso and Pablo Benchimol were the best friends and *porteño* connections I could have asked for, helping me with the logistics of my research, reaching out to local businesspeople and policymakers, and showing me the cultural and culinary wonders of Buenos Aires.

In 2018, I did preliminary fieldwork in Buenos Aires primarily to familiarize myself with Argentina's sometimes intricated national politics and to network with local academics, think tank analysts, and the policymaking community. And on March 5, 2020, I arrived in Buenos Aires to conduct three months of interview fieldwork. Less than two weeks later, due to the global coronavirus pandemic, then-President Alberto Fernández announced very strict lockdown measures. I ended up stranded in an apartment in the Chacarita neighborhood for a little over a

month and eventually decided to leave the country, repatriated to Brazil by a bus organized by the Brazilian Consulate. Although my initial fieldwork plans were disrupted, they were partly salvaged thanks to Edu Feller, who shared contacts in Argentina's agrarian sector, enabling me to conduct a few interviews remotely. Finally, between May and July 2022, I returned to Argentina to conduct the interviews I had planned for 2020. Between my first and last visits to Argentina, many people graciously took the time to meet with me to discuss my research and helped me connect with local players. I am particularly indebted to Javier Auyero, Mariana Heredia, Martín Abeles, Javier Rodríguez, Marcela Cristini, Santiago Urbiztondo, Belén Milmanda, Vicky Murillo, Sebastián Etchemendy, Carla Gras, Juan O'Farrell, and Matías Longoni.

Getting in touch with economic elites and upper-income groups can be challenging, and, indeed, it was initially difficult to establish a good flow of contacts to interview. My work was greatly facilitated by the help of people from the Barbechando foundation – a civil society organization created by Argentina's agrarian producers after 2008 to participate in the country's legislative debate. I am especially thankful to David Hughes, who personally put me in contact with many key players involved in the 2008 agrarian mobilizations in Argentina (discussed in Chapter Four), making my third stay in Buenos Aires much more fruitful than it otherwise would have been. Regardless of their political stances or perspectives on tax policy, members of the agrarian sector I interviewed were very welcoming and eager to contribute to my research. I am grateful for each one of them, particularly to one – who I choose to keep anonymous for safety and privacy matters – who drove me around the *pampa húmeda* region in the Santa Fe and Buenos Aires provinces, allowing me to visit sites where sector members mobilized in 2008 and meet with other interviewees in-person.

At UCSD, the committee members of this dissertation provided the perfect balance of encouraging me to pursue my initial ideas, offering methodological, theoretical, and even logistical suggestions to refine my work, and providing critical guidance when I was in need of a compass. Needless to say, however, that the inconsistencies and weaknesses of this dissertation are entirely due to my stubbornness. I am deeply thankful to my chair, Isaac Martin, who has been the best academic role model I could have had during this long Ph.D. journey. I applied to the Sociology Department at UCSD because I was inspired by Isaac's fiscal sociological work, and I am now leaving the program equally inspired by his dedicated and ethical, but still technically rigorous approach to social scientific research and to university education overall. Isaac was patient when I insisted on doing interview fieldwork, even after the pandemic had made that nearly impossible for a while, but he also incentivized me to keep my eyes open to alternative methods and data sources. Lane Kenworthy was always ready to read drafts and meet to discuss chapters, proposals, and general ideas, and much of the direction this dissertation took was shaped by our conversations. Kevin Lewis was an unwavering source of support throughout this bumpy ride, and he was the first to encourage me to pursue the project that would eventually become Chapter Two of this dissertation. Carlos Waisman and Sebastián Saiegh provided essential Latin Americanist insights, sharing their regional expertise and reminding me that my sociological work should remain faithful to the political reality I was addressing.

During my Ph.D. years, I was fortunate to benefit from various institutional and informal spaces of intellectual support. At UCSD, Isaac and his team at the Fiscal Democracy Project created a fantastic environment to share projects and receive feedback from like-minded scholars at different stages in their careers. I mostly thank Heather Harper, Jennifer Nations, and Yen-Ting Hsu. I also thank Juan Pablo Jiménez, who offered excellent guidance on Chapter Two during my

time at the ECLAC Summer School in Santiago. At the now extinct comparative-historical workshop and at quantitative methods graduate seminars at the UCSD Sociology Department, I was able to further workshop versions of Chapter Two of this dissertation, which reached its current format after valuable comments from colleagues and audiences at the Latin American Studies Association (LASA), in Boston, and at the Social Science History Association (SSHA) Conferences, in Chicago, both in 2019. And at the online LASA conference in 2022, I could workshop an early version of Chapter Three and greatly benefited from the comments I received.

Professors, colleagues, staff and friends at UC San Diego all provided, each in their own way, fundamental academic, intellectual, professional and personal support. I am lucky to have been surrounded by great people at the Sociology Department at UCSD. Jeff Haydu, Juan Pablo Pardo-Guerra, Danielle Raudenbush, Kevin Beck, Dan Driscoll, Lauren Olsen, Fátima Khayar, Seth Merritt, Davide Carpano, Jon Ruiz, Colin Burke, Pablo Pérez-Ahumada, Wisam Alshaibi, Karina Shklyan, and Teresa Eckert deserve special mention. It was also a great privilege to have a group of great (and brilliant!) fellow Brazilians, of whom I want to thank Mariana Carvalho, Ricardo Dahis, Kathryn Baragwanath, Eduardo Skinner, Leonardo Bueno, Tamara Handfas, Leonardo Falabella, Douglas de Aquino, Abner Sótenos, Guilherme Sena, and Lucas de Abreu Maia. And I am especially grateful to Melissa Bittencourt for her careful support and sensitivity during these years. The hardships of pursuing a Ph.D. as an international student might sound like a cliché these days, but they are still a reality that only become easier with the help of other people.

My friends and family from Brazil never ceased to be present and make me feel supported, even from afar. I especially want to thank Rafael Roos, whose attentive ears and warm friendship gave me strength to push through when times were challenging. My parents, Dulce Ribeiro and Marizeu Fernandes, come from different social worlds that are sometimes very distant from the

academia bubble, yet their loving support and encouragement have been an amazing source of motivation throughout my career journey.

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ABSTRACT OF THE DISSERTATION

The Socio-Politics of Taxation and Tax Reforms in Latin American Countries: Political Ideology, Anti-Tax Rhetoric, and Business Mobilizations

by

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Doctor of Philosophy in Sociology

University of California San Diego, 2024

Professor Isaac William Martin, Chair

Taxation is a big part of the larger puzzle behind income and wealth inequality in Latin America, largely considered to be the most unequal region in the world. This dissertation asks why some Latin American countries are more capable of collecting tax revenue than others, and what are some of the main impediments to tax reforms in the region. The dissertation is organized around three main standalone empirical studies, each contributing to specific literatures in the

social sciences. First, a cross-national time series analysis of 17 Latin American countries since the 1990s identifies some of the main social and political drivers of variation in levels and structure of tax revenue in the region. Second, qualitative hand-coding analysis of roll-call congressional debates over two different tax reforms in Brazil and Argentina identifies and classifies the rhetorical strategies employed by both proponents and opponents of tax reforms. And third, analysis of rich data collected from more than 50 in-depth elite interviews with Argentinian agrarian producers who mobilized against a tax increase in 2008 describes the different pathways business actors take when they decide to engage in street protests, and the patterns in which they maintain their anti-tax business activism after this initial mobilization.

Chapter 1 – Introduction

Income inequality has been brought back to the forefront of social science research since the publication of Piketty's Capital in the Twenty-First Century in 2014, and possible solutions to this growing problem inevitably fall in the realm of taxation – more specifically, progressive taxation. However, due to a number of reasons, such as opportunities to evade taxes by moving assets across national borders (Zucman & Piketty, 2015) and resistance by "rich people's movements" (Martin 2013), the era of progressive taxation has been in decline since the 1980s, (Kiser and Karceski 2017, 2018), as governments have a harder time collecting such taxes. In Latin America, which is home to some of the most unequal democracies in the world, the challenge of progressive taxation has been met with remarkable difficulty, and most countries end up relying heavily on indirect forms of taxation, known to be less effective at addressing economic inequality. In fact, despite several attempts at implementing tax reforms, "Latin American policy-makers and public officials have traditionally found it all but impossible to impose taxes on their powerful private sector" (Schrank 2009:55).

This dissertation looks at the mechanisms behind the existing levels of income and wealth inequality. More specifically, it asks why some Latin American countries are more capable of collecting tax revenue than others, and what are some of the main impediments for tax reforms in the region. It explores the political economy of tax reforms, which are a big part of the larger puzzle behind income and wealth inequality in Latin America. The dissertation is organized around three main empirical studies, each contributing to specific literatures in the social sciences. First, a cross-national, quantitative analysis 17 Latin American countries since the 1990s identifies some of the main social drivers of variation in levels and structure of tax revenue in the region. Second, qualitative hand-coding analysis of roll-call congressional debates on three different tax reforms

in Argentina and Brazil identifies and classifies the rhetorical strategies employed by both proponents and opponents of tax reforms. And third, analysis of rich data collected from interviews with Argentinian agrarian producers who mobilized against a tax increase in 2008 describes the different pathways business actors take when they decide to engage in street protests, and the patterned ways in which they maintain their anti-tax business activism after this initial mobilization.

The above mentioned mixed-methods approach follows a research agenda on different dimensions of the political economy of taxation and tax reforms in Latin American countries. This is done in three steps that follow logically from the findings of one of the empirical studies. *First*, I draw upon longitudinal and cross-national data on a number of social, economic and political indicators in order to quantitatively assess possible explanations for the existing variation – across countries and over time – of tax revenue and tax structure within Latin America since the democratic transition (1990-2017). To this end, I consider four of the main hypotheses derived from the scholarly literature on the origins of fiscal institutions, namely the institutional hypothesis, the political culture hypothesis, the ideological hypothesis, and the elite power hypothesis. Time-series cross-section analysis suggests that political ideology – that is, the relative strength of left-wing parties in national parliaments – influences levels of total tax revenue in Latin American countries since the 1990s, whereas other indicators do not seem to have had any effects on how much tax states collect in the region. Tax structure, in turn, was influenced by the relative power of economic sectors, specifically the agrarian sector. Levels of democratic development and cultural indicators, important factors suggested by the literature as determining taxation, did not have any impact on either tax revenue or on tax structure.

After starting from a broader regional level and finding the importance of leftist politics and sectoral economic groups, I move to a *second* step, more focused on national institutions. I look at two cases of tax reforms in Brazil and Argentina in the 21st century under left-wing administrations. This set of cases comprises one case of success and one case of failure in approving tax reforms. While the tax bill to renew the Provisional Contribution on Financial Transfers (CPMF) in 2007 in Brazil did not get Congress approval, the bill to tax Argentina's wealthiest was approved in 2020. What types of arguments are used by congressmembers in Latin American countries when justifying their positions regarding tax reforms? To address this question, I look at archival evidence from five official documents that comprise the parliamentary debates over the implementation of these three tax bills. I use in-depth qualitative interpretation to identify the main themes that appear in tax reform processes, both for congress members who voted in favor and against said reforms. Four main types of arguments used by congressmembers to justify their tax decisions were identified: fairness arguments, economic arguments, comparative design arguments, and policy design arguments. Despite differences in the distribution of specific arguments across the cases, by and large, pro-tax congressmembers tended to support their votes with fairness arguments and anti-tax congressmembers supported theirs with economic arguments more often.

And finally, in the *third* paper of the dissertation, I move from the institutional to the societal level to understand both the conditions that enable anti-tax business mobilization and to identify different pathways through which elites mobilize. To do so, I rely on more than 50 in-depth elite interviews with Argentinian agrarian producers who mobilize and who did not mobilize against the tax reform that would increase taxes on soybean exports in 2008. I found four distinct modes of mobilization employed by agrarian producers in anti-tax protests: institutional, picket

leaders, networkers, and collaborators. These modes of mobilization, in turn, led to patterns of continued business activism across members of the agrarian sector in Argentina, through party politics and through new agrarian corporate associations, which have been consequential for the current state of agrarian business politics in the country and hence for the continued enforcement of the tax on soybean exports.

In sum, in my dissertation I follow an iterative research agenda to identify structural, institutional, and societal drivers of taxation and tax reforms in Latin American countries. In doing so, (a) I explain how the so called pink tide in Latin American politics – the rise to power of leftist politicians in the early 2000s – might not have led to more progressive taxation, but to increased levels of tax revenue through indirect taxation; (b) I identify some of the main types of arguments used by congressmembers to justify their position vis-à-vis tax reforms in Latin America; and (c) I describe how powerful interest groups, such as business elites, are able to employ unlikely modes of political resistance to taxation and how these political dynamics are translated into continued activism and incorporated into party politics. These findings have material consequences for the current state of socioeconomic inequality in Latin America and can potentially inform policy strategies to overcome the 'political underpinnings of taxation' (Flores-Macías 2019). As repeatedly pointed out by scholars of the political economy of Latin America, it does not suffice to propose a new tax policy with an intelligent design, if the proposal does not consider the political backlash it will generate – and the tools at the disposal of interested social groups.

In the remainder of this introduction to the three-paper dissertation, the goal is to provide a brief review of the fiscal sociological literature, with a special focus on its Latin Americanist branch. Additionally, I briefly review the scholarship on economic elites and business power, and explain how the three papers aim to contribute to these subfields.

Although not a mainstream subject (outside of economics), the number of social scientists who study taxation has been growing in recent years. Two milestone edited volumes – and particularly their introductory pieces – marked this new beginning of the study of public finances from a broader social scientific perspective (Bräutigam 2008; Martin, Mehrotra, and Prasad 2009), and since then, there have been other reviews of the recent production (Kiser & Karceski, 2017, 2018; Martin & Prasad, 2014). Some of these studies look at aspects such as the effects of taxation on socioeconomic inequality and poverty levels (Prasad 2012), on state capacity (Centeno 1997; Rogers and Weller 2014; Taylor and Botea 2008), and on democratic output (Ross 2004). Other studies take tax systems as a dependent variable; they look at, among other things, how political regimes (Gould and Baker 2002; Timmons 2010b), citizen preferences (Pampel, Andrighetto, and Steinmo 2019; Pearson 2014), and perceived division within society (Lieberman 2001, 2003) end up influencing levels of tax revenue and shaping tax structure in different countries.

Although still incipient, the Latin Americanist literature on the political economy of taxation has explored the subject from different theoretical and methodological perspectives. Building on the bellicist literature that feeds on Tilly's (1985) theory of war-making as state-making, Miguel Centeno (1997, 2003) suggests that Latin American wars did not enable the same positive effects that European wars did in the formative period of national states. Unlike the European cases, in Latin America, wars happened too early – there was not enough of an administrative core to build upon – and were too little decisive – by and large, states were not fighting for survival. However, most important was the fact that wars in Latin America did not encourage the state to tax their populations, since other forms of financing the conflict were available, such as external loans from European private and public institutions; hence, Latin

American administrations did not have the same revenue imperative that served as a mechanism for European states to develop.

Wars do not necessarily have a negative impact for state-building in the region, however, since the revenue imperative might also be felt in different circumstances. Rodríguez-Franco (2016) shows that a straightforward translation of Tilly's framework does not help explain how internal conflicts – the most common type of conflict currently – although destructive in many senses, can also be conducive to state-building. Using the case of the internal conflict in Colombia in the 1990s and 2000s, which involved guerrilla groups, rightwing para-military forces, and the state, she demonstrates that "[s]ecurity and economic crisis motivate rulers to encroach on the elite" (2016:207), generating solidarity between them and the state. When elites perceive a threat to be real, they "see a stronger state as the best way to protect their interests and thus become more willing to contribute to strengthening state capacity through taxes (2016:207–8).

More recently, an edited volume presented a research program on the comparative study of the politics of taxation in Latin America, especially focused on the low volume of tax revenue and the regressive structure of tax systems in the region (Flores-Macías 2019). This volume reflects an incipient but growing number of scholars interested in the fiscal sociology of Latin America. Among the subjects tackled by the volume is economic elites and *tax resistance*, which differs from tax evasion in that the former refers to circumstances in which groups do not give their consent to being taxed by governments, and actively advocate for policies that reflect their positions. *Tax evasion* refers to cases in which people escape taxes illegally, i.e. they seek means not to pay their share even if the law requires that they do. Although tax evasion constitutes a very serious problem that Latin American states have to deal with,[1] this recent wave of studies put

[1] Rates of tax evasion in Latin American countries range from 30% in Peru to 70% in Guatemala (Corbacho, Fretes, and Lora 2013:21)

emphasis on the capacity of and the political actions taken by economic elites to prevent the state from reaching their financial resources (Fairfield 2010, 2015, 2019; Ondetti 2017, 2019, 2021; Schneider 2012).

These studies suggest that elite power is one of the main sources of the regressive and low revenue-generating tax structure in Latin America. Even though governments have made attempts to reach the resources of economic elites, the effectiveness of these reforms has usually been jeopardized by the extra-parliamentary influence of these sectors. Tasha Fairfield (2015) compares across the same cases as Bergman (2011), but reaches different conclusions. By showing that Argentinian economic elites are not as instrumentally powerful as the Chilean ones, she demonstrates how the Argentinian government was able to increase its tax collection over the 2000s, whereas tax revenue levels in Chile remained approximately the same – mostly because politically organized elites acted to prevent progressive reforms. Aaron Schneider (2012), in turn, looks at the cases of three Central American countries – El Salvador, Honduras, and Guatemala – and reaches similar conclusions with a slightly different conceptual framework; in these countries, sound reforms were only possible in cases where new transnational elites managed to lead a national coalition and promote state-building projects of their own. These elite-centered studies cast light on an important subject that is often brought about by current political debates, especially after the Occupy movements and the rise of the 1%. In the following paragraphs, I bring the literature on economic elites

Research on the interplay between economic elites and political power has been a sociological tradition that dates back to the works of C. Wright Mills (1956).[2] Following his lead, other social scientists have looked at different cases to understand such relationship (e.g. Domhoff,

[2] I ignore classical sociologists, such as Karl Marx, since his focus was on the macro-structures that formed the relationship between economic and political power, not on the actors themselves.

1971, 2013; Mizruchi, 2013; Paige, 1998; Winters, 2011). Why are elites often successful in reaching unity to pursue their political goals? What are the features that distinguish economic elites from other social classes, so that they achieve not only favorable policies, but also direct control of governments? These are some of the most important questions this literature seeks to answer. Some authors explain the elites' dominant political status through the intrinsic structural advantages their position as the owners of capital grants (Winters 2011); others look at their logistical advantages, since they are by design a smaller group of people which is easier to organize (Mosca 2015); still, others look at their common cultural tastes and dispositions and at how those are both a way to identify with other members and a tool to reproduce existing inequalities (Bourdieu 1993); and finally, others explain elite unity because of shared abundance of resources, be they political, economic, artistic, etc. (Pareto 1991). Here, I use Shamus Khan (2012:361) definition of elite: "those with vastly disproportionate control of or access to a resource", in this case an economic resource.

Two types of social science research on corporate groups have looked particularly at their modes of political organization. The literature on varieties of capitalism looks at how the private sector and the government coordinate (or not) their relationships, in order to best allocate resources. Hall and Soskice (2001) focus their attention on the developed world, where they identify two types of capitalism: coordinated market economies (CMEs) and liberal market economies (LMEs). The former are characterized by high (and institutionalized) levels of negotiation between public officials and the private sector, while the latter show low interference of the public sector on capital-labor relations. Translating this debate to the Latin American reality, Schneider and Soskice (2009) label countries in the region as hierarchical market economies (HMEs), which show high levels of informality and corporate conglomeration. However, they fail

to explain what causes state-capital relations to become hierarchical, and why these are different than simply dysfunctional CMEs or LMEs. Moreover, they are not able to explain commonalities between countries such as the United States and Argentina, which have similar levels of income concentration and pathways of income concentration over the twentieth century, as measured by the top 1 and 0.1 percent (see Alvaredo, 2014 for the case of Argentina; and Saez, 2017 for the case of the United States).

The abundance of resources held by small groups of society – and the willingness to protect and increase their wealth – creates incentives to develop ties across members of these groups. Elite network researchers look at these ties to understand transfers of information and, most importantly, coordination of different modes of political action by these groups. Mizruchi's (1982) work on interlocking directorates of corporations pioneered this type of research, and other important works have followed, which looked at, for example, structural relations between firms (Mizruchi and Schwartz 1992) and the size density, and political affinities of elite groups (Burris 2005; Heerwig and Murray 2019; Useem 1986).

In this dissertation, I connect the literature on the sociopolitical drivers of taxation in Latin American countries and the literature on economic elites and business power. The aforementioned recently edited volume on the comparative political economy of taxation in Latin America offers a wide array of both large-n, cross-national and small-n studies, historical studies, but it lacks a quantitative explanation for what it identifies as the defining features of tax systems in the region, namely low levels of tax revenue and regressivity of collection. Chapter 2 provides this contribution by addressing the question of what drives taxation in Latin America. Chapter 3 follows the findings of chapter 2 – that the stronger left-wing parties are, the higher the total tax revenue a country in Latin America collects – and looks at the dynamics of congressional debates

to understand how tax reforms are interpreted by congresspeople. And chapter 4 looks at the case of Resolution 125 in Argentina in 2008, when agrarian producers took to the roads to protest against an increase on soybean export taxes, as a tool to understand when and how business elites decide to mobilize against tax reforms.

Chapter 2 – On the Social Determinants of Tax Systems in Latin American Countries, 1990-2017: a time-series analysis of competing theoretical explanations

The turn to the twenty-first century marked an inflection point for Latin American societies. In a context of democratic consolidation, a number of Latin American countries experienced a new political trend in which left-wing parties rose to power through democratic elections. The rise of the left carried with it the expectation of new social policies that would redistribute income, thereby reducing the extreme levels of inequality in the region. However, as scholars note, the actual efficacy of state action in Latin America has been severely impacted by low levels of capacity to implement sound public policies (Centeno 2009; Schneider and Soskice 2009). In order to explain the historical causes of this lack of capacity, there is perhaps no area more important than taxation policy.

In a recent study by the Inter-American Development Bank, the authors show that Latin American tax systems, by and large, are marked by low levels of tax revenue and low incidence of direct taxes (Corbacho, Fretes, and Lora 2013). And, according to Schrank (2009:55), "Latin American policy-makers and public officials have traditionally found it all but impossible to impose taxes on their powerful private sectors" (55). As shown in Table 2.1, although Latin American countries overall still rely heavily on indirect taxes, there is striking variation among countries in terms of how much revenue they collect.

Recent sociological scholarship identifies a number of possible determinants for the shape and the size of tax systems, such as previous policy choices, influence of public opinion, ideology of the dominant parties and the power of economic elites. However, most of the fiscal sociological literature is informed by the cases of Western welfare states (e.g. Avellaneda and Hardiman 2015; Kato 2003; Martin 2010; Mehrotra 2014; Peters 1991; Prasad 2006, 2012; Steinmo 1993). Latin

Americanist contributions have been few and sparse thus far, mostly built on historical explanations that emphasize either the role of economic elites (Schneider 2012; Fairfield 2010, 2015) or of institutional legacies (Mahon 2004; Melo 2008) as possible explanatory variables.

Table 2.1. Tax Revenue in 11 Latin American Countries since 1990 (% GDP)

	Total Tax 1990	**Total Tax 2017**	**Change (%)**	**Direct Tax 1990**	**Direct Tax 2017**	**Change (%)**
Brazil	28.8	32.2	11.8	7.7	9.6	24.7
Argentina	14.8	30.3	104.7	2.7	8.5	214.8
Uruguay	22.7	28.7	26.4	3.4	9.5	179.4
Bolivia	6.7	28.2	320.9	0.4	8.3	1975
Ecuador	6.9	20.9	202.9	1.2	4.9	308.3
Colombia	8.9	20.8	133.7	2.9	8.7	200
Chile	14.8	20.1	35.8	2.7	7.9	192.6
Mexico	10.9	16.1	47.7	3.9	7.9	102.6
Peru	12.1	15.3	59.0	1.9	6.2	226.3
Paraguay	8.4	13.6	26.4	1.3	2.3	76.9
Venezuela	18.7	6.7	-64.2	15.7	1.6	-93.9

[a] Social security contributions were included in total tax data.
Source: Economic Commission for Latin America and the Caribbean. Available at: http://estadisticas.cepal.org/. Accessed: 04/03/2019.

While these studies put forth important hypotheses on the causal mechanisms shaping tax policy, they may not all be generalizable beyond their empirical cases. By drawing upon longitudinal and comparative data that expands the empirical scope of the fiscal sociological literature, in this paper I quantitatively assess possible explanations for the existing variation – across countries and over time – of tax revenue within Latin America since the democratic transition (1990-2017). To this end, I consider four of the main hypotheses derived from the

scholarly literature on the origins of fiscal institutions, namely the institutional hypothesis, the political culture hypothesis, the ideological hypothesis, and the elite power hypothesis. Time-series cross-section analysis suggests that tax structure – that is, direct taxation / total taxation – influenced levels of total tax revenue in Latin American countries since the 1990s, whereas other indicators do not seem to have had any effects on how much tax states collect in the region. Tax structure, in turn, was influenced by the political ideology of political parties and by different accounts of elite power. Levels of democratic development and cultural indicators did not have impact on either tax revenue or on tax structure.

This paper is organized as follows. First, I present a brief review of the social sciences literature on the origins of tax systems, based on the four working hypotheses outlined above. Second, I describe the data I used and the statistical methods I employed. Third, I describe the results of the cross-section time-series (CSTS) analysis conducted. Lastly, in the fourth section, I discuss the results and how they both support and challenge the existing fiscal sociological literature. Fifth section concludes the paper.

Literature Review

From different fields within the social sciences, scholars suggest that taxes serve as a window to the social world, in the sense that they "underwrite the capacity of states to carry out their goals; they form one of the central arenas for the conduct of state-society relations, and they shape the balance between accumulation and redistribution that gives states their social character" (Bräutigam 2008:1). I use these three points to inform my hypotheses. *State capacity* refers to institutions and how well they perform; *state-society relations* refer to social cohesion and how faithfully the state responds to society's demands; and *the balance between accumulation and*

redistribution refers to the traditional political cleavage between left and right parties, the former usually favoring resource allocation through the state and the latter favoring allocation through the market. Additionally, I add one extra explanatory factor to the list of hypotheses, namely the power of economic elites. This fourth hypothesis refers to the interplay between economic and political power and how it affects the shape of state institutions. These four perspectives inform the theoretical framework of this paper.

Institutionalist Hypothesis

Institutionalist approaches to taxation began to gain leverage after scholars identified that countries with similar economic structures, political regimes, and economic modes of production showed remarkable differences in terms of the shape and outcomes of their tax systems (Bräutigam 2008:9). This type of explanation focuses on, for example, the different arrangements of political institutions among countries and how they affect institution-building processes differently. Scholars working in the institutionalist tradition have placed emphasis on the path dependent nature of political institutions, arguing that once institutions acquire a certain structural characteristic, they are hardly able to be transformed. In this sense, previous policy choices and the timing – or context – of adoption of particular tax policies might have enduring consequences for the design of future tax systems. For example, the higher levels of tax progressivity that exist in the United States can be traced to the Progressive-era impulse to "soak the rich" during times of economic crises (Morgan and Prasad 2009; Steinmo 1993). Higher levels of tax revenue in some parts of Europe, in turn, are due to the early adoption of VAT taxes – a regressive and, therefore, unpopular form of taxation, but with great revenue-generating potential – during times of good macroeconomic performance (Kato 2003).

The institutionalist literature motivated scholars to develop indicators of state capacity based on features of the tax structure of countries. Rogers and Weller (2014:192), for example, suggest that the proportion of tax revenue that is collected in the form of direct taxes can be a useful tool to assess state capacity, because this type of tax requires high levels of information, monitoring, and coercion over the population in order for the state to be effective in its collection. However, evidence from other studies suggest that states that rely mostly on indirect taxation, e.g. Northern European social democracies, have higher levels of total tax revenue than those that rely on direct taxation (Kato 2003; Wilensky 2002). This literature on Western welfare states is what motivates my first hypothesis. *H1a: the more progressive the tax structure (direct taxes/total taxes), the lower the level of total tax revenue (% GDP)*. Because most of this literature focuses on Western states, and because, as we have seen, Latin American states have been particularly dependent on indirect taxes, it is fruitful to look more closely at the region to better understand the relationship between tax structure and total tax revenue.

In addition, within the institutionalist scholarship, studies on Latin America have pinpointed the path dependent nature of state institutions. Melo (2008), for example, suggests that systemic political instability in Argentina weakens the government's ability to tax effectively. Because recurring political crises in Argentina make the institutional future uncertain, incumbent governments prefer to extract resources from the population through inflation rather than taxation, which further undermines public trust in the government. In contrast, Huber and Stephens (2012) show how the consolidation of democratic regimes produces a positive cumulative effect that eventually contributes to increased levels of social spending. These studies motivate a second institutionalist hypothesis. *H1b: the more democratic a country is, the higher the level of total tax revenue (% GDP)*.

Political Culture Hypothesis

The body of literature that explains the shape and volume of taxation by focusing on public opinion and social cohesion can be traced back to the behavioral turn of the social sciences and, more specifically, to the literature on social capital and how it affects the performance of state institutions (Almond and Verba 1963; Inglehart and Welzel 2005). A few factors can be included in these explanations, such as "the sense of moral obligation; the perception of the tax system's fairness and, in particular, the perception that other taxpayers are also paying; and […] the extent to which taxpayers believe their governments" (Bräutigam 2008:6). Broadly speaking, this literature is premised on the assumption that citizens' aggregated policy preferences – in the case of taxation, determined by the consent given to government – determine governmental policy responsiveness.

In Latin America, social cohesion accounts have focused on the different societal sources of tax compliance. Lieberman (2003) demonstrates that the different conceptions of race and nation in Brazil and in South Africa explain the contrasting levels of tax compliance in these countries. In South Africa, the openly segregationist approach to ethnicity encouraged the white population to largely cooperate with the revenue service, so as to maintain a regime of racial exclusion that benefited other whites. In Brazil, on the other hand, official racial boundaries were more fluid, and white elites would avoid paying taxes that they did not see as inherently favoring their own social group. Bergman (2011), in turn, bases his comparison of the Argentinian and Chilean cases on the idea of quasi-voluntary compliance developed by Levi (1988). While individual citizens would tend to evade taxes in the absence of coercion, socialized citizens base

their tax decisions on the "perceived standardized behavior of peers" (Bergman 2011:11). This contrast, Bergman argues, explains higher levels of tax compliance in Chile than in Argentina.

My cultural hypothesis is based on the claim that "taxpayer consent depends on a social rather than an individual contract" (Martin et al. 2009:22). *H2a: the more socially cohesive a population is and the more it trusts its political institutions, the higher the level of total tax revenue (% GDP)*.

Ideological Hypothesis

Ideological accounts of state institutions posit that they are the mirror of social struggles that take place within society. For this literature, class-coalitions and the ideological conflicts underlying them determine the shape of state institutions (Esping-Andersen 1990; Moore 1966). Translating these claims into fiscal sociological terms, Schneider (2011) suggests that there exists a close relationship between the sources of state revenue and the social groups that benefit from public spending. In other words, upper classes usually pay taxes in order to assure protection of private property, whereas lower classes tend to frame their demands in terms of labor rights (Schneider 2011, 160–61).

Political ideology accounts that look at Latin America are far more common in the field of political science. One example can be found in the works of Huber and Stephens (2012), who measure the effect of leftist governments on levels of poverty and of inequality. However, their research is not able to identify a causal relationship between those aspects. When applied to state politics, ideological struggles are usually framed in terms of left-right divide. One generally assumes left-wing parties to favor resource allocation through state mechanisms while right-wing parties are usually assumed to favor resource allocation through market mechanisms. Therefore, it

is reasonable to expect leftist governments to collect more taxes than rightist governments, which motivates my third hypothesis. *H3: the stronger the left parties in parliament are, the higher the level of total tax revenue (% GDP)*.

Elite Power Hypothesis

Elite power accounts are not necessarily all informed by the same broad theoretical approaches. While some scholars address the subject according to the influence that economic elites might have on congressional bodies (Martin 2010; Vigour 2014), others look at this problem through the historical sequence of events that unfolded so that national elites could become powerful (Prasad 2012). Still others treat economic elites not necessarily as a causal factor, but as a dependent variable that assumes a core position on the distributive conflict that is mediated by tax systems. Whether or not states are able to tax the wealthiest portions of the population depends on whether policy-makers are able to build arguments for such in terms of fairness (Scheve and Stasavage 2016).

However, all these studies share the assumption that private elites will be resistant to paying taxes. Although these approaches, at a first glance, seem to be similar to some of the aforementioned ideological explanations, the difference resides in the lenses they use to look at the subject. Ideological explanations look at how class coalitions are represented in parliamentary institutions (Huber and Stephens 2012; Timmons 2010a), and elite power explanations focus on extra-parliamentary sources of power (Martin 2013; Prasad 2012; Vigour 2014). Recent studies (Schneider 2012; Fairfield 2010, 2015) suggest that elite power is one of the main sources of the regressive and low revenue-generating tax structure in Latin America. Even though governments have made attempts to reach the resources of economic elites, the effectiveness of these reforms

has usually been jeopardized by extra-parliamentary influence of these sectors. However, because the aforementioned studies draw their conclusions mainly on a reduced set of cases, they are unable to test whether their claims apply to other countries in the region.

Two different approaches to operationalize economic elites have been used by the literature. The first and most accepted one looks at income concentration to grasp how much economic power rests in the hands of the highest-income group. The second approach is premised on the nature of economic elites and their relationship to government. It implies that different types of elites (agrarian, industrial, financial, etc.) will exert different types of strategies when it comes to state-building. In Latin America, I expect export oriented agrarian elites to stand out as particularly anti-statist, mostly because their activities do not require as much infrastructural development as industrial elites. These distinct approaches motivate my hypotheses: *H4a: The more a society's income is concentrated in the hands of economic elites, the smaller the total tax revenue (% GDP); H4b: the relatively larger the primary sector of a national economy, the lower the total tax revenue (% GDP).*

While previous quantitative studies have attempted to identify sources of tax revenue in Latin American countries (Dioda 2012; Mahon 2004; Profeta and Scabrosetti 2010), they have failed to systematically test the aforementioned hypotheses. My approach intends to fill both this quantitative gap by taking a theoretically informed view of the social basis of state institutions and the context in which they are embedded. In other words, I will look at how the recent development in Latin American tax systems mirrors (or not) the social theories described above.

Data and Methods

To assess the hypotheses above, I conducted panel data analysis to determine the impact of independent variables on tax revenue in 17 Latin American countries[3] over a period of 28 years (1990-2017). The units of observation are country-years, constituting a cross-section times-series (CSTS) dataset composed of 476 country-year units. I use data from different sources, such as the Economic Commission for Latin America and the Caribbean (ECLAC) statistical database[4] and the World Bank's *World Development Indicators*[5] (see Table 5.1 in the Appendix for a more detailed description of variables and sources). I have categorized the variables of interest according to their function in the statistical model: dependent, independent and control variables. Table 2.2 below displays descriptive statistics for all variables.

DEPENDENT VARIABLES

Level of Tax Revenue: As Schneider (2012:3) explains, "the capacity to extract revenues is fundamental to government functioning; a state cannot be considered authoritative over a territory if it cannot collect taxes" (p. 3). Total tax revenue (% GDP) is a commonly used indicator of size of the state in the disciplines of economics, political science, and sociology. Found in the ECLAC database, taxation data for Latin American countries covers the period from 1990 to 2017, with a few exceptions where data is missing. Mathematically, level of tax revenue could amount to any value within a range from 0% to 100% of GDP, but in my cases the lowest value is 6.7% and the highest is 33.5%.

[3] I did not include Caribbean countries and countries that were colonized by Britain or Netherlands (e.g. Belize and Suriname). The seventeen countries included are: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela.
[4] Available at: http://estadisticas.cepal.org/. Accessed: 04/01/2019.
[5] Available at: http://data.worldbank.org/. Accessed: 04/07/2019.

Table 2.2. Descriptive Statistics on All Variables

Variable	Mean	Min.	Max.	Std. Deviation	Valid *N*
DEPENDENT VARIABLES					
Level of Tax Revenue (%GDP)	17.63	6.7	33.5	5.93	475
INDEPENDENT VARIABLES					
Institutionalist Hypothesis					
Tax Structure (direct taxes / total taxes)[6]	28.39	6.1	83.8	9.98	475
Polity IV	7.60	-3	10	2.20	476
Cultural Hypothesis					
Lack of Trust in Political Institutions	65.36	29	92	12.38	304
Social Cohesion	19.11	2	44	7.34	306
Ideological Hypothesis					
Parliamentary left-strength	0.28	0	0.88	0.20	391
Cumulative parliamentary left strength	0.23	0	0.65	0.15	391
Elite Power Hypothesis					
Gini Swid	0.46	0.36	0.58	0.41	456
Top Income (10%)	38.88	29.1	48.4	4.55	308
Agricultural Share (%GDP)	8.70	2.36	23.40	4.36	458
CONTROL VARIABLES					
GDP Growth (%)	3.53	-16.5	18.29	3.57	476
GDP *per capita*	4822	716.4	17181	4008	472
Unemployment (%)	7.17	1.3	20.52	3.70	459
Industrial Employment (% Total)	21.13	13.9	32.9	3.35	459
Vulnerable Employment (% Total)	36.17	13.97	64.36	10.81	459
Urban Population (% Total)	69.36	40.46	95.24	14.7	476
Population 15-64 (% Total)	61.36	50.76	69.7	4.32	476
Rents (% GDP)	4.45	0.10	26.96	4.94	457
Life Expectancy	72.15	55.1	79.8	4.28	459

[6] Tax Structure serves as both an independent and a dependent variable.

INDEPENDENT VARIABLES

Institutionalist Hypothesis

Tax Structure: To measure tax structure, I use the proportion of tax revenue that is collected in the form of direct taxes, i.e., taxes on income, property, assets, etc. This indicator takes the form of direct taxes divided by total taxes, and is recommended by the literature as a proxy for institutionalization of the tax system, due to the level of bureaucratic complexity inherent to collecting this type of tax (Rogers and Weller 2014). As level of total tax revenue, direct taxes/total taxes could amount to any value within a range from 0% to 100%, but here the lowest value is 6.1% and the highest is 83.8%. In a second round of analysis, I use tax structure as a dependent variable, but this indicator is also different from the first dependent variable (total tax revenue % GDP) in that it has a different denominator. While total tax revenue is related to a country's economic output (GDP), tax structure relates to its public budget only. If Latin American tax systems behave as their OECD counterparts, we should expect tax structure to be negatively correlated with Total Tax Revenue.

Cultural Hypothesis

Lack of Trust in Political Institutions: Because the collection of taxes does not include a specific state obligation in this transaction, it requires "a basic degree of state legitimacy and embeddedness in society" (Schneider 2012, 3). Lack of trust in public institutions is calculated by the ECLAC Unit of Social Statistics, and it is based on the average of responses to survey questions on the level of trust people have in different public institutions (Executive, Legislative and Judicial Branches and Political Parties). Total number of responses showing little or no trust in public institutions is then divided by the total number of responses. The result is then multiplied by 100,

which gives us possible answers ranging from 0 to 100. The greater the value of the indicator, the more people lack trust in public institutions. Therefore, I expect a negative coefficient for this variable.

Social Cohesion: Similar to the indicator above, social cohesion is calculated by the ECLAC Unit of Social Statistics after a survey question administered by the Latinobarometer. People are asked if they think it is reasonable to trust the majority of people or if they think one can never be too cautious. Total number of responses that say that one can trust most people is divided by the total number of responses. The result is multiplied by 100, giving the same possible range, from 0 to 100. The closer to 100, the more people trust other people. Therefore, I expect a positive coefficient for this variable.

Political Ideology Hypothesis

Left Strength: It is generally assumed that after the rise to power of a number of left-wing parties, demands for social spending would increase, thereby affecting levels of tax revenue to pay for those social expenses (Huber and Stephens 2012). To measure this effect, I use Huber and Stephens's (2012) database on Latin American political institutions. The authors categorized all political parties in the subcontinent according to their political orientation and calculated the number of seats occupied by leftist parties in national parliaments in Latin America. I follow their instructions and calculate the cumulative effect of left-wing parties in Congress by averaging the proportion of seats they occupied since the 1990s[7]. I call this indicator *Cumulative Parliamentary Left Strength*.

[7] Although it could be argued that there was an influence of leftist parties within Latin American Congresses before the nineties, I opted to use 1990 as the initial year and therefore keep the indicator in accordance to the rest of the dataset, and not rely on observations taken before the years examined. Additionally, there are countries (e.g. Chile and Paraguay) where democratic transition was not put into effect before 1990.

Elite Power Hypothesis

Income Top Decile: To measure income and wealth concentration, recent studies have been relying on the financial resources held by top income percentiles (Atkinson, Piketty, and Saez 2011; Piketty 2014; Saez 2017). There have also been studies of this type on cases in Latin America (Alvaredo, Cruces, and Gasparini 2018; Souza and Medeiros 2017). However, this data – collected through access to national tax return information – is not available for most developing countries, including most cases in Latin America. Therefore, I use data retrieved from primary household surveys from governmental statistical agencies and World Bank country departments, which organize it according to income deciles[8]. I use the share of national income held by the top income decile in each country.

Gini index: Another option for measuring income inequality as a proxy for economic power would be Frederick Solt's (2019) database of standardized Gini coefficients, which is available for all the seventeen countries covered in this article. Solt's standardized Gini coefficients are the best available measure to look comparatively at socioeconomic inequality in the long-run. However, because the Gini coefficient lacks precision when looking at income inequality, the literature has adopted top incomes as a better measure of it, and I follow the same approach. It is important to note the high correlation between the two indicators (0.839).

Agricultural Share: To explain the influence of the nature of economic elites on tax revenue, I chose to use the portion of the economy that relates to the primary sector. Data was drawn from the ECLAC database. Although this indicator does not perfectly depict the concept of economic power of agrarian elites, since there may be parts of the agricultural share that

[8] Piketty and colleagues usually measure inequality by looking at the income held by the top 1% and 0.1%. Ideally, I would use these indicators, but they are not available for most country-years in Latin America.

correspond to small producers (far from being members of any elite), in Latin America it resonates with the overall picture of large-scale agricultural production. Other possible indicators that are not available could be, for example, share of Congress members whose campaign was funded by rural producers.

CONTROL VARIABLES

Macroeconomic Performance[9]: Scholarship on the welfare state posits that good macroeconomic performance usually impacts public economic indicators positively. To control for this effect, I use both GDP growth (measured in a year), GDP per capita, and unemployment level as control variables. Data for the GDP and GDP per capita were gathered from the ECLAC database, and data for unemployment level, urban employment, and vulnerable employment were obtained from the World Bank's *World Development Indicators*.

Demographic indicators: Finally, to account for possible demographic causes that the literature considers relevant, I include a control variable for the percentage of people who live in areas considered to be urban. Additionally, I include an indicator for the percentage of people between the ages of 15 and 64 years-old, which gives a sense of the amount of the population that is economically active and, therefore, is more likely to contribute with income and payroll taxes. Finally, I include an indicator of life expectancy. This variable, although not necessarily related to tax collection, might affect the latter in the sense that the older a population is, the more a state

[9] Unlike previous scholarship on the subject (Huber and Stephens 2012), I chose not to include a dummy variable for neoliberal reforms in Latin America, which were sponsored by the IMF and the World Bank, were mostly implemented during the 1990s and whose main goal was to decrease the weight of the state in the economy. To this end, one of the measures favored by Latin American presidents was to decrease and decentralize tax collection, which can be observed in the differences between average in levels of tax revenue in the 1990s (15.01%) and in the 2000s (18.03%). However, political ideology was reflected in the incumbent politicians that approved such reforms. Therefore, including this type of variable would potentially introduce collinearity.

will have to spend with pensions; hence, the more it will feel pressured to collect tax revenue. Data for these variables was also gathered from the World Bank's *World Development Indicators*.

Rents (% GDP): This indicator represents how much of a national economy is composed of government rents from sales of mineral resources. I include this variable because, as the literature posits, some governments can rely on money from oil, natural gas, or other natural resources. Scholars and specialists argue that this phenomenon, commonly called the Dutch disease, reduces incentives from national and subnational governments to tax their population (Vollrath 2007). Data was collected from the World Bank's *World Development Indicators*.

Following the recommendation of Beck and Katz (1995), I use Prais-Winsten (panel-corrected standard errors) estimations to correct the problem of temporal autocorrelation and heteroskedasticity. The Prais-Winsten technique automatically includes a lagged component on the right side of the equation and imposes a common rho (ρ) for all cross-sections (as opposed to panel-specific). This technique is largely used across the social sciences (e.g. Huber and Stephens 2012; Iversen and Soskice 2006; Kus 2012; Ross 2001), mainly because it addresses the aforementioned problems while also allowing for looking at variation both over time and across cases, which is not the case of other techniques, such as OLS regressions with country-fixed effects which does not allow for cross-case observations.

Results

Regression coefficients of thirteen statistical models are displayed below. Table 2.3 displays coefficients of determinants of levels of tax revenue in Latin America since 1990, whereas Table 2.4 displays coefficients of social determinants of tax structure (direct taxes / total taxes) in the region during the same time frame. In Table 2.3, Model 1 and Model 2 evaluate different

varieties of the institutionalist hypothesis, Model 3 and Model 4 the political culture hypothesis, Model 5 the political ideology hypothesis, and Model 6 and Model 7 represent the elite power hypothesis.

Table 2.3. Prais-Winsten estimates of determinants of levels of tax revenue in Latin America

Variables	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
GDP Growth	.019	.016	.019	.020	.015	-.001	.018
	(.016)	(.017)	(.029)	(.030)	(.018)	(.024)	(.020)
GDP per capita	.000	.000	.000	.000	.000	.000	.000
	(.000)	(.000)	(.000)	(.000)	(.000)	(.000)	(.000)
Unemployment	-.119**	-.120**	-.241***	-.231***	-.117**	-.170**	-.117**
	(.040)	(.041)	(.059)	(.060)	(.042)	(.066)	(.044)
Industry Employment	.030	.043	.015	.036	.040	-.087	.043
	(.054)	(.055)	(.087)	(.088)	(.059)	(.089)	(.062)
Vulnerable Empl.	-.055*	-.044	-.122***	-.121***	-.039	-.109***	-.056*
	(.023)	(.024)	(.029)	(.030)	(.025)	(.034)	(.024)
Urban Population	.090*	.103*	.115**	.114**	.098*	.020	.090*
	(.039)	(.042)	(.038)	(.039)	(.044)	(.038)	(.037)
Population 15-64	.454**	.485**	.569***	.633***	.414*	.996***	.538***
	(.158)	(.160)	(.145)	(.146)	(.168)	(.157)	(.147)
Life Expectancy	.002	.001	-.498**	-.536**	-.010	-.750***	-.116
	(.127)	(.170)	(.183)	(.181)	(.167)	(.148)	(.156)
Rents (% GDP)	-.014	.032	.006	-.001	.057	-.059	.022
	(.037)	(.040)	(.051)	(.053)	(.042)	(.046)	(.043)
Tax Structure	.087***						
	(.021)						
Polity IV Index		-.016					
		(.063)					
Lack of Trust in Pol. Institutions			-.011				
			(.008)				
Social Cohesion				-.011			
				(.013)			
Left Strength					1.626		
					(2.041)		
Income (Top Decile)						-.018	
						(.044)	
Agricultural Share (%GDP)							-.058
							(.047)
Common ρ	.919	.919	.898	.890	.914	.882	.886
Constant	-17.289	-18.548	17.318	15.185	-14.199	15.889	-11.436
R-squared	.441	.405	.802	.805	.454	.755	.437
N	439	439	302	304	374	289	427

Note: Numbers in parentheses are standard errors corrected for heteroskedasticity.
*p < 0.05, **p < 0.01, ***p < 0.001.

Table 2.4. Prais-Winsten estimates of determinants of tax structure (direct taxes/ total taxes) in Latin America

Variables	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
GDP Growth	-.043	-.094	-.095	-.055	-.099	-.024
	(.059)	(.075)	(.030)	(.063)	(.075)	(.061)
GDP per capita	.000	.000	.000	.000	.000	.000
	(.000)	(000)	(.000)	(.000)	(.000)	(.000)
Unemployment	-.022	-.113	-.116	-.022	-.083	-.001
	(.120)	(.126)	(.124)	(.128)	(.153)	(.121)
Industry Employment	.227	.524**	.510**	.194	.392*	.119
	(.146)	(.166)	(.165)	(.158)	(.174)	(.151)
Vulnerable Employment	-.171**	.214***	.218***	.108	.203**	.133*
	(.064)	(.057)	(.056)	(.069)	(.070)	(.059)
Urban Population	.166	.120	.123	.115	.253	.139
	(.097)	(.072)	(.070)	(.095)	(.084)	(.099)
Population 15-64	.395	.907***	.880***	.380	.496	.276
	(.318)	(.236)	(.227)	(.319)	(.291)	(.326)
Life Expectancy	-.027	-.192	-.170	.001	-.245*	.038
	(.272)	(.242)	(.232)	(.262)	(.209)	(.284)
Rents (% GDP)	.549***	.508***	.509***	.636***	.425***	.593***
	(.137)	(.131)	(.129)	(.146)	(.120)	(.140)
Polity IV Index	.071					
	(.230)					
Lack of Trust in Pol. Institutions		.019				
		(.020)				
Social Cohesion			.007			
			(.030)			
Left Strength				-18.98***		
				(4.909)		
Income (Top Decile)					-.280**	
					(.100)	
Agricultural Share (%GDP)						-.295*
						(.141)
Common ρ	.861	.831	.813	.833	.833	.868
Constant	-20.212	-43.523	-42.409	-10.919	-6.896	-9.183
R-squared	.353	.722	.725	.412	.761	.362
N	439	302	304	374	289	427

Note: Numbers in parentheses are standard errors corrected for heteroskedasticity.
*p < 0.05, **p < 0.01, ***p < 0.001.

Tax structure is statistically significant and positively associated with levels of tax revenue, which implies that in Latin America there is a different mechanism that explains higher taxation

than the one identified in Western welfare states, where countries that rely more on indirect taxation display higher levels of total tax revenue. Democratic stability, on the other hand, does not explain why some states in the region collect more than others. Likewise, other social theories – as represented by the variables described in the above sections – did not help explain different levels of total tax revenue in the region. Trust in public institutions is not significant, indicating that even though citizens may distrust their government, it does not affect how much states collect. Likewise, social cohesion seems to not have had any effects on total revenue collection. Congressional left strength is positively associated with total tax revenue; however, it is not statistically significant. And both the coefficients of elite power – income and sectoral concentration – fell short of significance. Some of the control variables behaved as the literature on political economy of taxation predicts; economic performance (unemployment) and demographic controls show remarkable levels of significance in virtually all the models.

In Table 2.4, I did not include the first institutionalist indicator, because the dependent and independent variable would share the same numerator. Here, Model 1 represents the institutionalist hypothesis, Model 2 and Model 3 represent the political culture hypothesis, Model 4 represents the political ideology hypothesis, and Model 5 and Model 6 represent the political ideology hypothesis. Following the same patterns of the previous regression table, indicators of democracy and of political culture were not significantly correlated with tax structure. Cumulative parliamentary left strength, in turn, is statistically significant, but, surprisingly, is negatively correlated with revenue from direct taxes. Finally, both indicators of elite power are statistically significant, and both behaved as expected by Hypothesis 4 (the more concentrated income is in the hands of a few and the more agrarian the economy of a country, the more regressive the tax structure). This suggests that the relative economic power and the nature of the elites might not

directly affect how much a state collects, but that it affects the ways in which it engages in tax collection.

Evidence displayed in this section points to the effects of the institutionalist, the political ideology and the elite power variables. Although some of the results seem counterintuitive, given what the literature on political economy tells us and the working hypotheses laid out, it is possible to understand how these factors might have worked together to influence changes in Latin American tax systems during the past decades, and how this is not necessarily unprecedented in both the political practice and the fiscal sociological scholarship. To state it briefly, economic elite power seems to constrain the revenue cap that is attainable to Latin American states. Because of this constraint, left parties – usually more prone to redistribute resources through state policies – have to rely more on indirect taxes. In the next section, I describe possible these pathways to higher revenue in Latin America – or, better put, the blockades to higher revenue in the region.

Discussion

Figure 2.1 shows the variation in terms of both tax structure and level of tax revenue for each of the seventeen countries in the sample. Because there are cases that lack data for 1990, I use 1991 and 2017 as the observed years. Countries are clustered, with few exceptions (Venezuela being the most salient), according to year. In other words, during the observed time frame, tax structure and tax levels in Latin America evolved together, which is essentially what was displayed by Model 1 in Table 2.4.

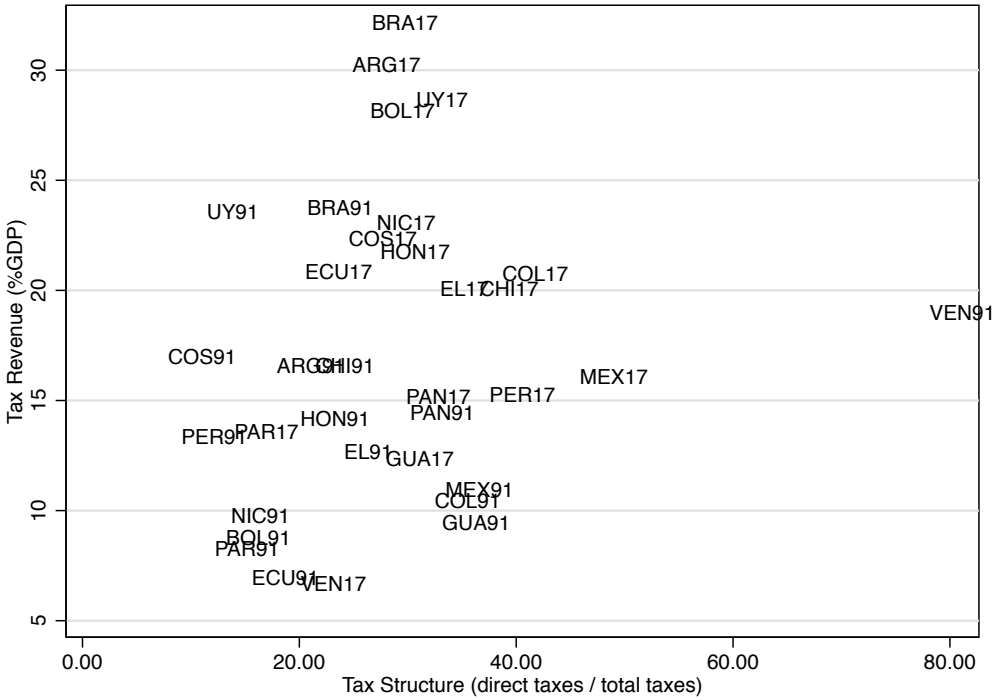


Figure 2.1. Interrelationship between Tax Structure and Tax Revenue in Latin America

Additionally, this graph emphasizes how the mainstream – and widely accepted – explanation for higher tax revenue in Western welfare states – high indirect taxation leads to higher revenue (Kato 2003; Prasad 2006) – may not be suitable to explain the relationship between the same variables in other parts of the world (in this case, in Latin American countries). My models show that, by and large, countries that managed to rely more on direct taxation (relatively to their total revenue) were able to reach higher levels of total tax revenue, as none of the other coefficients (total tax revenue as dependent variable) were statistically significant.

If tax structure seems to be tied to levels of tax revenue, what explains tax structure in the first place? In other words, and according to the regression models presented here, if a country needs to tax more directly to increase its revenue, what are the obstacles (or incentives) to do so? Contrary to scholarly hypotheses (and to left-wing discourse), left-wing parties did not implement more direct taxation as a result of being stronger in the parliament. Rather, I present evidence for

the opposite, as shown in Table 2.4, revealing that left-wing parties used indirect taxation as an instrument of revenue. One possible reason for this behavior by left-wing parties comes from Model 5 and 6 in the same table, namely, the power of economic elites.

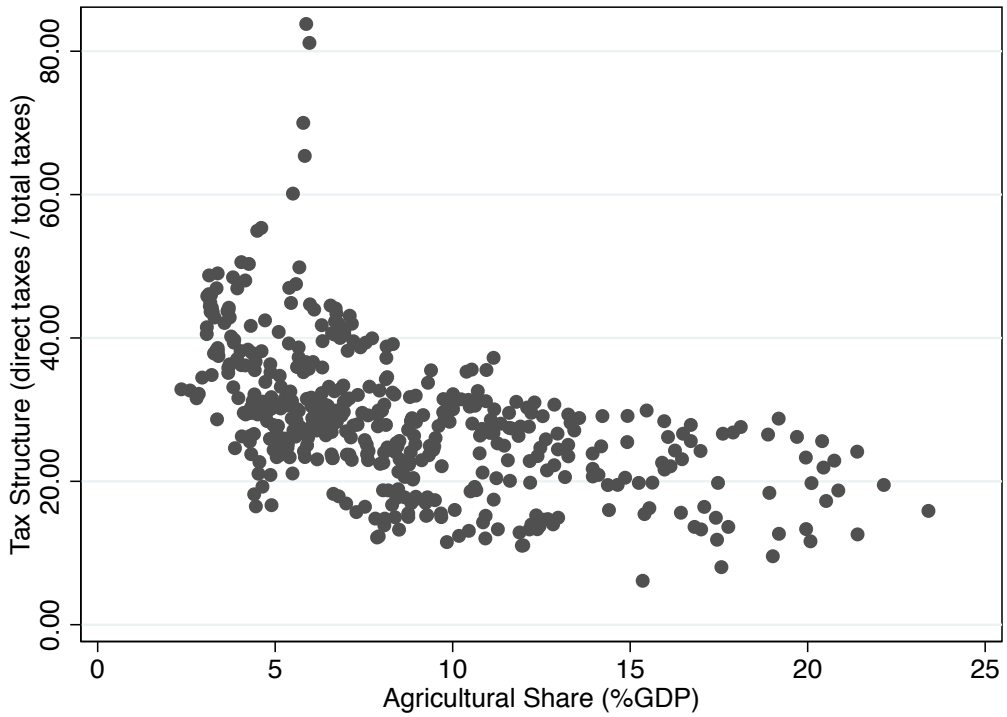


Figure 2.2. Interrelationship between Tax Structure and Agricultural Share (% GDP)

Regarding elite power variables, having a more dominant agrarian economic elite seems to explain why some states are not successful in accessing the resources of the better-off portions of society. Figure 2.2 displays the relationship between agricultural share and tax structure (found to be statistically significant). This graph shows a clear negative relationship between the agricultural share of a national economy and the amount of direct taxes they collect relative to their GDP. Therefore, relying more on indirect forms of taxation does not appear to be much of a choice of left-wing parties, but the alternative they have left when reaching the resources of the top portions of society becomes a difficult (if not impossible) task.

Conclusion

After what seemed to be a regional trend towards the left during the first decade of the 2000s, the Latin American political scenario appears to be switching back to the dominance of right-wing parties. Recent presidential elections in Paraguay (2013) Argentina (2015 and 2023) and Peru (2016), Chile (2017) and Brazil (2018) and parliamentary elections in Venezuela (2015) and Argentina (2017) suggest the beginning of a new political cycle in the subcontinent. Although time-series data displays an indisputable trend of higher tax revenue coinciding with left-wing governments in Latin America, statistical evidence suggests that this relationship is not as straightforward as we might think, and that there are other important factors to be included in this equation. More specifically, regression analysis of time-series cross-section data shows that the more leftist parliaments are, the less direct tax revenue (relatively) governments were able to collect. The other factors that seem to be influencing tax structure in the region point to the political ideology of dominant political parties in congress and to the power of economic elites, which might help understand the negative relationship between leftist parliaments and direct taxation.

Additionally, we might be better able to understand why leftist governments are less able to rely on direct taxation, even if they are the ones that, by and large, advocate for such tax tools in their policy agendas. I suspect that left-wing parties have a harder time convincing economic elites to collaborate with their state-building projects, thus relying more on indirect taxation. In fact, when electoral competition dynamics comes into play, recent scholarship on Latin America (Fairfield and Garay 2017; Rodríguez-Franco 2016:200) shows that economic elites might be less willing to employ their political toolkits and more willing to give up on their stances on taxation – and on their financial resources – when incumbents are right-wing parties. This evidence raises a

similar question as the one posed by Kiser and Karcheski (2017, 2018): “has the era of progressive taxation come to an end?” While this is still an open question, evidence presented in this paper echoes the ones above, suggesting that the answer to it lies on the factors that affect elites’ willingness to be taxed.

Chapter 3 – Using Congressional Debates to Map Out Tax Rhetoric in Latin American Countries: an exploratory study of two tax reforms in Brazil and Argentina

Introduction

Tax policy has become a defining subject of politics in the United States for the past 40 years, and has been a very prominent issue – if not the most prominent one – in the platform of the Republican Party (Prasad 2018) since the 1980s. With increasing mentions in presidential speeches and in presidential election television ads, taxes are no longer a subject for experts and elites in the United States (Campbell 2009). This is far from being the case in Latin American countries. In the region, apart from very salient tax reforms, tax policy remains, by and large, a secondary topic in the political agenda, which tends to concentrate more on the spending side of the budget. Because taxation tends to be a "highly complex, technical policy area" (Fairfield 2019:185), voters generally choose not to engage in the topic. As pointed out by a Chilean congressperson, "people never ask you about your position on tax issues… If you ask me if I think any of my actions in the Budget Committee has caused me to win or lose votes, I'd have to say zero" (mentioned in Fairfield 2019, 185). However, in the absence of major open public debates, Congress remains one of the most important arenas for discussions about taxation in Latin America, in addition to being the most important decision-making arena on the issue. Therefore, examining congressional debates is a logic pathway to identify the core ideas that permeate discussions on tax policy and that justify decisions about tax reforms in Latin American countries.

This article looks at two cases of tax reforms in Brazil and Argentina in the 21st century. This set of cases comprises one case of success and one case of failure in approving tax reforms. While the tax bill to renew the Provisional Contribution on Financial Transfers (CPMF) in 2007

in Brazil did not get Congress approval, the bill to tax Argentina's wealthiest was approved in 2020. The outcome of these parliamentary voting procedures is unlikely, though, as, research strongly suggests that it is a much more difficult endeavor to pass tax increase bills in contexts of economic crisis (Kato 2003, Fairfield 2015). The case of rejection of the tax reform happened in the context of sustained economic growth, while the case of approval happened in the middle of one of the worst economic crises of the past century, the COVID-19 global pandemic.

My goal is to explore both the saliency and the diversity of features that give context to these reforms to identify major themes across tax policy debates. I look at archival evidence from five official documents that comprise the parliamentary debates over the implementation of these tax bills, which are publicly available in the respective websites of the Brazilian and Argentine congresses. These transcripts comprise a total of 229 roll call speeches given by Congress members on the tax reforms under scrutiny. I used in-depth qualitative interpretation to identify the main themes that appear in tax reform processes, both for congress members who voted in favor and against said reforms.

What types of arguments are used by congressmembers in Latin American countries when justifying their positions regarding tax reforms? Thematic analysis of the congressional debates over the CPMF tax reform in 2007 in Brazil and the Pandemic Wealth Tax reform in 2020 in Argentina identify four main types of arguments that congressmembers tend to use to justify their tax decisions: fairness arguments, economic arguments, comparative design arguments, and policy design arguments. Despite differences in the distribution of specific arguments across the cases, by and large, pro-tax congressmembers tended to support their votes with fairness arguments and anti-tax congressmembers supported theirs with economic arguments more often. Moreover, in Brazil policy design arguments were more salient than in Argentina, where comparative arguments

were slightly more used. While not necessarily reproducible across the entire region, the typology of taxation arguments provided in this study and the distribution of arguments both cross-nationally and between anti- and pro-tax views serve as an initial framework for future studies of tax rhetoric in Latin America.

The article is organized as follows. In the second section, I briefly discuss the importance of studying tax rhetoric in Latin America and I describe the insipient literature that uses congressional data to study tax reforms. In the third section, I address the rationale behind the choice of the cases of the CPMF and the COVID-19 pandemic wealth tax. The fourth section describes the qualitative hand-coding technique employed to identify major arguments over tax policy. The fifth section presents the results, and the sixth section addresses the concludes with the contributions of the article, its shortcomings, and how they could be addressed in future research.

Why study tax rhetoric in Latin America?

Before reviewing the existing fiscal sociological scholarship that uses evidence from congressional debates, I briefly discuss the relevance of addressing the topic in Latin America. While "ideas have significant influence in the policy process", the context from which they influence policy "is defined by the institutional arrangements through which political language is exchanged for political support" (Bennett and Åsard 1995:2). In liberal representative democracies, the most important institutional arena to discuss political ideas is congress. Congress members use their speech time to express their policy positions and to take positions on contentious matters, and citizens in democracies do expect that their representatives will justify their policy choices with "convincing arguments" (Proksch and Slapin 2014:13). In Latin American countries, where tax policy is still widely regarded as a subject for specialists, congressional speeches are

even more important as a source to map out the main arguments employed to justify positions in favor or against taxation.

Although taxes constitute one of the main arenas for economic distribution and redistribution, taxation is largely considered to be a non-lay person subject, a topic that belongs to experts and elites. There exist a few reasons why, unlike in the United States, tax reforms still remain a low issue-salience topic in Latin America. One of them relates to the structure of the market in Latin American countries. Because in the region the informal sector employs approximately 50% of the labor force – in some countries, like Bolivia and Paraguay, more than 60% of the labor force is in the informal sector – large portions of the population do not pay income taxes or social security contributions. And while informal workers do pay indirect taxes, such as sales and excise taxes, the fact that they do not file tax returns on an annual basis tends to decrease their interest in the subject overall (Flores-Macías 2019:244).

Another hypothesis for the relative low issue salience of taxation in Latin America follows a tautological rationale. While we expect politicians to at times privilege median voter opinion over elite preferences, especially when they use electoral calculations to make policy choices, public opinion rarely drives tax policy reforms in Latin America (Fairfield 2015). Because elites tend to dominate debate on tax policy, they are, by and large, able to shelter tax policy reform debates from the general public, holding these 'quietly' (Culpepper 2010). On the rare occasions where tax reforms become high issue salience topics, however, public opinion does have an influence over the policy process in Latin American countries. The case of the corporate tax reform in Chile in 2005, when Chilean student movements were able to voice their opinion and to connect the reform to a broader debate on education financing stands as an example of a high issue salience tax reform where public opinion influenced congress members' votes (Fairfield 2015:275–76). In

the next section, I review the few published works that use congressional records as data to identify the main arguments both against and in favor of tax reforms.

Fiscal Sociological Scholarship of Congressional Debates

Over the past decade, there have been a growing number of studies that use text as data, both quantitatively and qualitatively, in order to understand policy reforms and policy change. These studies have addressed, for example issues such as electoral reform (Catalinac 2016), financial market regulation (Fligstein, Stuart Brundage, and Schultz 2017), and, on the issue of taxation, what makes a tax policy popular (Martin and Harper 2021). And on Latin American countries, a few studies have used congressional and presidential speeches to identify and measure policy positions of politicians and congress members (Arnold, Doyle, and Wiesehomeier 2017; Izumi and Medeiros 2021; Moreira 2020). However, despite this burgeoning literature, there have not been a similar interest in studying tax reform specifically through the lenses of congressional speeches. I could identify three published articles (in English language) that use congressional records as data to look at tax reforms. Table 3.1 summarizes this small field, to which this article intends to contribute to.

The most prominent example of fiscal sociological scholarship that examines congressional debates is Scheve and Stasavage's *Taxing the Rich* (2016), in which the authors look at the World War I period, when many countries first implemented higher personal income tax rates. Debates on enacting a progressive income tax were booming in European and North American countries in the years before World War I. With the onset of war, in order to fund the costly war efforts, parliaments started discussing how this tax could take form. Scheve and Stasavage (2016) analyze this period by looking at four countries that implemented progressive

taxation: United Kingdom, Canada, France, and the United States. Using holistic qualitative coding to categorize each speech in their sample, they inductively identify three types of fairness arguments that were used in the debates: 'ability to pay', 'equal treatment', and 'compensatory' arguments. Compensatory arguments are used when taxing the rich more heavily than the rest of the population is a tool to amend other policy-driven inequalities. Equal treatment arguments suggest that regardless of socioeconomic circumstances, it is fair for both rich and poor citizens to pay the same tax rates. And ability to pay arguments suggest that the richer a citizen is, the more they should pay in proportion to their income (or wealth), to compensate for the unequal market distribution. In the case of the income tax reforms during World War I, Scheve and Stasavage claim that it was only when compensatory arguments become more salient that progressive taxation becomes more palatable for elites. Specifically, elites accepted to pay for war at higher rates only because the poor were already 'paying' with their lives, through conscription.

Rademacher (2022), in turn, takes an almost diametrical point of view to examine arguments in favor or against taxation. Instead of looking at tax reforms that would implement new taxes, she studies how congress members justify reforms that would implement tax cuts by looking specifically at the two largest income tax cuts in United States history: Ronald Reagan's 1981 Economic Recovery Tax Act (ERTA) and George W. Bush's 2001 Economic Growth and Tax Relief Reconciliation Act (EGTRRA). Through hermeneutic-content analysis of the roll-call debates that precede voting procedures in Congress, the author finds that the type of argument – whether a subcategory of cognitive or of economic argument – did not matter so much as the convergence of arguments between Democrats and Republicans.

Finally, Hilmar and Sachweh (2022) combined a 'text-as-data' and qualitative approach to examine how two political parties in Germany – the Cristian Democrats and the Social Democrats

– debated the wealth tax in the country for a period of 20 years, from 1996 to 2016. This period follows the declaration by the Federal Constitutional Court that considered the unequal treatment of real estate unconstitutional and consequently the wealth tax has not been collected since 1997. The authors identified two main competing frames that were used to justify positions on the wealth tax: an economic efficiency frame and a social justice one. While the Social Democrats supported their views with a social justice frame, Conservatives relied more on an economic efficiency argument that was also construed as a threat to the social fabric.

Table 3.1. Fiscal Sociological Scholarship using Congressional Records as Data

			Congressional Records Data		
Article	**Cases**	**Tax Reforms**	***N***	**Type of Coding**	**Speech Selection**
Scheve and Stasavage (2016)	United Kingdom Canada France United States	WWI Income Tax Reforms	428 speeches (United Kingdom only)	Holistic qualitative coding (*low intercoder reliability*)	Text search on selected years
Rademacher (2022)	United States (Reagan 1981) (Bush 2001)	ERTA and EGTRRA	719 'coding units'	Hermeneutic content analysis	Roll call debates
Hilmar and Sachweh (2022)	Germany	Personal Net Wealth Tax	1046 speeches (initial batch) 76 speeches (final sample)	Combination of 'text-as-data' and qualitative analysis	Selected congressional debates between 1996 and 2016
This paper	Brazil Argentina	CPMF Tax Pandemic Wealth Tax	475 'coding units' (Brazil – 171) (Argentina – 304)	Qualitative hand-coded stripes	Roll call debates

This paper's goal is to contribute to this insipient literature by adding a new set of cases that have so far been neglected. The three publications listed in table 3.1 look at either Western European or North American countries. While their findings could well be valuable to understand the politics of tax reform debates in other regions, we know that the historical trajectories of Latin American countries tend to produce different types of sociopolitical institutions, which follow a different logic than their European and North American counterparts. This logic, in turn, is reflected on the configuration of national tax systems in Latin America (Centeno 2003; Centeno and López-Alves 2001; Mazzuca 2021; Queralt 2022). While the research goal of both Scheve and Stasavage (2016) and Rademacher (2022) is mainly causal – to identify the causes for tax reform approval – my goal is exploratory – similar to Hilmar and Sachweh (2022) – to identify variation across different types of tax reforms in Brazil and Argentina to perform a first step to build a typology of both anti-tax and pro-tax rhetoric in Latin American countries. In the next section, I describe the rationale behind selecting the cases of the CPMF tax reform in Brazil and the Pandemic Wealth Tax reform in Argentina.

Case Selection

I chose to look at two specific tax reform processes that unfolded in Brazil and Argentina, in 2007 and 2020, respectively. Brazil and Argentina have similar levels of socioeconomic development – as measured by GDP per capita levels – have gone through similar economic cycles at somewhat coincidental periods, have undergone similar political transitions since the Great Depression, and have a similar economic structure, with a declining manufacturing sector and a burgeoning, export-oriented, agribusiness sector. Additionally, they both have adopted neoliberal measures during the 1990s, following the guidelines of the Washington Consensus, and have

elected left-wing governments in the 2000s. Finally, despite following different pathways of tax collection during the last decades, currently Brazil and Argentina share similar levels of total tax revenue respectively 33.3% and 29.6% of their GDP in 2022, which puts them at the very top of the tax revenue pyramid among Latin American countries (OECD 2023).

Regarding the tax reform processes themselves, I look at the cases of the Provisional Contribution on Financial Transactions in Brazil in 2007 and of the Pandemic Wealth Tax in Argentina in 2020. Although these cases have a few differences (which I will address below), they share important similarities. They were all voted during left-wing administrations that also had congressional majorities. Additionally, despite tax politics not being usually a salient issue in many societies, these two cases are exceptions, because they generated ample discussions among the public, and in one of them (Brazil in 2007) they even generated street mobilizations. Their salience makes these cases interesting because congress members are especially mindful of the public's reaction about how they vote, especially as it influences their chances of getting re-elected. And the differences between these two cases are relevant because they suggest a puzzle to some of the theoretical propositions of the fiscal sociological literature. Beth Pearson (2014) suggests that it is easier for governments to approve tax bills when these are already in place. In other words, people are more likely to say 'yes' to tax renewals than to new taxes. However, the case of Brazil in 2007 was vetoed in congress, even though it was an existing tax. On the other hand, the never before implemented Pandemic Wealth Tax was approved in Argentina in 2020. Additionally, governments are more prone to successfully implement new taxes in periods of economic growth, but they struggle to do so in moments of economic crisis (Kato 2003). Why is it then that the Argentine government in 2020 was able to approve a new wealth tax during one of the harshest economic crises of the past decades, whereas the Brazilian government in 2007 was not able to

renew the CPMF tax, despite years of economic boom prior to the voting procedure? And tax reforms also tend to be more popular when they include earmarks for particular categories of spending (Martin, Lopez, and Olsen 2018). Both the reforms I examine included such features, with a special emphasis on healthcare spending on both cases. Table 3.2 summarizes some of the features of the CPMF tax reform and the Pandemic Wealth Tax reform.

Table 3.2. Features of selected cases of tax reform in Brazil and Argentina

Country	**Tax Reform**	**Type of Tax**	**Renewal**	**Sunset**	**Earmark**	**Street Protests**	**Year**	**Outcome**
Brazil	CPMF Tax	Financial Flows	Yes	Yes	Yes	Yes	2007	*Rejected*
Argentina	Pandemic Wealth Tax	Wealth	No	Yes	Yes	No	2020	*Approved*

In Brazil, a tax on financial transactions was approved in 1996 and implemented in 1997, during the first Fernando Henrique Cardoso administration, and, after being renewed on three different occasions, was planned to sunset in 2007. The Provisional Contribution on Financial Transaction (henceforth CPMF) was collected at a rate of 0.38% over every financial transaction[10] (e.g. deposits, transfers between bank accounts, credit card payments). Figure 3.1 displays the revenue collected through the CPMF during its lifetime, from 1997 to 2007. As the graph shows, with the exception of 1990, the revenue collected with this tax represented almost all the revenue from taxes on financial transactions, and despite its small rate of 0.38%, it had a high revenue capacity, representing approximately 1.4% of GDP. Because the CPMF tax proved to be a good tool for revenue and for gathering important information on income tax frauds (by crossing

[10] Stock market transactions were waived the CPMF tax.

financial data with personal and corporate tax returns), the Lula da Silva administration tried to re-implement it in 2007. However, in spite of having congressional majority, the government lost the vote in the Senate by 45 to 34 (opposition needed a 33% +1 vote). There have been more recent attempts at re-implementing the CPMF tax, but they have consistently faced strong opposition of the corporate sector and the general public and have not been successful so far.

In Argentina, at the end of the first calendar year of the Covid-19 global pandemic, December 2020, both the lower house and the senate passed a bill to impose a one-levy only wealth tax, which was colloquially dubbed the "millionaire's tax". This tax consisted of a levy of 2% to 3.5% (depending on total wealth) on assets held in Argentina, while assets held overseas would be collected on a rate of up to 5%. The national government claimed that the revenue generated by this tax was earmarked for covid-19 related expenses, but its actual bill states that 20% would be spent on medical supplies, 20% on relief for small and medium-sized businesses, 20% on scholarships for students, and 25% on national gas ventures.[11] AFIP (Argentina's federal tax agency) reported that it collected more than 245 billion Argentine pesos with the Pandemic Wealth Tax in 2021, which was approximately 2.2% of their total tax revenue that fiscal year.[12]

[11] BBC News. Covid: Argentina passes tax on wealthy to pay for virus measures. December 5, 2020. https://www.bbc.com/news/world-latin-america-55199058

[12] Página 12. Propiedad de la riqueza con desigualdad de género. May 25, 2021. https://www.pagina12.com.ar/343859-propiedad-de-la-riqueza-con-desigualdad-de-genero



Figure 3.1. Taxes on Financial Transactions, Brazil, 1990-2017
Source: Receita Federal. 2018.

Data and Methods

To address the research question, I look at the official documents that comprise the congressional debates over the approval of these tax bills. Congressional debates are a useful resource to access detailed content on tax reform processes, since they give a thorough account of a series of debates and are easily accessed through the official websites of the Argentine and Brazilian national congresses. Additionally, because these processes were relatively salient, they constitute one example of a circumstance where congress members are, by and large, addressing their speeches and arguments to the electorate (see Proksch and Slapin 2014 for a more detailed explanation of the functions of parliamentary debates for congress members). Scheve and Stasavage (2016) provide a good example of usage of parliamentary debates as a source to understand the politics of tax reform. As described above, they look at the cases of the United Kingdom, the United States, France and Canada to understand what was behind the widespread approval of progressive income taxes at the onset of World War I in western countries. Here, I follow a similar strategy.

I conducted thematic analysis of the roll-call speeches found in five documents that contained the totality of speeches about these two reforms. Counting every speech given by a congress member during these debates, I looked at 229 roll-call speeches (see table 3.3 below). I use both inductive and deductive thematic coding to identify the main arguments used by politicians to defend their stance. Inductive thematic coding consisted of identifying the most salient and common categories of justification of a voting position taken by congress members, while deductive thematic coding consisted of using the three categories of analysis employed by Scheve and Stasavage (2016), namely '*ability to pay, 'equal treatment',* and *'compensatory'* arguments.

I initially hand coded roll-call speeches by inputting a code whenever I identified parts of their speech that gave justifications for their position-taking regarding the tax reform to be voted. Some speeches might have received mora than one code, in cases in which there was more than one type of argument being defended. Across the two cases, a total of 475 coding stripes appeared – 171 coding stripes for the CPMF tax reform and 304 coding stripes for the Pandemic Wealth Tax reform. A higher number of coding stripes than of total roll-call speeches means that, on average, congress members attempt to justify their positions with more than one argument. In a second round of coding, I merged codes that, although slightly different, ended up conveying the same type of justification (for example, codes 'against tax regressivity' and 'addresses top income inequality' were merged together in this round). Third, I put all the codes that appeared in less than five percent (5%) of the totality of coding stripes under a residual category I named 'others', because of their low salience in these debates. Fourth and finally, I grouped together codes that belonged to the same larger theme under broader categories, such as 'economic arguments' or

'fairness arguments'. In the next section I list and describe the categories that appeared most frequently in the coding stripes, and I lay out my findings.

Findings and Discussion

Table 3.3 displays the frequencies of arguments made in favor and against the CPMF tax reform in Brazil in 2007 and the Pandemic Wealth Tax reform in Argentina in 2020. The table shows some general similarities across the cases, which reproduce patterns found in other studies (see Rademacher 2022; Hilmar and Sachweh 2022). Both in Brazil and in Argentina, congress members who voted to approve the tax reform tended to rely more on fairness arguments than congress members who voted to reject the reforms. While fairness arguments appeared in 28.57% of the justifications given to support the CPMF tax, they appeared in more than 32% of the justifications for the Pandemic Wealth tax. There were also similarities in that votes to reject the tax reforms tended to be justified through economic arguments in both cases. In Brazil, almost 40% of the justifications to reject the CPMF tax used economic arguments, and in Argentina, more than 48% did. These reflect general distinctions between right- and left-wing positions regarding taxation. While right-wing parties prefer to rely on market distribution of income because it is supposedly more efficient than governmental distribution, left-wing parties usually prefer higher taxes, justified also as a moral way to correct market failures.

However, there also appeared differences in the ways in which congress members argued across these cases. Whereas both the CPMF tax reform and the Pandemic Wealth Tax reform included earmark and sunset clauses in their text, these features did not resonate equally with congress members in Brazil and in Argentina. In Brazil, both proponents and detractors of the tax reform used policy design arguments; respectively 26.53% and 21.92%. However, they did so in

an opposite direction. Arguments in favor emphasized that the resources collected would be employed in much needed healthcare programs and that the tax would sunset in a few years; arguments against pointed out their distrust in the final destiny of the funds collected, and, similarly, that this was the third time this tax was being renewed and therefore its sunset clause was not to be trusted. In Argentina, policy design arguments were less important: 13.12% of the arguments in favor and 7.94% of the arguments against. Below, I address each of the categories listed in table 3 and I describe how they were used to justify congress members' votes in the cases of the CPMF tax reform and the Pandemic Wealth Tax reform. Arguments were grouped into four broader umbrella categories, namely *fairness arguments*, *economic arguments*, *comparative arguments*, and *policy design arguments*.

The first broader category of arguments was built after Scheve and Stasavage's (2016) idea of fairness in taxation. Arguments under this category, by and large, attempt to justify taxation from a moral point of view. More than any other type of justification, these arguments depart from the notion of justice, and of how any forms of taxation should follow a principle of fairness. Apart from the three arguments used by Scheve and Stasavage (2016) – *compensation*, *ability to pay*, and *equal treatment* – I could also identify a more general type of argument of *addressing inequality* in general terms, with a premise that it is the fair thing to do without specifically justifying why it would be so.

Addressing Inequality (in general) – Arguments coded in this category revealed a general attention to the issue of inequality as something intrinsically deleterious, but did not qualify why it would be specifically fair to approve – or reject – the tax reform. This was especially true in the case of the CPMF tax reform in Brazil, where more than 90% of the fairness arguments justified

it in general terms, mentioning the reform would tackle the issue of inequality. It was the way Congress member Luiz Sérgio of the Workers Party (PT) justified his support for the tax:

> "[W]e will decide tonight if we will guarantee to the government and to the country a policy that has been allowing the creation of jobs and of income; a policy that has been securing the reduction of great inequalities in Brazil; if we will keep the stability that allows us to receive the necessary investments for development; if we will keep the Program of Growth Acceleration (PAC, in the Portuguese acronym) which is a project of nation that promotes integration and, especially, invests in essential sectors, to guarantee that our infrastructure keeps growing."[13]

Compensation – According to Scheve and Stasavage (2016), it was only possible to approve higher personal income taxes because elites felt compelled to compensate for the sacrifice the masses were doing by fighting the war. In the case of the COVID-19 pandemic, the general recommendation by epidemiologists was for people to socially isolate when possible. Congress members in favor of the Pandemic Wealth Tax reform in Argentina advocated that it was time for the most wealth-off portions of society to compensate for the 'sacrifice' of those sectors of society whose function did not allow them to 'stay home', such as healthcare workers. Congress member Walter Correa used an argument that was similar to the one made in warring countries during World War I:

[13] All the translations from congressional debates are my own.

> "[…] workers have also made one-lump sum payment. Essential workers, healthcare workers, they made a one-time payment with the most valuable thing a human has, a payment so expensive that no rich or famous person can match: these workers paid with their lives when they assisted their fellow compatriots during this pandemic!"

The two other fairness arguments – *ability to pay* and *equal treatment* – were proportionately less important during congressional debates over these tax reform. In fact, in the case of the CPMF tax reform, no congress members used 'equal treatment' as a justification for their vote, be it in favor or against the reform. In the case of the Pandemic Wealth Tax in Argentina, a few congress members justified their position against it with this sort of argument (8.59%), but it was not among the most frequent codes identified in the analysis.

Arguments in the second general category – *economic arguments* – were the ones most frequently used by congress members who voted to reject the tax reforms. These arguments can be further split into two sub-categories: budgetary and economic efficiency arguments. Among the former, I identified speeches that supported their vote because of the *revenue imperative* of the government to keep its budget balanced, and speeches that went on the diametrically opposite direction, mentioning that the *tax burden was too heavy* or that the *government spent too much* already. And among the latter, there were speeches that mentioned that the *tax would hinder economic activity*, and also speeches that mentioned there would be a *capital flight* if the tax reform was approved.

Table 3.3. Proportion of Arguments in Congressional Tax Reform Debates in Brazil and Argentina (selected reforms)

	Brazil – CPMF – 2007		Argentina – Wealth Tax – 2020	
	Against	In Favor	Against	In Favor
Fairness Arguments				
Addressing Inequality (in general)	21.92% (16)	24.49% (24)	0.53% (1)	13.21% (14)
Compensation	0.0% (0)	0.0% (0)	0.53% (1)	11.32% (12)
Ability to Pay	0.0% (0)	4.08% (4)	0.0% (0)	7.55% (8)
Equal Treatment	0.0% (0)	0.0% (0)	8.99% (17)	0.0% (0)
Total	21.92% (16)	28.57% (28)	10.05% (19)	32.08% (34)
Economic Arguments				
Revenue Imperative	0.0% (0)	21.43% (21)	0.0% (0)	**27.36% (29)**
Tax Burden is too heavy / gov. spends too much	**31.51% (23)**	0.0% (0)	10.05% (19)	0.0% (0)
Tax hinders economic activity	8.22% (6)	0.0% (0)	24.34% (46)	0.0% (0)
Capital will fly/will not come	0.0% (0)	0.0% (0)	14.29% (27)	0.0% (0)
Total	39.73% (29)	21.43% (21)	**48.68% (92)**	27.36% (29)
Comparative Arguments				
International comparison	8.22% (6)	3.06% (3)	10.58% (20)	3.77% (4)
Domestic comparison	0.0% (0)	0.0% (0)	1.59% (3)	1.89% (2)
Total	8.22% (6)	3.06% (3)	12.17% (23)	5.66% (6)
Policy Design Arguments				
Earmark	15.07% (11)	**22.45% (22)**	1.06% (2)	10.38% (11)
Sunset	6.85% (5)	4.08% (4)	6.88% (13)	2.83% (3)
Total	21.92% (16)	26.53% (26)	7.94% (15)	13.21% (14)
Others	8.22% (6)	20.41% (20)	21.12% (40)	21.70% (23)
N = total frequency of codes	73	98	189	106

Percentage of arguments by coding category to total number of arguments ('against' or 'in favor') in each reform bill; source: own coding and calculations. Speeches might have been coded with more than one category, if they used more than one argument to justify their position. However, this does not affect the interpretation of the percentage values, since they measure the proportion of arguments in the total number of arguments (coding units) made. For example, out of the 189 arguments against the Wealth Tax in Argentina in 2020, seventeen (8.99%) of the cases mentioned 'equal treatment.

Revenue imperative – In a seminal fiscal sociological work, Margaret Levi (1988) suggested that rulers will, by and large, act to maximize their revenue. Of course, there are many examples of rulers who have not raised as much revenue as they possibly could, because of reasons such as, for example, liberal ideology, but Levi argues that these rulers are equally constrained by

costs of extraction and the chances of rebellion. In contemporary liberal democracies, elections are a constraint for politicians to extract more, but also keeping a balanced budget to signal to financial markets that the state will fulfill its debt obligations. In the case of the CPMF tax reform, the revenue imperative was a major driving force behind arguments in favor of the reform. Aware that fiscal austerity is an important topic for part of the market-oriented right-wing congress members who opposed Lula da Silva's administration, Workers Party congressional leader Aloizio Mercadante emphasized how Brazil needed the revenue from the CPMF tax in order to keep being fiscally responsible:

> "How can we just give up on a revenue of 40 billion BRL in a country that only recently left a situation of serious vulnerability? It is true that our economic stability comes from the previous government, and so does the idea of fiscal responsibility, but it was preserved in this government, and it is indispensable for the economic stability of our nation".

Tax burden is too heavy / government spends too much – Opponents of the CPMF tax reform in Brazil most often manifested their antagonism to the bill by bringing attention to the size of the public budget; they would mention the number of different taxes paid by the population, the proportion of the tax revenue relative to GDP, and the government expenditures. In general, these arguments come from congress members whose political preference is, by and large, limiting the size and scope of government also by reducing its revenue base. This line of arguments is similar to the policy stance of the post-Reagan era Republican Party, which favors smaller government and less public participation in the economy, and whose strategy to do so is centered around tax

cuts (Prasad 2018). In the case of Brazil, this idea is coupled with an allusion to the low quality of the public services provided by the government, like argued by congress member Fernando Coruja:

> "Brazil has a tax burden that is too heavy, a fact that is recognized by any economics textbook. Another known fact is that the quality of our public services is very bad. By the way, if Brazil had the quality of public services that is mentioned by the government, then the Brazilian population would even be willing to pay for the taxes it does."

Tax hinders economic activity – This argument is similar to the one that favors smaller government and less taxes overall, but its difference lies in the fact that it is centered on the consequences of taxation – or, in this case, the consequences of the specific tax reform bill being debated. More than 20% of the arguments against the Pandemic Wealth Tax in Argentina claimed that it would have negative consequences for the national economy. Among these consequences, congress members mentioned how investment levels would decrease, unemployment levels would increase, and companies, especially small and medium ones, would be the ones most affected by the tax – even though the tax was aimed at personal wealth. Such was, for example, the argument of congress member Javier Campos, who argued at the virtual congressional room that "[t]his bill is a true poverty generator, it is a true cemetery of jobs and small and medium companies. This bill should be called Cemetery of Jobs and Small and Medium Companies".

Capital will fly / will not come – One recurring justification against the Pandemic Wealth Tax in Argentina was the concern that higher taxes would generate a flight of capital. This argument posits that increasing taxes on the wealthy would drive high-income individuals to

relocate to lower-tax jurisdictions, thereby reducing the tax base and harming the economy. However, this view is not necessarily accurate. In fact, the migration of wealthy individuals in response to tax increases is relatively rare, as other factors, such as social ties and business opportunities, play a more substantial role in their location decisions (Young 2017). Still, more than 14% of the arguments presented against the Pandemic Wealth Tax bill cited the risk of capital flight as a primary reason for opposition. Congress member Luis Alfonso Petri echoed this fear:

> "I recommend that the government adds a clause to this bill to put an 'icing on the cake'. This clause would say: "It thereby creates the National Agency for Argentine Investments overseas and in neighboring countries", because this is what we are achieving with this bill The only thing we are doing is building a road to Ezeiza [Buenos Aires international airport] and to the Buquebus [ferry boat that connects Argentina and Uruguay] for Argentine companies, because more than twenty thousand Argentines are requesting residency for tax purposes in Uruguay due to fiscal suffocation."

Arguments in the third general category – *comparative arguments* – also appeared in congress members' speeches during the tax reform debates. These arguments can be further divided into two sub-categories: *international comparison* and *domestic comparison* arguments. In the former, congress members often referenced tax policies in other countries, for example, mentioning countries where higher taxes supposedly drove businesses and investment abroad, or mentioning countries that have recent positive experiences with similar reforms. In the latter sub-category, domestic comparison, arguments were made citing historical examples of periods where

previously implemented taxes somewhat resembled the reform under discussion. Contrasted to international comparisons, domestic comparisons were used much less often, both in Brazil and in Argentina. Argentina's congress member Jorge Ricardo Enriquez, for example, compared the approval of the wealth tax to a so-called path to socialism, mentioning that Argentina's situation was similar to how it would have started in Venezuela, which is frequently used as a sort of nemesis by Latin American rightwing parties.

> "But be careful, because the fiscal rebellion will not take too long to happen. Be careful, because this is how the exodus of the productive classes started in Venezuela. And if this is another attack against private property, I wonder if the next ones will be the plundering of safety boxes in banks or the confiscation of money in savings accounts in ARS and in USD." Jorge Ricardo Enriquez

Fourth and last, *policy design arguments* were also used in the debates among congress members. These arguments fall into two main sub-categories: *sunset* and *earmark*. Sunset clauses refer to temporary tax measures, suggesting that the tax would be reevaluated or expire after a set period, making it more acceptable as a non-permanent solution. Earmarks, in turn allocate the revenue to specific, often popular, purposes such as education, healthcare, or infrastructure. Research suggests that earmarking increases the likelihood that taxpayers would be willing to approve tax reforms (Martin, Lopez, and Olsen 2018).

In both cases, policy design arguments were used in favor and against the tax reform bills. While proponents of the reforms would defend their approval arguing that the tax was temporary, meant for a limited period, or emphasizing the earmarked destination of the collected resources,

opponents would basically say that these design features were not to be trusted. The CPMF tax reform was first approved in 1996, and since then it contained an earmark provision attaching its revenue to healthcare expenditures. Congressmember João Pedro used his speech to bring attention to the importance of these resources for the Brazilian population who depended on its public healthcare system:

> "Because Brazil still has the Universal Healthcare System (SUS, in the Portuguese acronym), because part of the population is still in poverty, because 75% of the Brazilian population, Mr. President [of the Lower House], this country of millions, frequents and needs the Universal Healthcare System. This is enough for us to stop politicizing SUS and to vote in favor of the people who stands in line in front of our hospitals"

Conversely, Congressmember Arnaldo Faria de Sá defended his 'no' arguing that the healthcare system would not be the actual destination of the 40 billion BRL that were expected to be collected by the tax yearly:

> "Actually, they want the CPMF tax to secure the financial health of the Treasury account. This is the big truth: they want it to achieve the primary surplus. If you admit this is the reason, then I might even discuss with you. You want the money for the so called primary surplus, not for healthcare spending. You had the money for the sector all this time and you didn't do anything to improve our public

healthcare system. Now, desperately, you come up with this story, because you need to balance the Treasury account and you cannot give up on the CPMF tax."

Table 3.4. Proportion of Types of Arguments by Tax Reform (Waffle Charts)

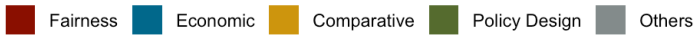
BRA CPMF tax - Arguments in favor	
BRA CPMF tax - Arguments against	
ARG wealth tax - Arguments in favor	
ARG wealth tax - Arguments against	
	

Table 3.4 displays the proportion of general types of arguments, as shown in table 3.3, in the form of waffle charts. These charts facilitate the visualization of some of the features mentioned above. For both reforms, congressmembers who voted in favor tended to rely more on fairness arguments than congressmembers who voted against, whose justifications relied much more heavily on economic arguments. When comparing reforms, one feature that stands out was the difference on the relative importance of policy design arguments; in the CPMF reform in Brazil,

about 27% of the arguments in favor and 22% of the arguments against emphasized aspects of the policy design. In Argentina, in turn, only about 13% of the arguments in favor and 8% of the arguments against used this type of rhetoric, even though the Pandemic Wealth Tax was similarly designed to sunset and earmarked for healthcare expenditures.

Conclusion

In this article, I examined roll-call debates over two tax reforms – the CPMF tax reform in Brazil in 2007 and the Pandemic Wealth Tax reform in Argentina in 2020 – to identify the major arguments employed by congressmembers to justify their pro- and anti-tax positions. While these reforms share a number of similarities (see table 3.2 above), the former reform was rejected by the Brazilian Senate, while the latter was approved in Argentina during the COVID-19 pandemic. After qualitative thematic analysis, four main categories of arguments were found: fairness arguments, economic arguments, comparative arguments, and policy design arguments. A comparison of the reforms and of the votes of pro- and anti-tax reform congressmembers shows that, in both cases, the main types of arguments used by proponents and by opponents of tax reforms follow along similar lines. Even though they were defending different types of taxes, proponents of the CPMF tax and the of Pandemic Wealth Tax favored fairness arguments over other types of justifications for their positions. Similarly, opponents of these taxes favored economic arguments over others. And although the sample of two tax reforms is not enough to suggest this is a general line of argument employed in pro- and anti-tax discourse in Latin American countries, regardless of the type of tax reform, it serves as an indication of categories to look for when examining ideas about taxation in the region.

Existing research on congressional debates about progressive income taxation claims that compensatory arguments were the main reason why economic elites consented to paying higher taxes rates. Among the cases analyzed in this paper, compensatory arguments were an important part of the debates over the approval of the Pandemic Wealth Tax in Argentina, but were not the most often used 'fairness' justification, as was the case during the implementation of progressive taxation to wage WWI. In the case of Argentina, arguments that claimed the tax was necessary because it would address inequality in general appeared more often. But if we compare congressional debates in Brazil and Argentina to debates about the wealth tax in Germany (see Hilmar and Sachweh 2022), we can find a similarity in how, in all three cases, left-wing parties tended to argue using fairness arguments – Hilmar and Sachweh (2022) use the term 'social justice' – whereas right-wing parties relied more on economic arguments.

However, while this study provides a first step in the effort of building a typology of pro- and anti-tax rhetoric in Latin American countries, there are a few shortcomings that prevent a thorough list of arguments and of how they are distributed across features such as types of taxation, economic context, country, among others. First, the qualitative hand coding approach used here, while good for an in-depth account of the cases analyzed, can hardly be reproduced to a larger sample of cases because of the subjectivity of interpretation but especially because it is too time consuming for a medium- or large-n study. Second, connected to the first shortcoming, the small n of only two cases limits the extrapolation of the results found here to other tax reforms. To address these shortcomings, one potential pathway is employing text-as-data analytical tools, such as topic modeling, which would allow for larger samples that could help extrapolate research results.

Some of the features that are of special attention to the fiscal sociological scholarship on Latin American countries (Flores-Macías 2019) – such as the volume of extraction and the regressivity of their tax systems – were present in congressional debates in Brazil and Argentina. And some of the main hypotheses that guide this scholarship as it explains these features – such as levels of evasion and compliance and the federalist character of tax collection,– were not major topics in the arguments used during the roll-call speeches. While countries in the region tend to collect taxes below the expected level relative to their wealth measured by GDP per capita, anti-tax reform arguments went on the opposite direction, as they tended to point to the high tax burden of Argentina and especially Brazil. The regressivity of tax systems, in turn, was the theme of many pro-tax reform arguments, which claimed it was important to vote in favor of the reforms because they would address the issue of socioeconomic inequality. Moreover, while studies on Latin American public opinion on taxation show that ideology and partisan preferences are not correlated with views on the subject, the distribution of economic and of fairness arguments across the cases examined in this paper suggests congressmembers act otherwise. Because of its small n, this study could not address the variation of tax collection that exists in Latin America. In the future, studies on types of arguments used in congressional debates about taxation in Latin American countries should also expect the types of arguments used to mirror the intraregional variation in tax collection.

Chapter 4 - Pathways from Anti-Tax Protest to Business Activism Among Agrarian Producers in Argentina

Business elites have many tools to influence policy at their disposal, such as lobbying, campaign financing, corruption, political participation, capital flight, and tax havens. Because of this vast repertoire, they tend not to engage in street protests, which tend to be more time and energy consuming and less effective. However, there are instances in which they not only engage in street protests, but they do so for long periods of time, leaving their main activity (business) in the background. The case of the 2008 protests against agricultural export taxes in Argentina provides a great example of a business sector that has resorted to street protesting because of lack of political power. In fact, recent political economy scholarship has used this case to explain when business elites decide to protest on the streets, and while these studies help us understand important structural and macro-level conditions that enabled the rural sector to mobilize (e.g. Fairfield 2011; Mangonnet and Murillo 2020; Richardson 2008) they do not look at the micro-level conditions that factored in farmers' decisions to prioritize protesting over business for four months. What factors explain Argentine farmers' individual decision to engage in the 2008 anti-export taxes mobilization? And how has their participation shaped their political strategies after the protests?

After a number of previous raises in the soybean export tax rates, in March 2008 members of the Argentina agrarian sector decided to react when yet another increase was announced by Finance Minister Martín Lousteau. They used many different protest repertoires, but their main tool was blocking roads. These protests lasted for four months and spread to the vast majority of the country, including areas with no production of soybeans, the crop affected by the tax reform bill. After months of conflict between the agrarian sector and the government, President Cristina

Kirchner decided to send the bill to be voted by Congress, where the tax increase proposal was defeated by one single vote on July 16th, 2008. The 2008 conflict between the Argentina national government and the agrarian sector has been largely studied by different social scientists, who suggested different hypotheses to explain the mobilization of Argentine farmers against tax increases, such as their lack of structural and instrumental power (Fairfield 2011, 2015), membership homogeneity and degree of exposure to state retaliation (Mangonnet and Murillo 2020), a broader national culture of road blockades as tolerated protest practices (Hora 2010), the degree of profitability of farmers (Mangonnet and Murillo 2017), the electoral weakness of the sector (Freytes and Farrell 2017), recent technological and organizational transformations in the agrarian sector (Gras 2012), and an ill-formulated hegemonic strategy of the Kirchnerist administration that resulted in a radical backlash of the agrarian sector (Barlow and Peña 2022). These explanations, to a different degree, are very effective at addressing institutional, contextual, and sector-level factors that created the conditions for widespread mobilization of the sector. However, because they do not look at individual level data, they are not able to explain the individual conditions that render businesspeople more or less prone to leave their business in the background and prioritize protesting, especially when mobilization happens for a long window of time – in this case, four months.

Based on microlevel data from 53 purposive, in-depth interviews with 36 Argentine agrarian producers (31 of which were actively mobilized in the 2008 protests), I argue that conditions that we could expect to have made a difference in their decision to participate, such as socioeconomic status, organizational affiliation, previous mobilizations, or size of land were not the main factors in their decision to mobilize. In fact, in the case of the 2008 Argentina rural protests, individual explanations tend to match sectoral level ones: agrarian producers felt

threatened by the lack of medium-term horizon of increasing their profits, since the particular design of the tax reform bill anticipated a mobile scheme that was fixed to the variation in the international prices of soybeans. However, contrary to sectoral level explanations, their recently accumulated capital gave them enough structural power – capacity to increase commercial lockouts – which was a decisive factor that allowed to combine commercial and contentious repertoires. I also argue that the 2008 protests marked a critical juncture in how agrarian producers participate in politics. Many members of the agrarian sector pointed out that, before 2008, they used to deliberately ignore politics and work only "inside the farm gates" (*tranqueras adentro*). After the conflict, they say that they see their activity in national politics (*tranqueras afuera*) being as important as their crop production. However, the way in which they choose to participate in politics today is influenced by their mode of mobilization in the 2008 protests. Moreover, this political heterogeneity could help explain the still present fragmentation of the rural business sector in Argentina, which is partly responsible for their lack of success in eliminating agrarian export taxes in the country.

Business protest belongs to the group of social phenomena that is understudied also because of its rarity (Fairfield 2011). Lobbying, funding campaigns, and exiting – capital flight – are far more common strategies, and hence more frequently addressed phenomena in the study of how economic elites avoid taxes. However, protesting is a social practice that, unlike the aforementioned ones, is public and (more) transparent by its very nature. Therefore, it is an ideal window to understand the world of business politics, which tends to happen in quiet or hidden arenas, away from the public eye. Additionally, when business elites decide to protest, they have, by and large, exhausted their alternatives. Therefore, studying these cases allows us to understand the unlikely situation of elites who fail to escape taxation through the usual means. That it happens

in Latin America – the most unequal region of the world – only adds to the importance of studying this case. Besides, the 2008 rural protests in Argentina mark an initial phase in the phenomenon of business protests in Latin America, as other business sectors in different Latin American countries (e.g. Uruguay, Brazil and Bolivia) have mirrored this strategy of blocking roads since.

The rest of the article is divided in seven sections. I start by looking at what has been written on business and their anti-tax agenda. I then put forward the analytical framework that allows me to go beyond the macro and sectoral levels of analysis, before introducing the case of the 2008 protests in Argentina. Fourth, I describe the empirical strategy, including the sampling rationale and the interview methods of data collection and analysis. Fifth, I describe the ways in which agrarian producers mobilized in the 2008 protests and how they keep their business activism today. Sixth, I summarize the findings, and last, I conclude by discussing the implications of these findings for studies of business and anti-tax activism.

Business and Anti-tax Agenda

Many are the reasons why we can assume economic elites will, by and large, prefer governments where taxes are lower and preferably not targeted at them, i.e., universal and flat-rated. For example, out of sheer self-interest, higher income earners tend to oppose taxation, especially under conditions that would leave their initial financial condition relatively worse-off. Elites might also share a negative view of the government in general, either because of perceived lack of efficiency or because of, also perceived, high levels of government corruption, resulting in a loss of trust in any form of state-led redistribution (Wilson 2006). And yet another reason for elites' anti-tax agenda might come from an individualistic ideology, in which people tend to

despise any form of 'welfarism' and mostly place value on individual work ethic and on privately generated income.[14]

While the fiscal sociological literature stresses the importance of major crisis, such as war (Centeno 1997, 2003; Rodríguez-Franco 2016; Scheve and Stasavage 2016), public safety issues (Flores-Macías 2022), and externalities from extreme poverty (Reis 2011), in order to convince economic elites to consent to higher taxes, surveys in Latin American countries have shown that elites do not feel responsible for many of these social issues and thus prefer other options to tackle them. A study conducted by Elisa Reis (2011) demonstrates that, when confronted with policy options to reduce poverty, business elites rank alternatives such as 'control population growth' and 'deregulate the economy' higher than other options, such as 'increase social expenditure' and 'increase progressiveness of income tax'. 'Taxing wealth' shows up as the least preferred option by business elites, with only 1% of preference. Even compared to other elites, such as politicians and bureaucrats, business leaders are the only group to prefer deregulation of the economy over increasing progressiveness of tax system as a possible solution to reduce poverty.

However, in a democratic regime, we should expect the interests of economic elites not to always prevail, especially when it comes to income redistribution in highly unequal societies. This is what the literature on inequality that is premised on the median voter control suggests when it argues that income inequality levels tend to constantly decrease in unequal democracies as a result of the average preference of citizens (Acemoglu and Robinson 2005; Boix 2003), but the largely documented steep rise in income inequality since the 1970s in democratic societies such as the United States puts this claim into question (Atkinson et al. 2011; Piketty 2014; Saez 2017).

[14] Since the 1980s, the Republican Party of the United States has made tax cuts and lower income taxation in general one of their main political agendas, which has broad support from part of the economic elites of that country (Martin 2013; Prasad 2018).

Following the literature that identified the trend in increasing income inequality and the rise of the 1%, scholarship on the political sources of this trend have suggested explanations for why democratic elections do not necessarily contribute to reduce inequality levels. In the United States, for example, two major shifts in the organization of national politics have contributed to what Jacob Hacker and Paul Pierson (2011) have named "winner-take-all politics". First, in the 1970s business corporations started investing heavily on their political capacities, meaning they have expanded their Washington D.C. operations massively: "In 1971, only 175 firms had registered lobbyists in Washington, but by 1982, 2445 did" (Hacker and Pierson 2010:176). Along with this lobbying infrastructure, the business community invested in a new system of foundations and think tanks to shape public opinion and hence dictate the policy agenda. And second, businesses increased their campaign contributions exponentially, in a time when electoral campaigns were already becoming much more expensive. No politician aiming to win elections was in a position to refuse business money, which penetrated both the Republican and the Democratic Party. And this type of business politics, although highly consequential, tends to be done 'quietly', without bringing much attention (Culpepper 2010). One of the main policy agendas that has been successfully promoted by business groups is the agenda of tax cuts, which was documented by Emmanuel Saez and Gabriel Zucman (2019). To illustrate the consequences of this agenda, since the 1970s, a series of tax cuts have led the 400 richest Americans to pay, on average, lower taxes than the bottom 50% of income earners in the United States, relative to income[15].

[15] According to calculations by Saez and Zucman (2019:50), in 1970 the 400 richest Americans paid more than 52% of their income in taxes, while the bottom 50% of income earners paid on average about 27% of their income. In 2018, for the first time, the top 400 income earners pay less than the bottom 50%. The richest Americans paid on average 23% of their income in taxes, while the bottom 50% paid approximately 25%.

Both lobbying and policy agenda promotion are examples of instrumental power sources, which involve deliberate, coordinated efforts to influence policy. But economic elites can also influence policy through their structural power, which "arises from the profit-maximizing behavior of individual firms and capital owners" (Fairfield 2015:2).Two examples of sources of structural power that tend to be individually employed by economic elites are capital flight and resorting to tax havens, which are often interrelated. Capital flight refers to when economic elites with mobile assets move their money to lower-tax or more favorable jurisdictions, which might be a result of redistributive policies, but might also serve as a hindrance for governments willing to implement such policies, as they might be concerned about capital flight (Boix 2003). Millionaire migration data suggests that economic elites are more tied to place than commonly depicted, and hence tend to not migrate only because of higher tax rates (Young 2017). However, the huge amounts of financial wealth kept in tax havens, estimated to be 8% of households' financial wealth (Zucman 2015:35), suggest that moving their capital abroad is indeed a common practice by economic elites. In Argentina, for example, many important businesspeople[16] had their names mentioned in the leaked financial documents of the Panama Papers, which detailed financial assets held in offshore entities in Panama.

Because Latin American economic elites have often been capable of thwarting governmental efforts of redistribution through tax reforms, and, as the recent political economy literature on the 'underpinnings of taxation' puts it, constitute one of the most important impediments to higher and more progressive taxation (Fairfield 2015, 2019; Flores-Macías 2022;

[16] Powerful businesspeople, such as Alfredo Coto, owner of an important chain of supermarkets, Héctor Magnetto, CEO of Grupo Clarín , the largest media conglomerate in the country, and the Mastellone brothers, who own the dairy company La Serenísima, are among the Argentine individuals mentioned in the Panama Papers. https://www.telesurtv.net/news/Panama-Papers-270-sociedades-vinculadas-a-Argentina-20160510-0001.html. *TeleSur,* May 10, 2016.

Ondetti 2019; Schrank 2009), we have every reason to expect that they have access to similar sources of instrumental and structural power as their counterparts in the United States. Using different methods, recent studies have pointed out that it is Latin American economic elites' cohesion that makes them capable of influencing tax policy. Castañeda (2017) uses a cross-national dataset of business groups and associations in Latin American countries since the 1990s to argue that what makes a difference for economic elites is their centralized coordination and high levels of policy integration. In fact, when they see economic benefits to state-building projects that raise tax revenues, cohesive economic elites might consent to higher taxation and even promote a state-building agenda, as Aaron Schneider (2012) demonstrates for the case of El Salvador in the 2000s. In Latin American countries, it is only when elites lack sources of instrumental and structural power that they are unable to influence tax policy and block tax reforms (Fairfield 2015, 2019).

If Latin American economic elites have a vast repertoire to influence tax policy available, why do they at times decide to leave their business in the background and resort to street anti-tax mobilizations, like agrarian producers did in Argentina in 2008? The next section connects the literature on "rich people's movements" (Martin 2013) with the scholarship on the causes of the conflict over the 2008 agrarian export tax reform in Argentina – also known as Resolution 125 – and explains why this literature still has not addressed the puzzle of business micro-mobilization.

When businesspeople protest

Despite being less frequently addressed, business protests are not a new, 21st century phenomenon. In his book Rich People's Movements, Isaac Martin (2013) describes a tradition of protesting in the United States that sought to benefit the most well-off portions of society. With a

series of cases studies of "rich people's movements" that took place in different periods of the twentieth century, Martin explains that rich people tend to take to the streets when their usual tactics, such as lobbying and funding electoral campaigns, fail. But they also take to the streets when skilled political entrepreneurs show them the way to protesting, meaning they show them how to emulate a social movement. After several successful events of rich people's mobilizations, they developed their own tradition of protesting.

The historical importance attributed to the 2008 protests by Argentine agrarian producers and the ensuing conflict between the sector and the national government over a tax reform has generated a relatively large literature that aims to explain the conditions that led agrarian businesspeople to perform their own version of rich people's movements. As Fairfield states (2015:2), general theories that predicted that a sector as economically important as the export-oriented agrarian sector in Argentina, which had been the major national beneficiary of high prices during the commodity boom in the 2000s, should have enough influence over tax policy failed short of explaining their need to mobilize.

To explain the 2008 conflict over agrarian export taxes, Carla Gras (2012) explores the theme of the individual psyche and the sectoral ideology of agrarian businessmen in Argentina. The author points out that the supposedly automatic translation of economic power into policy influence did not resonate in the Argentine case at the turn of the 21st century, which ended up in the 2008 conflict over export taxes. She argues that technical transformations in the sector, which are best explained by the emergence of organizations such as the Argentine Association of Regional Consortiums of Agricultural Experimentation (*Asociación Argentina de Consorcios*

Regionales de Experimentación Agrícola [AACREA])[17] and, more recently, the Argentine Association of No-Till Producers (*Asociación Argentina de Productores en Siembra Directa* [AAPRESID]),[18] served as a vehicle for identity transformations in the sector, which, in turn, have consequences for the ways in which the sector appears and acts publicly and politically (Gras 2012:472).

Similar to what Martin (2013) describes, that rich people's movements in the United States originally borrowed their tactics from leftists movements, Roy Hora (2010) argues that the nation-wide roadblocks led by agrarian producers were the result of a cultural repertoire of roadblocking as the main form of protesting that emerged in the 1990s in Argentina. There was also a general acceptance of this type of protest in the country that dated back to the severe economic and political crisis of December of 2001, in which thousands of people from different backgrounds took to the streets to protest a governmental measure that, amid major currency devaluation, froze bank accounts temporarily.[19] On this occasion, thirty-nine people died from violent clashes with the police, resulting in a generalized feeling of disapproval of the reaction of security authorities in the country. After that, national institutions became much more lenient with protesting, and avoided at all costs repressing road pickets. Because of this context in which blocking roads was widely seen as a legitimate form of protest, "as many other actors who protested on public roads

[17] AACREA was created in 1957 with the goal of being a forum for the promotion and exchange of agricultural technological and managerial knowledge. It is composed of different local Regional Consortium of Agricultural Experimentation (CREA) groups (Gras 2012).
[18] AAPRESID was founded in 1989. It has the specific goal of promoting no-till farming practices in agricultural production (Milmanda 2019:202)
[19] Describing in detail the economic context that led to the 2001 economic crisis in Argentina falls out of the scope of this article. For a description of the events of 2001 in English language, see Corrales (2002).

those years, agrarian activists conceived road picketing as the 'only way to be heard by a state that, from their perspective, was ignoring their rights and demands" (Hora 2010:86)[20].

Other authors suggest that the agrarian producers decided to protest precisely because of the then high price of commodities, specifically soybeans. Because the 2008 reform established a system of mobile export taxes, which varied according to the international price of commodities, producers would not make any extra profits from increases in international prices. In other words, they felt like the state was setting a threshold for their profits and was taking all the difference (Fairfield 2011:439–40). And because producers are aware of the price volatility of their crops, which is susceptible to market fluctuations out of their controls, they want to maximize their profits and hence they are more likely to engage in protests when the prices are high (Mangonnet and Murillo 2017, 2020).

Carlos Freytes and Juan O'Farrell (2017) address the issue from an instrumental power point of view. According to them, the Kirchnerist administrations were able to impose high extraction rates on the agrarian sector because they were skillful in exploring its political weakness. The sector has historically been fragmented across several associations that represent different types of agrarian producers, with varying interests and political preferences, and therefore has not been able to translate these preferences into national congressional candidates. Mangonnet and Murillo's (2020) analysis of rural lockouts in Argentine departments reaches a similar conclusion; while producers in regions where membership association is heterogeneous tend to protest less, membership homogeneity is correlated with more mobilization.

[20] Original in Spanish: "Como muchos otros actores de la protesta en la vía pública de esos años, los activistas rurales concibieron al piquete como 'la única forma de ser escuchados por un Estado que, desde su punto de vista, ignoraba sus derechos y demandas".

Finally, another type of explanation for the protests against Resolution 125 lies less on the sector itself and more on contextual and institutional features. Compared with Brazil, another country that shares an agrarian sector that has largely benefited from the commodity boom in the 2000s, Argentina has a more centralized and discretionary type of federalism, in which the federal government is better able to dictate. This allowed "an abundant tax take from soy revenues", which in Brazil was prevented by the extensive authority of subnational states (Giraudo 2021:528). In the case of Argentina, this tax take was initially negotiated with the agrarian sector, which, following the 2001 debt default crisis, had agreed to contribute as part of an emergency package. However, as it became clear that the logic of agrarian export taxation had shifted from an emergency one to a pillar in the government economic model, the rural sector decided to mobilize (Barlow and Peña 2022).

These explanations bring different levels of analysis to understand business protest in Argentina, but they all share a sectoral perspective, in which the agrarian sector is considered to be one homogeneous actor, or at most a handful of associations that nevertheless acted in unity to promote the roadblocks they did from March to June 2008. Yet, just like traditional social movements are formed by a heterogeneous group of activists who may or may not share demographic characteristics and may or may not take the same pathways to mobilization (Viterna 2006), so are rich people's movements. In this case, looking at the micro-level conditions that factored in farmers' decisions to prioritize protesting over business for four months means looking at the individuals that promoted the roadblocks in 2008 as the unit of analysis. Considering that "business protest itself may provoke divisions and realignments among political elites, which may in turn create new opportunities to pursue influence within formal policymaking arenas" (Fairfield 2011:431), I look at the microprocesses of anti-tax protest among agrarian producers in Argentina

and at how the 2008 mobilizations influenced their business activism afterwards. Next section briefly describes the sequence of events during the Resolution 125 protests, and the following one describes the data I use to analyze the pathways of agrarian business activists.

The case of Resolución 125

The 2008 rural protests in Argentina have been extensively covered in newspapers articles, television documentaries, biographical books, and academic literature.[21] Because the goal of this article is not to provide yet another historiographical account of the events, but to look at business micro-mobilization, I use this section as a guide to contextualize the analysis that follows. It is mainly based on the timelines elaborated by Hora (2010) and Barsky and Davila (2012). See figure 4.1 for an outline of the sequence of events of the agrarian conflict in 2008.

Following the 2001 debt crisis and the consequent social upheaval that took place in Argentina, the administration of Eduardo Duhalde decided to re-implement *retenciones*, which had been eliminated in the 1990s by Carlos Menem. Many of the members of the agrarian sector that I interviewed during fieldwork expressed that, although they were not supporters of this type of tax, they agreed to contribute during that moment because of two reasons. First, because the country underwent a difficult financial crisis, the sector, benefitting from a recently devalued peso that favored exports, understood they were in a position to help. And second, according to them, the Duhalde administration made this decision only after talking to members of the sector and asking for their support in a complicated moment. Therefore, there was a climate of openness and dialogue between agrarian producers and the national government. In 2008, this collegial

[21] Biographical books include: *El Agitador* (Murano 2008), *No Positivo* (Basombrio 2009), *Campo de Batalla* (Jafelle Fraga and Baistrocchi 2014), and *La Primera Revuelta Fiscal de la Historia* (Berensztein and Peirano 2020). For academic works, see Barsky and Davila (2012), Hora (2010), Aronskind and Vommaro (2010).

relationship had ceased to exist. Since March 2006, when Néstor Kirchner suspended beef exports for one month, before implementing a beef policy of managing export quotas to control domestic supply, the agrarian sector looked at Kirchnerist administrations with mistrust.[22] This tense relationship got worse when Néstor Kirchner increased *retenciones* twice in 2007. In January, soybean export taxes rose from 23.5% to 27.5%. And in November, after the election of his wife Cristina Kirchner to the presidency but before the start of her tenure, soybean export taxes rose to 35%. The announcement of Resolution 125 – which rose *retenciones* to 44% and implemented a mobiles scheme of tax rates to agrarian exports that varied according to the international price of soybeans – in March 11, 2008 by Martín Lousteau was perceived by agrarian producers as "the straw that broke the camel's back".[23]

On March 12, 2008, in response to the announcement of Resolution 125, the four main national agrarian associations – Rural Argentine Society (*Sociedad Rural Argentina* [SRA]), Agrarian Federation of Argentina (*Federación Agraria Argentina* [FAA]), Rural Confederations of Argentina (*Confederaciones Rurales Argentina* [CRA]), Confederation of Agrarian Cooperatives (*Confederación Intercooperativa Agropecuaria* [CONINAGRO]) – gathered to announce a 24-hour rural lockout. Agrarian producers were already gathering on the streets and discussing protest measures against the tax increase, and in some cases promoting roadblocks.[24] And on the following day, March 13, the four associations, which historically represent different

[22] Interview with Journalist Matías Longoni. June 14, 2022.
[23] Original in Spanish: "La gota que rebalsó el vaso". Several agrarian producers interviewed for this study employed this expression to describe their reaction to the announcement of Resolution 125.
[24] Several agrarian producers I interviewed reported that they participated in roadblocks before agrarian associations had taken any institutional instance on the tax reform. Sofia, one of the research participants, describes how she immediately brought one of her tractors to block the road next to her town, emphasizing that she did not have to report to anyone because she was 'self-organized'.

constituencies across Argentina's rural sector, took the historical decision of creating the Enlace Committee,[25] which still today aims to coordinate political action across the sector.

Among the Enlace Committee associations, the *SRA* is the oldest one, dating back to 1866. It was founded by wealthy cattle ranchers from the pampa region, whose purpose was originally to control breed technology. Linked to the Argentine elite, the SRA has traditionally backed free trade and has employed lobby efforts to influence agrarian policy. The *FAA* was founded by immigrant sharecroppers more than a half century later, in 1912. These farmers were specifically rebelling against large landowners, represented by the SRA. Historically, the FAA is formed by small farmers demanding state support for their agricultural production, but since the 1990s, when the price of agricultural land became more expensive and many small landowners were forced out of business, membership heterogeneity made ideological preferences across FAA members more complex; today, two political factions – a 'kirchnerista' and a conservative one – struggle for control of the association (Richardson 2008:71). The *CRA* was founded in 1943 by different regional confederations of rural producers, such as the Confederation of Rural Associations of Buenos Aires and La Pampa (CARBAP). Formed by mid-sized to large agrarian producers, it has a decentralized structured organized by local, by and large municipal, associations, which are affiliated to CRA. Finally, the *CONINAGRO* was founded in 1956 by rural cooperatives that provide services to small farmers (Mangonnet and Murillo 2020).

Although the Enlace Committee did not officially call roadblocks, they also did not condemn them, which were mostly done by so-called 'self-organized' (*autoconvocados*) producers – agrarian producers who are not members of any of the four national agrarian associations. These roadblocks first got national attention during the extended Easter Holidays, when more than 300

[25] *Mesa de Enlace Agropecuaria*, in Spanish.

hundred roadblocks created a weekend of traffic chaos and gained national attention.[26] The government finally reacted to protests when, on March 25, the president defended Resolution 125 and referred to roadblocks as "pickets of abundance". After this speech, thousands of protesters took to the streets of Buenos Aires and other cities to demonstrate their support to the agrarian protests.

Despite the above reactions to Resolution 125, Lousteau ratified the measure, but included modifications to the initial bill that created differentiated regimes for smaller producers and for producers located in areas that were distant from major ports, addressing demands from smaller farmers in an attempt to bring part of the agrarian sector to their side. The Enlace Committee did not show signs of rupture among the four associations, but a few days later, after an assembly in the countryside town of Gualeguaychú, northeastern Argentina, they decided for a pause in the lockout and the protest measures, as a signal to start negotiations with the government.[27] This truce lasted one month, during which five rounds of negotiation over Resolution 125 and other agrarian policy topics between the national government and the Enlace Committee took place. In-between these meetings, Martín Lousteau was also replaced as finance minister by the Carlos Fernández, a bureaucrat with a lower political profile. However, no major agreements on the agrarian export taxes were reached, and on May 7 agrarian leaders announced a new lockout that is followed by renewed roadblocks across the country. The lockout lasted two weeks, and on May 20, responding to the president's request to continue the dialogue, the Enlace Committee announced a second pause in the protest measures. Agrarian producers left the roads again, but this time they stayed on

[26] Journalist Matías Longoni, then linked to *Clarín*, mentions that it only after this weekend that the agrarian anti-tax protests "left the 'agribusiness' section and made it to the 'politics' section of newspapers". Interview with journalist Matías Longoni, June 14, 2022.

[27] Despite the official justification, this truce was also useful for farmers to start the harvest of soybeans, which depended on opening of roads for the traffic of equipment that was, by and large, contracted with third parties. (Hora 2010:90)

the roadsides as a way to maintain the sector 'mobilized'. And on May 25, in the anniversary of the May Revolution, which celebrates the independence of Argentina, Enlace Committee leaders spoke to more than 200 thousand people gathered in front of the National Flag Memorial (*Monumento Nacional a la Bandera*) in Rosario, in what was considered as the biggest rally that ever happened in the city.

The response of the government to the Rosario rally did not take long. On May 27, Néstor Kirchner, then president of the Justicialist Party (*Partido Justicialista* [PJ]), signed a document where the party addressed the agrarian protests as antidemocratic and the rural leaders as coup mongers. Almost instantly, rural leaders called a third rural lockout, in addition to a series of strategic and organizational measures across Argentina's cities and towns to gain popular and political support against the tax increase. At this stage, a negotiated solution for the protests was much less likely, and the CFK government announced that the issue was resolved and that they would not engage in any further discussions with rural leaders. However, the chaotic social climate, with many roadblocks and frequent protests across the country showed a different situation. On June 4, truck drivers had started their own road pickets to demand that the government find a solution to the conflict that had been creating problems for their activity since March. And on June 14, when the government ordered police forces to clear the roads in Gualeguaychú, where the most televised rural picket was located, and to arrest the rural leader Alfredo de Angeli, hundreds of roadblocks and 'banging pots and pans' city rallies erupted across the country.

With a negotiated solution out of reach, Cristina Kirchner decided to send Resolution 125 for congressional approval on June 17.[28] This decision by CFK inaugurated a second phase in the

[28] Contrary to other taxes, export taxes can be increased without legislative approval in Argentina. Article 775 of the Customs Code from 1981 delegates this prerogative to the Executive Branch (Richardson 2008:244)

Resolution 125 conflict. Whereas some producers kept their road pickets on the roadsides to keep mobilized, the core of agrarian politics was now in the congressional hallways in Buenos Aires, as many producers temporarily moved to the capital city and made lobbying their main activity. The government expected congress members to support the tax increase, since in previous years it had consistently approved projects. On July 5, the Lower House, with 129 votes in favor and 122 against, passed the proposal. Before the Senate decision, tensions escalated in Buenos Aires, with clashes between rural and government supporters, and on the eve of the voting procedures, mass rallies attended by thousands happened simultaneously in different parts of Buenos Aires. Finally, in the morning of July 17, after a tie in the Senate, Vice-President Julio Cobos voted to reject the tax bill.

Different authors point out that the 2008 agrarian protests, more than the victory itself, marked a shift in rural politics in Argentina (Del Cogliano 2016; Gras 2012; Gras and Hernández 2016; Richardson 2008), which culminated from a longer term economic re-orientation of the agrarian sector that began in the 1970s with the introduction of soybeans and its increasing adoption by Argentine farmers, in replacement of more traditional activities. The soybean economic cycle brought increasing modernization and mechanization of crop production, and because there is no domestic market for soybeans, its export can be incentivized by the government without affecting domestic prices. However, with the increasing importance of soybeans, the profitability of the sector largely depends on the international prices of the commodity, and when the government decided to tax soy, it created the context for small-, medium- and large-scale agrarian producers to act together politically (Richardson 2008:252). It was "only in the period after the 2008 conflict with the government, that the sector started to think more consciously about translating its economic capital into political capital" (Gras 2012:485). But despite this new

mentality, the sector still disagrees over the best methods to influence policy. In the next section, I describe my approach to identify the pathways to anti-tax mobilization across agrarian producers who participated – and who did not – in the 2008 protests and their business activism since.

Data and Analytical Categories

The data for this study comes mostly from over 60 open-ended and semi-structured in-depth interviews with local think tank analysts, journalists, policymakers, bureaucrats, social movement activists, and agrarian producers who engaged in mobilization against the Resolution 125.[29] These interviews were conducted between August 2018 and September 2022, on three different fieldwork trips, and remotely, using videoconference applications such as Zoom or Skype. I triangulate data from these interviews with other sources, such as fieldnotes from ethnographic observations, secondary literature, local newspapers and business magazines, official statistics from the Argentine government, and databases on the rural sector and on street mobilizations in the country.

I use a purposive sample of thirty-six Argentine farmers who mobilized (and who did not mobilize) against Resolution 125. I gained access to these rural business elites through different channels, including personal and academic contacts. After an initially truncated fieldwork experience, I was finally able to open my way to members of the sector through a civil association created in the aftermath of the 2008 protests that specializes in providing legislative support to Argentine congress members in topics related to the rural sector, named *Barbechando*. A member of this organization, to whom I am deeply thankful, individually contacted several farmers and asked them if they were willing to contribute to my research. From this initial batch of interviews,

[29] See Table 5.2 in the Appendix for a detailed summary of interviews done for this study.

I was able to follow many different branches of contacts, with farmers from very different regions and socioeconomic contexts. This sample of interviews provides a great window into the different perspectives of the agrarian sector in Argentina, as they came from different associative and demographic backgrounds, engaged in the anti-tax protests in varied ways, and performed different roles.

Table 4.1. Demographic Features of Research Participants compared to Agrarian Sector Average

	This Study	2018 National Agrarian Census[a]
Gender		
Women	19.5% (7)	20.7%
Men	80.5% (29)	78.7%
Age (in 2008 for 'This Study' Column)		
15-39	22.2% (8)	17.9%
40-64	77.8% (28)	53.9%
65 or more	0% (0)	27.3%
Education		
Elementary (*primario*)	2.8% (1)	53.8%
High School (*secundario)*	16.7% (6)	28.1%
Technical (*terciario*)	16.7% (6)	6.8%
Bachelor's or higher (u*niversitario*)	59% (23)	10.5%
Agro Education (*secundario, terciario o universitario*)	55.5% (20)	8.4%
Size of Crop Production[b]		
1 - 200 ha.	17.6% (6)	65.9%
200 - 1,000 ha.	32.3% (11)	22.3%
1,000 - 5,000 ha.	35.5% (12)	9.4%
5,000 – 20,000 ha.	8.8% (3)	2.1%
20,000 ha. or more	5.9% (2)	0.4%
Agrarian Associations		
Gremiales	61.11% (22)	7.9%
Technical Associations	30.56% (11)	1.7%
No affiliation	25% (9)	79.2.%

[a] Source: INDEC (2021).
[b] Two out of thirty-six participants preferred not to disclose information about the size of their crop production to the interviewer.

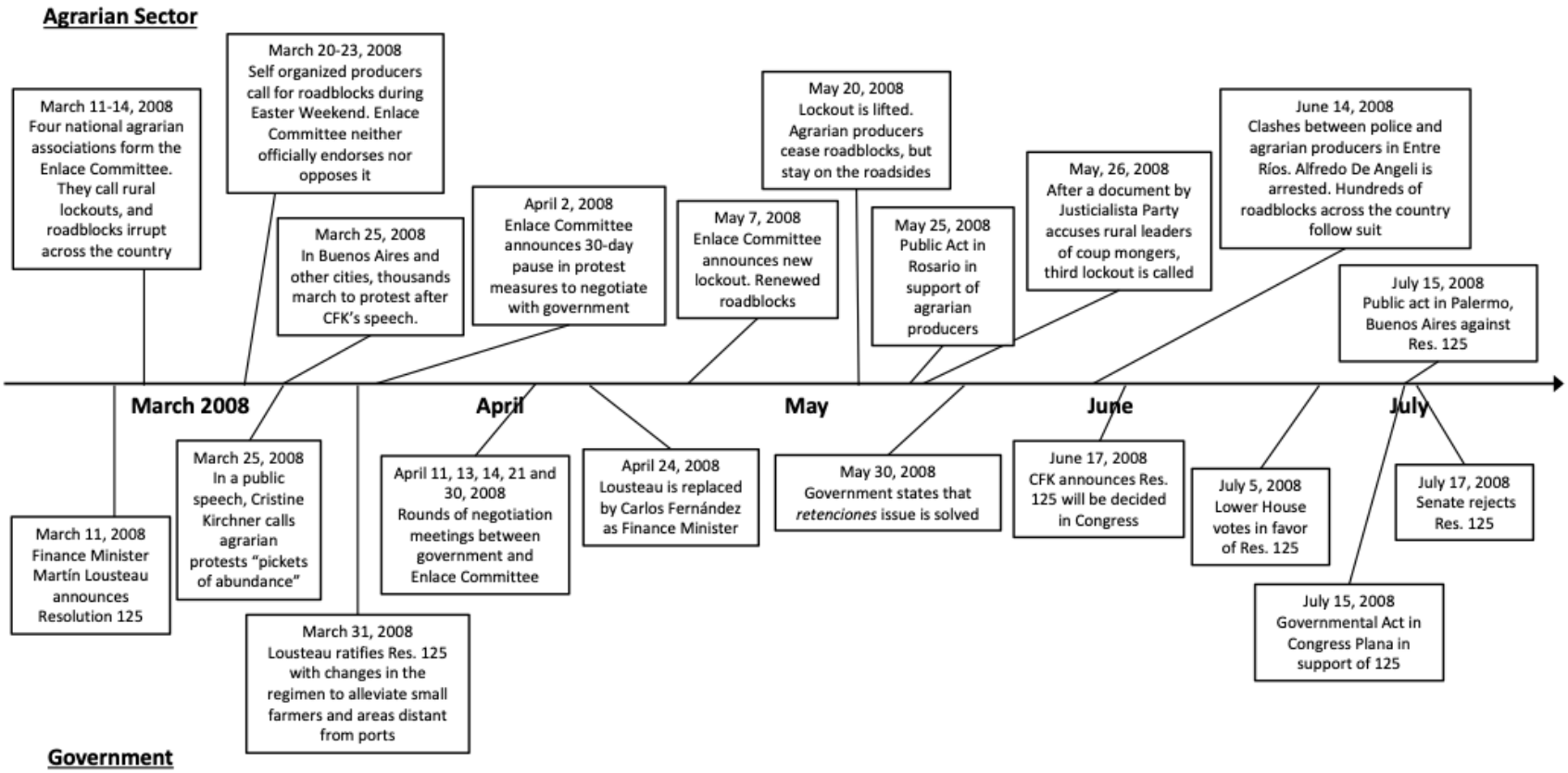


Figure 4.1. Sequence of Events

Table 4.1 displays a summary of demographic features of research participants as it compares to the average of the agrarian sector (according to the 2018 National Agrarian Census). While a sample of research participants that mirrored demographic features of the average agrarian producer in Argentina would be ideal to extrapolate research findings to the totality of the sector, my sample is better to capture business activism among agrarian economic elites, which would have been virtually overlooked in a representative sample. The top 0.4% of the land distribution structure produces on approximately 21.5% of the agricultural lands of Argentina. Therefore, a representative sample of, for example, 100 interviewees would very likely neglect this very small, but very economically powerful portion of the agrarian sector in the country, as traditional tools of stratification research are not the best way to study this difficult-to-access group (Khan 2012:373). However, despite being much more focused on the top of the socioeconomic pyramid of the agrarian sector, my sample has enough variation in other features that are key to study business activism. Figure 4.2 displays the geographic distribution of research participants. I have interviewed a sample of 36 agrarian producers[30] distributed across eight provinces[31] – out of 23 – and 28 departments. This sample comprises agrarian producers from areas with different crop productivity, addressing variation in proportional export tax incidence – the lower the soybean yield, the proportionately higher the tax relative to price of production. Additionally, and more importantly, the sample of research participants provides good geographical variation in the map of roadblocks of the 2008 protests, addressing different mobilization contexts (details available upon request).

[30] The original sample size was 37, but one individual was dropped from the analysis because she reported that agricultural production was not her main professional activity at the time of the protests and that, although members of her family had agricultural land, she did not. She had been coded as a 'collaborator'.
[31] Buenos Aires, Chaco, Córdoba, Entre Ríos, La Pampa, Santa Fe, Santiago del Estero, and Tucumán.

In August and September of 2018, I did a preliminary fieldwork visit to Buenos Aires to interview policymakers, bureaucrats, think tank researchers, and local specialists, in order to hear first-hand accounts from actors that were involved in the case of the 2008 protests and to identify key actors from the agrarian sector to be interviewed. After this first visit, I visited Argentina on two different occasions to conduct elite interviews and other fieldwork activities, in March/April 2020 and in May/June 2022. To obtain respondent's trust, I reached out to them through another contact from the agrarian sector, and after each interview, I would friendly ask them to suggest other potential names and share their contacts. Another factor that might have contributed to gaining their trust was my international status – Brazilian social scientist attached to an American university; I was not perceived as a politically interested party by respondents,[32] who have also at different occasions made a point of expressing their admiration of the Brazilian agrarian sector and its political organization.[33] Interviews took place at different settings, such as cafés and restaurants in Buenos Aires and other cities, gas stations, respondents' offices, and respondent's houses in the provinces of Buenos Aires and Santa Fe, when one participant offered to drive me through areas where roadblocks happened in 2008 and take me to interview other agrarian producers. When respondents were too distant from Buenos Aires, interviews were conducted using videoconference tools. Interviews with agrarian producers took on average approximately 51 minutes; the shortest interviews lasted about 30 minutes and the longest lasted about 100 minutes. After obtaining informed consent and getting basic demographic and associative information, I asked them to describe in their own words what they remembered from the context

[32] Apart from two respondents who asked me, after the interview protocol, what my political stance on Argentine agrarian politics was, I never verbally expressed my views on the subject to respondents. At times, I had the impression they saw me as a supporter of their demands, but in general I felt like my politics were not an important topic for them.
[33] Unlike in Argentina, the agrarian sector in Brazil has consistently been successful in achieving electoral representation through the Agrarian Caucus, a multi-party, candidate-centered congressional grouping that held between 14 and 23 percent of the Lower House seats since democratization. The vast majority of Agrarian Caucus representatives are agrarian producers themselves (Milmanda 2023)

in which they first heard of Resolution 125. I followed up with questions that directed them to address their participation (or lack thereof) in key events in the 2008 protests. In a second part of the interview, I asked them about mobilization in other cases of agrarian export tax increases, about their current business activism activities, and about their views on taxation in general and on *retenciones* in particular. On most cases, I reached out to respondents once again to ask for a follow-up interview to ask for additional information. In these cases, interviews were conducted either by phone/video call or using text messages. All interviews were conducted in Spanish by me and were recorded and later transcribed by professional services whose native language is Argentinian Spanish.

I had to address two potential biases during these interviews. *First*, because I used a purposive, snowball sample, there was the risk of interviewing respondents who are more likely to belong to the same network and know one another, which would potentially reduce the representativeness of the sample. This concern was addressed because, by using snowball sampling, I reduced another potential bias that could come from a high non-response rate (I had a response rate of more than 90%). Additionally, I made sure not to interview more than two producers from the same department, which created diversity in their protesting experiences. Instead of looking for the most demographically representative sample, I guided my interviews by a 'case study logic (Small 2009), where my goal was to identify different pathways to and from anti-tax protest across members of the business sector. Once I noticed experiences were becoming repetitive across the modes of mobilization identified, I understood my sample was reaching saturation. *Second*, similar to what Viterna (2006, 2013) reports in her study of micro-mobilization processes among women who joined guerillas in El Salvador, I had to address the concern of "people's recollections about prior experiences" (Viterna 2006:13), which can be affected by their

present day activities and about how participation shifted their identity. To do so, I followed her strategy and structured my interview questions around past events in the 2008 protests, instead of around respondents' feelings. I learned that Argentine agrarian producers who mobilized in 2008 not only are very open about their experiences with business activism – reporting, for example, activities that would be classified as unlawful – they also remember those moments in detailed accuracy. When I suspected respondents could be misrepresenting their participation in past events, I was extra diligent in 'testing their memory' by cross-referencing events and asking them to remember key actors that I knew both from media reports and from other interviews were present in those situations.

This interview protocol allowed me to identify different roles performed by agrarian producers during the 2008 anti-tax protests: institutional leaders, picket leaders, networkers, collaborators, and non-participants. I interviewed 5 institutional leaders, 12 picket leaders, 5 networkers, 11 collaborators, and 5 non-participants.[34] And to investigate variation in the pathways to anti-tax protest and to continued business activism, I coded interview transcripts according to many different categories hypothesized as consequential. These categories include demographic factors (age, gender, and education), networks (associational profile, and mobilization history, and continued activism), socioeconomic factors (land value), symbolic factors (rural family, agricultural training), and past and present-day political activities (type of political contribution, party politics).

[34] Two respondents were coded both as 'picket leaders' and as 'networkers' (see tables 4.2 and 4.3).

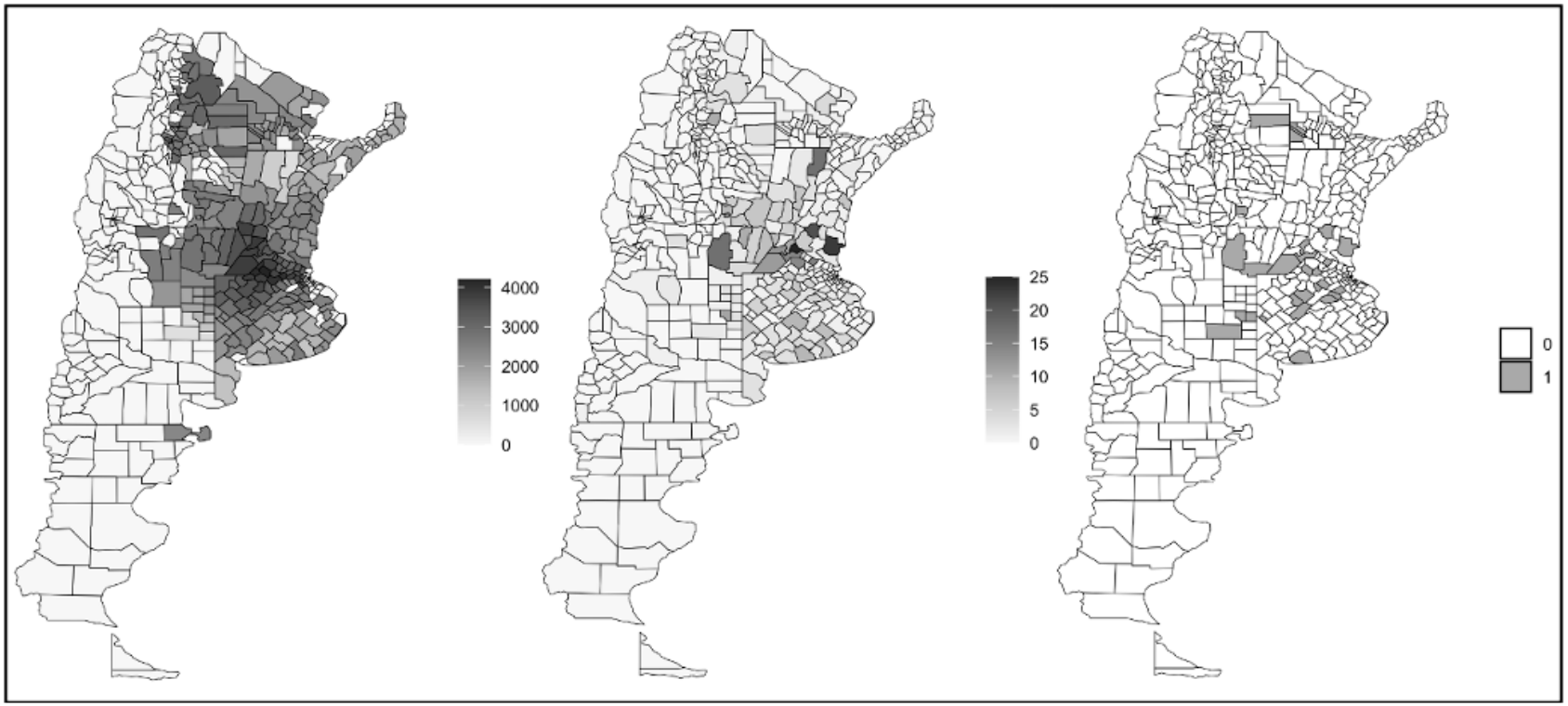


Figure 4.2. Soybean Yield, Roadblocks, and Research Participants.

This figure shows three maps of Argentina's departments. From left to right: (i) Map of Average Soybean Yield per Department, 2007-2008;[a] (ii) Map of Number of Roadblocks per Department, 2008;[b] (iii) Map of Research Participants.[c]

[a] Logged number of produced soybeans (in kilograms) per harvested hectare. Source: Mangonnet, Murillo, and Rubio (2018).
[b] Total number of roadblocks registered in the department during the year of 2008. Source: Mangonnet, Murillo, and Rubio (2018).
[c] Departments in which agrarian producers interviewed have agricultural land.

Demographic factors – While we might not expect a difference in terms of likelihood of participating in protests relative to gender, research suggests that there tends to be variation in the forms of protest women and men participate of, with women being more likely to engage in less confrontational forms of activism and men being more likely to engage in more confrontational forms (Dodson 2015). We might also expect younger people to be more likely to engage in protest activities. The literature on social movements has long documented that younger people tend to prefer protest tactics (Earl, Maher, and Elliott 2017), as they tend to be more willing to take risks, be more passionate about their preferences, and more militant in their methods (Johnston 2019). Additionally, higher levels of formal education tend to be associated with more political participation in general (Berinsky and Lenz 2011; Lipset 1981; Moseley 2015) and with higher intensity of anti-government protests in particular (Sawyer and Korotayev 2022).

Networks – Engagement in social movements is strongly influenced by structural proximity and affective interactions with movement members (Snow, Zurcher, and Ekland-Olson 1980). Because the 2008 protests against agrarian export taxes mirrored the form and the repertoires of social movements, it is important to investigate factors such as affiliations to rural associations, which have been depicted as important explanatory variables by the literature on the 2008 events (Gras 2012; Mangonnet and Murillo 2020). In the same vein, previous history of political activism might serve as an incentive to new or continued activism, because existing networks from past experiences facilitate engagement, and because existing mobilization structures might adapt to different situations, i.e., the same groups of people protest in different contexts under different labels (Mische 2009). Organizational structures of *gremiales* and technical associations, and past experiences of mobilization might make a difference for agrarian protests in Argentina.

Socioeconomic factors – Unlike economic elites, who have plenty of tools to influence policy, poor people have limited access even to traditional avenues of power and thus must resort more often to disruptive collective action, such as protests (Piven and Cloward 1978). However, studies demonstrate that socioeconomic status is not always linearly correlated with propensity to protest. In Latin American societies, while poorer people are more likely to participate in survival protests, they are under-represented in protests that advocate policy changes (Somma, Bargsted, and Sánchez 2020). And in the specific case of anti-tax rural protest in Argentina, research shows that protest activity was higher in the areas that most benefitted economically from the soybean boom and hence paid more in soybean export taxes (Mangonnet and Murillo 2017, 2020). If individual mobilization follows the same logic, we might expect bigger producers to be more likely to mobilize than smaller ones.

Symbolic Factors – Shared experiences of daily life practices can create meanings that, in turn, help create categories that are potentially invested with the idea of group belonging (Brubaker 2006). When these practices are construed as threatened, solidarities may episodically come to the fore in defense of one's group against a common threat (Simmons 2016). Since the 1970s, with the expansion of productive technologies to agricultural production, there has been a symbolic shift in the self-image of rural producers in Argentina that was also brought about by the specialized training they receive in agricultural schools in the country, which turned 'ranchers' into 'agribusinesspeople', who regarded their activity as the motor of national development (Gras and Hernández 2016). In fact, during the 2008 rural protests in Argentina, regardless of whether their life practices were materially threatened by the tax reform, agrarian leaders, who referred to themselves as *el campo* or the countryside (Lapegna 2016), manifested that Resolution 125 was not only an attack to their finances, but to the entire population of the countryside (Gras 2010:291).

To address these symbolic factors, I looked at whether respondents were originally from rural families, and whether they received specialized agricultural training in their education.

Political activities – Participation in social protests forges worldviews, influences activities, and at times can also modify lifestyles of activists. One of the common biographical outcomes of participating in protests is politicization, meaning that former activists are more prone to engage in further collective action and other forms of political organization (Vestergren, Drury, and Chiriac 2017). In fact, after periods of intense protest activity, political parties tend to seek out for future members in social movement activists (Brady, Schlozman, and Verba 1999; Lange, Irvin, and Tarrow 1990). After the 2008 events in Argentina, agrarian producers have shown continued politicization by remaining engaged in further protests, joining political parties, participating in national and local elections as candidates (Del Cogliano 2016), and have also created new organizations for political lobby and sectoral representation (Milmanda 2019).

Modes of Mobilization During the 2008 Protests

Following the analytical approach used by Viterna (2006) in her study of women's micro-mobilization in El Salvadoran guerrillas, I identified five clear modes of mobilization, which have guided my analysis of how different factors have created varied pathways to anti-tax protest and business activism among Argentine agrarian producers. In tables 4.2 and 4.3, I have grouped respondents according to the five modes of mobilization of agrarian producers to observe whether hypothesized factors help explain different pathways to mobilization and to post-2008 business activism, with 'X' indicating the presence of a factor in the case of binary categories. In other categories, I specify the observed attribute. Categories 'rural family' (table 4.2), 'lobby' and 'financial contributions' (table 4.3) did not display enough variation, and hence were discarded as

potential explanatory factors of mobilization or post-2008 business activism. Other categories are analyzed below. I complement this analysis with qualitative interpretation of the experiences of mobilization described by agrarian producers in their interviews.

Institutional Leaders

> I could not afford to not be a part [in the protests]. I had to be there because I was a representative of a *gremial*, otherwise I would have to resign. And I am not the type of person who resigns. – Alfredo De Angeli

One of the modes through which agrarian producers mobilized during the protests against Resolution 125 was mainly characterized by its institutional feature. The institutional mode of mobilization was followed by members of the agrarian sector that at the time held leadership positions in one of the four institutions that composed the Enlace Committee – SRA, FAA, CRA, and CONINAGRO. I have interviewed a total of five leaders of national agrarian institutions, which in Argentina they call *gremiales* because they are meant to represent members of the agrarian sector nationally. Institutional leaders occupied different hierarchical positions in these organizations, such as the national presidency of the institutions, directly responsible for conducting negotiations with policymakers and high-level staff of the Executive Branch of the Cristina Kirchner administration. Other institutional positions these leaders had could have been provincial or regional directors – usually representing members from a region encompassing one province or a set of provinces.

When asked why they decided to participate in these anti-tax mobilizations, institutional leaders usually mention that they were never tentative about participating; instead, they mention that their role within the organization made their mobilization not a matter of decision, as explained

by current Senator Alfredo De Angeli, then regional director of FAA, in the sub-section's opening quote. In fact, all the participants I interviewed who followed an institutional mode of participation in the anti-tax mobilizations motivated their engagement using an institutional logic, even the ones who did not necessarily agree with the main protest tool, roadblocks. Daniel,[35] a regional director of CRA, describes how he managed this apparent contradiction between his personal beliefs and his institutional role:

> "We immediately reached out to other agrarian associations. We quickly gathered with to FAA, CONINAGRO, and SRA, and we formally created the *Mesa de Enlace*. Each of these organizations suggested what we thought was most convenient [to prevent the tax reform], which ended up being roadblocks, a method I personally never agreed with, but that I accepted because of the leadership position I held. Obviously, I took the command and I worked to promote resistance across the area I represented".

This institutional decision to participate in the protests might seem counterintuitive, because, if they were the ones leading the agrarian sector, who decided to mobilize in the first place? In fact, they admit that the organizational hierarchy to which they were submitted made them react with a certain delay relative to other actors, especially those who describe themselves as 'self-organized' (*autoconvocados*), who, in some parts of the country, led the way to the roads. They say that the lack of institutional affiliation gave the 'self-organized' farmers the anarchic freedom to react to the announcement of the tax reform, in March 11th, almost immediately.

[35] Apart from Enlace Committee leaders Eduardo Buzzi and Hugo Biolcati, and from Alfredo De Angeli, all respondents' names are pseudonyms, and all translations are my own.

Institutional leaders, in turn, were watching as events unfolded, in order to make an official decision 'with their signatures below'[36]. In March 13th, after a meeting between the four organizations at the national headquarters of the Argentine Rural Confederations, the *Mesa de Enlace* was created and a 48-hour commercial lockout was announced. On the following day, the *Mesa de Enlace* called a public act to protest the 125 tax increase on the busiest road of the country, the Rosario-Buenos Aires Highway. According to Eduardo Buzzi, then president of the Agrarian Federations, they were surprised when about 1500 farmers from different parts of the country joined their protest on the highway and, without any orders from organizational leaders, decided to block the road[37] – a protest tool that was being used in many rural parts of the country, but unforeseen on the most important highway of the country. As Daniel noted, "producers demanded to employ this protest tool, and the organizations accepted it".

When institutional leaders described the ways in which they performed their role in the mobilizations, they rarely mention the day-to-day activities of the picket lines on the countryside roads of rural Argentina. Instead, they stated that their focus was on other activities. I could identify four main activities that institutional leaders performed during the four months of protest: consultation with agrarian producers, negotiation with governmental actors, decision-making about next steps of mobilization, and communications to the agrarian producers, usually through national media outlets. Institutional leaders mentioned that they relied on the existing networks provided by their organizations in order to keep a constant line of communication with some of the main roadblocks in the countryside. Eduardo Buzzi, president of FAA, mentions that they kept in touch with a number of pickets, which he labels 'reference pickets'.

[36] Interview with Alfredo De Angeli.
[37] Interview with Eduardo Buzzi.

> "Whenever we had to make a big decision about the next steps of mobilization, we consulted with about eight to ten reference pickets, some of them in the province of Buenos Aires, Santa Fe, Entre Ríos, Córdoba… Those were the main areas. We asked them if we should lift the roadblocks or if we should keep on the roads, and afterwards we gathered again, the four entities".[38]

Institutional leaders, and among them mainly the ones that composed the Enlace Committee, were the designated interlocutors representing the agrarian sector in negotiations with the federal government. They mention that before every meeting with governmental actors – be it President CFK, chief-of-staff Alberto Fernández, or another member of the government – they reached out to selected picket leaders to gather inputs before negotiating.

> "We consulted [with picket leaders] if we should keep the lockout for another week, or if we should lift it and schedule a meeting with the government. If we scheduled a meeting with the government, we consulted with our bases what agenda items should be discussed."[39]

[38] Interview with Eduardo Buzzi.
[39] Interview with Eduardo Buzzi.

Table 4.2. Conditions of Mobilization for Agrarian Producers by Demographic, Socioeconomic, and Association Features

Respondent	Gender	Age 2008	Education[a]	Corporate Association	Technical Associations	Rural Family	Land Value[b]	Previous Mobilization
Institutional								
Daniel	Man	58	Bachelor's	CRA			II	X
Javier	Man	36	Technical	SRA/CRA	AAPRESID	X	I	X
Eduardo	Man	47	Technical	FAA		X	II	X
Alfredo	Man	51	Elementary	FAA		X	II	X
Hugo	Man	64	Bachelor's	SRA		X	IV	
Picket Leader								
Leonardo	Man	51	High School				II	
Carolina	Woman	39	Bachelor's	CRA		X	II	X
Benjamin	Man	36	Bachelor's	CRA	CREA	X	III	
Leticia	Woman	41	Bachelor's			X	II	
Joaquin	Man	42	Bachelor's	SRA		X	II	
Cristian	Man	38	MBA			X	II	X
Juan	Man	45	Bachelor's			X	III	
Cesar	Man	49	MBA			X	II	
Ruben	Man	54	High School	CRA		X	III	X
Alejandro	Man	52	Bachelor's			X	III	X
Picket Leader / Networker								
Patricio	Man	39	Bachelor's	CRA	AAPRESID	X	IV	
Felipe	Man	41	Bachelor's	CRA		X	I	
Networker								
Sofia	Woman	42	Technical			X	IV	
Sebastian	Man	44	Bachelor's	SRA/CRA	CREA	X	V	
Paulina	Woman	29	High School			X	II	X
Collaborator								
Alvaro	Man	42	Bachelor's	FAA		X	I	X
Diego	Man	49	Master's	SRA/CRA	CREA/AAPRESID		IV	
Gaston	Man	52	Bachelor's	CRA	AAPRESID	X	IV	
Mariana	Woman	55	Bachelor's	SRA/CRA	CREA	X	IV	
Elias	Man	49	Technical		AAPRESID	X	II	
Catalina	Woman	36	Technical	CRA		X	-	X
Ricardo	Man	58	Bachelor's	FAA	AAPRESID	X	-	
Sandro	Man	47	Bachelor's			X	III	
Augusto	Man	42	High School	CRA		X	III	X
William	Man	52	Bachelor's	FAA/CRA		X	III	X
Julio	Man	48	High School	FAA		X	II	X
Non-participant								
Gabriel	Man	46	Bachelor's		CREA/AAPRESID	X	V	
Dante	Man	42	Technical			X	II	
Romeo	Man	35	Bachelor's			X	I	
Ismael	Man	53	Bachelor's	SRA/CRA	CREA/AAPRESID	X	V	
Luna	Woman	62	High School			X	I	X

[a] To keep consistent with Argentina's national agrarian census (INDEC 2021) I consider the last degree attended, not completed. For example, if one participant answered that they did not finish their undergraduate studies, I consider their educational level to be 'Bachelor's'. A total of six participants have not completed their last educational degrees pursued.

[b] Land Value was calculated based on size of the crop production of interview participants in 2008 multiplied by the average price of the hectare of agricultural land of the micro-region where their land was located. Then a 5-step scale, using Roman numbers ('I' being the lowest land value and 'V' being the highest land value) was created with the purpose of displaying land value hierarchy. Data on the average land price was collected from *Compañia Argentina de Tierras*. Available at: https://www.cadetierras.com.ar/. Accessed on: 10/24/2022.

During the protests, there have been several official meetings documented between governmental actors and the four Enlace Committee leaders, not considering other technical meetings (Barsky and Davila 2012). Institutional leaders describe the last two activities performed by themselves during the first phase of mobilization as interconnected. After meeting with governmental actors, Mesa de Enlace members would hold a meeting between the four leaders and sometimes a few more members of the agrarian associations[40] to deliberate on the next steps of mobilization, and finally, having reached a consensus, they would communicate their decision through national media outlets, such as *Diario Clarín* and *La Nación*.

Although it took a few days for Argentine national media to pay attention to the rural mobilizations against retenciones, it ended being the main political agenda of newspapers for the remaining of the mobilizations. Journalist Matías Longoni, who specializes in the agrarian sector in Argentina and who then worked for *Diario Clarin*, which is the most important newspaper in the country by number of copies sold, described this shift of focus from the media: "it took a while for newspapers to attach any importance [to the protests]. By and large, agrarian affairs did not have much space in newspapers back then […]. [But] the possibility of a violent clash [between government supporters and agrarian producers] made newspapers change their mind about what was happening in the countryside, in addition to the escalation in the President's rhetoric at the time, who had labeled the protests as 'pickets of abundance'"[41]. And institutional leaders were aware of the novel interest of national newspapers and used it to their advantage: "Wherever we would meet, there were many media reporters. For four months, we felt like the Rolling Stones"[42]. Matías Longoni confirms this description with a not so grandiose description: "It was useful for

[40] In Buzzi's words, "these were meetings with approximately fifteen corporate association leaders".
[41] Interview with agrarian journalist Matías Longoni.
[42] Interview with Eduardo Buzzi.

them to have Clarín reporting what was happening from the point of view of the agrarian sector, so they used us as a vehicle many times"[43]

The above process of reaching consensus was often time and energy consuming, as institutional leaders reported in my interviews, because the associations were rarely in agreement about everything and because they had a secular history of sectoral struggle. But, on this occasion, they mention that 'winning the battle' against mobile *retenciones* was more important than any disagreements within the sector. Eduardo Buzzi describes these internal clashes between the four Mesa de Enlace associations and the reason why they were able to temporarily set differences aside with a quote by Argentine poet Jorge Luis Borges: "it is not love that unites us but fear."[44]

In the second period, the focus of their activities went from negotiations with the executive branch to negotiations with legislators to secure their votes in the national congress. In this phase, which lasted about one month (see figure 4.1), there were two main activities carried out by institutional leaders, namely participating in the procedures of congress (speaking at special committees and at the plenary of the house and the senate) and lobbying with legislators. Then President of Argentine Agrarian Federations Eduardo Buzzi summarizes how Mesa de Enlace leaders participated in congressional procedures and how agrarian producers in general gathered their efforts to lobby with congresspeople:

> "During these weeks when the bill went from one congressional committee to another – budget committee, constitutional committee, agriculture committee – we and agrarian producers overall were frequently seen in Congress. We went to meetings with legislators individually, we went to visit legislative blocs, and we

[43] Interview with agrarian journalist Matías Longoni.
[44] Original text in Spanish: "No nos une el amor sino el espanto"

> also visit them in their offices.[…] Also, many producers settled in Buenos Aires, stayed in Buenos Aires to help win votes. Producers from Tucumán went to visit legislators from Tucumán, those from Córdoba went to visit legislators from Cordoba, those from Entre Ríos went to visit legislators from Entre Ríos."

When asked about their opinions on agrarian export taxes, institutional leaders seem to keep their institutional attachment,[45] i.e. their views match the views defended by their institutions. While all of them mention that they do not see export taxes as a useful tax tool, because it distorts market prices, they emphasize different types of inequality created by *retenciones*. Eduardo Buzzi, former president of FAA, mentions that smaller producers should benefit from a segmented scheme of export taxes while these are gradually reduced until they can finally be eliminated. A former leader of CRA, on the other hand, mentioned the absence of a quid pro quo from the central government to rural producers, who had to pay expensive taxes but, according to him, still had to deal with a severe lack of logistical infrastructure to move their crops to the ports.

Institutional leaders, unlike other mobilized actors, had a previous history of street mobilizations to protest in favor of sectoral demands. Out of the five institutional leaders I interviewed, only one of them (formed SRA president and vice-president Hugo Luis Biolcati) said that he had never participated in street protests with other agrarian actors before the 125 mobilizations (see table 4.2). However, they mention that most of their previous mobilizations did not target export taxes, the main topic in agrarian politics since 2008.[46] But when asked about why

[45] With the exception of Senator Alfredo De Angeli, who was already seen as an outcast during the 125 mobilizations and was more likened to self-organized producers than to the institutionality of FAA, which means he was more anti-tax in general, instead of preferring a segmented scheme for export taxes.

[46] A brief look at recent corporate statements from different agrarian organizations attests the centrality of the topic in their policy agendas.

they did not mobilize when, during a debt crisis, President Mauricio Macri (2015-2019) raised soybean export taxes, they said that, even though they did not agree with the measure, they consented because (a) Macri reached out to sectoral leaders to discuss this policy change before implementing it; and (b) they feared that by protesting against Macri, a pro-market president, they would be empowering Kirchnerist politicians, his political opponents, in the coming presidential elections.

Since the 2008 mobilizations, the Enlace Committee became a permanent player in Argentina's national politics. However, their degree of cohesion – and hence their political power – has shifted since then. In 2014, Eduardo Buzzi was replaced by Omar Príncipe as the president of the FAA, and CFK's administration was quick to develop a bilateral dialogue with Príncipe. They agree on a differentiated scheme for export taxes for small producers, and this agreement resulted in a rupture of the unity of Mesa de Enlace. Between 2015 and 2019, during Macri's administration, most of the secretaries of Agribusiness were members of the sector – some of them linked with CRA and some with SRA – and the rule-of-thumb of the government was to negotiate with all the four members of Mesa de Enlace together or not to negotiate at all.[47]

Today, the institutional leaders I interviewed have various opinions on how the sector should keep politically active. With one exception, they do not participate in the new wave of agrarian organizations that have sparked across the sector as a result of discontent with what some producers see as a failure of representation by the Enlace Committee. Additionally, with the exception of Senator Alfredo De Angeli, who became a popular figure during the 2008 mobilizations, institutional leaders I interviewed have not entered party politics (see table 4.3), even though they were in a good position to do so in the 2009 midterm elections (see Del Cogliano

[47] Interview with Javier Rodríguez, Secretary of Political Coordination of the Ministry of Agriculture, 2013-2015.

2016). And finally, they are also divided about recent mass acts against export taxes, such as the *tractorazo* demonstrations that NACAs held in April 23rd, 2022 in Buenos Aires. Two of them were enthusiastic participants in these acts, while others mentioned either disinterest in a protest with a loose agenda or suspicion of what they saw as a politicized act meant to serve former President Mauricio Macri's electoral ambitions.

Picket Leaders

> Road picketing was a regular mode of protesting in Argentina, especially in Buenos Aires. We, from the countryside, had this tool in our hands, to make our protest more visible without moving from our region, where we had a great comparative advantage. And for the government it was very hard to control a mass protest that was happening in every corner of the country – Benjamin

I categorized as picket leaders the agrarian producers who described their role in the mobilizations as being responsible for organizing roadblocks in their region. Unlike institutional leaders, who were necessarily linked to one of the four Enlace Committee associations, many of the picket leaders I interviewed were not members of any *gremial* (six out of twelve were members of either CRA or SRA). More than that, they are proud to describe themselves as 'self-organized' (in Spanish, *autoconvocados*), meaning they do not follow any institutional hierarchy and, in theory, are protesting only on their own behalf. I have interviewed a total of twelve (12) picket leaders, which comprise a very tiny fraction of the total number of picket leaders during the 2008 protests. According to the local newspaper *La Nación*, at one point there were more than four

hundred roadblocks across Argentina simultaneously,[48] and it is likely that most of these pickets had one or more leaders performing the roles described in this sub-section. These picket leaders fulfilled, by and large, common tasks required for managing their road picket, which included holding assemblies to make decisions, assigning shifts and tasks to collaborators, crisis management – such as dealing with truck drivers attempting to 'break the picket line' – and keeping a line of communication with neighboring roadblocks and, for some pickets, with institutional leaders. When asked to describe how they felt during those four months of mobilization, they are the ones who reminisce about the 2008 events and who seem to display emotional memories the most, as they maintain a personal and political network they first developed in 2008 like Benjamin describes:

> "Well, what I really liked was the interaction with those who were participating, having such close contact for such a long time with a lot of producers whom I didn't know, and I didn't know them in that capacity, nor did they know me in that capacity. It was a new experience for all of us, and I think that was what I liked the most because I met a lot of people from [my town] that I didn't know, and from many other places. Some of them are still my friends; we visit each other occasionally, they come to my house. So, overall, that was the good part, what the interaction left me, the contact, getting to know so many people in an experience so different from what one is used to in their daily work, in their daily life. I believe that was the most interesting part of it."

[48] *Diario La Nación*. "Cronología del Conflicto Agrario: los días de tension que marcaron al país en 2008". March 6th, 2018. Available at: https://www.lanacion.com.ar/economia/campo/cronologia-del-conflicto-agrario-los-dias-de-tension-que-marcaron-al-pais-en-2008-nid2113071/. Accessed: 05/13/2024.

Table 4.3. Agrarian Producers' Political Activities during and after the 2008 Protests

Respondent	Corporate Associations Today	Lobby (125)	Financial Contributions (125)	New Agrarian Corporate Associations	Party Politics	#23A
Institutional						
Daniel	CRA	X	X			
Javier	CRA	X	X	X		X
Eduardo	FAA	X				
Alfredo	FAA	X			X	
Hugo	SRA		X			X
Picket Leader						
Leonardo	FAA	X	X	X		
Carolina	CRA		X		X	
Benjamin		X				
Leticia		X	X		X	X
Joaquin	SRA	X	X	X		X
Cristian		X	X	X	X	X
Juan	CRA	X			X	
Cesar		X	X	X	X	X
Ruben	CRA	X	X	X		X
Alejandro		X	X	X		
Picket Leader / Networker						
Patricio	CRA	X	X		X	X
Felipe	CRA				X	
Networker						
Sofia	SRA	X	X		X	
Sebastian	SRA	X	X		X	X
Paulina		X	X		X	
Collaborator						
Alvaro	FAA	X				
Diego	SRA/CRA					
Gaston		X	X			
Mariana	SRA/CONINAGRO		X			
Elias						
Catalina	CRA	X	X			
Ricardo		X	X			
Sandro			X	X		
Augusto	CRA					X
William		X				X
Julio		X	X	X	X	
Non-participant						
Gabriel						
Dante	CRA			X		X
Romeo						
Ismael	SRA					
Luna						

Picket leaders were the category that most emphatically manifested their disagreement with agrarian export taxes in general and with Resolution 125 in particular. However, as with other categories, they justified their decisions to participate in the protests in varied ways. Among their reasons, some said that with Resolution 125 the government would reap any and all potential

profits from future fluctuations in the price of soybeans, while others said that the reform constituted more than a mere tax increase and could in fact be seen as an attack to the countryside and to the rural way of life. Unlike institutional leaders, most of them did not have any previous history of agrarian mobilizations (see table 4.2) and were not in leadership positions before the mobilizations. They describe their local leadership in the roadblocks as circumstantial and tied to place, but at the same time they see the event (and their participation) as a big historical moment.

> "Exactly! We gathered, discussed, and well: "*Che*, one of us has to lead, you go…". And sometimes people needed to talk to the media, and many at times were tentative and did not want to talk because they were afraid of reprisals. There were always comments like: "The tax agency might come to investigate you and whatnot…". And I did not have any problems, any drama, or anything to hide. I was not used to having media exposure, but things happened like they did, and I dealt with them." - Leonardo
>
> "After this first assembly, we decided to congregate producers from different towns here in our *pueblo*, which became an emblematic cross-section. It is in this moment that agrarian producers started blocking roads, and I think it was one of the first roadblocks of the country – but you cannot find it in the media, because we are not close to the core regions. But I tell you, it is here in our town that producers made the first move in these mobilizations, but it is not recognized nationally." – Joaquin

Despite not initially knowing they would become local leaders, these agrarian producers seemed to carry a lot of confidence in these street methods of protesting, and believed that keeping

a hard line of protesting – meaning blocking crops and other agricultural goods from moving through picket lines and reaching ports – was essential to achieve their demands. Therefore, when institutional leaders asked producers to lift roadblocks while they kept roundtables of negotiations with the government (see timeline of events in figure 4.1), picket leaders reported hesitancy in following, especially because the numbers at roadblocks after each lockout pause were smaller, making it more difficult to keep the sector mobilized. At the same time, one of their main concerns was the security of people participating in their picket with the potential violence arising from clashes with truck drivers trying to cross the road picket.

The autonomist, 'self-organized' status carried by many picket leaders, coupled with their ambiguous relationship with the Enlace Committee, leads them to claim that mobilizations were built from below (Gras 2010:297). The decision-making process in the roadblocks was usually made through assemblies with the participation of everyone in the picket. The process is described by most picket leaders, who emphasized that, even though they considered themselves leaders, decisions were made collectively, in a procedure that, according to Carla Gras (2010) gave symbolic legitimacy to their protests.

> Interviewer: "And how did you move from decision to action in the picket?"
>
> Alejandro: "In the assemblies. We gathered every day at around 6, 7pm. 'Well, let's make an assembly. What do we do next? What can we let pass the picket line? What do we block? What do we demand?' […] We all spoke [in the assemblies]. I had a megaphone, and we spoke, and we passed it around so that people could speak. And then we decided. We agreed, made a list for those who would spend the

night, so that they could fulfill it. And that's how it worked for a good amount of time."

Eventually, micro-regions started holding assemblies between neighboring road pickets, which were, by and large, attended by picket leaders of each location. Leticia, one of the picket leaders I interviewed, described that "[f]rom time to time, we started holding assemblies between different countryside towns. On these days, I would leave someone I deemed responsible in charge of the picket". These assemblies were the first steps of a broader 'outcast' agrarian movement that is still active today. This outcast movement is not homogeneous, however, there being different 'factions' and different strategic lines of action, despite a general convergence on the policy agenda with other sectoral players and institutions, especially with regard to export taxes.

Most respondents participated in lobbying activities to convince legislators to reject the tax reform bill, and picket leaders were no exception (see table 4.3). Out of the 12 picket leaders I interviewed, 10 stated that they reached out to and met with congresspeople during the congressional phase of mobilizations. However, they also mentioned that many of the producers that were active in the countryside roadblocks in the first phase were not active players of this second moment, and that new players entered the 'stage':

"In this moment, other actors, who were not the same that had participated on the roads, started to gain importance, along with some of the leaders from each *pueblo* […] and many who had houses or lived in Buenos Aires. Not so much those of us who lived in the countryside, because if you lived in the countryside and went to Congress you had to stay there, which meant not being able to work. In my case,

> because I work as a veterinarian, I had to keep doing my work. Maybe those agrarian producers who work exclusively on crop production were able to delegate their duties and could go to Congress for a couple days. In the end, the actors who mobilized in Congress changed a bit from those who went to the roads." – Benjamin

On lobbying and pressuring legislators, two of the aspects that were commented the most by picket leaders in my interviews were (a) *escraches* and (b) politicians' visits to their roadblocks. The former was a type of pressure they tried to exert on politicians from their localities, which was employed when they failed at reaching congresspeople over the phone or at their offices in Buenos Aires. *Escraches* are direct demonstrations that involve publicly harassing and shaming public figures by congregating at their homes or other public spaces by, for example, chanting or throwing things at them to publicly embarrass them.[49] The latter refers to how some picket leaders were approached at times by opposition politicians and how these contacts were useful for both sides, as these politicians used the agrarian protests to enlarge their constituencies and as agrarian producers benefitted from the visibility some politicians brought to their mobilization overall and their roadblock in particular. Later on, during the congressional stage of the mobilizations, these previous contacts proved to be instrumental for agrarian producers to gain access to congressional hallways.

When I inquired them about their views on agrarian export taxation in Argentina, some picket leaders have expressed, with different words, that they feel like agrarian producers are

[49] One of my interviewees reports a situation where they found out about the schedule of the provincial governor of Chaco, Jorge Capitanich, who had made public statements against the protests of agrarian producers. They approached him at a public inauguration and threw eggs at him. This event was largely covered in Argentina's national media, such as the newspaper *Clarín*. *Diario Clarín*. "Lluvia de huevos contra Capitanish en Chaco". May 31st, 2008. Available at: https://www.clarin.com/ediciones-anteriores/lluvia-huevos-capitanich-chaco_0_By0l0baRaKg.html. Accessed: 01/02/2023.

always forced to ‘save’ the finances of the country in situations of economic and budgetary crisis, and that they should not be punished because of their efficiency, as opposed to other economic sectors they say are not as efficient:

> “The issue is that they always turn to the source that generates foreign exchange [...] It's always a quick fix” – Carolina
>
> “They accuse us of being oligarchs, but it looks like we are ashamed oligarchs, because we feel embarrassed that we are doing a little better than other sectors” – Benjamin
>
> “Export taxes are unfair. [We need to carry out] a tax reform that is equitable for all sectors of the country, not only the agricultural sector. [...] "I would love to see export taxes imposed on the inefficient industrial sector of this country. The agricultural sector has maintained and sustained the industry that does not know how to produce” – Leticia

In general, the only agrarian producers who were somewhat in favor of agrarian export taxes (with segmentation) were FAA members. However, none of the picket leaders I interviewed were affiliated to FAA, which means that they all expressed their preference for a tax system with no export taxes whatsoever. Some of them mentioned that the revenue collected with export taxes could be easily and more fairly replaced by corporate income taxes, while others said that the government could do well without the revenue from export taxation, because neighboring countries, like Brazil, Paraguay, and Uruguay, do not tax agrarian exports. However, because they

say that previously approved long-term schemes to gradually eliminate export taxes in Argentina have failed, most of them state that *retenciones* should be eliminated all at once.

The radical politics of picket leaders, however, was replaced by a more moderate, pragmatic position when they felt that their preferred presidential candidates were at risk of losing to more progressive politicians. For example, in 2018, President Mauricio Macri announced that his administration, facing a budgetary crisis, needed to either raise agrarian export taxes[50] on a few products, including soybeans, and to re-implement them on others, like corn and wheat. This unpopular policy was a measure undertaken to, among other things, signal to investors that his administration would keep its debt obligations, which could potentially have an impact on inflation, one of the most important topics in Argentina when it comes to presidential elections. When I inquired picket leaders why there were no widespread mobilizations against Macri's 2018 tax reform, they seemed to move further away from their 'zero *retenciones*' radical politics. In fact, many of them demonstrated a very realistic and pragmatic political understanding of what was at stake in case they did not support Macri's policies:

> "I believe there were no mobilizations because, in my opinion, the sector understood it. I mean, there was a general discontent, hard feelings. But it didn't generate larger mobilizations because everyone understood Macri did what he could and what Congress let him do" – Juan

[50] Mauricio Macri was elected in 2015 with the promise of eliminating agrarian export taxes on many products and of gradually reducing them on others, like soybeans. On December 14th, 2015, four days after taking office as President, Macri announced the elimination of export taxes on corn and wheat, and the first step of a series of rate reductions of 5% on soybeans. However, after the Argentine peso suffered a depreciation of about 50% of its value relative to the US dollar during 2018, he took a step back and announced that the national government would re-implement export taxes on wheat and corn (of about 10%) and would modify them for soybeans, therefore raising them from 25% to 29%. *BBC News*. "Crisis en Argentina: por qué es tan polémico que Macri vuelva a poner 'retenciones', los impuestos a la exportación asociados al kirchnerismo". September 3rd, 2018. Available at: https://www.bbc.com/mundo/noticias-america-latina-45403085. Accessed: 05/13/2024.

> "I think we understood it was 'the lesser evil'. Because if the Macri government lost because we had defunded it, it meant Kirchnerism was coming back. And Kirchnerism means not only *retenciones*, but also, double exchange rate" – Cristian
>
> "I mobilized against all the export tax hikes. And when Macri raised export taxes, I understood what was happening. But our organization still manifested its opposition to the reform" – Ruben

Interviewees stated that after the 2008 protests, the four main Argentine agrarian associations saw a bump in their popularity across the sector. The success of the mobilizations and the good public image left by the Enlace Committee led to a renewed class consciousness among agrarian producers, who felt like they should remain politically engaged, but also, by and large, felt like they could count on the four main associations. But eventually the feeling of being represented by agrarian corporate associations has reached very low levels, with less 8% of Argentine agrarian producers reporting that they feel represented by one of the four main *gremiales*.[51] Agrarian activism in Argentina today looks even more fragmented than before, although there remains a shared perception that the sector must stay politically active, unlike the previous idea that agrarian producers should restrict their activities '*tranqueras adentro'*.

With the rise in discontent after the recent inability of the Enlace Committee of eliminating export taxes and with its preference to prefer institutional action instead of repeating 2008, new associations have recently emerged in the Argentine agrarian activism landscape. In my

[51] According to Argentina's 2018 National Agrarian Census, when asked whether they were affiliated to any *gremiales*, less than 8% of agrarian producers reported being members of one of the four Enlace Committee associations. *Bichos de Campo*. "CAN 2018: Menos de 10% de los productores se sienten representados por alguna de las gremiales del campo". November 8, 2019. Available at: https://bichosdecampo.com/cna-2018-menos-del-10-de-los-productores-se-sienten-representados-por-alguna-de-las-gremiales-del-campo/. Accessed: 05/19/2024.

conversations with members of the sector and with journalists, I identified eight new associations[52] through which producers mobilize their interests. While some of them can be better described as forums to debate ideas and plans of action than as institutionalized corporate associations, others, like the Argentine Association of Agrarian Producers (*Asociación Argentina de Productores Agropecuarios* [AAPA]) have gone through the formal steps of institutionalization to represent producers in negotiation tables. The different purposes and formats they take reflect the high degree of fragmentation of the sector, which is an issue even among the seemingly smaller group of producers who is more prone to prefer contentious tactics. I refer to these associations as New Agrarian Corporate Associations (NACA).[53]

NACAs constitute a diverse body of institutions, formed for different purposes and representing different types of agrarian producers and in some cases different geographical areas of the country. The one feature they share is that they emerged from the post-2008 sentiment of lack of representativeness some members of the sector expressed, which is particularly higher among picket leaders. Half of the picket leaders I interviewed – six out of twelve (see table 4.3) – are today members of one or more NACAs. This common feature, however, has been insufficient to create a cohesive plan of action for these new associations, which remain ideologically and strategically fragmented.

In recent years, self-organized producers and NACAs have attempted to gain public attention and to present themselves as an alternative for agrarian politics by using different

[52] Fundación Agropecuaria para el Desarrollo de Argentina (FADA), Productores Agropecuarios Unidos (PAU), Grupo Independencia, Fundación Barbechando, Grupo Independencia, Asociación Argentina de Productores Agropecuarios (AAPA), Campo Más Ciudad, Mujeres de la Ruralidad Argentina (MRA), Asociación Civil de Productores Agrícolas y Ganaderos del Norte (APRONOR).

[53] I consider as NACAs the following associations: Grupo Independencia, Grupo Independencia, and AAPA. For the purposes of this study, other new agrarian associations are not considered so because they either are not corporate institutions and/or because they are associations with specific functions or geopraphies that do not aim to represent the entire sector nationally.

contentious strategies. On March 10 2020, a number of self-organized producers from the Northern province of Chaco led a protest in which they lined-up their trucks – loaded with mobile 'houses' – and drove all the way to the province of Buenos Aires, where Expoagro, the main agribusiness commercial event of Argentina would take place.[54] The idea of this 'march' to Expoagro was to commemorate the 12-year anniversary of Resolution 125 and to protest against a rumoured soybean tax export increase by President Alberto Fernández. One of the picket leaders I interviewed describes this moment as not only a sectoral mobilization to prevent a potential soybean export tax increase, but also as the spark to the emergence of three ideologically similar but politically dissonant NACAs: *Red Nacional de Productores Autoconvocados*, *Grupo Independencia* and AAPA. These NACAs, together with *Campo+Ciudad*, a civil society organization that portrays itself as a non-partisan entity, have been attempting to generate a renewed wave of agrarian mobilizations.

On July 9, 2021, agrarian producers led a rally that gathered thousands of participants on National Route 9 to protest against governmental policies, in an act that received support of the Enlace Committee associations.[55] Following this protest, AAPA and Grupo Independencia pressured agrarian leaders to demand action from the national government and called yet another protest on August 9, 2021, in the province of Córdoba, threatening a temporary sectoral lockout. However, this act was not supported by the largest *gremiales* and was scarcely attended. Finally, on April 23, 2022, Grupo Independencia and *Campo+Ciudad* called for a *tractorazo* – a march of tractors – to come from the countryside and parade at Buenos Aires downtown, to once again

[54] *Infobae*. "Paros, tractorazos y protestas: el campo ya organiza distintos reclamos em todo el país ante un posible aumento de las retenciones". February 24, 2020. Available at: https://www.infobae.com/campo/2020/02/24/paros-tractorazos-y-protestas-el-campo-ya-organiza-distintos-reclamos-en-todo-le-pais-ante-un-posible-aumento-de-las-retenciones/. Accessed: 05/13/2024.

[55] *Diario Clarín.* "Masiva protesta del campo contra el Gobierno em todo el país". July 9, 2021. Available at: https://www.clarin.com/rural/comenzo-protesta-campo-gobierno-pais_0_lJpDUvn4Z.html. Accessed: 05/13/2024.

mobilize against governmental policies and demand, among other things, the elimination of agrarian export taxes. Although this *tractorazo* was largely considered a success in terms of attendance, it was not officially supported by the Enlace Committee, and it also resulted in a split among NACAs over the method and the ownership of the act. Picket leaders I interviewed manifested their disagreement with this protest and whether it reaped any benefits to the sector at all:

> Interviewer: "Did you attend the *tractorazo* on April 23?"
>
> Cesar: "Yes, I was forced to."
>
> Interviewer: "Forced? How so?"
>
> Cesar: "Well, this is something not many people will be open about, but there are people in the sector that want to be protagonists. Some of them might wake up on a happy morning and simply decide: 'let's have a *tractorazo*!'. They reach out to the medias and announce there will be a *tractorazo* before they even consult with anyone. And then we have to go and support it, because if it goes bad we producers are the ones who look bad, right? So, despite all that, I did go […]. But what have we achieved from the 23rd? A massive march and nothing was achieved… The government didn't care at all."
>
> Benjamin: "I did not attend because I don't agree with the way negotiations are currently conducted […]. I shared on social media [info about the march], that people should go. I agree with the protest because I agree with its meaning, because I'm against export taxes. But this type of protest, of marching out for one day and then coming back home, it's not worth it. There are no interlocutors negotiating, no

power to negotiate. What about the government? No one is representing the people protesting, therefore it loses the purpose to me. I have already put a lot of my time [for the sector], now I prefer others to put theirs."

Cristian: After April 23rd, leaders of Grupo Independencia and of *Campo+Ciudad* got into a dispute, because *Campo+Ciudad* has a very extensive network of people across the country, and because they are linked to party militancy… they can mobilize a lot of people. The *campo* doesn't have this mobilization capacity anymore. If we call an assembly somewhere in the countryside, we'll gather 50-100 people. […] They fought because *Campo+Ciudad* was claiming all the success of the *tractorazo* to themselves.

When I was conducting fieldwork in Buenos Aires in 2022, NACAs were still fighting for a seat at the Enlace Committee table, at the same time as they were advocating for harsher, more contentious measures against export taxes. In an interview, Cesar, one of the members of AAPA told me that the president of SRA, Nicolás Pino, proposed that members of agrarian associations met on June 29, 2022 for a working session open to everyone in the sector to discuss the possible solutions to problems faced by agrarian producers.[56] However, according to this respondent, when the official call for the working meeting was published by SRA, self-organized producers were not invited to partake. He describes that several self-organized producers 'forced' their way into the meeting, and that one of them demanded harsher actions from Mesa de Enlace leaders, who responded that "it was not an assembly, but a working meeting".

[56] *Infocampo*. "Sin soluciones para la crisis del gasoil, la Mesa de Enlace confirmo una 'jornada de trabajo'". June 24, 2020. Available at: https://www.infocampo.com.ar/sin-soluciones-para-la-crisis-del-gasoil-la-mesa-de-enlace-confirmo-una-jornada-de-trabajo/. Accessed: 05/13/2024.

This altercation illustrates the current fragmentation within the sector and where 'picket leaders' tend to stand. While it is difficult to establish a causal explanation for why respondents categorized as picket leaders are the ones more likely to support contentious tactics of protests still today, one of the possible reasons – that, according to my interviews, distinguishes picket leaders from other categories of mobilizations – is tied to how emotionally attached they became to the 2008 protests.

Networkers

> There were different types of communication. There was strategic communication, which had to do with traffic. I mean, roadblocks that led to Buenos Aires concentrated lots of traffic […]. But there was also communication with roadblocks to get a sense of the atmosphere, what it was like… And finally, once we started doing regional and national assemblies, we started having much broader communication with Córdoba, Santa Fe… We went to assemblies in Córdoba, Santa Fe, La Pampa… – Patricio

Respondents categorized as networkers described their role in the mobilizations as being responsible for connecting different agrarian producers from different roadblocks and geographical areas of Argentina. They describe their activities as involving, among others, putting together datasets of phone numbers and email addresses of mobilized producers, connecting neighboring roadblocks, creating public forums – usually using email listservs – to broadcast news about the protests and negotiations with the government, and organizing and participating in intra- and inter-regional assembly meetings of agrarian producers.

Networkers also reported that they engaged in roadblocks and participated in regular protesting activities, but they put mostly highlighted the communicational aspect of their activities. Some of the respondents described the importance of their networks and how they reached out to people from distinct groups since the first moment they found out about Resolution 125 and decided to participate in the protests. About the moment they first learned about the soybean export tax increase, Sebastian said:

> "I watched [the announcement of Resolution 125] on television. I was in the countryside. And I saw that [Lousteau] was explaining a convoluted system of flexible export tax rates that, at first, I couldn't understand at all. I didn't get it at all, but I did understand they were clearly raising taxes, right? The following morning, after listening to the radio and reading the newspaper, I understood what it was about. Back in those days, I used to go to town to buy the daily newspaper. That's when it sunk in. We [farmers] started to reach out to one another by phone, by cellphone. We had terrible signal in the countryside, but we figured our way out. We used text messages, whatever. I talked to neighbors and to fellow members of [CREA] to discuss what we should do next. The first people I approached were members of CREA and this neighbor of mine, who was a member of FAA. He had more experience in rural protests and whatnot, so I listened to him to understand how we could mobilize". – Sebastian

While some, like Sebastian, reported being able to rely on existing networks to communicate and keep informed about the status of roadblocks across the country, others

described how they had to create lists of contacts almost from scratch. They mention that although they were tied to one specific roadblock – usually the one closer to their land – they would drive to other roadblocks in the vicinities to get their contacts. With this list of contacts, networkers would send communications on a systematic basis to other mobilized members of the agrarian sector.

> "I lived close to the roadblock, I went there often. I would come and go. Then, when I arrived home with my computer – you know those old computers – I could access the internet. I had a whole dataset of pickets because I had driven to get their phone numbers and email addresses, roadblock by roadblock. […] There was people who did not stay at the roadblocks for as long, but they were very well informed and they took information to the picket" – Sofia
>
> "We had no previous communication, no phone numbers. Besides, in some of the roadblocks there was SRA people, in others there was not… There was people we didn't know. And the media was not covering yet, they only started covering the mobilizations more broadly later on. Therefore, we had to take a truck and drive to nearby *pueblos* to ask for their phone numbers […] At first it was a little disorganized, but it was amazing how it happened everywhere without major coordination. – Paulina

These respondents describe how these interactions between neighboring roadblocks were the spark of a larger network of agrarian producers that, during the 2008 protests, connected roadblocks from different areas of Argentina. What started as a tool to coordinate the traffic flow

between neighboring roadblocks became a trend that is employed in the agrarian sector up to today, and works as a way to debate agrarian policies, to mobilize members, to perform sectoral politics, and even to recruit politicians (Gras 2010:305). One respondent described this process as follows:

> "We communicated with roadblocks from other *pueblos*, because what happened is that the ones more to the west, like us, we accumulated lots of cargo trucks and we worked like a buffer. So, we called the next *pueblo* to the east to let them know we were about to release 100 cargo trucks […]. There was this communication, but we also started generating assemblies at regional, provincial, and even national levels. In fact, I ended up being listed as candidate to the national congress in 2009". – Patricio

Networkers see these assemblies not only as venues to connect to other members of the sector and to reach out to institutional leaders, but also as circumstances that led to important strategic shifts during the 2008 protests. They mention that, by and large, each roadblock sent one representative to regional and provincial assemblies, and that these representatives had the opportunity to speak with the megaphone during assemblies. Sebastian described a situation that happened in early May 2008, in which he brought a petition where they demanded that Resolution 125 be voted in Congress. According to him, after he used a regional assembly to communicate this petition, institutional leaders reacted tentatively, fearing that they would not have enough votes to reject the bill in Congress. After thousands of signatures for the petition were collected, there was an institutional shift by the Enlace Committee, which started officially supporting the petition to send the bill to Congress.

Regardless of whether the above anecdote was consequential, when the bill was finally sent to Congress by CFK, networkers kept actively mobilized to block the tax increase (four out of five mentioned having lobbied with congresspeople [see table 4.3]), and, while the networks they had built in the earlier stages of the mobilization proved useful for the congressional phase, respondents mentioned that having many agrarian producers simultaneously in the city of Buenos Aires was also fruitful for their networking, and that this moment still reverberates in their business activism today.

> "At the end of May we lift the roadblock and we start coming to Congress every week. We were the entire week here [in Buenos Aires] and we would meet at bars near Congress. That's where I know [mentions the name of another 'networker'] and all the others from […]. We gathered at the bar, tables and tables packed with people, and we introduced ourselves to one another. Some of us did not know one another because there were lots of people" – Sofia
>
> "We were the ones on the Congress hallways, knocking on the door of every legislator so that they talk to us and understand the issue. Well, the Enlace Committee was there also, but the vast majority of people – and there were many people – were the self-organized ones. That's when Barbechando was created. We founded it in 2009, right after." – Patricio

When compared to other respondents, networkers I interviewed are younger on average. Respondents in the rest of the categories summed were 47 years old on average at the time of protests in 2008, while networkers were 39 years old (see table 4.2). However, they were neither

more nor less educated than the rest of respondents – in the formal sense – and neither was their *gremial* associational profile particularly different. Only one out of five networkers reported having participated in rural mobilizations previously to the 2008 anti-tax protests, and, compared to other categories, networkers were more evenly distributed in terms of their gender (two out of five were women). However, what stands out the most for networkers is how they kept their business activism after 2008. All the networkers I interviewed are currently engaged in party politics, and none of them participates in NACAs (see table 4.3), which reveals that they tend to prefer a more institutionalized and less contentious type of business activism. To illustrate, two networkers in my sample have been appointed for political positions of hierarchy in the Ministry of Agriculture in Argentina, one in the Mauricio Macri administration and one in the recently elected Javier Milei administration.

This pattern of post-2008 business activism, focused mostly on institutional engagement, reflects how networkers perceive contentious business mobilizations currently. For example, when asked why they did not mobilize when the Macri administration raised soybean export taxes in 2018, most of them mentioned that the agrarian sector saw Macri as an ally and, despite some resentment, they ended up understanding the budgetary needs. But more than that, they also point out that they prefer other types of activism that do not involve any contentious measures. As argued by Sofia:

> "Because the majority of the sector supported Macri, nobody wanted to say a thing. We, together with an association of producers of [mentions a *pueblo*] wrote a note against *retenciones*. Because they are always bad, regardless of whether they have been implemented by Néstor or by Macri […] But hey, *La 125* was very

> complicated. We neglected our children, our family, our house. Therefore, I try to make changes through different channels. Participating in a *gremial*, like SRA, having legal protection and whatnot… I've been very involved to do everything I can to collaborate, because to me it looks like 'taking the roads' is in the past." – Sofia

Collaborators

> We had shifts to make sure there was people 24/7. I would arrive at 7am and leave at 8 or 9 at night. And it happened every day the same. – Alvaro

I categorized as collaborators the agrarian producers who, in my interviews, described their roles in the mobilizations as performing daily specific activities at the roadblocks that served to help maintain a certain degree of functionality in their road pickets. A total of 11 respondents were coded as collaborators, 9 men and 2 women (see table 4.2). And almost half of them – 5 out of 11 – reported that 2008 was not their first mobilization, as they had previously participated in rural protests on the streets.

As a group, collaborators are second only to institutional leaders in terms of being attached to a *gremial* during the 2008 protests – 9 out of 11, or approximately 82%. Six respondents were members of CRA, four were members of FAA, and two were members of SRA (three respondents were attached to more than one *gremial*). A closer look at table 4.2 reveals that, apart from two institutional leaders, all the FAA members in the sample were coded as collaborators, which differentiates FAA from other associations. Collaborators were also more likely to be members of technical associations; 45% were affiliated to either CREA or AAPRESID, as opposed to 24% in the rest of the categories summed.

Several reasons were cited when I asked why they had decided to join the protests against Resolution 125. Some respondents mentioned that for them it was an economic decision. Ricardo, for example, said, "because it affected my activity directly", and Elias stated that "when one does the math, one does not harvest much and they come and take 30% of what one produced… I mean, one goes broke by working". Others mentioned that their family had an impact in the decision; while Catalina said she had to mobilize because of the rural origins of her family, Sandro, said that his wife encouraged him to join the protests after seeing him complaining about the tax increase. FAA members such as Alvaro, however, mentioned that they joined the mobilizations because of their *gremial* affiliation. In fact, out of the four collaborators with FAA affiliation, three has a history of previous participation in rural protests.

Respondents described that roadblocks were organized in shifts; while some of the participants were assigned to morning shifts, others had to spend the night at the roadblock. Catalina explained that she was the one in charge of assigning shifts to people in her roadblock, "when someone was not there in time, I would give them a call: '*che*, you are on the 8am shift'". Apart from it, she reports being in responsible of communicating with passersby to explain why they were blocking the roads: "At the same time, I would share pamphlets to raise awareness among citizens so that they knew what we were talking about, that we were not there just because we felt like it". Sandro and William said they were mostly in charge of making sure cargo trucks would not cross the picket line. The former said it took a lot of dialogue to talk truck drivers into waiting for two hours at their roadblock until they could move ahead, but the latter said he would at times plant '*miguelitos*' (caltrops) for the truck drivers who attempted to break the picket line. And Augusto said he would help logistically, by, for example, bringing firewood for the picket

kitchen, but he largely minimized his role: “I think my participation was… not much, like that of many others who were there, but no more than that”.

Even though table 4.3 shows that some collaborators also lobbied with legislators in the congressional phase of the Resolution 125 conflict, their narratives mainly emphasized the roadblock part of the mobilizations. While some mentioned having reached out to congresspeople in Buenos Aires, others said that at the time they only sent email communications to politicians to influence their votes, but did not meet in-person. And others, like Augusto, said he did not have any participation in this second part of the mobilizations: “No, of course I didn’t [participate in meetings with congresspeople]. I was just a young man from the bases, I had no idea. I didn’t even talk with the ones who lobbied”.

Today, the vast majority of respondents coded as collaborators do not describe themselves as currently engaged in any type of business activism. Only one out of 11 participated in party politics after 2008, and only 2 of them are members in NACAs. Besides, unlike respondents in other categories, several collaborators have left the corporate association they were attached to in 2008 4 out of 9 of the ones previously attached to a *gremial* have currently no affiliation (see table 4.3).

Non-participants

> [The reason I did not mobilize] was not because I did not agree with the protests. – Romeo

The agrarian producers I interviewed who did not take any part in the 2008 mobilizations show as much diversity in several of the observed factors as other respondents (see table 4.2),

despite the smaller number of non-participant respondents.[57] I interviewed a total of five agrarian producers who did not mobilize in 2008, one women and four men, all of them from rural families – meaning they are not the first generation who works as agrarian producers. Among non-participants interviewed are the two respondents in the sample whose crop production surpasses 20,000 hectares, but also two small producers from geographically unprivileged areas – with lower soybean yield and further away from ports. Additionally, except for one respondent, non-participants had never engaged in rural protests before 2008. But unlike other categories, the vast majority of non-participants were not affiliated to any agrarian corporate association.

These respondents justified their decision to abstain from engaging in the mobilizations in different ways. Ismael and Romeo, for example, described that they decided not to mobilize because their work was their priority. Ismael stated that he felt "more productive working than complaining", while Romeo gave a longer explanation:

> "I learned from my grandfather a sort of philosophy that he always told me that whatever the government, I should put my head down and work, not pay attention to the government. I followed my grandfather's philosophy and did not get involved, even though it seemed fair to me. I was in the dilemma of taking advantage of that time [of high soybean prices] to do my work or to abandon my duties and go out to the road to protest, which is what many of my colleagues did. […] It was uncomfortable because I knew there were neighbors of mine, colleagues

[57] The first respondent to be interviewed reported not having not mobilized against Resolution 125, and, as with the rest of the respondents, I always finished the interview protocol snowballing for potential research participants (mobilizer and/or non-mobilizers). However, I ended up with a smaller sample of non-participants for two reasons: (a) some mobilizers at times reported not knowing any agrarian producers who had not taken part; (b) many mobilizers explained that members of the agrarian sector who had not participated in the 2008 protests are ashamed and will not admit having mobilized.

who had neglected their activity, their production, to go fight for the interests of us all, and I kept working." – Romeo

Luna, on the other hand, said that she did not take part in the protests because she was in favor of Resolution 125, especially after it was amended to contemplate smaller producers. Of all non-participants, she was the only one that shared a favorable view of the tax reform. However, despite their negative view of Resolution 125 and of agrarian export taxes in general, non-participants have kept disengaged from agrarian politics and from business activism. None of them has entered a political party, and only one – out of five – reported being member of a NACA.

A Summary of Findings

Table 4.4 displays correlations of selected factors of mobilization and of post-125 business activism with each of the five modes of mobilization. Institutional leaders are significantly more likely to have mobilized previously to the 2008 protests, as well as to be members of a corporate association. Picket leaders are more likely to not have been affiliated to FAA. Networkers are more likely to be younger than the rest of categories. Collaborators are more likely to be members of FAA and less likely to have no affiliation to a corporate association. Non-participants, on the other hand, are more likely to have no link to corporate associations.

Sociodemographic factors, like age, higher education, specialized agricultural education, and value of land – which can be interpreted as rural socioeconomic status – are not correlated to whether agrarian producers have mobilized in the 2008 protests or not, and, with the exception of 'age' for networkers, are not connected to the modes of mobilization of producers who have protested. In fact, the only factor of mobilization that is correlated with lack of mobilization in

2008 is not having any affiliation to agrarian corporate associations. However, it does not mean that producers who did not have any affiliation were less likely to participate in general – the case of 'self-organized' producers illustrates it. It means that if one has not mobilized, it is more likely that they were not affiliated to any of the four corporate associations. Besides reflecting the lack of a patterned pathway to agrarian anti-tax mobilization in Argentina, the absence of correlations corroborates the previous findings by the literature on causes of mobilization against Resolution 125. Instead of shared sociodemographic or associational conditions, an exogenous factor – the creation of a mobile tax rate scheme that, in the view of agrarian producers, eliminated potential profits from future variation in the international price of soybeans – was more consequential.

However, looking at the Resolution 125 protests through the multiple modes of mobilization allows us to distinguish between the different pathways taken across the Argentine agrarian sector since 2008. While institutional leaders, by and large, have not taken new pathways to politics, other categories followed certain patterns of continued business activism. Picket leaders are more likely to have engaged in both new agrarian corporate associations and to have joined national political parties. Networkers are significantly more likely to have joined political parties (all five networkers in my sample have done so). And both collaborators and non-participants are less likely to be in party politics.

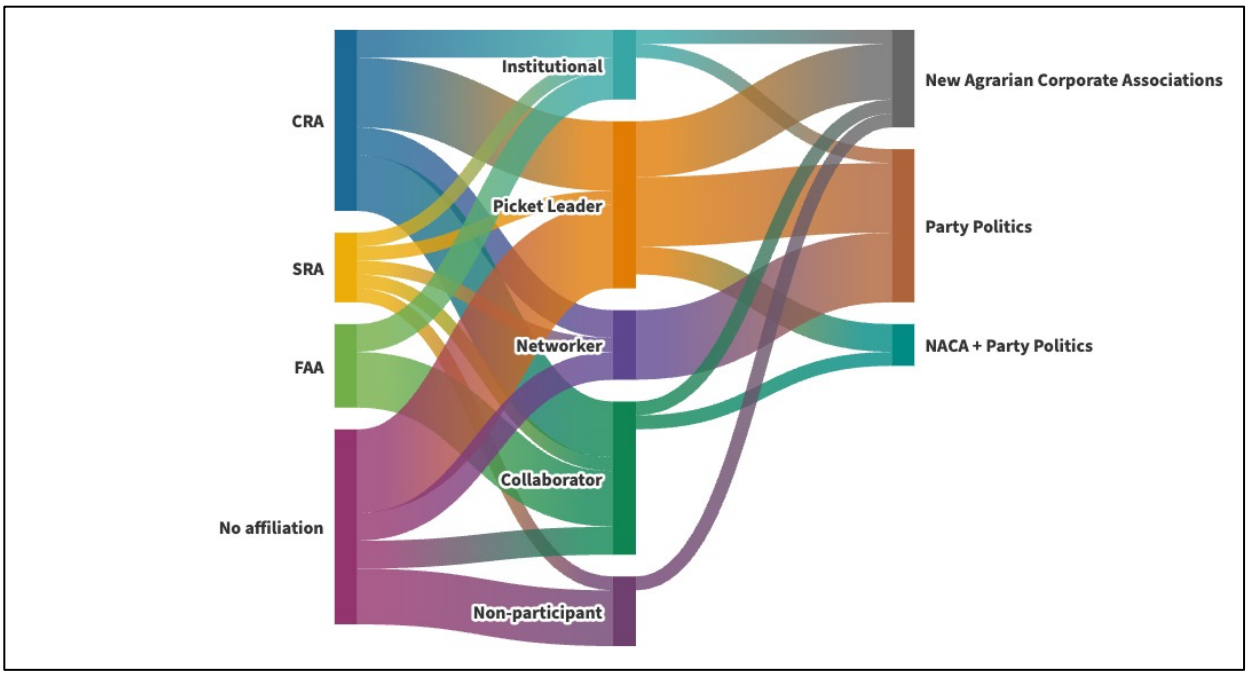


Figure 4.3. Sankey diagram with pathways to mobilization and pathways from mobilization[58]

Figure 4.3 displays a Sankey diagram that connects these findings – lack of patterns that lead to mobilization and patterned business activism from initial mobilization. Except for FAA members, who either followed the institutional or the collaborator modes of mobilization in 2008, agrarian producers affiliated to different corporate associations – or to none – have mobilized in varied, non-patterned ways. Conversely, since 2008, continued business activism, either in the form of engagement in political parties or in participation in NACAs, clearly distinguishes picket leaders and networkers from the rest. Networkers have followed an institutionalized pathway to politics by entering formal party politics, in a process described by the literature as recruitment (Del Cogliano 2016). Picket leaders have gone in both directions, engaging in party politics,

[58] For visualization purposes, six respondents that mentioned they were members of two *gremiales* at the time of the mobilization in 2008 were included only in one of them in this figure. To select which to keep, I used the following criteria: (a) were they in leadership positions in one of the associations?; (b) have they left one of the associations?; which association have they mentioned first?

NACAs, or even both. Institutional leaders, collaborators, and non-participants, with a few exceptions, are mostly disengaged today.

Conclusion

Using data from elite interviews with members of the Argentine agribusiness sector, I found four distinct modes of mobilization employed by agrarian producers in anti-tax protests: institutional, picket leaders, networkers, and collaborators. These modes of mobilization, in turn, led to patterns of continued business activism across members of the agrarian sector in Argentina, through party politics and through new agrarian corporate associations. I conclude this article with a discussion of the implications of my findings for research on rural politics in Argentina, for studies of economic elites and taxation, and for studies of business mobilization.

Implications for Research on Rural Politics in Argentina

The anti-tax rural protests of 2008, which in Argentina are often referred to as agrarian conflict – because it opposed governmental and agrarian interests – are largely considered to be the juncture that marks the beginning of a great cleavage (*grieta*)[59] in the country's politics, opposing pro-Kirchnerist and anti-Kirchnerist views.[60] This research suggests that the 2008 mobilizations also marked a shift in how individual agrarian producers engage in national and in sectoral politics. The sector has been historically fragmented and remains so, but today it is

[59] Lattuada describes *grieta* as the "fracture that marks the differentiation and the political confrontation between dominating factions of society" (2021:17–18), which in Argentina takes the form of polarization between fervent Kirchnerist supporters anti-Kirchnerist views.

[60] This idea is shared by local scholars (Lattuada 2021) and by different local news media channels, such as Clarín (https://www.clarin.com/rural/hace-15-anos-cobos-sepultaba-resolucion-125-afianzaba-grieta-hoy-divide-pais_0_OBGQWw2Ogp.html), InfoBae (https://www.infobae.com/politica/2022/07/17/a-14-anos-del-voto-no-positivo-de-julio-cobos-memorias-del-kilometro-0-de-la-grieta/), La Nación (https://www.lanacion.com.ar/economia/campo/lecciones-del-conflicto-con-el-campo-que-inauguro-la-grieta-nid2152641/), and Página 12 (https://www.pagina12.com.ar/194841-the-end-of-the-grieta).

dispersed in a different way than before Resolution 125. New actors have emerged from mobilization, new associations have been created, and agrarian producers are increasingly engaged in party politics. While part of the fragmentation is due to the opposition between contentious and conversational tactics, we can also expect that a hypothetical seat at the Enlace Committee table would 'tame' the confrontational tactics defended by NACAs. Future research on rural politics in Argentina should keep an eye open to whether this tactical divergence follows a deeper ideological dispute, or it is more the consequence of internal political dynamics within the agrarian sector. Another potential venue for future research lies on the traditional division between large and medium and small landowners, which translates as different policy agendas for associations such as FAA and SRA, and whether it has become a less important source of dispute within the sector.

Implications for Research on Economic Elites and Taxation

Obtaining access to economic elites can be a difficult endeavor, both because they are, by definition, much less numerous than the rest of the population, and also because they tend to navigate in spaces that are not accessible to non-elites (Hertz and Imber 1993). Additionally, because they might be bounded by the institutionality of their position or by the privacy of requested information, there might be issues with the degree of openness with which they approach interviews (Welch et al. 2002). My research suggests that approaching elites as groups of individuals – instead of as members of a sort of club – and, specially, interviewing elites after they have left institutional positions of hierarchy can be fruitful ways to address issues of openness and access to otherwise private, unattainable information.

This research also contributes to our understanding of the mechanisms behind progressive taxation and redistribution under right-wing governments in Latin American countries by looking

at business elites. Fairfield and Garay (2017) have argued that right-wing parties, although ideologically opposed to increased taxation, might opt to raise corporate taxes slightly in order to appease to other social groups and to increase their electoral chances. My findings suggest that corporate elites, in turn, might be willing to accept tax increases under right-wing governments if they consider it will decrease the chances of a potential electoral defeat of right-wing incumbents. Future research can explore this link by, for example, looking comparatively to other Latin American countries and to how business associations reacted to tax increase proposals under right-wing and under left-wing governments.

Implications for Research on Business Mobilization

Finally, this study has clear implications for the way we understand business protest and mobilizations. First, it appears that business micro-mobilization seems to follow distinct causal processes than social movement micro-mobilization. Unlike for social movements, streets protests are not part of the standard repertoire employed by economic elites to influence policy. However, addressing business activism with similar methods as those employed by Viterna (2006) to study social movement activism also proved useful to differentiate between the two phenomena. While social movement activism "is the result of the patterned interaction of individual level biography, networks and situational context" (Viterna 2006:40), micro-mobilization in business does not necessarily happens through patterned processes. It can be the result of exogenous factors. Although it is not possible to rule out that a combination of individual-level variables caused agrarian producers to mobilize, it might instead have been a reaction to a 'policy threat' (Martin 2013). But why would businesspeople interpret tax increases under left-wing governments as policy threats, but not under right-wing governments? While this is one example of an open

research question future studies on business mobilization can address, it does not rule out the possibility that future research identifies patterned pathways to business activism across businesspeople. Resolution 125 stands out as a case of patterned continued business activism after the spark of an initial business protest event, but not of patterned micro-mobilization that led to elites to protest in the first place.

Table 4.4. Bivariate Correlations (Spearman's *p*) Between Selected Factors and Respondents' Mode of Mobilization

Factor	Institutional	Picket Leader	Networker	Collaborator	Non-participant
Sociodemographic:					
Age ……	.202	-.230	-.353**	.201	.043
Higher Education ……..…	.070	-.088	.070	.142	-.110
Agricultural Education …..…	-.126	-.079	.036	.108	.036
Land Value[b] (Rural SES) …..	-.076	-.204	.089	.146[a]	-.013
Rural Associations in 2008:					
SRA ……...	.209	-.199	.006	-.021	.006
FAA ……...	.251	-.316*	-.180	.351**	-.177
CRA ……..	-.140	.000	.149	.173	-.177
No g*remial* affiliation…….	-.320*	.161	.009	-.282*	.339**
CREA ……	-.180	-.158	.036	.027	.251
AAPRESID ……...	-.046	-.272	-.046	.313*	.139
No technical affiliation……	.092	.213	-.082	-.214	-.082
Previous mobilization ……	.312*	-.120	-.177	.051	-.177
Post-125 Business Activism:					
NACAs	-.070	.351**	-.249	-.142	-.070
Party Politics …….	-.114	.375**	.568***	-.341**	-.284*
#23A ……..	.057	.250	.057	-.213	-.114

[a] Two respondents coded as 'collaborators' preferred not to disclose information about the size of their crop production.

[b] Land Value was calculated based on size of the crop production of interview participants in 2008 multiplied by the average price of the hectare of agricultural land of the micro-region where their land was located. Data on the average price of land was collected from Compañia Argentina de Tierras. Available at: https://www.cadetierras.com.ar/. Accessed on: 10/24/2022.

*p < .10, **p < .05, ***p < .

APPENDIX

Table 5.1. Variable descriptions and data sources

Variables	Sources
Tax Revenue (%GDP)	UN-ECLAC, CEPALSTAT
Tax Structure (Direct Taxes / Total Taxes)	UN-ECLAC, CEPALSTAT
Polity IV Index	Center for Systemic Peace, Polity IV dataset
Lack of Trust in Political Institutions	UN-ECLAC, CEPALSTAT (calculations based on survey data from Latinobarometer)
Social Cohesion	UN-ECLAC, CEPALSTAT (calculations based on survey data from Latinobarometer)
Cumulative parliamentary left strength	Huber and Stephens (2012)
Top Income (10%)	World Bank, World Bank Development Indicators
Gini Swid	Solt (2019)
Agricultural Share (%GDP)	UN-ECLAC, CEPALSTAT
Rural Gini	Ansell and Samuels (2014)
GDP Growth (%)	UN-ECLAC, CEPALSTAT
GDP *per capita*	UN-ECLAC, CEPALSTAT
Unemployment (%)	International Labour Organization, ILOSTAT database
Industrial Employment (% Total)	International Labour Organization, ILOSTAT database
Vulnerable Employment (% Total)	World Bank (derived using data from International Labour Organization, ILOSTAT database)
Urban Population (% Total)	World Bank (original data from UN Population Division)
Population 15-64 (% Total)	World Bank, World Bank Development Indicators
Life Expectancy	World Bank, World Bank Development Indicators (original data from UN Population Division)
Rents (% GDP)	World Bank, World Bank Development Indicators

Table 5.2. Detailed summary of interviews conducted for this study

Interview Sources	***Total Number of Interviews***
Purposive Sample of Agrarian Producers: These respondents were selected purposively with the goal of reaching a sufficiently large sample to identify different modes of mobilization during the 2008 anti-tax protests. (Sampling process described in the data section)	36 Breakdown by Mode of Business Mobilization: - 5 institutional leaders - 12 picket leaders* - 5 networkers* - 12 collaborators - 5 nonparticipants - 1 dropped**
Follow-up Interviews with Agrarian Producers: Interviews conducted to collect additional information from agrarian producers previously interviewed.	14 Breakdown by Mode of Business Mobilization: - 2 institutional leaders - 5 picket leaders* - 3 networkers* - 5 collaborators
Other Political Actors: These interviews provided information about how important political players interpreted the events that unfolded in 2008 and after.	6 - 2 former high level staff people in the Cristina Kirchner Administration - 2 social movement activist leaders - 2 researchers at economic policy fieldwork linked to political sectors in Argentina
Contextual and Informational Interviews: These interviews provided contextual information about the events and allowed me to develop an approach to identify key actors to be interviewed during fieldwork.	7 - 6 interviews with local social science professors who conduct research on elites/agrarian politics in Argentina - 1 interview with local journalist who covers the agrarian sector

* Of the twelve 'picket leaders' included in the Purposive Sample row, two also mobilized as 'networkers. Of the five 'picket leaders' included in the Follow-up row, one also mobilized as 'networker'.
** One respondent was dropped from the analysis because she reported not having any agricultural activity during the time of mobilizations. This respondent had been coded as a 'collaborator'.

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