Wistful Hope

Local Responses to Neo-Liberal Politics: Uruguay and the Pulp Industry

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June 2010
Abstract

Drawing on five months of fieldwork in a rural community in the west cost of Uruguay and the subsequent analysis of the data, this thesis argues for the importance of studying neo-liberal capitalism in relation to local social and economic dynamics. Neo-liberalism indeed has effects but these effects are not mechanically reproduced everywhere. This study addresses the socioeconomic effects of the installation of a Finnish pulp mill in a Uruguayan rural locality.

Neo-liberalism became dominant in the eighties and nineties in Latin America leading to reforms in the industrial policies, which promoted foreign investment and exports as the driving force for growth and as a solution for the region’s economic problems. Thus, the forestry and pulp industry acquired a central role for the economic growth in countries such as Uruguay. In the eighties Uruguayan governments started to stimulate the monoculture of tree plantations with exonerations, flexible credits, and direct subsidies from the State. In this way the Uruguayan governments have managed to attract the interest of multinational firms, such as the Finnish company Botnia to install a pulp mill mega-project in the country. Botnia became the largest foreign investment ever in Uruguay. Governments and financial institutions have referred to the investment as progreso for the host community. However, I argue—as many others have done before—that global agro-export enclaves, such as the Finnish pulp mill, only benefit a small segment of the local community.

Empirical examples are presented to illustrate the fact that this rural community has not had major benefits of the exploitation of their natural resources. I attempt to offer a localised understanding of global processes arguing that it is wrong to attribute poverty to local autonomous production processes. However, there are also limitations in explaining local socioeconomic processes in terms of neo-liberal capitalism alone. I construct my argument around three different foci, but which all are closely linked together.

First, the study examines the youth’s living conditions and the local carnival. Second, the study analyses the role of the past in relation to the way the local people
conceptualised the Finnish pulp mill. Lastly, the study compares two different models of social development at different periods of time in Fray Bentos.
Acknowledgments

Both in Uruguay and in Norway many people contributed in a myriad of ways to make my research possible and pleasurable. I wish to thank all of you in Uruguay who generously shared with me their stories. Specially, I would like to thank Hernán López Echagüe and his family, Rene Boretto Ovalle, Horacio and Beatriz. I will give “Mil Gracias” to Chola whose magical hands helped me in difficult times, to Tere, Cimarrón and Oyo, for your friendship and guidance in the world of Fray Bentos.

The writing process of this thesis was done at Centre for Development and the Environment (SUM), which has been a wonderfully stimulating place. I am deeply grateful to the academic director of the interfaculty research program LEVE (Livelihoods in developing countries), Sidsel Roalkvam who encouraged me and supported my project, granting me a master scholarship.

I will thank my academic advisor, Professor Marit Melhuus, who has provided me with knowledge and wisdom throughout this thesis. My gratitude to her for her professional guidance, encouragement and effort, without her inputs and support this thesis would not have been able to develop. You have challenged me, helping me to build my skills and motivate me to continuously improve the quality of my work. This has been a very valuable learning process.

I will also thank Rune Flikke who, throughout the path of my study has inspired me at every turn, enriching my perception of life.

This project would not have been possible without the support of my family and friends – my gratitude is endless. Thank you to my family in Argentina and in Norway. Especially thanks to you Carl for your encouragement and support. I will thank you Ragnhild and Virginia for readings and suggestions at an early phase, and also Per Einar for moral support during the whole project.

I also direct my most sincere thanks to Iselin and Claudia, for your generosity, care and support; to my mother Elena, for you unconditional love, patience and support and more than anything else for taking care of Simón during the fieldwork and when I was overwhelmed with writing. Thank you mamá for continually reminding me to never loose hope. Thank you to you Vero, for your boundless love.
and joy. Last but not least, gracias a vos Simoncito, for your patience, love, magic and humour. You have creatively coped with your mother in stressful times.
This study is dedicated to my dear Simón and my brother Rodrigo:

“Og håpet dør aldri. Det brer seg videre... til nye hjerter ... til nye slekter. Som en vårvid som bærer bud om en varm sommer” (Kautakeino-opprøret)
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Chapter I: Introduction

“Our defeat was always implicit in the victory of others; our wealth has always generated our poverty by nourishing the prosperity of others – the empires and their native overseers. In the colonial and neo-colonial alchemy, gold changes into scrap metal and food into poison”

(Galeano 1973)

The Economic Commission for Latin America and the Caribbean estimates that 189 million people were living in poverty at the end of 2009 (34.1% of the population) and 76 million (13.7% of the population) were extremely poor (ECLAC 2009). As the contemporary Uruguayan writer Eduardo Galeano clearly points out, the poverty and lack of economic success in Latin America are seen by many as merely the result of the continent’s failure to ‘develop’, and not as an integral component of the history of world capitalism (Galeano 1973:2). As Galeano remarks, there is not only a limitation, it is wrong to attribute poverty to local production autonomous processes. However, in this context, there are also limitations in explaining local socioeconomic processes in terms of neo-liberal capitalism alone. Thus, the present project aims to explore questions regarding the socioeconomic effects of the installation of a Finnish pulp mill (Botnia) in a rural locality in Uruguay named Fray Bentos. In other words, I seek to demonstrate the importance of studying local socioeconomic processes related to macro economic processes. I argue for a study of the ramifications of global capitalism development in local worlds and its implications for daily life.

The forestry and pulp industry in Uruguay were introduced through processes labelled by powerful political and financial elites as sustainable development. The discourse of sustainability has been central in setting the stage of large-scale and potentially environmentally destructive multinational investments (Renfrew 2009:88). Nevertheless, as my empirical material will show, the “sustainable development” promoted rests on a narrow understanding of development as economic growth. The idea that economic growth leads to prosperity is common: “development has been
portrayed as a great machine for manufacturing prosperity in poor countries” (Tsing 2005:21). In this context Dudley Seers (1969) remarks that the fulfilment of human potential requires much that cannot be specified in terms of economic growth. This is important keep in mind. In fact, economic growth in some contexts not merely fails to solve social conditions but it might even worsen them, increasing the gap between the rich and poor in the same society.

In *Trabajo y Producción de la Pobreza en Latinamérica y el Caribe* (2008) Alvaro Leguizamón highlights that since the end of the 1990s the World Bank has promoted conceptions that sustain the existence of a positive relation between globalisation, poverty reduction and development. However, several scholars (e.g. Cimadamore and Cattani 2008) have shown that these discourses only legitimise and naturalise processes that lead to uneven global relations, worsening the situation of poor people. I will suggest that global agro-export enclaves, such as the Finnish pulp mill, only benefit a small segment of a local population. The spread of these economical transnational enclaves is accompanied by economical and political discourses that stress the benefits and progress of the host countries or regions. However, as Leguizamón (2005:23) has remarked “the regional progress is nothing else than the concentration of wealth in few local businessmen, the transfer of significant profit to the global monopolies, and the scarce creation of job in general” (my translation Leguizamón 2005:23).

Recent studies (e.g. Barbery 2007, Cimadamore and Cattani 2008, Ferguson 2006, Harvey 2000, Harvey 2006) have shown no tendency for the poorest countries to converge toward rich ones. In the early 1990s, neo-liberal structural adjustment policies were adopted in Latin America based on the idea that foreign investment and exports would be the driving force for growth, in turn reducing poverty. Asian experiences were taken as example. These programs were seen as “the standard magic formula for development” (Montaño 2007:35). While exports grew significantly, their economies did not, and poverty and extreme poverty were not reduced in any significant way. Despite the fact that the production of poverty is a complex phenomenon in which different processes interact: economic, social, political, cultural and individual, institutional and discursive elements (see Leguizamón 2005), James Ferguson (2006) has pointed out that neo-liberal reforms have lead to more insecurity, uncertainty, less order and less peace. He remarks that the economic growth has been
spatially limited to certain enclaves, which have expanded rapidly everywhere. Therefore, it is of great importance to redirect attention to the analysis of the social processes, structures, relations and agents that give rise to poverty, recognising that the creation and shaping of poverty is inherent within the dynamics of economic capitalism (Cimad amore and Cattani 2008, Hage 2003, Harriss 2007, Leguizamón 2008).

This is the background of my thesis and my aim is to offer some illustrations as to why economic growth alone is insufficient to reach social development goals. Examining the socioeconomic effects of the newly installation of a Finnish pulp mill—Botnia—in the rural town Fray Bentos, I argue that the neo-liberal strategy of development is counter productive for the people of Fray Bentos. I focus on different aspects of the community and its socioeconomic reproduction in the present and in the past, showing that poverty in this rural area has remained prevalent through the neo-liberal inspired transformation of Uruguay’s productive models. The industrial farming model based on monocultures of crops such as soya and the tree plantations of the pulp industry, pursues an economic growth strategy for the country, but it does not bring with it the promised prosperity for the majority of the country’s population. On the contrary, it has not only several environmental side-effects—the depletion of the soil based nutrients, soil degradation through the application of agrotoxic chemicals and the pollution of the air and water—but also social consequences such as the dramatic increase of foreign acquisition of landholdings with a subsequent emigration from rural areas to shantytowns in urban areas. Studies indicate that 41 % of rural producers disappeared from 1961 to 1995 (see Renfrew 2009: 89). In addition, the ever-increasing application of technology in the agricultural industry has dramatically increased rural unemployment.

Hope

I find it difficult to write about neo-liberal policies and local socioeconomic processes without using the word “hope” and its counterpart, disillusionment. In Against Paranoid Nationalism: Searching for Hope in a Shrinking Society, Ghassan Hage (2003) defines society as a mechanism for the production and distribution of hopefulness and social opportunities (Hage 2003:9). Hage, as well as other scholars
(see Miyazaki 2003, 2008, Zournazi 2002), stresses the negative role neo-liberal economic policies have had in the production and distribution of societal hope. On the one hand neo-liberalism has contributed to the decreasing capacity of societies’ ability to evenly distribute hope. Neo-liberalism has dismantled the welfare state, which was the provider of certain socioeconomic conditions. On the other hand, official discourses distributes hope through an ideology that promotes dreams of better-paid jobs, better life-styles and more commodities but in reality most people live their lives hoping and believing in the possibility of upward social mobility without actually experiencing it. Hage emphasises that there is nothing new in governments giving primacy to the interest of capitalist investment, however in the past a strong nation-state secured the compatibility between the interest of investors and the construction of a viable society. Today, he says, the growth of the economy and the expansion of firms no longer go parallel with state’s commitment to distribute hope among its population. On the contrary, the state is a producer of “social death” through chronic underemployment, poverty and neglect (Hage 2003:18). Hage states that more and more groups experience various forms of hope scarcity, not only those who cannot make ends meet or who are homeless, but even those with middle class incomes.

As Hage (2001) observes neo-liberalisation is accompanied by an ideology that promotes dreams of better-paid jobs, better life-styles and more commodities. This also holds true of Botnia in Fray Bentos. Botnia brought with it ideas of improving living standards for the local community. During the two-year construction period of Botnia a large segment of the population had better-paid jobs. They in fact experienced the prosperity that Botnia promoted. However, this experience was limited to a short period of time. The idea that Botnia would bring with it progress for the community nurtured a form of hope that was based on failed expectations. My question then is: why, in spite of the fact that Botnia did not have a significant economic impact in the everyday lives of many of my informants, did many of them still support this enterprise? The concept of hope appeared as an important analytical tool to grasp this phenomenon. Hage (2003) highlights, how hopes, which are created through the neo-liberal ideological intervention, point to the future, independent of how people experience the present. I find this discrepancy interesting in relation to Botnia and the support it gained within the local community. I argue that the official “discourse of progress” (see Chapter II) in which Botnia is embedded gave people
hope. However, it was not only the discourses around Botnia that shaped the way people conceptualise it. The life of many of my informants is constrained by job instability, uncertainty about the future and by the fact that upward social mobility is increasingly difficult to achieve. This has seriously influenced the time horizon of many people who are unable to set up a long-term life-plan. Pedro, the father of a friend says: “today you can’t plan, you can’t plan even the next week because you don’t know whether you will or will not have a job”.

During the construction period of Botnia instant gratification became very important. Many people spent the money they earned on motorbikes, computers, mobile phones and clothes without considering if they would be able to repay the loans and subscription fees over time. When the construction period was over they were forced to sell these goods. Few people invested the money in the construction of houses or saved for later expenses. The consumerism aggressively promoted in the media fits well into the short-sightedness cortoplacismo, as my informants called it, which permeates their everyday lives as the result of lack of opportunities for a long-term life project. I commenced my fieldwork half a year after the construction period was over and during my whole fieldwork people evoked with excitement the “prosperity” that Botnia had brought and they waited for the arrival of new projects which could give them jobs, if only for a short period of time.

Hope was not only implicit in the discourse of progress that has accompanied Botnia, but it also was important in relation to the stories people told me. Although the local people with whom I spoke very seldom framed their views in terms of hope, hope was still implicit in their accounts. The stories they narrated conveyed a sense of hope as well as disillusionment. In trying to come to grips with why they did so, I found the past history of the community to be central. For some, the past of the community provided them with interpretative models. These models serve to evaluate Botnia and create hope for the present and for a better future (see chapter V). Others, such as my young informants, were disillusioned by the socioeconomic situation and rather to look to the past they found meaning and hope through the carnival season.

Hope is not an easily conceived concept. In “Reflection on Hope as a category of Social and Psychological Analysis” (2003) Vincent Crapanzano explores the different understandings of the concept of hope. This includes the theologian Jürgen
Moltmann, the essayist Walter Pater, the philosopher Ernest Bloch and the phenomenological psychologist Eugène Minkowski. Crapanzano questions why a category of experience that is so highly valued, only has an incidental role in ethnographic explorations as well as psychological understandings (Crapanzano 2003:5). He argues that hope, as with other categories of social analysis, depends on its cultural and historical context. In some contexts, passivity might be inherent in the notion of hope itself. In this sense, hope does not presuppose human agency, “it depends on some other agency—a god, fate, chance and other—for its fulfilment” (Crapanzano 2003:6). Often hope has been associated with illusion, anticipation (the not-yet), expectation and possibility. According to Kierkegaard, hope is “not an empty passion but a passion for the possible” (Vanhoozer 1990:7), a future possibility. Crapanzano also emphasises the temporal dimension of hope. Hope has a transcending quality and its direction is toward the future. Hope can be attached to specific situations or be open-ended, lacking final definition or being vague and subject to chance. Hope can be “the mother-feeling in religion” which is sustained by God’s promise of salvation and the certainty the believer feels by that (Crapanzano 2003:5). Hope can be the result of the uncertain, of a sense of deprivation, of a hopeless situation or of trust and utopian dreams (see Miyasaki 2006, Verdery 1995).

What interests me for the present purpose is that Crapanzano’s panoramic approach does not let me fall into simplifications regarding the concept of hope. Hope is a personal and a collective phenomenon, a cultural form of expression, which includes different aspects such as trust, desire, imagination and faith. Thus, what sustains the individual’s hope varied among people. Hope can be seen as an unreflective and non-conscious everyday way of being-in-the-world, as reflective and conscious action—necessary in situations of moral breakdown—or both, where the distinctions become blurred (Zigon 2009:254). Therefore, it is problematic to try to define hope in relation to a whole population and different processes. In the context of this thesis my aim is not to develop a theory of hope, my aim is more explorative, I want to examine its local ramifications. Hope underpins my approach and is linked to the different analytical perspectives I use in this thesis.
Analytical Perspectives

In the search for a pertinent theoretical framework that could be both interesting and rich in possibilities, I found properly to use several analytical perspectives. Although they are different, together they help me to show the complex intertwining of socioeconomic and cultural processes. In order to address the socioeconomic effects of the installation of Botnia in Fray Bentos, I draw on the following analytical perspectives: history, carnival, and socially thick and thin models of development. These three perspectives or frames are different and are used in relation to different empirical data.

History

My assumption is that an anthropological study of the present life in Fray Bentos cannot adequately understand social life and economy without taking a historic view. In *Europe and the People Without History* (1982) Eric Wolf stated that anthropology needed to search out the causes of the present in the past: “only in this way could we come to comprehend the forces that impel societies and cultures here and now” (Wolf 1982:XV). I chose to assess the effects of Botnia’s installation by focusing on the interconnectedness between the socioeconomic development of Fray Bentos and large-scale economic processes in a historical perspective. Therefore, throughout the thesis I examine different processes in the light of history, both in relation to carnival, in explaining how people conceptualised Botnia and in relation to socially thick and thin models of development.

Carnival

The carnival in Fray Bentos, as in the rest of Uruguay, has been an important tradition and a hallmark of the national and community’s identity. However, the carnival has been transformed along with the overall community. My experience of the carnival in 2009 is that it did not manage to provide a site of social and community participation as it did in the past. Therefore, I argue that the carnival in Fray Bentos can offer an entry point to understand the character of socioeconomic processes. Since carnival is
a tradition its recurrence facilitates the apprehension of changes in a community and how people themselves understand these changes.

Traditional carnival theory, based mainly on the work of Mikhail Bakhtin (1984), has long defined carnival as an inversive, cathartic and chaotic feast. Bakhtin argues that carnival is the people feast per excellence; everybody participates in it. It is not a spectacle seen by the people. In his view, carnival is a moment of death and renewal, which offers a festive and new perception of the world. Bakhtin argues that carnival was not only a safety-valve for all the secular and problematic aspects of the everyday life of people who were ruled by the feudal political structure of the Middle Ages, but it was open-ended. It offered the community an alternative vision of itself. Analyses of carnival from other parts of the world have also emphasised Bakhtin’s carnival theory, remarking that it stands for symbolic subversion, empowerment, emancipation and relief. During this communal feast impulses that are suppressed in ordinary life are expressed and the frustrations by socioeconomic inequalities removed or forgotten for a while. In “Endless and Repetitive Reflections on a Carnival that is Always Misunderstood and Over Advertised” (n.d) DaMatta argues that the Brazilian carnival has escaped the capitalist society logic. In Brazil, he says, popular knowledge, holds that “wealth does not bring happiness” since money “does not buy” joy, suffering, talent, courage, or honour (DaMatta n.d:4). I argue that the carnival in Fray Bentos has not escaped the “capitalistic logic” as the carnival observed by DaMatta apparently does. I suggest that there is an intimate connection between carnival and economics and that the current carnival is the result of socioeconomic processes that influences it negatively.

In addition, the carnival became an important site that enabled me to understand the visions of my informants about the community they live in. Several of them interweaved considerations about carnival with other aspects of the community. Through the carnival I could explore the living conditions of the young, their hopes and disillusionments. For my young informants, participating in carnival was a way to create meaning and hope for themselves.
Socially Thick and Thin Models of Development

As I mentioned earlier, hope implicitly fuels a political rhetoric that has enormous political and economic potential and effects in Uruguay. Thus, I find James Ferguson’s concept of socially ‘thick’ and ‘thin’ models of development to be beneficial analytical categories in order to offer an analysis that sheds light on the discrepancy between discourses of development promoted through Botnia, and the local reality. Ferguson analyses the changes in foreign investments in countries in Africa looking at the role of the state and foreign companies’ social engagement with local communities. His analysis shows how different models of social engagement at different historical periods have had varied beneficial effects for the communities in which the investment has taken place. Ferguson (2006) calls socially thick models of national development a political strategy of a strong state that regulates foreign investments’ enterprises and securing major benefits for its population through a broader social project. The socially thin model on the contrary is the so-called development based on enclave extraction economy where there are less benefits for local people in terms of direct employment and less wider long-term social investment (Ferguson 2006:36). My assumption is that Botnia is congruous with a socially thin model of development, despite the fact that official discourse and many locals conceptualise Botnia in relation to a socially thick model of development. I will develop my argument by comparing Botnia with an earlier English meat industry in Fray Bentos and through analysing Botnia’s corporate social responsibility.

Methodology

Fieldwork was carried out in two main stages: in May 2008 and December 2008 throughout April 2009, with two short breaks. Both my mother and my five year-old son accompanied me during a period of my fieldwork research.

I first heard about Fray Bentos and Botnia in early 2007. The media was filled with the story of the blockade of the international bridge—over the river that divides Argentina and Uruguay—by an Argentinean environmental group, and that the diplomatic relations between the Argentina and Uruguay was tense. This event caught
my attention. I wished to examine the effects of Botnia’s installation in Uruguay. However, I did not know which angle I would do this from.

Before going to Uruguay in May 2008, I read a lot about the conflict between the two countries. The focus was primarily on environmental issues. I assumed that environmental concern among fraybentinos was strong and wanted to examine these processes. However, to my surprise, the first impression was that Botnia counted on wide support from the local community and the locals expressed anger and frustration toward the Argentinean “Asamblea Ambientalista” or “piquiteros” as they call them, because of the blockade of the bridge. The environmental issues relating to the pulp mill, which had been the main source of conflict, were not so important for the locals, and the common statement was: “Everything pollutes. Besides, before I die of hunger today, I prefer to take the risk of dying of cancer in some years”. Moreover, the local environmental group Movimiento por la Vida, el Trabajo y un Desarrollo Sustentable (MOVITDES) was almost dissolved after Botnia had started with its production. My shift in focus was not only because my informants were not aware of the environmental effects of Botnia but also due to Botnia’s position in relation to this issue. Several reports conclude that water and air surrounding the pulp mill along the river Uruguay have not been polluted and the plant complies with the environmental standards demanded by Uruguay, Argentina and the European Union. Botnia uses these claims, as well as the extreme focus on pollution and the lack of evidence that the company pollutes, to legitimize its enterprise and to hide other, but equally important issues, such as to which extent the Finnish pulp mill has brought with it long-term development.

My first trip to Uruguay was to Nueva Palmira, three hours by bus from Fray Bentos. The background of this first trip was to explore environmental issues. In Nueva Palmira I met my first contact, an Argentinean journalist who wrote a book related to the pulp industry in the region. After contacting him from Norway he and his partner

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1 A piquetero is a member of a political faction whose primary modus operandi is based in the piquete. The piquete is an action by which a group of people blocks a road or street with the purpose of protest and demand. The trend was initiated in Argentina in the mid-1990s. Due to diverse historical and political events the concept has also a negative connotation, as lazy, rebel without cause or mafia, and this is the connotation I refer to here.
helped me to get in contact with a large network of those who had a critical opinion of Botnia and of the forestry industry. During this first month I travelled over an extensive area, visiting people in rural areas surrounded by eucalyptus, as well as in areas such as Nueva Palmira, where the port Ontur is situated. Ontur is a terminal port for storage and shipping of cellulose, among other products, of which Botnia is the main owner. I also visited a rural area where I met a group of farmers who had mobilised themselves against the installation of ISUSA, a sulphide plant, which provides supplies for Botnia, and which was located in the areas surrounding their farms. Additionally, I interviewed several people in Montevideo, such as environmental activists, journalists, economists and politicians. I was interested in people’s varied perceptions of Botnia. I also watched documentaries of the pulp mill in Uruguay and in other countries of the region.

During my first visit to Uruguay, I was still unsure about the project’s focus and the locus for the fieldwork but I found the several processes linked to Botnia interesting. Botnia involved more than the pulp mill in Fray Bentos, though the media had focused solely on this. Finally, I chose to stay in Fray Bentos and develop an understanding of what Botnia has meant for this community. I wanted to examine Botnia’s effects from a different perspective than from the current environmental one. The insight I obtained from travelling around the rural areas provided me with important information about Botnia and the communities.

Participant observation was my main method of research in my fieldwork. I collected information in different arenas of interaction and it was gathered mainly through conversations—few times I used band recorder—observations and the reading of different texts and books. I conducted more than 50 interviews. I combined informal unstructured interviews in order to remain as open and adaptable as possible to the interviewee’s interests and priorities with more structured ones. The informal unstructured interviews were used with my main informants, as it made conversation more comfortable for both parties. I conducted structured interviews with civil servants and also conducted one interview with Botnia’s communication manager. I tried to get an interview with the manager of Fundación Botnia (see chapter V)—who is responsible for the company’s corporate social responsibility—but was unsuccessful. I participated in different arenas of the community such as public events, ceremonies and the preparations of two different carnival groups. However, I
had three main sites of interaction, which were very important for my research: a hairdresser and massage shop, a non-authorised dental technician service-shop and a cyber shop. A description of these places will follow. Pseudonyms are used for all names in the thesis. Specific characteristics that could reveal the identity of all persons mentioned in the following chapters have been changed.

During my stay in Fray Bentos I rented a room in the house of Lucía, a 54 year-old hairdresser in Fray Bentos. I lived with her and her family, her partner Juan, their youngest son Maxi and Lucía’s adoptive mother, María José. Their two older children Claudia and Enzo live in Montevideo. Lucía ran a hairdresser and massage shop at home. As she did not have regular opening hours, customers would come to the house every single day from 8 in the morning until 10 in the evening. In the hairdresser shop I got the opportunity to converse with women of all ages or observe their interaction while I assisted Lucía or “cebé mate”.2

The experiences shared in this household were very important for my research. I knew that to understand the impacts of Botnia locally, I needed to know about the daily lives of people in Fray Bentos, their relations, interests, motivation and concerns. Living with Lucía not only helped me to obtain insight into one family and their relations, but also gave me access to several other social relations. In the lively hairdresser shop, the women would discuss their problems. They spoke openly about their misfortunes and their hopes. Women cried and laughed at their misery while we drank mate and Lucía styled their hair. Conversation topics focused on illness, marital relations, conflicts with family members, problems at work, and the lack of work. Botnia was rarely a topic, unless I brought it up.

I also regularly visited a dental technician service shop where Rúben, a non-authorised dental technician makes false teeth in his home. Rúben is in his forties and has no children. Such as many people in Fray Bentos, he has been forced by the socioeconomic situation to find creative ways to earn money facing the lack of formal employment. Rúben, like Lucía, did not have regular opening hours, so customers

2 It means that I make a special green tea, called mate, which is traditionally drunk in Uruguay, Argentina, Paraguay and some regions of Brazil. The tea is drunk from a gourd with a straw and shared by several people. There is person in charge to pour the water into the gourd.
came to his house at all times. I was surprised by how many youth and young adults came to Rúben to get false teeth.

It was in these two arenas that much of my main research topics surfaced, such as the importance of Anglo, the carnival, the *changas*\(^3\) phenomenon and the living conditions of the young generation. I heard the elders talk about their children’s situations, about school desertion, juvenile pregnancy and unemployment. In these places I learnt about social relations, generational differences in people’s living conditions, gender differences and health conditions. These arenas provided valuable insight into local people’s concerns, which in turn helped me understand the community and the effects of Botnia in Fray Bentos.

A month after my arrival in the field for the second time, I managed to interview environmental activists, local journalists as well as people who had worked for Botnia during the construction period, local historians, and pastors at the many churches. The latter were an important source of insight to learn about the community, as they were acute observers and were able to reflect about conditions, events and situations in the community that otherwise most people take for granted. Moreover, at that time I also performed some library research about the local history and tried to find statistics about, among others, juvenile pregnancy, suicide (during my fieldwork people talked about youth who had committed suicide, but I did not find official information about this), crime, health and poverty indicators. One day in my search for statistics, I was introduced to a twenty-five year old man Cimarrón, who became my friend and a key informant. Cimarrón introduced me to other young people who met at a cyber shop that was a meeting place for children, adolescents and young adults who gathered there to play computer games and to socialise. Most of the youth and young adults there were related to a carnival group called *Shangó*. Thus, the cyber shop, the youth, and the carnival group became important loci for my research. I attended to their rehearsals, to hear them play the drums and see the girls dance.

Unfortunately, as with most things in Fray Bentos, the cyber shop had a short life; after eight months it closed down. The cyber shop was a lively place whatever time of the day I visited it. There I gained insight into the lives of many adolescents and

\(^3\) Occasional job. It varies from one day to several months.
young adults. A few of them had burning political engagements, though most did not care very much about things they felt they could not change. I often sat observing the interaction between the boys. Most of these young people were boys. They could sit together for a long time without saying a word. It was difficult to have a conversation with most of the youth. They often answered my questions with a shrug of the shoulders, partly because I was a woman and partly because it was the way they interacted. Most of the youth I met there did not show much interest in my research, but accepted my presence. When they did converse, they talked about unemployment and carnival.

The boys shared an interest in playing drums but they had difficulties in the planning and discussion about the organisation of the carnival group. The approximately 35 drummers of the Shangó group are between 14 and 30 years old and are all males with the exception of two girls. Most of the youth have not completed secondary school, several have children, they do not have permanent jobs, and they live either with their parents or depend economically upon them. Those who work, work under precarious conditions, with low salaries or little job security. As I experienced a lot of frustration, resignation and despondency among many of the youth with whom I spent time, I also noted a big engagement in the carnival. The carnival and other cultural activities emerged as the important topics and events used to express the youths’ concerns. The carnival and music were perceived by some of them as one of very few venues where they could express their agency and creativity.

Cimarrón became an important person for my research. Cimarrón is father to a three-year-old child and he and his girlfriend live with his parents. He helped me to learn and understand how it is to be young in Fray Bentos. Our conversations about his life and the way he understands his life situation and that of the community in general, reminded me of how important it is to be aware of the nuances and the complexities of life, about its paradoxes, ambivalences and contradictions. Cimarrón’s friend Oyo was also important for my research. He is 24 years old and lives with his parents. Both these young men were very different from the majority of the youth I met, having a strong social and political awareness and engagement. They do not just accept their fate; on the contrary they sought alternative channels of cultural and economic development. They have the ability to rebound from crisis and adversity.
and move on with their lives, and this is a motivation which most of the youths I met lacked.

These three arenas of interaction allowed me to not only gather information through conversations and interviews but also through observation. Additionally, I learned much about generational and gender differences within the community. At the hairdresser shop I met mostly women of different ages and few children; at the dental technician shop I met young and old women and men. Following the youth in their carnival practices, during their performances and hanging around with them gave me important insight into the youth’s living conditions. My observations and the information I received in these sites, I used in gathering more information in other arenas. Since my range of movement was extensive, I was able to obtain systematic information about the youth’s living conditions from other sources, such as reports and interviews with civil servants. And through the analysis of the stories I was told and from the reports I read, I gained insight into the shifting conditions of the community throughout history.

I would like to briefly discuss my position in relation to the field and the written production of my fieldwork. I understand anthropological knowledge production to be the result of the relation between the ethnographer and the field and the way she/he chooses to contextualise the phenomena that she/he studies. Anthropologists, through participant observation, play a role in creating the context of their research, that is, the socio-cultural context the anthropologists try to write about. The ethnographer is not invisible; but always positioned, the knowledge generated is the product of dialogue, which is always partial and hermeneutic (Schepers-Hughes 1992:23). The knowledge and understanding I have acquired, and the way I have chosen to contextualise these are the result of my engagement with the field and my personal experiences. I come from a working class family and grew up in an impoverished suburb of Buenos Aires. Both of my parents are from the north of Argentina and are children of peasant farmers. They are hard workers but as many other migrants they have not managed to entirely live out their hope for economic success in Buenos Aires. During the 21 years I lived in Argentina every national economical crisis imprinted its particular meaning on me and my family, relatives and neighbours. Socioeconomic inequality is not just a topic of interest for me; it is a moral concern and a substantial part of who I am.
I informed people about my research, but the interest and attention about it varied among people. When quoting informants in the thesis, I have tried to keep the text as close to the way they expressed themselves as possible. Although I rarely use a band recorder, I always took notes after the interviews and wrote daily—and right after the interview or participation—sustained and detailed notes. I use a band recorder with interviews about the carnival a number of times. I do not make extensive use of the band recorder, because in my opinion, it can create artificial contexts and a natural interaction between my informants and me was essential. Considering what I had learned about a proper informant/anthropologist relationship, I did my best to be conscious of not reflecting my own opinions upon my informants. However, when they asked me the same open-ended question I had asked them about their lives and their opinions of Botnia, I gave them an honest answer without hiding my standpoint.

The Structure of the Thesis

The thesis is divided into five chapters including the introduction. In Chapter II I present the relevant contexts, physical, political, social, historical and economic which reflects the background against which I have interpreted the effect of Botnia in Fray Bentos. In chapter III I look at the current socioeconomic situation of Fray Bentos focusing on the local carnival. I present a group of young people, their situation in life and their relation to carnival. In Chapter IV I present how people conceptualise Botnia and I attempt to answer why in spite of the fact that Botnia did not have a significant economic impact on the everyday lives of many of my informants many of them still supported this enterprise. In the last Chapter, I compare Botnia to an old meat industry in Fray Bentos. I discuss thick and thin models of development focusing on Botnia’s corporate social responsibility.
Chapter II: Contexts: Botnia and Fray Bentos

Global capitalism cannot be understood independently of its embedment in local worlds. The positive and negative effects of the spread of global capitalist enterprises vary in relation to the peculiarities of the communities into which they insert themselves. It is negotiated “between different place-specific demands, concerns, and aspirations” (Harvey 2000:55). In this chapter I present the relevant contexts of my research. I start with Botnia and the discourses in which Botnia is imbued. Botnia is more than a pulp mill; it is synonymous with progress, conflict and highly advanced technology. In addition, I present the international conflict that Botnia brought and the political development of Uruguay. The later is important to better understand the economic development of Uruguay in which Botnia and the pulp industry have a pivotal role. Thereafter, I present Fray Bentos, an outline of its history and important aspects of its socioeconomic structure. The contexts I present here are the background against which the themes of the chapters that follows are interpreted or assigned meaning.

Botnia and the Uruguay’s Neo-Liberal Politics

The Finnish pulp mill Botnia S.A. is a subsidiary of the Finnish corporation Metsä-Botnia. The building of the mill on the banks of the Río Uruguay started in 2005 and the production of bleached eucalyptus pulp in 2007. The investment in the project was about 1.2 billion U.S dollars and Botnia argued that the mill would directly employ 300 and indirectly 8,000 people. The pulp mill operates in a free trade zone, which implies that the company is exempt from all national taxes already in existence or to be implemented for the next 30 years. The goods, services, merchandises and raw materials, of any given origin, introduced or withdrawn from the free zones will be exempt from all taxes or fees. It is estimated that Botnia’s annual exportations will be around 400 to 500 million U.S. dollars (Alvarado 2007).

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Öy Metsa-Botnia Ab is Europe’s second largest pulp producer, owning four pulp mills in Finland, one in Uruguay, and a sawmill in Russia. In addition to the pulp mill in Uruguay, Botnia is the owner of the forestry company Forestal Oriental, and is the major owner of the private port Ontur at Nueva Palmira, Uruguay. The pulp produced by the mill in Uruguay is processed in Germany and China. The sales offices are located in France and Germany.

The construction of Botnia was the result of a long process that started in Uruguay twenty years ago. In 1987 the Uruguayan government passed the law Nº 15.939 that opened for monoculture tree plantations with exonerations, flexible credits, and direct subsidies from the state. The 1990s saw an increase in the forestation of eucalyptus and pine trees in large areas of the country. For the next twelve years the State would give foreign companies good tax benefits and would take the responsibility of constructing roads and railway lines for the log transportation. By 2000, the Uruguayan government had put more than 400 million U.S. dollars into the plantation industry, as direct subsides, tax breaks, cheap loans and investment in infrastructure (Lang 2008:67).

In recent years the forestry sector in Uruguay has managed to attract the interest of other multinational firms that also planned pulp mill mega-projects: Weyerhaeuser (USA) has established 100,000 hectares of tree plantations. Portucel (Portugal) has announced intentions of a pulp mill project. Companies from Canada and Japan are also considering pulp projects in the country.
The Discourse about Progress

The Botnia pulp mill in Uruguay promises to have a significant, positive impact on the economy of Uruguay. It is expected to generate revenues equivalent to 2 percent of the country’s GDP (based on 2005 figures) and more than 8 percent of the country’s export annually for an estimated 30 years of full production. The employment impacts will also be significant. The project is expected to create 2,500 jobs, of which 300 in the mill and 2,200 in related forestry and local transport (International Financial Corporation in Böhm and Bei 2008:347).

Financial, government and corporate actors state that the forestry and pulp industry are promising industries for development opportunities for the Southern region of Latin America (Carrere and Lohmann 1996). Thus, the expansion of the forestry and pulp industry in Uruguay as in Brazil, Chile and Argentina has been accompanied by a “hegemonic development discourse” produced through marketing practices which legitimate the highly controversial spreading of these industries (Böhm and Brei 2008:341).

The Uruguayan sociologist François Graña (2007) argues that since the Uruguayan government passed the Forestry Law in 1987, the development of the pulp industry was articulated by the financial, political and corporate actors within an “ideology of progress” creating hope for a better future. During the process of the installation of Botnia, these actors remarked on the modernisation of Uruguay with the new technology offered by Botnia. Graña says that the Finnish project has been promoted in the country as the “big tow”, El Gran Remolcador, of a series of transformations (Graña 2007: 98). The study of the socioeconomic impacts (NON 2004) carried out by the company itself, stresses that:

“the mill will contribute to attract more foreign investment, consolidating Uruguay as a key actor in the forestry industrial sector in the macro-region” (NON 2004: 6),

and

“the establishment of the pulp mill will change considerably the structure of the regional economy” (NON 2004:9).

According to Graña (2007), the assumptions behind the ideology of progress are: i) the process of industrialisation of the “developed” countries creates a model for the
“underdeveloped” countries to follow; ii) the application of advance technology is a bearer of progress in itself and is therefore useful in “underdeveloped” or “developed” economies with equal probability of success; iii) the undesirable effects of pollution, overexploitation of scarce resources and imbalance of ecosystems associated with industrialisation constitute a minor problem in relation to the benefits from the economic growth; iv) these collateral effects of development can always be mitigated or neutralised through the constant advance of science (Graña 2007:96).

However, there is a discrepancy between the discourse about these industries and what actually happens in the local community. The forestry and pulp industry in Uruguay is tied to a dynamic of ever-increasing scale, concentration and capital intensiveness; the economic cost of these industries is greater than the benefits for the host communities (Lang 2007). The labour force required by the pulp mill is low in relation to the size of the local population and in comparison to the size of the investment. The pulp mill appears not to have a considerable impact on the living standards of the population of this socioeconomically deprived area nor on the economy at the national level, since Botnia operates in a free trade zone. Nevertheless, the marketing of these industries is promoted heavily, influencing “the region’s public opinion in support of the hegemonic development discourses linking it to images of economic and social progress” (Böhn and Bei 2008:358). The council of a county in Uruguay exclaimed in the inauguration of one of Botnia’s associated companies: “It is progress and development walking hand in hand”. Botnia’s Managing Director, in Uruguay Ronald Beare, remarks that:

Botnia's way of doing business is typical of Finnish business: it is straightforward, open and transparent. When we look at the developments in Finland, we see that the forestry industry, when it is directed responsibly, is a driving force for developing the entire economy. Finland has about twenty pulp mills, and yet the country is among the world's

leaders in environmental statistics. This means that by both utilising new techniques and monitoring the state of the environment we can have sustainable development.\(^6\)

However, the forestry and pulp industry in Finland is very different from the one in Uruguay. Thus, to use Finland as an example to say something about the situation of Uruguay is to provide a misrepresentation of the situation. What it is at stake with regard to the pulp industry is the social and geopolitical structures within which the industrial trees are planted and processed, not the industries in themselves. The large-scale industrial plantations and the pulp industries have different effects on the different social and natural environments to which they are introduced. The economists Marcus Jantti and Juhana Vartiainen (2009) argue that the success behind Finland’s economic growth by rapid industrialisation is the result of an economic policy strategy achieved through heavy governmental intervention and private incentives, where the income policies and welfare reforms were important in sustaining the necessary political compromise for the country’s development. In Uruguay the economic enclave model, with a strict separation between state agents and private agents, so central to neo-liberal economics, has led to a very different experience than that in the Nordic country. In Finland it is the State that regulates the private investment and their enterprises, not vice versa. In Uruguay the State has become weakened by neo-liberalism. As I wrote in the introduction by quoting Hage (2003) it is not new that governments give primacy to the interest of capitalist investment but in the past a strong nation-state secured the compatibility between interest of investors and the construction of a viable society.

Another example that illustrates the conceptions behind the “ideology of progress” in relation to Botnia and Uruguay is the statement given by the Finnish Ministry of Trade and Industry:

> Due to its large size, Botnia S.A.’s pulp mill project has various implications for the local community. The project complies with stringent international criteria set for environmental impact assessment and makes use, for example, of the best possible

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technology available. With only minor detrimental effects on society, the project will provide substantial economic benefits [Paermaa 2006].

Here development is measured by the size of the investment and of the mill—the largest in the world at more than 1000 tons of production per year—and the technology applied by the mill. This statement considers the improvement of living conditions of the host country’s population as a side effect of the development of the industry sector. However, the technological innovation in itself does not reduce poverty.

The pulp mill Botnia is the major investment in the country’s history, 1.2 billion U.S. dollars. Nevertheless, the economic situation of Fray Bentos has remained almost unchanged for most of its population after the construction period was over. According to the report Estudio de Impacto Socio-económico del Proyecto de Celulosa Botnia commissioned by Botnia, the company’s investment increased Uruguay’s internal growth product GIP by 1.6 % and the labour market rate by 0.6 % (NON 2004:16). However, as the mill operates in a free trade zone the final balance is a minor profit for the country. The increase of the growth national product and the growth internal product is not necessarily equal to improvement in living standards and the subsequent reduction of poverty rates. The benefits from this industry are distributed unevenly among the population, leading to the concentration of wealth to reduced groups and the increasing of the social inequality level.

The International Conflict

The installation of the Finnish pulp mill led to massive protests in Argentina that resulted in a conflict with Uruguay and the subsequent long-term blockade of the international bridge General San Martín. The conflict has several dimensions: political, environmental, historical and social. There are diverse groups involved such as the local population on both sides of the river Uruguay, the pulp companies, the local and national governments in Argentina and Uruguay, the media, regional governments, environmental groups and international institutions, including the

World Bank and the Argentinean Centre for Human Rights and Environment (CEDHA). The International Court of Justice held public hearings concerning the conflict from September 14 until October 2, 2009. In the course of 2010 The Hague will give its final verdict.

The conflict between Argentina and Uruguay started in 2003 and was originally not only caused by the Botnia project but also by a Spanish company (ENCE). ENCE had a plan to build a pulp mill on the River Uruguay in another free trade zone, also near Fray Bentos. On September 2006, ENCE confirmed the cancellation of the project after only a small portion of earthwork had been started. The reasons for ENCE’s withdrawal have been very unclear. Some say that the management claimed that the infrastructure in Fray Bentos was not sufficient; others affirm that it was due to Argentina’s pressure in the conflict. The Spanish mill subsequently decided to relocate in Colonia, Uruguay, but in June 2009 the Swedish and Finnish Stora Enso and the Chilean Arauco bought the project. The mill project is still under development.

In 2003 a small local environmental group in Fray Bentos, Movimiento por la Vida, trabajo y un Desarrollo Sustentable (MOVITDES) started their protest against the installation of the Spanish pulp mill ENCE in Fray Bentos. That year, the company had received permission to build the pulp mill. The permission was obtained from Uruguay’s environmental ministry (DINAMA) after several evaluations of environmental impact. However, MOTVIDES did not find much support in Fray Bentos for their cause. As I was told, they then decided to warn the Argentinean community on the other side of the river. The people of Gualeguaychú rapidly engaged in the foundation of “La Asamblea ambientalista” to protest against the installation of ENCE, and eventually of Botnia as well. On April 30, 2005 about 40,000 Argentineans, along with environmental groups from both countries, demonstrated for the first time on the bridge General San Martín; which crosses the border between the two countries. On December 20, 2005 a World Bank study concluded that the factory would not have a negative impact on the environment or tourism in either country.

In March 2006, Argentina’s government sued Uruguay at The Hague, accusing Uruguay of violating the 1975 Uruguay River Treaty between the two countries. The
treaty established that either of the two countries must inform the other about any
development that might have an impact on the river before the project starts. This, the
government of Uruguay had failed to do, thus the members of “La asamblea
ambientalista” decided to permanently block this international bridge. This was done
to pressure the Uruguayan government to close down the mill, claiming that it will
gravely pollute the environment. The bridge has been blocked since November 2006
through to the present day. Not only the San Martín Bridge has been blocked but also
two other bridges across the Rio Uruguay sporadically became blocked too.

Protest against Botnia in April 2008. Around 80,000 people took part of in the protest according
to different newspapers.\(^8\)

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February 2010.
The block of the international bridge has seriously affected the historical friendship between the two communities on both sides of the river and their tourist activity. At least 150 fraybentino families were directly affected through job loss at the toll, at the free-shop, the restaurant and other services on the international bridge (Alvarado 2007). The director of the tourist office told me that the tourists were primarily Argentineans and therefore the industry was affected by a 70% decrease. Other people who depend on the trade-trip to the Argentinean’s city Gualeguaychú were hard affected too. Many people buy food on the Argentinean side because of the cheaper prices. The food price in Fray Bentos is high in relation to the salaries, a much debated topic among people. The shopping tour of fraybentinos was also a major source of income for many Argentineans shops. Several shops went bankrupt after the bridge was blocked. The blocking of the bridge had cost the Uruguayan state at least 115,000 dollars to indemnify those workers that were affected.

Remarkably, the pulp mill is addressed in the conflict as a paper mill (Photo by author)

In addition, the conflict between the two countries strained the social cohesion in Fray Bentos due to the varying standpoints some groups have regarding the situation.
Several informants have given me detailed accounts of confrontations they had had with other local people. Even more, those who had actively protested against Botnia have been badly criticised in the local media.

**The National Political Context**

It is important to note that the installation of Botnia in 2005 was accompanied by the appointment of the first left wing government in Uruguay’s history, after 174 years of government by the conservative and “capitalist” parties of *Blancos* and *Colorados*. The new president Tabaré Vázquez came to power representing the political party *Frente Amplio*. *Frente Amplio* was consolidated two years before the coup d’état in 1973 that imposed a military regime until 1984. During and after the dictatorship adjustment policies were implemented and oriented toward exportation and liberation of the market. The victory of *Frente Amplio* represented a repudiation of the free-market policies of the former governments. It promised a socioeconomic change based on anti-neo-liberal reforms, going back to state-led production. This was clearly stated by Tabaré Vázquez in his political speech at Minas de Corrales 2004 during his political campaign. His slogan was “a productive country”. However, after decades of adamantly refusing an economic neo-liberal model, Vázquez and subsequently *Frente Amplio*, reversed its stand and welcomed Botnia in 2005. Thus, the fact that *Frente Amplio* supported Botnia is an indication of the same political direction that both *Blancos* and *Colorados* had started several decades ago. *Frente Amplio* had a broad popular support for their promise of economic changes. The party committed itself to rectify the serious socioeconomic situation resulting from the deep recession between 2001 and 2004 and from many decades of neo-liberal restructuring. The latter had seriously weakened the welfare state that Uruguay once had and that gave Uruguay the status as the “Switzerland of South America”.

During the 1990s the Uruguayan political elite decided to promote the tourism sector to attract foreign currency. They launched a marketing campaign under the name of “Uruguay Natural”, where ecology and sustainable development gained central importance. Nevertheless, as the environmental groups have pointed out, the “Uruguay Natural” and other ideas of sustainable development co-exist with environmental problems as the progressive loss of wetlands, degradation of the soil,
fragmentation of ecosystems and potentially polluting of multinational industries. Several experts and activists have highlighted that the Uruguayan State has a legal framework for environmental regulation; however, it does not have the apparatus to exercise the control (Merlinsky 2007) and lacks the resources to manage environmental emergencies in spite of the fact of what the official institutions promote. The leaflet below was commissioned by different ministries. It answers questions, among others, about the installation of pulp mills, environmental regulations and control entities.

A final remarkable thing about Uruguay and the case of Botnia is that the Uruguayan and the Finnish State signed a bilateral investment pact in May 2003 (Law N° 17.759). Hence, Botnia counts on the support of the two states. Among other measures of the agreement, it protects Botnia against domestic political disturbances and gives advantages, such as guarantees for this industry’s operations including compensation for loss or injury to the state of Uruguay.
Fray Bentos

Fray Bentos is located on the bank of the Uruguay River, on the western coast of the country. It is a worker town in a rural area: quiet, peaceful and friendly. It has given rise to several national and international artists and has been the main location of the development of Uruguay’s most important industry in the past, the meat industry. For more than a century, a foreign factory processed meat products for worldwide export. The meat plant was originally German but was taken over by a British company in the 1920s.

From (Casabó and Rafaniello 2006)

The beauty of the town comes from its surroundings; its lush nature, with the pampas on one side and an extraordinary wide and silver tinged river on the other. I liked to bike along the river and see the sweeping willows, the espinillos, the ceibos (whose flower is the country’s national flower) and cypresses along its bank, listening to the singing of many different birds and the strident drone of the cicadas during the warm sunsets.
With the exception of a few important sophisticated architectural buildings, the town is characterised by austerity and simplicity. It consists of many suburbs or barrios: among others Las Canteras, Barrio Jardín, Barrio Unión, J3 and Barrio Anglo, where a group of over a hundred houses from the late XIX century with English and German reminiscences surround the former Anglo meat plant. Some other interesting features are Las Cañas beach, a wealthy barrio and camping ground, and the agriculture area Colonia Tomas Berreta, all located 8 kilometres from the town centre. Agriculture and livestock have played an important role in the socioeconomic development of the area, as well as in the whole country, creating a strong local identity closely linked to the meat industry. People are proud of their meat industry and even today relate to those years in an almost romantic manner. This prosperous golden era came to end when the world market prices for the country’s main export commodity, namely beef, fell drastically in the 1950’s and with the subsequent closing down of the meat processing plant in 1979.

The infrastructure in the town is good. Most of the houses have running water and electricity. The standard of living has been rather even, but there is an increasing uneven distribution of income and wealth. The centre of the town is small and with most of its shops located along the main street, 18 de Julio. The wide streets and low buildings give a sense of space and, except for the occasional public event, the town is never crowded, and its one-way streets result in quiet and well-organized traffic. A striking feature that fascinated me was to experience such anachronisms as seeing Second World War motorcycles or cars that went back to the 30’s, 40’s or 50’s parked next to flashy brand new ones while wagons were being pulled on the road by either people or horses.

Fray Bentos is the capital of the department of Rio Negro. The town has a population of 23,122 while the whole department has a population of 55,387 (Lanza, Rodríguez, and Bonino 2007). Today most of the people are urban, 87 % that is 48,487. The main sources of income are the building sector, services, agriculture and livestock, manufacturing, electricity, public administration, retail and hotels, transportation and tourism. Agriculture is still the basis of the production structure of the department and is the major source of public income. The monoculture of soy and eucalyptus, particularly the last, has become the main production activity. Río Negro is the fourth
department which has the most forested areas in relation to the rest of the country (IMRN 2003).

Fray Bentos is a socioeconomically deprived area. There are several social problems: high school desertion, unemployment, juvenile pregnancy and drugs. In 2008 the unemployment rate was 13.2 %, almost the same as in 2007 and 2006, being the highest in the country (INE 2009). In relation to education only 9.7 % have completed secondary school and 56 % have completed the primary school (IMRN 2003). Despite the fact that the statistics point only to 2.8 % illiteracy, the population is characterised by low education. According to the National Statistic Institute (INE) the average monthly income in the department is inferior to the national average: Uruguayan $15,060 (US$ 646), and Uruguayan $17,444 (US$ 748) respectively (INE 2009). However, I was unable to find out in which kind of survey this statistic is based. Not one of my young informants earned $ 15,000. Among my elderly informants only a few had such an income. The income of my informants with formal jobs varied between $4,500 and $10000, for those with informal jobs the income could be lower than $4,500. Thus, these numbers in the statistics were probably generated during the construction period, at that time people who worked 12 hours everyday could earn between $20,000-30,000. It should also be kept in mind that that the food expenses and the price for renting a house or apartment are high. For example I paid $5000 (US$ 255) per month, for my small condominium, a price that equalled what the fraybentinos paid for similar housing.

Río Negro is demographically one of the youngest departments of the country, 28% of the population is younger than 14 years. Nevertheless, as the rest of the country, it is experiencing an ageing of its population, 11.1% of the population is 65 years or more (Lanza, Rodríguez, and Bonino 2007). According to the report Realizing Rights Through Social Guarantees: An Analysis of New Approaches to Social Policy in Latin America and South Africa (WorldBank 2007) 39.9 % of Uruguay’s population is vulnerable. The report points out that there are few two-parent families, and that they are many minors at one household and few opportunities for formal employment for adults. It is also remarked that there is a generational discrepancy in poverty (WorldBank 2007:43). This is important to keep in mind in relation to the socioeconomic situation of Fray Bentos.
Unemployment is a structural problem at the local and national level, but this situation has seriously affected Río Negro (Lanza, Rodríguez and Bonino 2007:22). Permanents jobs are scarce and the main source of labour is the *changa*. Chronic unemployment is one of the main causes of poverty and this situation is not particular of this place but the common tendency throughout the last decades in many places in Latin America (Bialakowsly, Lopez and Patrouilleau 2008: 156). Even those holding a permanent job, do not manage to cover the food expenses; many might have at least two jobs to cover the basic needs of a family. This is the case of Alejandro, father of two children, and civil servant who works from 8 am to 3 pm at a public office and drives a taxi in the evenings. Moreover, this year he had a two weeks *changa* during his holidays at a tourist resort. Several informants describe such a situation.

Regarding religion, Fray Bentos has a great diversity of religious expression. The installation of Botnia was accompanied by what several informants depicted as a “religious boom”, a phenomenon I have not been able to grasp properly. As far I was able to ascertain there are more than twenty churches and temples spread throughout the different suburbs of the town. In addition to the most traditional Catholic and Protestants churches, others religious groups have appeared in Fray Bentos in the last years. Many of these religious expressions are of a protestant character. There is also a presence of afro-Brazilian religion, whose major public expression is in February during the celebration of Lemanjá. There are also Buddhists and Bahá’í Faith’s followers. Others practice a more untraditional form of religiosity and spirituality in the form of *reiki*. People have faith in forecasts and prophecies too.

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9 Reiki is an ancient laying-on of hands healing technique. In many places in Latin America it mixes with Catholic elements.
The celebration of Lemanjá with Botnia in the background

(Photo by author)

The Past in Fray Bentos

The local history of Fray Bentos is extremely important in understanding how Botnia inserts itself into the community, both conceptually and materially. The current socioeconomic situation of the community is closely linked to the past, particularly to the meat industry. The meat industry had a great influence on the socioeconomic structure of this area and the way it is remembered permeates all aspects of the community.

In 1866 the German-British Liebig Extract of Meat Company (Lemco) opened its main factory in Villa Independencia, later renamed Fray Bentos. Lemco was founded in 1865 in London by Liebig, a German organic chemist. Liebig developed a concentrated beef extract to provide a cheap and nutritious meat substitute. The European meat was too expensive to be used for this purpose thus the extract was manufactured in Uruguay reducing the cost of meat to one third of the European cost (Graham-Yoll 1981). In 1873, Liebig's began producing tinned corned beef, sold under the label Fray Bentos. The product enjoyed an immense rise in popularity. By
1875, 500 tons of the extract, were being produced at this plant each year. It became a staple in middle-class European households as well as for soldiers during the World War I and II (Ovalle 2000, Pintos 2005).

Fray Bentos’s meat industry ranked among the largest of industrial complexes in South America and was of such great importance that the town was once called "The Kitchen of the World" (Haber 2003). The plant played a major role in the development of Uruguay's cattle sector and the increasing industry attracted many European immigrants. Workers came from almost 60 countries. Many people in Fray Bentos have grandparents who came from Europe to work at the plant, and worked there until it closed.

In 1921 the factory was bought by the British and renamed as Frigorífico Anglo Del Uruguay S.A, nicknamed El Anglo. Anglo led to the economic boom of the city. In its heyday in the 1940s, Anglo employed around 4,000 workers in a town of about 14,000 to 15,000 people (Haber 2003). During the course of a working day 1,600 bovines, 6,000 lambs, and hundreds of pigs and turkeys were slaughtered and used for the more than 200 specialities of canned food. Until 1942 the labour conditions were poor. There were neither regulations nor labour laws and contracts; workers were employed and dismissed every day. There were different kinds of contracts and
different wage levels. This resulted in the demands of the unions for better working conditions.

I cannot give a chronological account of this process during the many decades the meat industry operated, but what people remember as the common feature of the last decade before the Anglo closed down, is that the salary was paid every fortnight and the workers received 2 kilos of meet every day. It was not uncommon that two or three family members worked at the factory at the same time, which led to several generations of fraybentinos working side by side. The population of Fray Bentos at that time was wealthy. The town experienced a renaissance but as several informants told me, this had a flip side: there was “a bar on every corner”, that is much alcoholism. The carnival at that time is remembered as the best. People used to say that something peculiar happened in Fray Bentos, “it was not that a factory was born in a community, but a community was born with a factory”. Even though the plant closed in 1979, the prosperity of that time has reached down to the present. “We still are living from the chimney’s smoke”, Reinaldo told me. Those who worked at the meat plant have good pensions. After the factory was closed down the area went into an economic depression. Nostalgia for the golden age enveloped the community.

**Generational Discrepancies**

Almost thirty years later the Botnia project appeared creating expectations among the population. During the two-year construction period many people got jobs but when the construction period was over, the majority of the workers remained unemployed. An elderly teacher observed:

> Botnia did not benefit the young people; it had no impact on them. Here won those who always win. I call them corchos “corks”; there are always

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10 Many workers remained in an uncertain economic situation in respect to Anglo’s closing down. In 1987 a Uruguayan senator Paz Aguirre promoted a law known as “Ley Paz Aguirre” which secured the compensation of the ex-workers of Anglo with high pensions. I was told that due to bureaucratic disorders many people who had worked only a few weeks or months also received benefits. Furthermore, many of those who did not have a right to pensions received a higher pension than those who worked much longer.
the same people who stay afloat [to get back on one's feet], those who supported and won with the dictatorship...those who won when the whole community was swindled by doubtful enterprises. They won with Botnia too.

As the teacher commented, in Fray Bentos there are many vulnerable groups, especially among the young generations who did not benefit significantly from the Botnia project. I suggest that this situation has to be seen in relation to the neo-liberal transformations of Uruguay during the last decades.

The living conditions of much of the younger generations in Fray Bentos, as in the rest of the country, are serious. They do not have socioeconomic choices and their aspirations are increasingly difficult to be fulfilled. They encounter daily the difficulties that arise from the small incomes of their families and their own situation as unemployed, underemployed or working in informal jobs. According to the report *Observatorio de los derechos de la infancia y la adolescencia en Uruguay 2005* published by UNICEF, the children and youth poverty constitute one of the main social problems in Uruguay. The report points to the dramatic rise of poverty among children in the country the last decade. One out of every 10 children between 0 and 5 years lives under extreme poverty line. Paradoxically, the increase in poverty among children and youth came about even though there was a considerable economic growth during 2003 and 2004. Among my informants, the general characteristic is high school desertion—according to statistics only 10 % complete secondary school—unemployment, juvenile pregnancy and lack a long-term security. A civil servant explains the youth’s precarious living condition as such: “We don’t know what to do with the youth. We don’t know if we ought suppress or educate them! Finally we don’t make any decision and we do nothing”.

What is important to remark upon is that the youth’s condition of life in Fray Bentos is quite different from those of their parents. Most of them are the first generation born after the closing down of Anglo. They also are the first to grow up in a country shaped by a long period of dictatorship and of the neo-liberal policies. The elderly generation in Fray Bentos is less vulnerable than the young generations due to one important factor: they received the possibilities of upward social mobility that their children lack. The majority of the elderly generations had a good living standard
during the time of Anglo. Many of them worked at Anglo and experienced economic mobility that allowed them to raise a family and now many have good pensions that help their families to survive. Thus, many of the parents of my young informants, in contrast to their children, succeeded in their dreams of having a house, a job and the opportunity to raise a family independently of their parents. Teresa Caldeiro (2006) in her case from Brazil attributed the socioeconomic gap between the elderly and the young generation in slums of Brazil to neo-liberalisation. She observed that the neo-liberalisation transformed the institutions of the state and reshaped the economic and social life of the young generations:

They grew up in a moment in which possibilities of incorporation were matched by their immediate undermining, when the expansion of consumption came with unemployment […] and formal education with its disqualification in the job market (Caldeira 2006: 116).

The elderly generation in Fray Bentos experienced a society, which offered them alternatives when they entered adulthood. A larger segment of the population had access to stable jobs and the certainty that with an education they could reach even further. A higher education was a guarantee of a secure job and good income. Today my young informants are confronted with another reality. Dreams about stable and better-paid jobs for both unskilled and skilled workers are harder to be fulfilled. Higher education does not secure a job. The few who obtain a postsecondary degree strive to find long-term employment. Claudia, the daughter of a friend is a 28 years social worker. During my fieldwork she became unemployed. This situation has lasted for eight months and she, her boyfriend and their little daughter depend on the financial support of her parents for survival. Not to mentioned the fact that Claudia still needed the financial support from her parents when she was employed due to the low salaries. As the stories I present here show, several of my informants lack permanent jobs and further education. However, many still manage to make end meet because they have parents with an economic situation that allowed them to help their children.

The difficult socioeconomic situation of Fray Bentos is the result of complex processes, which are interconnected. Several reports carried out by the Local Development Program CLAEH, by the district council of Río Negro and by a private
consulting firm commissioned by Botnia, remark “the way of being of the fraybentinos” is one factor that hinders the local development. The reports state that the community is affected by lack of initiative, passivity, resignation, nostalgic spirit, lack of continuity in local projects, low cooperation between the organisations, lack of a spirit of entrepreneurship and dependence on political patronage (Arocena et al. 1994, Casabó and Rafaniello 2006, IMRN 2003, Lanza, Rodríguez, and Bonino 2007). The reports point out that people’ lives are characterised by short-sightedness and immediateness, cortoplacismo e inmediatez which lead them to not find long-term solutions to their problems. In addition, some of the reports remark that the lack of sense of community belonging is counterproductive (IMRN 2003:18).

In my mind it is highly problematic the way these reports essentialise a group’s identity. However, the reports highlight an important aspect of the community in need of consideration: why is the sustainable development Botnia is attributed to bring unsuccessful? People also point to those negative aspects of the community remarked upon by the reports when they explained to me the lack of development in the community. When I asked those young people who did not complete secondary school why they quit, most of those in their mid-twenties always took personal responsibility for what they saw as their failure. Several told me that they were not motivated, most of the young people felt that whatever they did, completing secondary school or not, does not make any difference; they would still feel that they did not have a future. Their lack of motivation created an obstacle to their attempts to find a way to change their situation, leading many to resign. This attitude is negatively interpreted by people who said: “the fraybentinos wait for the solutions to come from somewhere else”. The manager of a small business, who is from Montevideo and works in Fray Bentos, told me:

This is a town that has got used to being swindled. People are not ambitious, they lack the initiative to start projects here, so not much happens, and then they blame Botnia for their ills. When I started working here as a manager, I was forced to change the staff. We got lots of CV’s so I called them and scheduled interviews with the young applicants. You won’t become a millionaire with the salary we pay, but you can manage to support a family of three, though not one of five. Well, when the
applicants said that they did not want the job because the salary was bad I said: “but from doing nothing to doing something do you prefer nothing? You don’t have a job at all! Then they would answer: I do nothing I get nothing, but if I have to work for nothing I prefer not to work!”—This logic is impossible to understand. What happens in Fray Bentos is unbelievable!

The assertion that fraybentinos are lazy, that they are used to receiving without working, and that they do not improve their life conditions because they just do not want to work is widespread in the community. An elderly pastor expressed:

The fraybentino is a tame people and have low aspirations. They do not think that poverty is lack of access to education. Poverty for people means only not to suffer from hunger or cold. These are people that are used to face hardship; they content themselves with little. And this is profitable for the current governments. So people don’t make trouble, don’t criticise, but of course in the long run they represent stagnation, this is a vicious circle.

Borrowing the pastor words, people might be caught in a vicious circle but to help them to break it, it is necessary to understand the relationship between the individuals and the socioeconomic conditions of the society they are a part of. Blaming people for their ills leads the attention away from the socioeconomic structure, which shapes their lives.

**Conclusion**

The central point of this chapter has been to argue that the current socioeconomic situation of Fray Bentos has to be analysed in a broader perspective. To understand the effects of Botnia for the community it is necessary first to understand how the Botnia project came into being. Thus, I have attempted to indicate that the neo-liberal inspired transformation of Uruguay’s productive model in the course of the last 30 years has lead to significant changes in the socioeconomics of the country. I have focused especially on the role the discourse about progress—by national and
international institutions and actors—has had in the spreading of the forestry and pulp industry. The analysis of this discourse is fundamental to understand the interconnection between the global and the local. The transformation of the Uruguayan agriculture cannot be studied in isolation from a global political economic perspective. It is important to keep in mind that the ever-increasing global demand for pulp leads these global industries to a constant search for new places that can give them access to large and cheap supplies of timberland. Secondly, I have suggested that the assessment of the effects of Botnia in Fray Bentos has to take into consideration the socioeconomic development of the area in a historical perspective. As I mentioned before the effects—positive and negative—of the spread of global capitalist enterprises vary in relation to the particularities of the communities into which they insert themselves.

This is the background of the chapters that follow. In the next chapter, I focus on a group of young people and the carnival. In doing so, I attempt to illustrate the interconnectedness of socioeconomic processes.
Chapter III: Carnival, Neo-liberalism and the Youth

“It is impossible to have a funeral without sadness or a Carnival without joy” (DaMatta 1983:163)

As I suggest in the previous chapter the hopeful discourses of progress that accompanied Botnia contrasts starkly with the reality of many people in Fray Bentos. Several of my informants expressed frustration about what they experience as a gap between their economic realities and their aspirations. Aspirations such as to be able to get independent from their parents, a stable job, access to material goods and even to have the possibility of higher education. Progress in the neo-liberal era is a promise of socioeconomic changes on the basis of individual’s free choices, more capital accumulation, and increased consumerism. However, short-term profitability, corporations’ pressure of effectiveness and rapid shifts because the exigencies of an ever-changing market, has led to what Bourdieu (1998) calls the emergence of a Darwinian world—the survival of the fittest—and of new forms of inequality and segregation. Or at least, I would add, their consolidation. My informants grew up in a time when there was a reduction in employment opportunities—traditional full-time jobs with stable contracts are increasingly rare—a decrease in value of education and a major demand on the competitive work force. Nevertheless, despite of strained socioeconomic conditions, my informants still manoeuvre themselves to make ends meet and try to find something meaningful to do from the possibilities that political and social institutions offer them.

In the search for a suitable empirical framework to address the socioeconomic effects of the installation of Botnia in Fray Bentos, I found the carnival useful for analysing the present socioeconomic situation of the community. The carnival in Fray Bentos has been an important traditional celebration. When I came to Fray Bentos for the first time people spoke very vividly about the carnival creating expectations in me about this celebration. During the last days of December 2008, clear signs that the carnival period was approaching started to appear. Several times a week, on the warm evenings, I heard the sound of the drums coming out of the dark and in the local
newspapers was announced the date of the selection of the Queen of the carnival. My young informants were busy in the organisation of the group Shangó. One year had passed since the building of Botnia was over and several of the participants of Shangó were unemployed and spent their time in preparing themselves for the carnival season.

In this chapter I will focus on a group of young people and on the carnival. I offer some stories that show that the young people’s living conditions are strained. By illustrating this, I attempt to highlight that Botnia do not contribute significantly to the material conditions of the production of life in Fray Bentos. I attribute the young people’s difficult socioeconomic situation not to Botnia but to the neo-liberal inspired transformation in Uruguay that occurred during the last decades. As I suggested in the previous chapter, these transformations have negatively influenced the community. I suggest that these changes can best be apprehended in the local carnival. Carnival, as other community celebrations and rituals, provides a site for social interaction and community participation. It is understood as a cultural manifestation that contributes to a community’s cohesion, connecting individuals with their community. It serves as a channel to express, contest or adjust social and cultural representations. Carnivals are intimately connected to politics and economy, which makes it an economic and historical production (Bakhtin 1984, Bell 1997, DaMatta 1991, Turner 1974). Therefore, changes in the carnival, actually reflects changes in the community at large.

I suggest that there is a close relation between neo-liberalism and the lack of social cohesion in Fray Bentos that is expressed through carnival. I try to expand on the insights of the reports presented in chapter II about the socioeconomics of Fray Bentos and their explanations about why long-term projects for local development are difficult to achieve. This is also relevant in relation to the social projects that Botnia promotes through its social corporate responsibility discussed in chapter V.

“Las Tres Versiones” by Ricardo Ríos Cichero, a contemporary artist from Fray Bentos.  

“La murguita” by Mario Gonzalez Sos a, a contemporary artist from Fray Bentos.

11 From www.mnav.gub.uy/solari.htm accessed 25th March 2010. Luis Alberto Solari is a notable Uruguayan painter born in Fray Bentos. Such is the importance of carnival in Fray Bentos that several well-know local artists have carnival as their main iconography.

Throughout this chapter I look at the carnival as a process and as an event. I link the current unemployment and juvenilisation of poverty to local expressions of agency. In the first part of the chapter I focus on the carnival as a process. I describe how the participants of Shangó prepare for the carnival, I present some of its participants and I examine the social function of the carnival for them. In this context, hope and disillusionment become important. In the second part of the chapter, I examine a specific event of the carnival season, the Carnival’s burial entierro de carnival. I suggest that this event offers an image that makes visible the “disintegration” of the sense of community I see in Fray Bentos.

**Looking Forward to the Carnival Season**

The group Shangó became formally constituted in December 2008, but many of its members had played together once a week long before that time. They play *candombe*, which is a drum-based music style from Uruguay and has its origin among the African population in Montevideo. In January Shangó stepped up their practice to twice a week. During my fieldwork Shangó had about 35 drummers and 40 dancers. There was a great flux in the group so the number of members was uncertain and oscillated often between 50 and 80. People joined and left the group all the time during the preparation of carnival and during the carnival itself. The drummers were the most stable and consolidated group in the *comparsa*¹⁴, as well as those with whom I met and talked with at the cyber shop. The age of the members of the *comparsa* ranged between 3 and 50, but most of them were between the ages of 14 and 30.

In January, they also started with formal meetings to organise the collection of money. The funds were needed to make costumes and also for the rent of a bus that could take them to the city of Salto to participate in a *candombe* competition. The costume materials had been purchased at great sacrifice. Money was raised by playing at private events *toques*, through lotteries, the sale of stickers, and sale of the roasted chickens and also through contributions by local sponsors. The involvement in the

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¹⁴ *Comparsa* is a larger organised artistic group in the carnival.
group’s organisation varied among the members. The foundational group of Shangó consisted of about ten drummers. Although there was disagreement about how they wanted to organise the group Shangó, they decided not to have a leader or “owner”, which is the most common practice. Commonly a person or a group “own” the carnival group, candombe or murga, and decide who will play, sing or dance.

During three months, namely, January, February and March several of the members of the Shangó met everyday at the cyber shop and talked about the preparations of carnival. I would meet them all day long coming and going, discussing with each other the planning of different details. One was put in charge of purchasing the materials for the costumes, while a boy designed the group’s logo; others were responsible for painting the drums with Shangó’s logo and some made the structures for the banners and other elements of the costumes. Others were in charge of finding private events to play at in order to raise money, commercial sponsors or to go to the intendencia\textsuperscript{15} to ask for economic support or transport. Professional seamstresses sewed part of the group’s costumes; otherwise the members themselves were responsible for making them. Throughout the entire period of carnival the most important concern of the youth was the carnival and its organisation, internal conflicts and disagreement, as well as the disappointment they felt about the poor organization of the event by the intendencia.

**Behind Shangó’s Masks**

The following are some of the many stories that participants of Shangó told me about their lives. Although the stories focus on different issues, all describe the young people’s socioeconomic situation, showing the heterogenic nature of their lives. These young people represent a variety of backgrounds in terms of economic and material conditions. However, nearly all lived with their families and were dependent on them for financial support.

Sebastián is 19 years old, works at a bakery and attends secondary school. He started working at the bakery four years ago:

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\textsuperscript{15} District county
In the beginning I was only an assistant cadete, and now I make the dough. In the summer holidays I work from 7am to 2.30pm and from 4.30pm to 8pm, and during the school period, from 7am to 12pm every day. Fortunately, I have Saturdays free. Before I got $1600 twice a month, but now $7000 a month.\textsuperscript{16} I like to earn money, I do not need to rent a house, but I help at home. I live with my father, my grandmother and two brothers.

Veronica is 21 years old and mother of a three-year-old boy. She lives with her boyfriend and his parents. Her boyfriend is 24 years old, completed secondary school and is currently working. Veronica completed secondary school, works and studies to become a social worker:

I’m not afraid to say that I am poor. Some days I eat but some days we don’t have anything to eat. I live with my parents-in-law. Everybody has to help at home. I work 6 hours, but it is always the same, money for electricity, money for the water, for the credit of the house…always short of money. My boyfriend and I dream of renting a place for the three of us, but we cannot afford to. My parents-in-law need us to survive. My mother-in-love is unemployed and my father-in-law has a low-paid job.\textsuperscript{17}

Jorge is 29 years old. He has two small children. He is a carpenter but he does not currently have much work at his workshop. He told me that the economic situation is so difficult that he has to find other things to do. I once asked him:

What do you dream about? What would you like to do?

To dream is a luxury I can’t afford. The only thing I want is a permanent job to support my family; I am tired of going to bed worrying about the next day, about where I will go in search for a changa to save the day. We live here from hand to mouth. We are used to surviving, not living. The

\textsuperscript{16} 7000 Uruguayan $ is US$ 343 dollar.

\textsuperscript{17} Veronica’s father-in-love earns 6000 Uruguayan $ per month for 8 hours of work everyday.
food prices are either very high or the salaries very low, here you can’t rent a house with a normal salary.

Jorge has not completed secondary school. His girlfriend is at home with their small children. They rent a house and Jorge’s mother helps them with the expenses.

Martín is 24 years old and has a three-year-old son. He has been unemployed for four months. The last job was only a *changa*. I asked him how he managed to make ends meet. Martín gave me a toothless smile and said:

> Well, you survive, you get mad. There is nothing to get these days. Fortunately, during carnival you can think about other things, when I play the drum I enjoy it, but it is very difficult to forget. I am thinking that if I do not get a job soon I will go to Maldonado, to work in the construction sector. In Maldonado there are a lot of tourists and work to get in the summer season. Before I worked at Botnia, I didn’t have any permanent job, I got *changas* there also, but I earned money. For me Botnia worsened the situation. Here we always lived with *changas*, but with Botnia you got money, and this gives a contrast, something to compare. We are used to two months *changas* if we are lucky; Botnia gave us two years *changa*! And now it’s difficult to accept the difficult situation, and what can we do when there are no jobs? People say that we are lazy, but it is not our fault that there are no jobs here. In Fray Bentos the permanent jobs are with the police, the military and at the school. But if you work as a teacher you have to find a *changa* as well because you cannot make ends meet either!

Martín has not completed secondary school and his mother helps him with the household expenses.

Lucas is 16 years old. He has repeated the first year of secondary school three times. He is trying again:

> Now I have decided not to drop the school. I want to become a baker. I’m desperate to get a job. When I get my first salary I will give it to my
mother. I will buy a house for my mother. We are five. I have three small siblings, we don’t have a father and we rent a little house. I repeated the school so many times because I was fool!

Matías is 26 years old. He has been looking for a job for at least three months. I asked him if he found a job:

Not yet. The situation is difficult. I have been at many places\textsuperscript{18}, but nothing happens. I will continue until I get something.

Matías told me that the only jobs available in the area are in the construction sector or in the forestry sector and he heard about vacant jobs through acquaintances. He has not completed secondary school:

I dropped the secondary school long time ago. Now I regret that. When I was 14 years old my parents said to me that I had to help to cover the household expenses. I started to work. I had \textit{changas} at the construction sector just like now. And after a certain period of time I worked more than I studied. Finally I quit school.

Hugo is 26 years old. He dropped secondary school at the age of 15. He has a newborn son with a casual partner, is unemployed and lives with his parents:

I do not have any life plan, \textit{proyección de vida}. We are blamed for the fact that we don’t study, but most of the interesting careers are in Montevideo. I don’t have any possibility of studying there. \textit{Y bueno ta}, in a way I am done. I don’t hope that any big changes will happen in my life but what about our children? I think that there has to be a change for our children.

The point I am trying to raise through these stories is the socioeconomic condition of the lives of my informants, which are representative for the population of Fray Bentos. These stories reveal the discrepancy between discourses of progress and the socioeconomic reality of these young people. The stories presented here are not

\textsuperscript{18} The way to get a job is through your social network; you do not send applications.
particular of the youth in Fray Bentos. The anthropologist Daniel Mains (2007) in his case of urban youth in Ethiopia, points to the negative role of neo-liberalism in the young people’s living conditions as does Teresa Caldeiro in her case from Brazil. However, it is not only in developing countries that neo-liberalism had had negative effects. According to Hirokazu Miyasaki (2008: 3) the sociologist Yamada also highlights the “loss of hope” among Japanese youth as an effect of neo-liberal economic reforms: “the problem Japan faces at this moment is not simply economic but “psychological” (Yamada in Miyazaki 2008:5). In this context I found it interesting to analyse the function of carnival for my young informants, placing special focus on the issue of hope.

In examining the relationship between the youth and the carnival I discovered the multiplicity of meaning of the carnival. Although, for many of my young informants the carnival is a pastime, for others it is something more or at least they have the capacity to express a more elaborated meaning about it. Cimarrón and Oyo are two very reflexive young men. They express their belief in carnival as a means for the young to elaborate another vision of themselves and of the community. According to them, the carnival group can give people a sense of community, something they do not experience in the overall community. Similar to the reports presented in the previous chapter, Cimarrón and Oyo, also stress the lack of a sense of community and belonging as counterproductive for the success of socioeconomic long-term projects.

Several of my young informants expressed that during the carnival season they experience a sense of belonging, togetherness and solidarity. Although it is a transitory state some of the young might hope for something permanent. Cimarrón explicitly told me that his intention of playing during carnival or playing *candombe* in groups was to find an alternative way to create social insight and thus provoke a change in the community. For him carnival was open-ended and could extend into something else. He emphasised often that communitarian projects such as playing in carnival give people another political language and an alternative vision of themselves. He was concerned with the ideas of local development that, according to him, had to be built on a sense of community, which was something he felt Fray Bentos had lost. For Cimarrón, hope lay in the idea of re-envisaging reality:
This society needs profound social transformations, deep structural changes. We cannot continue to buy ‘colourful mirrors’\textsuperscript{19} \textit{espejitos de colores}. We do not have an identity in relation to the tree plantations. We are agricultural people and industrial workers, and with this new model we do not know any more what we are. We have to find a collective identity; we have become too individualistic. The logic here is every man for himself! \textit{sálvese quién pueda}. Therefore, I believe that through playing music in groups we can re-create a sense of community and solidarity.

Oyo told me that he see carnival as a medium to find an alternative way to facilitate social development by learning about community, responsibility, self-management, reflection, social commitment and participation:

This is our way to fight against the establishment, which denies us the possibility to raise us from poverty, which blames us for our misery and gives us prescriptions for success that do not fit with our reality. Everything is faraway here, to get a job is far, an education is far, to have a roof is far. I’m tired of projects that promote development, but that truly lead to our under-development. So for me playing \textit{candombe} can function as a mirror, which reflects an image of ourselves.

I intepret Cimarrón’ and Oyo’s thoughts about community and the playing of \textit{candombe} at carnival as a search for hope. Several scholars (Bakhtin 1984, Connerton 1989: 50, DaMatta 1991:22, Ricouer in Vanhoozer 1990) have pointed out that it is through ritual that a society can have an alternative vision of itself. Through ritual a society can move out of itself and reach an ambiguous and extraordinary realm. Bakhtin (1984) saw popular-festive forms as symbolic anticipative representations. Anticipative, because they are not representations of present categories but of utopia; not what it is normal but that which could be socially possible: “the victory of all the people’s material abundance, freedom, equality and brotherhood” (Bakhtin 1984: 10).

\textsuperscript{19} It is an expression that refers to the colonial time when the conquerors traded pieces of mirrors for gold and other indigenous values with the natives. The expression is synonymous with to be cheated or deluded.
256). Cimarrón and Oyo were not alone in stressing the potential function of carnival for finding an alternative vision of themselves as community; other informants expressed this too. In this contexts it is important to remark that the murga\textsuperscript{20} group Chincheta Mocha chose “hope” as the theme of their repertoire in the carnival of 2009. They encouraged people to hope, not waiting passively or resigned, but to act and have confidence in a hope for change.

“Already nine calendars have stripped the leaves off
the XXI Century bleeds little by little,
and the human beings,
continue to keep on searching for what
they never had or they never lost
inventing their Pandora in every corner […]”

“Don’t renounce your hope, brother
it never abandons you, it never rests […]
Do not live hoping for something to happen
go and look after Eden yourself […]
Evil will not disappear with hope
wishes are not enough
one has to act […]”.

Although I will not analyse the lyric above, I will highlight that Pandora refers to the myth “Pandora’s box”. The myth says that Pandora, the first woman, opened the forbidden box, from which emerges all the spites that might plague mankind—evil, pain, hard labour, pestilence, sorrow and death. However, the myth says that deep

\textsuperscript{20} Murga is composed of a chorus and three percussionists, maximum of 18 members. Traditionally the murga has been integrated by men but more and more they include women too. They sing songs composed by the murga itself that are related to the social and political situation of the country; giving a resume of the important events and news during the last year.
inside the hateful jar a good thing was hidden—Hope. This feeling would sustain humanity in times of sorrow, pain and misery; the hope that things soon will get better and the confidence that keeps human beings going in times of misfortune (Graves 1981, Panofsky 1962). When I asked some of the members of the Chincheta Mocha about the theme of their repertoire they stressed that it was about hope, a search for hope. However, the myth of Pandora is not only about hope but also about life full of ills, and so with little hopeful. This ambivalence is interesting. Ambivalence— not between hope and hopelessness, but between hope and disillusionment—was often implicit in all kind of conversations I had with my informants around the current socioeconomic situation of Fray Bentos. They told me about their difficult economic situation, often concluding: “but hope is the last you loose” (hope dies last).

The hope carnival generates among the young is forward looking but not forward moving. Carnival is not a prescription for the realisation of utopian ideals, but it is a creative response that does not transform actual conditions but can influence the way its participants think about their situations. Several scholars after Bakhtin’s analysis of carnival have pointed out that through awareness and creative use of different forms of language, individuals can make changes in their lives. My young informants are unable to change their socioeconomic situation because it is limited by the socioeconomic possibilities the community where they live offers them, but they can find creative ways to cope with their difficult situation. For some young people the carnival might be a collective utopia in Bakhtinian sense, that allows them to extrapolate creatively from their socioeconomic-historical setting and to visualise alternative ways of seeing the problems of their present, generating hope for themselves. For others it was the participation in the organisation of the carnival group that gave them meaning and hope. The carnival, as an activity more than the event itself, gave the young an objective to pursue, motivating them and empowering them, which are important feelings for the experience of self-realisation. This experience contrasts with other, possibly more negative, experiences. Elena, a mother of three, expressed her worry about the rapidly increasing drug use among the young in Fray Bentos:
The young engage in drug use because they do not receive any education neither at home nor at school, there is no family containment, no good paternal or maternal figure to look up to; they live in constant worry about the economic situation, and then the only alternative for the young is to waste the time in the street and follow the mass. What kind of future can they have? Totally despondent, disoriented, they don’t see any horizon.

As Elena points out, many youth in Fray Bentos are despondent and discouraged about their future and were not motivated to try to change their present situation.

**The Carnival: No pain, No Glory**

The carnival season started 31st January with the election of the Queen of Carnival and the Queen of the Calls Parade, *Defile de Llamadas.*²¹ Traditionally the Opening of the carnival parade follows the election of the queens. However, this year there was no opening of carnival. Instead it started with the regional *murga* competition at the amphitheatre on 7th February and continued throughout the week. The *murga* competitions were followed by the traditional *tablados*²² at the different neighbourhoods. On 23rd of February the major parade, the Calls Parade where *Shangó* is performed, took place. This parade is relatively new, and started about five years ago. Traditionally the *murgas* do not participate at the Calls Parade but since there was no Opening Carnival parade this year, the *murgas* performed at this parade too. During the entire month of February and March there were *tablados* at Fray Bentos and at other places in the Department of Río Negro where the groups of Fray Bentos—both the *murgas* and the *comparsas*—were invited to participate. The carnival season concluded on 13th March with the traditional parade *entierro de carnival.*

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²¹ It is a parade traditionally formed by drummers playing the *candombe* rhythmic figures. The drummers wear costumes that reflect the music’s historical roots in the slave trade, such as sun hats and face-painting.

²² *Murgas* perform a musical play on popular stages in the various neighbourhoods. These stages are known as *tablados.*
Many of the members of the carnival group *Shangó* and from the *murga* groups, manifested disappointment with the arrangement of the carnival this year due to the poor involvement from the people and due to what was perceived as bad organisation from the *intendencia*. Before the carnival season started, I had been told that traditionally the community was very engaged in the carnival. However, with the exception of the performers there was not much involvement from the people, neither in its organisation nor in its participation as audience or as *mascaritos*. The carnival in Fray Bentos this year did not plumb the depths, nor scales the heights—as I was told to expect. There were neither street parties nor masquerade balls as was common in a remote past. It is difficult to pinpoint when the traditional components of carnival such as street decorations, the wide participation of the *mascaritos* and streets parties and masquerades balls or storming *asaltos* started to disappear, but several informants told me that it was a progressive process.

The Opening Carnival Parade, or *Corso*—carnival feast—with *murgas* and *mascaritos* and the Carnival’s burial parade, always took place on the main street, *18 de Julio*. This year the Calls Parade took place at *España* Street and not on the main street. The streets were not decorated either. The *intendencia*, which always has arranged the carnival through the *departamento de cultura*, had during the last two years hired a private firm *Autentika Producciones* to arrange this celebration. Several of my informants criticised this, stressing that even the culture has been hit by the neo-liberal outsourcing logic. This year the private firm neither arranged the inaugural parade, nor the Carnival’s burial, only the *murga* competitions and the Calls Parade.

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23 The *mascaritos* represent the people, the soul of local carnival. The *mascaritos* do not play instruments or dance in an organised group. They improvise carnival costumes with stuff and materials they have at home. They always cover their faces so they can kid around with friends and acquaintances without being recognised. Jokes, laughter and the grotesque were elements very closely linked to the *mascarito*. In the past, during the carnival, a lot of people filled the streets of the town dressed up as *mascaritos*, they walked in the parade always in groups.
When the carnival season was over the intendencia was publicly criticised for the arrangement of carnival and was confronted with the fact that several of the traditional events were not organised. There was great disagreement among people about what caused this result. The intendencia maintained that they did their best and
that the fact that they used a lot of money towards carnival’s arrangement should be proof enough. Meanwhile the carnival groups were very disappointed. Several people expressed that those in the intendencia see culture as an expense and not as an investment, that they believe that the spending of money is enough to arrange a popular feast. The carnival groups invest a lot of time and energy in organising the performances and were not satisfied with the result. A local politician argued that the carnival failed because:

Carnival groups expect all their support to come from local governments. They do not have initiative to do things on their own. People come to ask for money at the intendencia all the time. We have to give them money, the costumes, the streetlights, street decorations and if possible work as well, they expect everything from us!

This last comment is interesting because it is the same argument that is used in relation to the lack of socioeconomic development in the area. That is, the fraybentinos are not proactive, that they wait for solutions to come from somewhere else. However, my young informants were active in mobilising themselves to organise the group Shangó.

**Burying Carnival**

The Brazilian anthropologist DaMatta (1991) emphasises that in spite of the fact that societies have changed, the carnival has remained as an important celebration of the people. He says that despite that it is no longer a mandatory event that requires certain outfits, gestures and the participation of all the festive spirit has not changed:

If, at a Brazilian Carnival ball, all the participants were worried about their daily or “secular” problems (health, lack of money, the problems of the Brazilian political system and the international order, etc.), the party would take place, but certainly would not have that orgiastic splendour that makes this Carnival event notable (DaMatta 1983:163-164).

As DaMatta (1983, 1991) remarks people’s worrying about their daily problems influence the festive atmosphere of carnival—that according to him—will not be of a major celebration. Traditional carnival theory, based mainly on the work of Mikhail Bakhtin (1984), has long defined carnival as an inversive, subversive and chaotic
feast. However, the carnival in Fray Bentos this year was far from the Boschian grotesque, far from the crazy celebration that overturns daily life, with its dirty, chaotic, free and alchemical characteristics, all essential elements described first by Bakthin and by a wide range of authors after him, even as fraybentinos remember the carnival in the past.

In the past people from all generations actively participated in the carnival. Today most of those willing to spend their time in preparing the groups of carnival are young people; meanwhile the organisation of the celebration is strictly planed by the intendencia. The carnival, as a popular celebration, no longer seems to fulfil people’s expectations. Reinaldo and Cesar, two elderly informants, related about the carnival in the past. Reinaldo stated:

The carnival in the past carnaval de antaño was very different, there was more participation; it was really a people’s feast. In the past there was a major intervention from the intendencia. The festival committee was in charge of the preparations; the budget must have been big because they gave us streamers and confetti. So much confetti! Seriously, there were times when they sent trucks to collect the confetti from previous night’s celebration with spades! The confetti would reach to the knees of the children! And then there were the murgas. That was a completely different thing. The old murgas were more related to the neighbourhoods, the people from the neighbourhoods participated more, and the murgas were very funny, they made you laugh a lot. They sang about what had happened during the year. They sang about the intendencia, funny characters from the neighbourhood, about people everybody knew. Nowadays the murgas sing about things that are completely alien to people. They sing about war and about the dictatorship from 30 years ago! One wants to enjoy oneself during carnival, not to become bitter! They perform dramatic histories but not in a humoristic way that can force the audience to reflect. The lack of this important humoristic element killed the carnival. The old murgas sang about funny characters of the town,
about its popular culture. For example for many years, the King Momus was Marin Perez who was just a man, a neighbour who spent 365 days of the year drunk. These were the kinds of things that made people identify with the carnival, because it depicted very simple things, things that today would seem silly to us. For many today to be a murga singer is a way to make ends meet. They are more concerned about seducing the competition’s jury than people in the audience. The competitions have always existed but today the only thing murgas want is to compete and earn money. Thus, the murga then become a show where the people don’t participate. In the past, there were murgas that wore anything and made you laugh a lot, they didn’t need the luxurious costumes they wear today.

The identification with the neighbourhoods is also lost. In the past, the murga belonged to a neighbourhood. The neighbourhood was a link. There was a feeling of community. The murgas went from house to house under the burning midday sun, singing and playing their drums. People in the neighbourhood received them with cold wine after which they moved on to the next house. The neighbourhood sang! The whole neighbourhood expressed itself through the murga. The store, the bar… they were the meeting points. The mascaritos was an institution within the carnival. We went out in groups; in family groups, the neighbours didn’t recognise each other and they played jokes on each other. It was a time when the other I appeared. The carnival cut through routine. But the people changed, and then the celebrations changed. The economic factor is very important. The intendencia doesn’t assume the cost of organising a good carnival. The intendencia in the past could aid the play with water. The water! What a feast! It was neighbourhoods against neighbourhoods in the water war. Not to mention the carnival balls, the so-called storming. Hundreds of people dressed up stormed the dancing ballrooms. The asaltos were overwhelming feasts. They lasted until 8 am and in the end, everybody

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24 King Momus represents the soul of carnival. He is part of Greek mythology, the god of satire and mockery.
went out and walked together around the principal square. The tablados were different as well, today all they want, is to sell beer and chorizos!

Cesar had a similar account:

In the past the long procession was through the main street 18 Julio up to the main square (Plaza Constitución); the many performers representing a wide range of different artistic and cultural groups thrilled the crowds. Everybody met at the square wearing costumes. Whole families would dress up!! But in the seventies the carnival started to lose some of its characteristic features, that is, the use of streamers and confetti, the cars driven around the square and the crowd walking around the square in both directions. One of the things that disappeared first was the illumination of the streets with colourful light bulbs. The carnival in Fray Bentos today is fighting against itself. The murgas are desperate to win a prize. Were you there the last month when La Timbera (a murga group) from Mercedes came here to participate in the carnival and beat the jury because it didn’t win the first prize?

During the Golden age of Fray Bentos there were three important things here: Carnival, Football and work! People laughed, and had a great sense of humour. There was a lot of humour everywhere. We had things to celebrate; we celebrated the joy alegría. The murgas went from house to house under the burning midday sun, singing and playing their drums. People in the neighbourhood received them with cold wine after which they moved on to the next house. The neighbourhood sang! It was pure joy! Here we used to live to the rhythm of the Anglo and the carnival. In Fray Bentos there wasn’t a single house that didn’t eat meat. The meat plant gave every worker two kilos of meat everyday. If your family had five members working at the plant you would had had ten kilos of meat everyday! Nobody knew what to do with so much meat. - Neighbour, do you want meat? -And what do I do with what I already have?
In my home we didn’t bother to finish today’s meat because we knew we would get more the next day, so my father gave part of it away to people who worked at smallholdings and my mother cooked the rest and gave it to our hens.

César concludes laughing:

The hens of my house ate meat!

Elderly informants were often very nostalgic about the past and the way to depict past events was very romantic. Nevertheless, the essential aspects described in the stories above, were confirmed by my young informants and by archive material I have collected. Fraybentinos’ remember the carnival of the past having much more participation of the people with a different participative role by the murgas and the mascaritos. As Reinaldo and Cesar stress, the carnival in the past was perceived by many people as providing a close bond between the people—through laughter, jokes and song, and a strong sense of community where the neighbourhood had a pivotal role. The neighbourhood was the locus of collective identity, something that apparently has dissolved.
The carnival in the past in Fray Bentos could be interpreted in the same way DaMatta interprets the carnival spirit in Brazil, namely very powerful, offering a real “space of forgetting”. However, his analysis cannot be applied to today’s carnival in Fray Bentos.

DaMatta (n.d) argues that the carnival spirit in Brazil is so powerful that it has resisted what he calls the dictatorship of the economic rationality, the tyranny of globalisation, bureaucracy and all forms of mass culture. Moreover, he says:

    People in Brazil do not count very much on the currency, which has changed so many times, but they do count on the samba school and on the permanent “craziness” of the Carnival balls (DaMatta n.d: 42).

Schep-Hughes (1992) in her case also from Brazil, offers a corrective to this kind of description of carnival making clear that difficult socioeconomic situations can negatively influence the experience of carnival. Her description illustrates that sometimes, under determined circumstances, this celebration does not succeed in temporally transforming people’s social experience. Contrary to DaMatta’s claim about that the carnival in Brazil has escaped the capitalist logic, my empirical evidence suggests that larger historical and socioeconomic processes have indeed challenged the carnival spirit in Fray Bentos. People told me that during the last decades, the local carnival has shifted ground. It has become less participative, less
funny and with more competition. This is clearly reflected in the Carnival’s burial of 2009, which differs from those carnivals of the past.

In my discussion of the socioeconomic situation of Fray Bentos I choose to look at the Carnival’s burial and not other events during the carnival season because it was one of the traditional events that the district council does not arrange for this year. The celebration took place only due to the initiative by the group Shangó. The fact that the intendencia did not arrange for this event resulted in the people having to make it. However, the members of the Shangó did not find wide support in the community for the arrangement of the event. As the example will show, the Carnival’s burial, in the way it was organised and the celebration unfolded clearly reveals the sense of disintegration of the community I perceive in Fray Bentos. In this context the Carnival’s burial acquires a double meaning: on one hand, this event reveals ongoing processes in the community. On the other, it can symbolically be seen as the burying of the carnival itself by the fact that the carnival, as a feast of the people, needs people’s engagement, cohesion and solidarity to survive.

The carnival in Fray Bentos is a tradition that has taken place since 1900. Entierro de carnival is an event that takes place the last day of the carnival season and is a tradition unique to some rural localities, but it is not celebrated all over the country. As several informants told me, traditionally the entierro de carnival is not a mournful commemoration. It is neither scary nor ugly but a happy and colourful event, a burlesque imitation where death takes a lively expression. This tradition represents the farewell of carnival time and the burial of the reign of King Momus until the next year. However, to judge from what people told me the Carnival’s burial in 2009 was not characterised by the same festive mood as it was in the past.

Many of the members of the Shangó manifested disappointment that the intendencia did not arrange the Carnival’s burial. During several days my friends were upset by this fact, and finally they decided to make it on their own. I conversed with Julio, a young long-term unemployed drummer and father of a seven-year old boy, about the carnival. He told me that his family and close friends used to participate at the Carnival’s burial. Julio relates:
I used to dress up as a widow. My son, el Diego who is 7 years old, participates too. It’s very funny; we pretend to cry while we walk beside the coffin where a friend of mine, pretending to be dead, lays. One of us dresses up as a priest. You don’t know how much we laugh! *El entierro de carnaval* is very funny. In the past the whole Fray Bentos participated! But it doesn’t happen any more. This year the *intendencia* did not organise it, so I do not know. We are discussing with the guys if we are going to arrange a burial on our own. I want to dress up as a widow, but I want to play the drum as well. It’s just that we can’t skip the Carnival’s burial! This is a tradition!

The Carnival’s burial took place on Friday by initiative of several of the members of *Shangó*. My mother, my son and I arrived to *España* street at 9pm to watch the parade. The street was crowded; none of the spectators wore any costumes. Most of the people were assembled on both sides of the street and others walked around waiting for the parades to start. Some people sat in folding chairs or on the curb and drank *mate*. Children played, chasing each other around the performers who stood and talked. There was neither a special spotlight nor any decoration, and the street lighting seemed weaker than usual. The town looked as if it was any other regular day, and not a festive one. Some sold sausages, beer and soft drinks from stands along the street and outside the football club *Mato Grosso*, close to where the parade was to start. The members of the *Shangó* made a fire in the crossroad and put the drums around in a circle for the tuning. On the opposite side, in the diagonal direction to *Shangó’s* fire, the *comparsa Mamba Negra* had also lit a little fire for the tuning of their drums. The fires created a magical atmosphere.

The parade started around 10pm. The members of *Shangó* lined up. Leading the group were the boys that carried the group’s banner, flag and other symbols as a moon and a star made of paper and wire. Behind them, different traditional carnival characters lined up. At the front, a young adult was dressed up as an African sorcerer. He was barefoot and following him were dancers of different ages. The small girls were dressed in skirts and a top with the distinctive colours of the *Shangó*—turquoise, orange and black. These are the colours of the flag of the neighbourhood J3 that the group *Shangó* feels connected to it. The older female dancers had different costumes;
some wore bikinis while others covered part of the bikinis with open skirts with the colours of the *Shangó*. There were also four traditional *candombe* characters: Mama Vieja “Old Mother”, El Escobero “Stick Holder”, who carried a long magical wooden stick and two women as Lavandera “Washerwoman”. Only one dancer had a headdress with feathers. Their fantasy costumes could not be fully appreciated since there was not much light in the streets. The dancers were considerably fewer than in the Calls Parade in February. Following the dancers stood the drummers, in the first line the youngest ones, between 5 and 10 years old and behind them the older ones. They wore black shirts and black baggy trousers and a sleeveless tunic with the *Shangó’s* distinctive colours, their faces were painted white and they had sun hats on their heads. When the *Shangó* started to play four *mascaritos* came out of the crowd and followed the drummers. They were men dressed as women. One of them had a big belly made with a pillow simulating pregnancy. Their faces were totally covered.

The next group in the parade was *Comparsa Samba Conexión Brasil*, a small group of about fifteen youth and children who played and danced Brazilian samba. Their group had a carnival carriage slowly pulled by three men. The structure threatened to collapse as seven small girls danced on it. The wheels were folded by the apparently heavy load and made it difficult for the men to pull the carriage. The group was also followed by three *mascaritos*. They were dressed in rags and had their faces covered with plastic masks. Two of them had plastic masks of monsters and the other one of a satirical representation of a political figure.

The third group, and the most important in the carnival’s burial, represented a funeral procession. It was formed by seven *mascaritos*. Two pulled a carriage with a man in a homemade coffin. Leading the procession was a man pretending to be a priest blessing the “dead man”. The other three were also dressed up in rags. The one who pretended to be the widow had a Harlequin plastic mask and held the hand of a little boy with a spiderman mask; the other *mascarito* walked some steps back and was covered with a red blanket and a monster mask. Following the funeral procession, two men wearing sophisticated costumes stood on a pickup that drove slowly. One was a centaur and the other a monster. The last performers were around nine drummers of *comparsa* Mamba Negra. They were dressed up with their distinctive costumes: a white linen skirt and linen short trousers and a black top hat with a big white feather.
pinned on it. The crowd was quiet and stood on both side of the street and observed the parade passing by. Few clapped, nobody sang or danced. There was no great excitement; people were not euphoric. The distinction between spectators and actors was very clear.

The *entierro de carnaval* did not last for more than one hour. The groups paraded through seven streets, ending by the football club Bilbao. Not all the carnival groups participated at *entierro de carnaval*, neither did several of the dancers of *Shangó* nor any of the dancers of *Mamba Negra*. All the *murgas*, *Chincheta Mocha*, *Los Diablos Verdes* and *La Tararira* were absent as well. And although the performers did their best the carnival’s burial was not an impressive celebration. As soon as the parade was over, the crowd dissolved. There was no street party, no popular festive atmosphere. Some people gathered at club Bilbao and bought sausages and drank beer but most of them went home. The carnival was buried and with them the masks of the annual *fiesta*. The female dancers covered themselves, the *mascaritos* took their masks out, the drummers, their hats and tunics and some drummers wiped out the blood from their hands, which sometimes become hurt from drumming.

Carnival traditionally is associated with social cohesion, with *communitas*. Turner considers communitas as a feeling of social equality, solidarity and togetherness (Turner 1974:53). Communitas did not materialise during the carnival this year. The spirit of celebration was absent. This can be seen as a comment on the larger socioeconomic changes in the community. In the Carnival’s burial all the carnival ingredients—the floats, the coffin, the dancers and musicians, and the spectators—were present but not the atmosphere and intensity carnivals are usually said to have (Bakhtin 1984, DaMatta 1991, Scheper-Hughes 1992, Stallybrass and White 2002).

The carnival’s burial took place because of the performers, but the festive spirit did apparently not touch the crowd who stayed at the side of the streets without giving much response. I had this same experience during the *Calls* Parade, only the difference was that the audience was larger.

Three days after the Carnival’s burial I met Cimarrón. He told me about his disappointment with the event. He felt frustration not only because the *intendencia* did not arrange the Carnival’s burial, but also because, in his opinion, the football clubs which gave them support to arrange the carnival, where not interested in the
carnival itself. According to Cimarrón and other informants, the football clubs’ only interest was to earn money. Cimarrón expressed:

What sadness! The event was arranged without the help of the intendencia, we did our best and it resulted in a complete fiasco. It cannot happen that the Carnival’s burial does not take place because it had a low priority for the intendencia. The seven football clubs used us to earn money; they gained money at our expense without contributing to the feast. The carnival had the aim to inspire the popular spirit where the essence is solidarity and recognition, but the carnival had become more and more foreign to the neighbourhood and less participative. The carnival has become a source of profit for the few. It seemed to be forgotten how important event it is. The social codes that made the carnival a people’s feast are disappearing. The football clubs said that they wanted to help us to arrange the event, but the only thing they wanted was to sell sausages and drinks. Even more, none of them were willing to share the money with us that they earned during our performance.

Cimarrón repeatedly expressed dissatisfaction with the whole arrangement of the carnival. According to him, today’s carnival is the outcome of an economic system that influences negatively the community:

This is the result of the culture of predatory capitalism that encourages the search after profit through individualism. The individual benefit is the most important thing at the expense of the sense of community.

As mentioned earlier several informants saw the fact that the departamento de cultura hired a private firm Autentika Producciones to arrange the carnival as part of the neoliberal outsourcing logic. When the carnival season was over, several people complained that today there is a major concern about profit in relation to carnival, that performers are more preoccupied in carnival not as a traditional celebration but as a summer changa or competition where they can win money. Others say that the economic situation is so serious that it influences the festive mood. An informant commented: “today, we don’t have anything to celebrate”. Gabriel commented:
The situation is so terrible that even the carnival is dying. Before the families went out, they ate and drank something during the carnival festive days. Nowadays money is hard to come by. If you have three children you just can’t; you can’t say no all the time.

Lilian, a young single, unemployed mother, told me several days after the Calls Parade:

I wanted to go to the parade, but I didn’t even have 20$\textsuperscript{25} to buy Franco a sausage or a coca-cola. You know how children are; they want everything they see. The batman masks are very expensive as well and it is difficult for me to say no to him. Each balloon cost 10$, can you believe it? I stay at home and watch the TV.

Both Gabriel and Lilian point to the lack of money as interfering in the people’s possibility to enjoy the carnival feast. Several informants, both elderly and young, attributed what they perceived as a deterioration of carnival to different factors. As I have illustrated in this chapter it is also stressed that the carnival has become more and more a celebration strictly organised and coordinated by administrative institutions leading to the dissolution of the participation and creativity of the people, which was traditionally the main protagonist of the carnival. According to several informants the carnival has suffered a process of “de-appropriation” from the people, by the fact that it has become more an entertainment with more competition, than a celebration where all participate, with or without money.

**Conclusion**

In this chapter I have first and foremost tried to illustrate what I perceive as a linkage between neo-liberal transformations in Uruguay and the lack of sense of community in Fray Bentos. Underlying my argument has been an attempt to point to discrepancies. I have highlighted that the socioeconomic situation of Fray Bentos, more than one year after Botnia’s construction period was over, was serious and not

\[20$ is US$1.\]
as hopeful as the discourses of progress that accompanied Botnia promoted. In this context, I found interesting to examine closely the relation a group of young people have to the carnival. Facing the contradiction of a capitalist economy, which links success to material conditions and a socioeconomic reality that limits the access to those conditions, some young people find something meaningful to do with the overabundant time they have—either due to the lack of job or lack of motivation to study—during carnival. Thus, the young channel their frustration or despondency—as the result of the absence of possibilities of socioeconomic progress—their social awareness and sensibility in a creative way.

The carnival or at least its preparation is a source of hope for several of my young informants. Although many performers became disillusioned with the official arrangement of the carnival, still they found hope in their own agency, in the experience of their ability to motivate and mobilise themselves. The youth demonstrated that they were anything but passive when engaged in something meaningful.

Finally, contrary to DaMatta’s claim and as my case exemplified, I have stressed that larger socioeconomic processes indeed can influence the spirit of some carnivals. I have suggested that the spirit of carnival in Fray Bentos in 2009 has less power to transform the people’s social experience. As several informants remarked the carnival celebration did not manage either to provide them with a “space of forgetting” for their everyday worry or a “space of togetherness”. I perceive this as a comment on the current socioeconomic situation of Fray Bentos to which Botnia was supposed to contribute significantly.

In the next chapter, I focus on how people conceptualise Botnia; I attempt to answer the question of why, in spite the fact that Botnia did not bring major benefits to the community, the company still counts on wide support in the public opinion. By doing so, I will offer an analysis of the socioeconomic situation of Fray Bentos in a historical perspective.
Chapter IV: Fray Bentos and Botnia: A question of Hope?

“Hope is memory that desires”
(Balzac in Harvey 2000)

Despite the fact that Botnia did not bring about major socioeconomic changes in the everyday lives of people in Fray Bentos, it counts on wide support in the public opinion. Most people explicitly expressed their support to Botnia. However, still many stories conveyed ambivalence toward this company’s enterprises. The stories people told me about Botnia emphasised different events, feelings or periods of time. However, in spite of the fact that they were structured in a variety of ways, the meaning inherent in their narratives were hope and sometimes disillusionment about their present situation and future.

In this chapter I will examine how people conceptualised Botnia. I place special analytic weight on the role narratives of the past have in relation to Botnia, arguing that past experiences have influenced the way people conceptualise it. In addition, to the past I will take also into consideration the economic boom in the wake of Botnia’s construction period and divergent meanings about what the effects of this period were.

It is problematic to attribute hope or disillusionment to an entire community. Within a community there is always more than one voice and more than one position people think, act and speak from. However, this kind of multivocality was not reflected in the wide consensus Botnia had within the community. There were people that were very critical—I include several such points of view in this chapter—but they were the minority. I suggest that the consensus Botnia has is mainly grounded in the discourses about development, the economic boom of Botnia’s construction and the collective narratives about past experiences with Anglo.
The Past in the Construction of the Present

I argue that the past experiences of the community provided people with interpretative models that serve to evaluate Botnia and create hope in the present for a better future. In “The narrative function” ([1981] 2005) and in Narrative Time (1980) Paul Ricoeur is concerned by the relation between narrativity and temporality and with meaning-effects produced by narratives. He argues for the threefold dimension of the present, which at the same time include past and future: memory and anticipation. Ricouer stresses that narratives articulate human experiences in meaningful ways, and while they spring from experience, they shape experience too. Therefore, I suggest that the wide support Botnia has had in the community has less to do with the benefits it has brought to the local community, than with the way people conceptualise Botnia. In this sense, I suggest that it is not anticipation that generates hope among people but the collective memory. People with whom I spoke did not frame their views in terms of hope. On the surface, their stories were about Anglo, the building period of Botnia and the economic boom, but at a deeper level these stories conveyed hope. My assumption is that the hope Botnia breathed into the community was sustained by a collective narrative, which had a narrative structure à la Ricoeur. Botnia gave people hope because Botnia’s construction period and the hegemonic discourses about progress animated images of the past with Anglo. I argue that hope is grounded in memory. However, as David Harvey (Harvey in Pender 2007) clearly remarks, and my case will show, memory is not easily conceived. Memory is sometimes nostalgia about a time that no longer exists, offering anything but hope and sometimes it is desire, and therefore very hopeful.

Botnia was established in an area rich in natural resources but also socioeconomically deprived. The low socioeconomic development can be attributed to different factors. The socioeconomic structure of the town has been strongly shaped by an economy based on the meat monopoly. The meat industry was the main source of jobs and development in Fray Bentos and extended throughout 113 years, from 1866 to 1979. When the meat plant was closed down, the area fell into an economic depression. The main economic source became the agricultural sector and later the trade of logs. In the years prior to Botnia’s arrival, the tourist sector started to flourish. However, the community still lacked jobs. The arrival of Botnia to Fray Bentos would give jobs. I
was told that the people, who so strongly wished for an economic change in the community, celebrated Botnia’s arrival with high expectations. The installation of Botnia brought about changes but also a sense of continuity. For the community, the continual industrial exploitation of the area might be seen as closely tied to the community’s identity. During the last century they had oriented their local economy towards an international market to meet the increasing world meat demand. Fray Bentos was the birthplace of the country’s largest meat export industry and today it houses the country’s largest pulp industry.

When the economic boom that followed Botnia’s construction period was over, most people were left struggling with unemployment and job instability. One might think that such a hopeless situation would lead to a protest against the Botnia Corporation by the local population. However, the public opinion did not blame Botnia for their situation. On the contrary, most people still supported it or at least were apparently unconcerned about this issue.

To assess the role that images and representations of the past play in relation to the conceptualisation of Botnia, I will address the different enterprises that appeared in Fray Bentos throughout the 1980s after Anglo’s close-down. My interest in Fray Bentos’ history is less an interest in conventional historicity—a claim to offer a true representation of past events—as it is in what collective narratives are about. The stories about Botnia were intertwined with other stories and descriptions people gave me about their perceptions of their collective identity and the lack of socioeconomic development in the community. In general terms, these stories were framed within three periods: the time of Anglo’s existence, post-Anglo and the construction of Botnia. The narratives of the past depict events that are grouped into categories, which switch between prosperity and economic depression, between hope and disappointment. The narrations about the past with Anglo recreate romantic and idealistic images; it is represented as a success story, contrary to the time after the closing down of the meat plant, which is represented as failure. According to the psychologist Donald Polkinghorne (1988), the philosopher Augustine, in his search for the meaning of time and the human experience of it, stated that the interplay between present, past and future could be a harmonious interplay or—as Polinghorne quotes:
a discordant experience as when we think of the past with regret or nostalgia, making the present what can no longer be changed or returned to. By the same token, the future can appear in the present as fearful or hopeful and the present can appear as a frail, fleeting moment (Polkighorne 1988: 129).

I find this analysis especially apt in my attempt to understand the role of past events in relation to the present of Fray Bentos. I will next look at the stories about the period after the Anglo’s closedown.

**Lambs of Hope in Times of Despair**

After the closing down of Anglo in 1979 there were several attempts to sell the meat plant to private firms. The first was FERCOMAR, a firm from the Paraguayan capital, which bought the plant in 1981. There is no available source offering information about what happened, but in 1982 SAUDICO S.A (Sociedad Anónima) appeared, apparently made up of Arabian investors and Uruguayans. This fraudulent business would cost the Uruguayan state bank, Banco República, 50 million dollars. The SAUDICO project represents an inexhaustible source of stories about hope, deception, frustration and despondency. The name SAUDICO has become a synonym of fraud among the locals. It is mentioned in contexts, both in oral and written sources, referring to swindle. The story of SAUDICO is remembered as an incredible fraudulent incident with many hidden dimensions that endows all information about it with uncertainty. I was told about a specific event in which 60 000 sheep would be sent by ship to Saudi Arabia for the celebration of Ramadan and those responsible for organising this was SAUDICO. Nobody could give me exact details about this event. There is no single story, and there are lots of speculations about what happened since the firm was imbued in shady dealings. However, what most people agreed on was the matter of 60 000 sheep being sent out from Fray Bentos—some said to Saudi Arabia, others said to other places—and in return, the farmers received bad cheques. In addition, between 100 and 120 workers never received their salaries for their work at the meat plant.

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Information about SAUDICO is scarce, with the exception to the book by José Giovio (2005) and a history book about Fray Bentos by Barrios Pintos (2005), there are no other literary sources available about SAUDICO. Additionally, the two mentioned above do not offer sufficient information about this issue either. What I know about SAUDICO is mainly through conversations where people tried to explain either the history of the community or why they were distrustful when the politicians started to name the project ENCE and then Botnia, and all the possible jobs they would create. Giovio (2005) described the day the owner of the firm SAUDICO came to Fray Bentos, this way:

One unforgettable day for the population of Fray Bentos, the owners of a firm interested in buying the plant [Anglo] appeared. They came at noon with spectacular weather, in a black limousine, similar to those in a movie, from which an Arab sheik and his wife descended, both attired with a typical Arabian dress […] they had brilliant rings, one on each finger, bowing to the people who gathered at Plaza Constitución [main square] with the military and civil authorities (my translation Giovio 2005: 85).

I obtained an image of the day an Arabian sheik Abubaker Bakhashab arrived to Fray Bentos from the images of old news I found in the local TV-channel’s visual archive. There were people standing on both sides of the main street and a huge crowd gathered in the main square for the arrival of the sheik. People seemed happy, they applauded, some smiled others were really touched by the event. The accounts that follow below are from Luciano and Pedro—two elderly informants. They depict what followed the Sheik’s arrival. Luciano told me:

In 1983 I worked for SAUDICO. They were such swindlers! Eran unos chantas barbáros! They worked with lambs. They gave cheques to everyone that had insufficient funds. The first months they paid us, then they stopped and the manager gave us false explanations. We believed him and hoped that they would pay us. The sheep farmers got a lot of bad cheques for the sheep they gave them. Finally, they had not one sheep left, but they had a valuable sheet of paper. I am 75 years old. 14 years have passed since I started to fight [to claim his rights]. My friend Rubio died without getting a penny and so did another friend. Before SAUDICO I
worked at the construction of the dam El Palmar. I worked there from ’79 to ’81. They also owed me a lot of money I never got.

Pedro told me:

When Anglo closed down, I started to work at the construction of the dam El Palmar and in 1983 I was night watchman at the meat plant, when SAUDICO took over. When SAUDICO arrived at Fray Bentos everybody went crazy. Everybody believed that Anglo would restart. There was such enthusiasm! I started at Anglo when I was 18 years old. I worked from ’62 to ’79. In the beginning I was changador but I moved on. The last three years I was an overseer. The Anglo was such bonanza time, the number of workers at the plant went up to 4000 workers and the money we earned we spent in the town. So we celebrated the arrival of SAUDICO. They came to Fray Bentos, dressed up as Arabian sheiks, nobody really knew if they were Arabs at all. Some say that they were Argentineans who dressed up before they arrived at Fray Bentos. Everything was covered with a mystic halo. There was a dream and we dreamt. Everybody helped to embark the lambs. We saw the ship go and then the months started to go without getting our money. They never paid us! The manager said tomorrow, the next week, the next month and we never saw the money. I worked for SAUDICO without salary for 14 months.

Why did you continue to work without salary? – I asked him.

I did not have any alternative, and I believed in them. I started to smuggle groceries from Argentina and my wife and I sold them here, we survived that way.

According to the historian Barrios Pintos (2005), several months after SAUDICO bought the meat plant, a register was set up for applicants who were interested in working in the plant and more than 2500 people applied the same day. In 1984

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27 A person who lives by doing changas.
SAUDICO’s debt to the Uruguayan State was of U$S 1,390,000 and 97 workers claimed their salaries (Pintos 2005: 357).

SAUDICO represented a future possibility for change, to lift people out of their uncertain job situations. The idea of a millionaire Sheik who would give people jobs appeared to be a positive and powerful image among people. After SAUDICO, yet other fraudulent stories would follow, such as the shady dealings of the meat firm INCUR, which appeared in 1988 and which also would cost Banco República 13 million dollars. INCUR was a private enterprise in which the Banco República was the guarantor of the 60% of the capital invested. INCUR meat plant was not located at the ex-plant Anlgo but in another part of the town. It started its production in 1992 but the plant never functioned regularly. It managed to produce 3 million tons of meat due to its sophisticated technology, considered at that time to be the most modern in the country. The number of workers at the plant oscillated between 180 and 230. In 1999 the debt was around 13 million dollars (plus interest) in which the debt of 790 000 dollars to the workers are included.  

In 1996, a paper industry of Spanish and Swiss capital, Transpapel, appeared. It would be installed in a free trade zone in Fray Bentos. The local newspaper, El Observador, wrote about this company: “the multi-million operation is going to change the lives in Fray Bentos, it is going to create around three thousand jobs” but this project was not realised either. In 1998 a Chinese artificial flowers firm, Dalitur, appeared, creating false expectations of the creation of 300 jobs; the promises were never fulfilled. With every one of these promising projects, the people’s fragile hopes were revived in the midst of a desperate need of economic alternatives.

For a short period of time in Fray Bentos, the abovementioned projects gave the community the possibility to imagine a future in otherwise increasingly uncertain and anxious times. However, their hope turned to disappointment again and again. Disappointment is the subjective response to unfulfilled expectations and this can


29 El Observador, 25th to 31st October 1995
have different outcomes. While some recover quickly, others might become entrapped in frustration, blame or become depressed. I think it is important to pay attention to these negative outcomes. Such reiterative experiences of false expectations might have influenced what is perceived as the main characteristics of the community. The reports I addressed in chapter II point to nostalgia and passivity as aspects of the community’s identity and these characteristics are highlighted as obstacles to local development. Many people said to me that the main characteristics of the community are the result of Anglo’s influence. This is not difficult to understand. The meat industry gave birth to Fray Bentos and the development of the economic structure this industry was based on, was paralleled by the structure of personal and public life. The meat plant set the standards of the rhythm of the community’s life, “the hooter of the factory that announced the day shifts was heard everywhere, as a vital clock” (Campondónico 2001:106). Anglo left a deep mark on the community, and its closure and the lack of other alternatives led to great distress and disruption. However, it is not only Anglo that shaped the community’s characteristics. The nostalgic identity of the population is also a consequence of the years of economic depression that followed the closing down of Anglo, where a multitude of investors appeared, creating false hope and swindling the community. This might have reinforced the despondency regarding a better future and their nostalgia about the past with Anglo and stimulated a kind of passivity. The sociologist Richard Sennett (1992) argues that one way which people deal with a difficult present is to picture the past through:

images of the rise and fall of a prized way of life. These images naturally produce a sense of regret, and regret is a dangerous sentiment. While it produces empathy for the past, and so a certain insight, regret induces resignation about the present, and so a certain acceptance of its evils (Sennett 1992:259).

Similar to Augustine, as mentioned earlier, Sennett points to the negative role that past events can play in the construction of the present, but contrary to Augustine, Sennett does not link it to the future; to how people’s experiences influence the future expectations. As Ricouer (1981) has pointed out, our human condition is forward-oriented; therefore my suggestion is that if people look backward with nostalgia, it is because the present does not offer other positive experiences to look forward. As Sennett remarked, nostalgia reduces one’s agency, leading to the acceptance of the evils of the present. Several people said to me that fraybentinos always wait for
solutions to come from somewhere else. However, in my opinion that passiveness is not an inherent quality of the fraybentinos but is the result of a socioeconomic situation that precluded the ability to act. Thus, their hope’s realisation depended on others.

**Ephemeral Hope: Botnia’s Construction Period**

In 2005 the hope of a better life for many people in Río Negro reawakened. Not since the 1980s had there been this much economic activity in the area. Ivan, a man in his thirties told me:

> Botnia was a feast, a big carnival that lasted too short! It was an explosion for the community and then it was all over! Botnia altered the natural state of this place, but it was just that, an alteration, and a shake, not a long lasting change. It was the same as in carnival; it gave us a break, renewing our hope. It was two years with bonanza before coming back to the lean kine. Botnia gave us daily happiness; it made us forget our condition of poverty. It was as carnival! There was a lot of money, the foreign workers drank and drank beers after the long working day and everywhere there were prostitutes. But when the building period was over, everything came back to the normal again. And most of the people continue waiting for something better, so Botnia did not resolve any of the problems we already had.

Ivan’s way of summing up Botnia’s construction period captures the mood of the common conceptual formulation among the local’s way of framing Botnia. Later in the chapter I will present other relevant ways that people use to conceptualise Botnia. Botnia’s construction period gave people hope. Nevertheless, as Ivan emphasises, the economic boom did not introduce a long-term change in relation to most people’s living standards. Ivan’s metaphorical use of the construction period as a carnival feast is a good illustration of what this period meant for most people. A carnival celebration

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30 Lean kine, refers to the allegory of the seven fat cows and the seven lean fleshed cows in the Genesis, in the Bible.
interrupts the routine, it offers a “space of forgetting” where the daily struggle is dispelled for a while (Bakhtin 1984, DaMatta n.d, Scheper-Hughes 1992). A carnival feast is traditionally associated with joy and freedom, while all kinds of excess, which are ordinarily condemned, are made socially acceptable for the duration of the celebration. This is the way Ivan depicted the two-year period of the mill’s construction. In general terms, this was a period characterised by great economic flow at all levels of the community, by excess such as alcohol, drugs, sex and prostitution, by joy and by great expectations about the future. In addition, it captured a “social drama” through the conflict with Argentina. As Ivan clearly formulated, for many Botnia was primarily perceived in terms of the economic boom and not as an industry that has a life cycle of at least 20 years. When the Botnia project arrived to Fray Bentos people told me that it was a time of mixed feelings: doubt with certainty, and despair with hope. Botnia’s construction period broke with the more recent past, introducing a change, but representing continuity in relation to the more remote time of Anglo in relation to the quantity of jobs Botnia created during the construction boom. Doubt and despair was the result of the negative experiences with earlier projects and of the discouraging nature of the current economic situation. After the closing down of Anglo, the need for new labour sources increased dramatically and this situation fostered hope in projects that either swindled them or did not materialise. When the Botnia project was concretised, people had high expectations, but it was also followed by the conflict with Argentina and the blockade of the bridge. This led to frustration and anger regarding the loss of many jobs at the bridge and the closure of the border, as well as to certain distrust towards Botnia due to the speculations about the possible environmental impacts. However, a hope for a better future increased among people during the construction of the mill.

From April 2005 to November 2007 there were between 2500 and 5000 workers working at the mill. Not all of them were from Fray Bentos; there were workers from Finland, Poland, Turkey, Brazil, Chile and Argentina. Most of them worked for subcontractors and Botnia offered fast new skill courses for men and women in different areas such as soldering, construction work or truck driving. The salaries varied among the subcontractors, but most received high salaries in relation to what low skilled workers were used to earning in Fray Bentos. However, the salaries within the construction sector where not higher than what the construction union SUNCA
fixes. The difference resides in that normally, men working in the construction sector often do not have the possibility to work under contract; they work under informal conditions because the demand for jobs is high and job availability is low, resulting in a lower income and lack of social security. During the construction period of the mill, Botnia required a large labour force, and during that time people could work as much as they wanted. Several informants told me that they worked between 8 to 12 hours a day everyday, even half Sundays. Thus, a lot of people were receiving the highest income that had ever been offered to them.

Luis, a young informant, told me that he did not work at Botnia, that he continued to work for a cable TV firm that paid him $6500 a month for 7 hours of work per day, while his friends working at the construction of the mill earned $15000 every fortnight. Luis told me that his decision to remain at the cable TV firm had to do with the fact that this firm gave him stability. He emphasised that this was more important for him than earning a lot of money for only a short period of time. Jorge worked at the construction of the mill. He told me that because he is a welder, he earned more than other workers. He worked 10 hours every day and earned $10300 Uruguayan pesos (527 US$) for each 15 days of work; after taxation he got $8000 (410 US$). He said:

This is not much, but in comparison to what you earn in Fray Bentos, it’s good. But you know, the rent of houses shot up. A two-room apartment costs between $5000 (255 US$) and $7000 (359 US$). Before Botnia’s arrival the same apartment would cost $2500 (128 US$) and $3000 (153 US$). During Anglo people earned money and could buy a house or a plot of land, with the two years of Botnia it was only enough to buy a motorbike.

Several of those I interviewed told me that the company’s managers stressed that the jobs were only for two years, and that when the mill started to produce they would only need about 300 highly skilled workers. These would be carefully selected and furthermore trained in Finland. Thus, on the one hand, Botnia’s way of coping with the expectations of people was to make it clear from the beginning that there would be a significant reduction in the number of employees after the mill started with its production; while on the other hand, Botnia’s prolific marketing created hope among
people. As I will show in the next chapter, through visual and textual advertising images, Botnia and Forestal Oriental promoted an idea of progress. People wished for a job and stable incomes and during the construction period the local economy was reactivated. There were also some people who thought unconventionally; instead of working at the construction sector, they started their own businesses to offer different services to Botnia. This was the case with Cintia and her husband who opened a car rental firm, and the case with Julia who offered cleaning services for the Finnish company during its construction period. Others opened restaurants, brothels, or rented out rooms in their houses for the foreign workers. When the construction period was over, some of these people at least ended up with improvements in their living standard, because they either continued to deliver their services to Botnia or because they reinvested their profits. However, this was only the case of a few. Juan, a civil servant in his fifties, told me:

The issue regarding the concessions is bad. Botnia gave everything to the multinationals. Take this as example, in Fray Bentos there were companies that were started together with Botnia, but they did not allow them to continue to work for them. Here there lives a woman who started a cleaning firm with only four employees and manages after a while, to increase that number to fifty. Suddenly, Botnia terminated their contract with her and started with ISS, a multinational, and they employed all of her employees, paying them half what she paid them. She paid them $31 and ISS pay $17 at hour. Those who won with Botnia are just the financial groups.

Most people spoke positively about Botnia because it was only considered in relation to the economic boom. Thus, the forward-looking hope created by the arrival of Botnia was—after the construction period was over—translated into people’s struggle in everyday life—unemployment, instability, deprivation and precariousness. The benefits brought by Botnia were experienced as very positive although they did not last for more than two years. It was a break in their daily battle for making ends meet. Many people see the shifting conditions from unemployment to employment and unemployment before, during and after Botnia’s construction as part of their everyday lives. When this period was over, most people returned to their former economic
situations. They accepted it as normal. Roxana, a public servant, expressed: “Botnia did not improve our lives. During its construction there were people who profited from it, but now the majority continue waiting for something better”.

Hence, in spite of the fact that most people remained unemployed after this period was over, people did not blame Botnia. The common statement was “we knew that this would be only for two years”. Nevertheless, this might have been more a way to rationalise the powerlessness people felt towards a socioeconomic situation they could not improve. Prior to the arrival of Botnia, people told me that they expected that the mill would change the economic situation of Fray Bentos. This hope was sustained by the official discourses that presented Botnia as progreso. Miguel an economist with whom I conversed commented:

The media says all the time how fantastic Botnia is. But nobody questions and made the calculations of the total cost that Botnia implies for the society, both direct and marginal. Who assumes the responsibility of recuperating the degraded soil, reverting the pollution and repairing the damages the pulp industry causes to the roads? These impacts are not taken into account in the investment’s calculation, not to mention the free trade zone. This is what I call the invisible invasion. Nobody knows on what basis the analysis is made to give these kind of foreign companies so many benefits. The governments sustain that these industries bring dynamism, investment. “We are progressing, there are changes”, they say. The governments depended on this kind of proclamation, but it is Botnia that exports, not Uruguay. This is unclear for most of the people. The politicians constantly provide new image of progress “we are advancing”, they say. To where? - I ask myself, to hell?

For those who are critical of Botnia, such as Miguel, the situation offers anything but hope. The Botnia project is translated into global economic processes and the role that postcolonial societies, rooted in historically extractive economics, has had in the world market and the historical increasing of poverty in Latin America. They question the official discourse of Botnia as progreso and emphasise the relations that exist between Botnia as the largest investment in the country’s history, the exploitation of the natural resources, the low contribution to the national finances by the company,
and the low offers of jobs. However, as Das (1995) has noted, people do not always see the link between the global processes and the local worlds of which they are part. It is because the relevant link is made invisible or, as Das expressed, “because it is not named and recognised it may not become part of the reflexive experience of the persons affected” (Das 1995:204). I find Das’ observation interesting, because in the case of Botnia, the link between the global and the local that might be relevant for the community to recognise, was in the official discourses substituted by other links such as the integration of Fray Bentos to the world market and the status of hosting one of the most up-to-date mills in the world and the largest investment in Uruguay’s history. This evoked old memories with Anglo and served to sustain people’s hope for a better future, although their reality might have remained unchanged. As mentioned in the introduction, Hage (2003) remarks that hegemonic discourses can be so powerful they create hope among most people who live their lives hoping and believing in the possibility of upward social mobility without actually experiencing it.

**Diverging Meanings about the Effects of Botnia**

Most of the time when I asked people the open-ended question: What is your opinion about Botnia? They would inevitably talk about the building period, about how much money people earned, how amazing it was to see how much the foreign workers drank, about the increase of prostitution and the crime rates, about the shops from Montevideo that opened branches in Fray Bentos and about girls getting pregnant by the foreign workers. People joked about the latter, saying that the new generation of mixed babies will be called *botniacos*. People told me also that as fast as the sale of motorbikes increased so did the appearance of new religious temples. The priest of one of the old churches critically described this situation as such: “The religious supply is high in Fray Bentos, there is a market that sells you a Christ who is cheaper or maybe one who is funnier, I don’t know, it’s horrible!” The priest associated the boom in the religious supply with a culture of over-consumption that people were drawn towards when they had jobs. People’s over-consumption, especially the youth who bought motorbikes, scooters, clothes and mobile telephones with the money they earned at Botnia, was a source of self-criticism in the community one year after the building period was over. Those who managed to make ends meet and have a monthly income told me with annoyance how foolish those people who worked at Botnia
were, wasting all the money they earned at once and not saving it for later: “the fraybentinos do not envisage a future, live in the moment, they have a life marked by a short-term perspective” los fraybentinos son muy poco previsores, viven la chiquita, son cortoplacistas, says Alba, distancing herself from the “fraybentinos”. María, a retired teacher, shared the same opinion. María told me how sad she became when she had recently listened to the radio, hearing people announce the sale of one-year-old motorbikes and one to two years-old electrical household appliances:

People bought things that they really did not need with credit, not thinking that the bonanza time would be over. Everybody became mad after consuming. They did not save or invest the money they earned in the building of their houses. When they lost their jobs, they had to sell what they had bought.

What I want to express by telling this is the different ways people perceived the effects of Botnia’s construction period. For the priest, for Alba and María this was a hopeless situation. The hopelessness was not regarding Botnia but was related to what is attributed to the fraybentinos’ way of being: passive and short-sighted. This appears most clearly in Alba’s comment. Her view is pessimistic, the way she depicts the fraybentinos does not offer hope. This is an interesting aspect of what several people pointed to as a problem in Fray Bentos and its lack of socioeconomic development.

Other people, such as Horacio, a farmer in his sixties, were optimistic. Horacio explains that despite the fact that Botnia did not create jobs for most of the locals, he perceives a positive change in the community:

Here there is a before and after Botnia. In the past the fraybentinos were so downhearted, apachuchados. When the building of Botnia started, everything changed. People had a different attitude. And now we do not have jobs but people are more encouraged and glad.

Liliana, a professional who worked for Botnia, was very satisfied with her experience during the construction period. She told me:

People earned a lot of money with Botnia during the building period. And Botnia didn’t cheat us; they told us several times that the jobs were only
for two years, we can’t complain. People thought that this was like the Anglo. Personally, I mean, I can agree or not with an economic model based on monocultures of eucalyptus, but this is what we have got. Now we have to see it in a positive way. If you got a job will you say that you don’t agree with Botnia?

Liliana’s comment sums up a complexity I have noted in the way people experienced the situation when Botnia’s construction period was over. On one hand they were positive toward the economic boom and the apparent transparency in Botnia’s activities, on the other, the disappointment that some felt when the construction period was over was seen as nothing other than people’s own “fault” in believing that it would last. The comment also points to the people’s ambiguity in relation to the tree monocultures and to the issue of work. Liliana and Horacio describe their views on Botnia in a way that offers the possibility of quite distinct interpretations. However, both clearly refer to the need for jobs.

In Fray Bentos, those who were critical to people’s over-consumption during the construction of the mill said that fraybentinos where so short-sighted that they spent all the money they earned at once. In my view, their urgency to buy motorbikes, clothes and mobile phones are the effects of a greater process to which Botnia and the discourses of progress that follow it, contribute. The young generation enjoyed the experience of having a job and earning a significant sum of money in comparison to what they were used to for as long as this prosperity lasted. They did not anticipate what would happen after this period was over and many spent all the money. They are, after all, born in a time where the time horizon has shrunk due to the lack of opportunities to progress, so people gave themselves to a more instant gratification, and as several informants stated: “we enjoyed the moment” and were disappointed when this period was over. However, the situation offers another experience for many of the older generations. For them, Botnia’s construction period awoke images that

31 Both Botnia’s representatives and locals emphasised the transparency of the company, that means that there were not shady dealings or corruption involved in the negotiation or in the company’s activities.
recalled the time of Anglo. This influenced their opinions about Botnia and they in turn influenced the public opinion.

**Dreaming about the Future while Looking Backwards**

- Thirty kilograms of boneless meagre meat must be processed in order to produce a pound of meat extract. Do you understand what that meant to this country? Figure how many animals must be slaughtered in order to produce the 600,000 kilograms of extract that we turn out yearly, on average. What’s more, there were years on which we reached one million kilograms. Take into account that even the animal bones, horns and hooves are exported, - he added.

- When I had scarlet fever, I was made a broth of meat extract, said the sheriff.

- And what can you say about corned beef and other canned meat? And about the refrigeration industry? Do you have an idea of the refrigerating capacity of our processing plant? – Pérez shook his head.

- Do you know that our plant could slaughter 1600 heads of cattle and 4000 heads of sheep a day? Imagine the effect such a volume could have on the livestock breeding industry, on the national economy and on the society as a whole.

This extract from the novel *Un Amor en Bankgok* (Baccino 1997) depicts the enormous significance of the meat industry for the area, and its content is part of the repertoire of what people told me about Anglo again and again. When I came to Fray Bentos for the first time in May 2008, most people told me that Botnia was like the Anglo: “Botnia es como el Anglo”.

Anglo was an important and recurrent topic in all kinds of conversations. Anglo cropped up in conversations about Botnia, about the identity of the community, about the carnival, when people tried to explain the fraybentinos’ way of being, and about the household economy, since many survive by the help of the pensions they receive from their work at Anglo. It appeared that Anglo was a hallmark of their collective identity and therefore a significant element in relation to understanding Botnia’s place in their present. Anglo synthesises a complex

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32 The Uruguayan sociologist François Graña had a similar experience as I had. He commented in an interview that people in Fray Bentos said to him, referring to Botnia, “Tenemos nuestro nuevo Anglo”, “We have our new Anglo”.

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system of ideas; it sums up, expresses and represents in an emotionally powerful way the collective identity for the members of the community (cf. Ortner 1973). Anglo, for certain people, stands for ideas and feelings such as belonging, fellowship, hard work, stability, progress and joy; in addition to status in relation to other towns: “Fray Bentos was the kitchen of the world”.

I argue that the stories about Anglo are important because they represent a future possibility for the local people. In *Narrative Time* (1980) Ricouer, points to the constitutive role of repetition in relation to the plot of some stories. He argues that the past and the possibilities it represents, becomes drawn into the present through narratives that serve to anticipate future consequences. The future possibilities become seen as re-enactments of those past stories or as inherited potentialities of what has-been-there. In these stories “retrospection is reconnected to anticipation and anticipation is rooted in retrospection” (see Ricoeur 1980:180-186). Ricoeur’s analysis serves to understand how people conceptualised Botnia. The statement “Botnia es como el Anglo” makes visible how hope was generated among people with Botnia’s arrival.

The meaning of the statement “*Botnia es como el Anglo*” referred to the economic boom during the two-year period of the construction. Many experienced this period as the same prosperity as the time of Anglo and looked at Botnia with expectation. Botnia’s construction period revived in the present past possibilities, and animate ideas that anticipate future. Although Botnia became irrelevant in the daily lives of the majority of the population after the construction period was over, it remained important to many people. Claudia told me: “The economic depression the town underwent in the last three decades erased Fray Bentos from the world map, now with Botnia, we are on it again!” A pastor of a church in Fray Bentos clearly highlighted that “Botnia replaced the chimney of Anglo and for us, the chimney symbolises progress”. Explicitly, the 45-metre high chimney of the Anglo factory was “replaced” by Botnia’s 120-metre high chimney. Some other people saw parallels between Botnia and Anglo, but saw the differences between these two as well. In other conversations I had with another elderly pastor, it became clear that the difficult economic situation in the wake of Anglo’s closing down had a profound impact on the community who could renew their hope when Botnia arrived to Fray Bentos. He told me:
In respect to Botnia there are different things to take into consideration when talking about its insertion into the community. First and foremost, we have to look at the impact that the closing down of the meat plant, Anglo, had on the community. For the Fray Bentos’ identity this caused a kind of mourning. During the period of Anglo’s existence, people had a better way of living than today; they had the highest salaries of the interior (of the country). In short, this “bonanza” imprinted itself in the collective memory. This mourning period is finished with the chimney of Botnia. However, you can’t compare them.

Carlos, an informant who is involved in local politics, expressed his critical views regarding Botnia, pointing also to other aspects of the symbolism:

We were meat exporters, then the economic stagnation came. Now we are opening possibilities for development. We don’t have access to wealth but that doesn’t matter—he said ironically. The wealth is there—pointing in direction to Botnia—here in the town there is poverty. The poor don’t have access to that wealth. We look at that monster of an illuminated city… do you see how big Botnia is, do you see the lights at night? It is two third parts as big as Fray Bentos. Well, we look at that with desire.

Both the pastors and Carlos try to explain Botnia’s significance for the community, but are critical to what they see as a discrepancy between the ideas with which Botnia is imbued and the reality, ideas of progress versus unemployment. These comments clearly show the complexity embedded in the conceptualisation of Botnia. Botnia was articulated through narratives of hope, but this hope arose out of a social condition that was less than hopeful. As Carlos highlights, the majority of the population do not have access to the wealth created by Botnia, in the town people continue to struggle to make a living. However, this is the current situation, not what happened during Botnia’s construction. At that time most people experienced a significant economic improvement that gave them hope by animating images of the past. With Anglo people earned money and had a good standard of living; they believed that with Botnia it would be the same. A parallel many informants often drew between Botnia and Anglo was that during the time with Anglo, at the different working shifts.
hundreds of bikes crossed the town in the direction to or from Anglo, while during Botnia’s construction; the streets were full of motorbikes and busses that drove the workers to the mill. Botnia is also one of the most advanced pulp mills in the world with the latest technology available. The size of the mill is as impressive as the quantity of its production; the daily average of trucks with logs that drive to the mill is 300 three hundred. The size of the Anglo’s enterprises was also impressive. During Botnia’s building period many new shops opened and people earned sums that many never imagined they could receive. Therefore, during my fieldwork I still experienced certain optimism among people who hoped for new projects. People started to talk about the possibility of the construction of the Spanish pulp mill, ENCE. During the two years of Botnia’s construction, Fray Bentos revived what the older community members tirelessly related about their life experience with Anglo, that is, prosperity based on jobs, money and economic progress.

**Conclusion**

In this chapter I have attempted to show how people conceptualise Botnia. There are different conceptualisations but I have argued that narratives of past experiences shape the way most people perceive the Finnish corporation. The meat industry has played a major role not only in the constitution of the collective identity in the past but it also shapes the experiences of many people in the present too. The meat industry is represented as unique, not only because it had enormous importance, but also because of the mirages of unfulfilled industrial projects that followed this enterprise gave people a negative experience, reinforcing their nostalgia and romanticizing what not longer exists. When Botnia appeared, most people compared Botnia with Anglo because this project contrasted greatly from the other enterprises that had created false expectations in the community.

Despite the fact that people looked at Botnia with expectations and linked it to Anglo, Botnia has not had the same impacts as Anglo had on the community. Although things were not ideal with Anglo, there are some marked differences between the organisational principles of Anglo of the last century and Botnia today. They correspond to two different modes of extraction. The one is labour intensive and the other technology intensive. Botnia is a capital-intensive industry that, even with many
thousands of dollars of investment, yields few jobs. However, the memory of a “great past” mists over the reality, leading people to say that “Botnia es como el Anglo”. In the next chapter I take as starting point a comparison between Botnia and Anglo as industrial enterprises and their insertion in the local community.

Despite the fact that people looked at Botnia with expectations and linked it to Anglo, Botnia has not had the same impacts as the Anglo had on the community. Although things were not ideally with Anglo, there are some marked differences between the organizational principles of Anglo the last century and Botnia today. They correspond to two different modes of extraction. The one is labour intensive and the other technology intensive. Botnia is a capital-intensive industry that, even with many thousands of dollars of investment, yields few jobs. However, the memory of a “great past” mists over the reality, leading people to say that “Botnia es como el Anglo”. In the next chapter I take as starting point a comparison between Botnia and Anglo as industrial enterprises and their insertion in the local community.
Chapter V: Botnia, a Socially Thin Model of Development

“We cannot underestimate the role of hope in driving this amazing machine called capitalist or free market”
(Zournazi 2002:56)

In order to draw forth some important characteristics of Botnia’s insertion in the community, I will start by comparing Anglo and Botnia as industrial enterprises. To this end I apply as analytical tools socially thick and thin models of socioeconomic development. Despite the fact that Anglo and Botnia are both embedded in a capitalist structure, they represent two different ways of organising their investment and production and are inserted differently in the local and global community. The way these enterprises inserts themselves into local communities, is formed by the global structures in which they are integrated at different historical periods, representing different models for socioeconomic development. According to Ferguson (2006), a socially thick model of national development is a political strategy of a strong state, which regulates enterprises of foreign investments, securing major benefits for its population through a broader social project. The socially thin model refers to a so-called development based on an enclave extraction economy where the benefits concentrate in much smaller groups, there are less benefits for local people in terms of direct employment and less wider long-term social investment (Ferguson 2006:36). Botnia is an enclave extractive economy, the benefits of which are confined to an international sector not connected to the wider Uruguayan economy.

After I have presented the two abovementioned models, I will look closely at Botnia’s corporate social responsibility. Today’s foreign enterprises insert themselves upon local communities through the exercise of corporate social responsibility. My assumption is that Botnia is included in a discourse that is imbued with ideas of a socially thick model of development, although in reality Botnia and the companies associated with it, such as Forestal Oriental, represent a socially thin model of development. This discrepancy is clearly apprehended through looking at Botnia’s CSR.
**Investment Patterns in the Neo-Liberal Era**

The main assumption underlying neo-liberal policies in the 1970s and the subsequent Structural Adjustment in 1990 was that the expansion of international trade would create economic growth and that moreover this would lead to the social development of poor countries (Espino 2007). Through the structural adjustment programmes countries in the global South were forced to adopt policies that promoted the reduction of state intervention, the inclusion in the global market through free trade and privatisation and the so-called “flexibilization of the labour market” (e.g. Leguizamón 2005, Montaño 2007). These strategies led to a short-term national economic growth, but not necessarily to a growth in living standards.

In *Global Shadows* (2006) James Ferguson discusses Africa’s place in the contemporary world and in doing so, he critically examines ideas of globalisation, modernity, worldwide socioeconomic inequality and the urgency of global social justice. Ferguson challenges assumed views about the nature of Africa’s economic and social transformations in the global world order. In the analysis of the changes that have occurred on this continent with the enforcement of neo-liberal policies, he compares foreign investment in Africa throughout different periods. He shows the incongruence inherent in the neo-liberal policies, which are applied as a strategy of social development. He points out that in the case of Africa, the “structural adjustment” was supposed to lead to a “good governance” that would be more democratic and economically efficient, benefiting the civil society (Ferguson 2006:38). However, he says, the “rolling back” of the state has exacerbated a far-reaching political crisis and today the “globally networked enclave sits right beside the ungovernable human disaster zone” (Ferguson 2006:49).

Ferguson argues that Africa is not excluded from globalisation but globalisation has led to more marginalisation because of the nature of these transformations. Economic globalisation discourse promotes capital flushing over the whole continent, but the reality is that most of the foreign investment in African countries consists of capital-intensive enclaves. The foreign economic enclaves are tightly integrated with the head offices of multinational corporations and metropolitan centres outside of Africa and sharply walled off from their own national societies (Ferguson 2006:203). Ferguson points out that the application of the neo-liberal principle of deregulation has
disconnected foreign industries from the national social and political entanglements, giving these industries less social responsibility towards the host communities. Furthermore, he points out that the new tendency, spreading all over the world, is a socially thinner model of development based on economic enclave extraction, which has replaced the socially thick model of state national development. The thin model has apparently become the precondition for attracting foreign investment. In the past foreign investments in Africa brought with them far-reaching social investment: the construction of vast company towns in Zambia were for nearly 100,000 workers. Companies provided schools, hospitals and recreational amenities. They absorbed more of the local labour force; they gave social benefits to the local community. The presence of such enterprises was socially “thick”; the business involved not only extraction, but also a broader long-term social project where people benefited from permanent jobs, stable incomes, social services and powerful unions. This was the case for the Zambian copper belt exploitation, and also the case of the meat industry in Fray Bentos. Today, as cases in Africa or in Latin America highlight, foreign enterprises not only benefit from the access to cheap raw material, but also from low wages, weak unions, social segmentation and low requisites for social engagement with the local communities in which they are established. The “weak” states leave their export production to be concentrated in guarded enclaves that are increasingly detached from their surrounding society and are linked to giant transnational corporations and networks of small contractors and subcontractors across multiple continents (Ferguson 2006:13 ff). This makes the investment socially thin. The capital intensiveness, new technological innovations and the transnational specialisation of “post-Fordist” neo-liberalism has led to the concentration of the benefits on much smaller groups of highly skilled workers which in turn increases social inequality and marginalisation (Ferguson 2006: 36 ff). “The investment no longer leaves nearly as much of a national-societal “footprint” as it did in the days of company towns, with their massive and regularized work forces” (Ferguson 2006:205). Many empirical cases, similar to those that Ferguson presents, have shown that the benefits of such investments are more often, channelled into few hands and in the long run create or exacerbate social inequality (see Mbembe 2006:301-304). This is the case with regard to the Brazilian investors in the Paraguayan soya sector (Fogel 2005). It also occurs in Mexico with the ever increase world demand of avocado or “green Gold” discussed by López Paniagua and Chauca Melásquez (2005) as well as the mining sector in
Argentina presented by Mastrangelo (2004). In her study Mastrangelo (2004) demonstrates that with the Structural Adjustment in the 1990s a series of legal reforms were promoted in the Argentinean mining sector attracting the flow of huge foreign investments. Mastrangelo shows that in spite of the fact that a community, Belén, has two gold mines, social exclusion increased with the establishment of a mine extraction company with Australian and Canadian capitals. All the cases mentioned here are concerned with the economic disparities between groups and regions where the poverty of some groups is implied in the wealth of others. All the abovementioned examples also show that investment and economic growth do not necessarily lead to a reduction of poverty. Jean Comaroff and John Comaroff (2006) have pointed out that the postcolonial societies, most of them rooted in historically extractive economics, with small bourgeois sectors, low levels of formal skills, and modest civil administrations, show varying capacities to profit from mainstream global enterprise (Comaroff and Comaroff 2006:10).

A Socially Thick model of Local Development: the Meat Industry in Fray Bentos

As explained in the previous chapter Botnia evoked associations with the past leading people to say that “Botnia es como el Anglo”. However, there are some significant differences in the organisation of these two enterprises. This section focuses on these differences.

The meat industry gave birth to the community of Fray Bentos. In the beginning, the population was small; immigrants from different European countries came and settled down in the area. Since the plant operated during many decades in the community, the number of workers employed varies in the different literary sources I have consulted (Campodónico 2000, Giovio 2005, Haber 2003, Ovalle 2000, Pintos 2005). However, the number of workers oscillated between 2500 to 4000, in a population of 10 000 to 14 000 inhabitants. In addition, the meat plant led to the creation of many jobs on the cattle ranches, which supplied the meat plant with the raw material for its production. All Anglo’s products were produced locally, from the meat products to the labels and containers, and a large labour force was required throughout the whole production chain. The work conditions in the meat plant were not ideal; as the unions were strong
the workers fought for their rights and gave employees security. The majority of the active population worked at Anglo, some had permanent jobs, while others had seasonal work. Although the job was seasonal, the workers were nevertheless permanent seasonal workers. The workers at Anglo earned an income that gave them access to a relatively good standard of living. Anglo remained in Fray Bentos for more than 50 years, but the whole meat-for-export industry stayed for more than 100 years, giving the community the opportunities of economic development and stability.

The meat plant’s geographical location is also important when we compare Anglo with Botnia. The meat plant was located in the town, while Botnia is located 10 kilometres outside Fray Bentos, in an enclosed space where only people with special permission have access. The meat plant, first as Lemco and later as Anglo, built a company town surrounding the plant. The creation of a settlement nucleus around a factory was a common concept during the early industrial period in Europe. In this way, as several authors have highlighted the company always had an army of workers available in the immediate vicinity (see Ovalle 2000). The meat company built 80 houses for the workers. The houses of the administrative employees were clearly separated from the workers of lower rank. In the town there was a school, a hospital, recreational clubs (tennis, football, golf) and a cultural space were the workers and their families could participate. The social engagement of the company was far from an altruistic philosophy but had a functional objective: to secure the social wellbeing of its workers, thus ensuring that the workers would be more efficient (Ovalle 2000).

The meat plant created continuity; people could start working as adolescents and continued until they were old experiencing an upward social mobility. Since much of the money from those who worked at Anglo was reinvested in the town, there was a certain circulation where everybody had possibilities to earn money. During the time of Anglo the social differentiation within the community was less than today. The way the industry organised its production implied the absorption of much labour force during many decades; people received a secure monthly income and could plan their future. Pedro, the father of a friend, compared Anglo in relation to the situation today, like this:

To start to work at Anglo was…well, you solved your life. You could build your house, support your family. Today you can’t plan, you can’t
plan even the next week because you don’t know whether you will or will not have a job.

The Socially Thin Model of Development: Botnia

Contrary to Anglo, and taking into consideration the size of Botnia’s enterprise, Botnia has created fewer direct and indirect jobs in relation to the population of the area. The huge investment from Botnia was first and foremost an investment in advanced technology at the mill, and less in labour force. The establishment of Botnia implied the economic growth of some sectors at the local and national level. Some of these sectors are: log transporting sector, petrol companies, delivery services, truck maintenance service, cleaning services—offered to the mill and the private housing of the high ranking workers—hotel services—also for the foreign high ranking workers—and local newspapers—in which Botnia advertises for its company. It is difficult to assess the long-term impact of the economic growth of these sectors and their possible repercussions for the wider society.

The Anglo employed up to 4500 thousands workers in a town 12000 to 15000 people, while Botnia have created several hundred in a town of 23000. Despite repeated attempts, I did not find out the exact number of workers from Fray Bentos employed at the mill, but according to the communication manager at Botnia it was around 23 % of 600 workers working in all the areas at the mill. Botnia employs directly around 300 high skill workers in the production area. The majority of these are from Montevideo and other important cities in Uruguay; another 300 workers are employed in other areas, such as cleaning, log transportation and stowage. The communication manager continued: “Botnia has created more than 3600 jobs today. I say today because I don’t refer to the building period, but to the production period. During the building period there were much more. The whole production chain gives 3600 jobs, in both Botnia and Forestal Oriental, and contractors and subcontractors firms”.

The pulp mill’s reduced demand for labour force is not only due to its advanced technology but it is also due to the “global” division of labour and production. Tsing (2005:12) points out that “free-trade zones and new technologies of communication encouraged companies to spread their operations to ever-cheaper locations”. The result is a major fragmentation of the production chain than in the past. The meat
industry in Fray Bentos was, contrary to Botnia, labour intensive. All the links in Anglo’s production chain took place in Fray Bentos and in the surrounding areas, from the rise of cattle, the meat products to the labels and containers. On the contrary only some processes of Botnia’s production take place in Uruguay. The logs are processed into cellulose, which is sent to China where it becomes further processed and sold in different countries in Europe through its trade offices in Germany and France. This transformation in the production mode and organisation has had consequences for the host communities, namely the last decades a changing social contract has occurred between business and the communities into which they insert themselves. In addition to the decrease in demand of local workforce, the deregulation of the 1980s and 1990s enabled profit maximising companies to pass onto society costs that they were previously forced to internalise. Hence, companies became committed to get involved with their host communities by exercising corporate social responsibility (CSR).

Therefore, in the analysis of the model of social development in which Botnia is embedded, I look closely to the company’s corporate social responsibility (CSR). According to World Business Council for Sustainable Development33, CSR is the commitment of a business to contribute to sustainable economic development by working with their employees, the local community and the society at large to an improvement of the quality of life for everyone, now and for generations to come. CSR has to do with business’ responsibility to embrace the impacts of their activities on the environment, employees and host community. It includes issues such as a company’s general business practices, policies towards trade unions, working conditions and practices on health and safety. The business has to promote the public interest by encouraging community growth and development, and eliminating practices that harm the public sphere.

The Finnish company’s more direct contribution to the local community had resulted in the creation of Fundación Botnia, a foundation in charge of exercising the company’s CSR through financing and supporting different social, cultural and educational projects. In their words:

Fundación Botnia provides support to projects and programs focusing on improving the quality of life or well being of the residents within the area of influence of Botnia’s pulp mill in Fray Bentos and of those who live in other places where Forestal Oriental carries out its activities. The foundation works together with nonprofit social organizations to carry out long-term projects that promote development and sustainable growth. Our mission is to promote both job opportunities through training as well as a healthy lifestyle.\textsuperscript{34}

Unfortunately, I do not know how the manager of the foundation perceives Fundación Botnia’s insertion within the community. The manager does not work permanently in Fray Bentos, therefore it was very difficult to make an appointment with her and after several attempts to get an interview, I gave up. As far as I was able to ascertain the projects supported by Fundación Botnia are about educational courses and workshops, labour search, information campaigns within health or traffic, as well as sport, recreational activities and cultural events. I talked to different people that have had their individual projects supported by Botnia. They expressed satisfaction with the experience. It is difficult to measure the long-term impacts of these projects. In this context is important to remark that the report, “Diagnóstico de Situación del departamento de Río Negro: Escenarios, actors e iniciativas de Desarrollo Local en la Zona” (2007) commissioned by Fundación Botnia, points out that in general terms there are no visible institutions that specifically work with the promotion and management of the local development in the department of Río Negro, only specific actors that work on small development projects. It notes that Fundación Botnia is not the only organisation in charge of social development but one of several. It is also remarked that the population participates and is involved in projects, but there is still a perceived lack of cooperation and team group work between the different organisations in charge of social development. The report highlights that some of the problems with the low social development in Fray Bentos has to do with the lack of an institution that creates a social space that can function as a point of contact and coordination of projects. The actors that are engaged in projects for local development work fragmentally with individual projects that the majority of the population is unaware about. However, even if the projects financed by Fundación Botnia do not

\textsuperscript{34} From http://www.forestaloriental.com.uy/eng/rse_fundacion.htm accessed 7\textsuperscript{th} February 2010
have a long-term impact, at least some people become motivated to design their projects, giving the community some recreational and educational offers.

Fundación Botnia depicts itself as “encouraging environmental education in the region”, however the content of the information they give is highly questionable. Before I exemplify this, I will stress that Botnia is integrated in a business model that cannot be viewed independently from the monoculture of trees on which this industry bases its production. Since the forestry industry is new in the country, it is necessary to normalise the insertion of this alien industry in the context of local environments. The forestry industry is articulated in a language that makes this industry’s enterprises desirable, attractive or even intelligible for the locals. One example of such an effort is a homework magazine distributed by Fundación Botnia among school children. This magazine addresses questions around forest. They ask: “What is a forest?” answering: “Forest is an area of a large quantity of trees”; “a tree plantation is a kind of forest”. In the same magazine they tell about the benefits of the forests for the protection of the biodiversity and the conservation of the soil and water, as well as for counteracting global warming. We can also read that the distribution of “forest” in Uruguay is 53 % native forest and 47 % of eucalyptus and pine which are industrial trees; and that the 3,500000 hectares of land have been declared forestry priority. Under the title “Development and communities” they tell us that in Canada, Finland and Chile forestation has created movement and dynamism for the communities. By defining tree plantations as forest, Fundación Botnia gives an idea of something benevolent, even more, something we need to compensate the world’s critical environmental situation. The tree plantations are represented as if they are the same as forests, and that they do not have a negative impact as other monocrops have shown to have, but rather as another harmless form of forest. However, a plantation and a forest are radically different. A forest is a complex, self-regenerating system encompassing, soil, water, microclimate, energy, and a wide variety of plants and animals in mutual relation (Carrere and Lohmann 1996) and a plantation is an area consisting of a single species, sometimes clone modified, producing industrial wood at high growth rate and harvested on short rotations (Lang 2007). These fast-growth trees, or monocrops, are promoted in the children’s homework magazine as a way of absorbing emissions of carbon dioxide, the main cause of global warming. What they do not discuss is the fact that these trees, planted on a big scale, might have negative
impacts as well. Several environmental groups, national and international, affirm that the tree plantations, as with other monocrops, lead to the degradation of the soil and alteration of the environment and biodiversity as well as the degradation of rural life conditions (Carrere and Lohmann 1996, Lang 2007). In another magazine, *Espacio Botnia*, also published by the foundation and distributed free in the community, there is an interview with Evan Shield, a well-known Australian expert on forestry. He argues that “the Uruguayan landscape needs more trees” (Botnia 2007b:20). In spite of the fact that it might be true, that Uruguay needs some areas with forest, particularly to protect cattle and avoid soil erosion, these statements, as presented in the magazine, function as legitimising argument to support the introduction of extensive areas of tree plantations.
In the placard the tree plantation is referred as forest (Photo by author)

As I mentioned above Fundación Botnia presents itself as encouraging environmental education in the region. However, in my opinion this is part of a marketing strategy. “In the margins of contamination: lead poisoning and the production of neo-liberal nature in Uruguay” the anthropologist Daniel Renfrew (2009) highlights that Botnia not only has sponsored various community projects, sports teams and cultural events in Fray Bentos and the surroundings but has also founded “ecological” children’s television programming and has signed a deal to transform local elementary schools into “ecological schools”. Renfrew says that this green strategy presents a compelling narrative, supported by high profile, strategic and well-funded visual evidence, that socially and ecologically responsible and sustainable development is possible (Renfrew 2009:98). He emphasises, that this is a green marketing discourse of “eco-friendly” production practices that minimises the negative aspects of this industry’s actions. Similar to Renfrew, Böhm and Brei (2008) in their investigation of the marketing practices of the pulp and paper industry in South America, say that marketing play a crucial role in the construction of a hegemony discourse of development (Böhm and Brei 2008:341). They stress that marketing discourse and practice are crucial for the cultural and social legitimisation of these industries spreading. In this context, I argue that these industries not only legitimise their enterprises by stressing the benefits of the forestry sector for the host community, but also by using images that have a positive association locally and by stressing the economic dynamism which the installation of Botnia had brought. In Espacio Botnia
magazine, under the title “La historia inspira el futuro” “History Inspires the Future” (Botnia 2007c), they present the Anglo Museum by giving an outline of the successful meat industry in Fray Bentos. In another Espacio Botnia magazine the article Comercio y Calidad de Vida (Botnia 2007a) stresses the improvement in the services offered in the community which, according to the article, “was reflected in the increase in jobs and living conditions of the local population” (Botnia2007a: 22). The article, quoting a public servant, points out that when the construction period is over, Fray Bentos would be in a much better socioeconomic condition in comparison to the time before the arrival of Botnia (Botnia 2007a:22). However, during my fieldwork I personally witnessed the closing down of several of the services shops and restaurants that the article highlights as “new jobs opportunities”. It is important to draw attention to the fact that many of the owners of the new shops and firms that offered their services during the construction period were not from Fray Bentos. They reaped benefits during this period and left after the mill started its production. I was told that the local demand was too low to be economically viable for them. Further, multinational companies replaced several of those few local firms that offered their services to Botnia during the construction period as I referred in chapter IV. This situation has also contributed to an increase process of social differentiation between those few individuals who can profit from the company and those who could not.

In addition to the abovementioned projects, Botnia as Anglo did, built more than 100 houses to house the foreign workers during the construction period and built a little luxurious enclosed suburb “Barrio Jardin” for the workers in the higher ranks. The houses used by the foreign workers were donated to the district council intendencia, which then sold them to the locals. In addition, Botnia and its associated companies—Kemira, Andritz and Henderson—have contributed with 80000 dollars for the tomogram that the intendencia has bought to the hospital of Fray Bentos by the contribution of many people, entities and corporations.
A house in the Barrio Jardín, a suburb built by the company Botnia for the higher-ranking workers

A house in the Barrio Jardín

The houses for the workers during the construction period
Local understandings of Botnia’s CSR

People had different perceptions about Fundación Botnia. Many of my informants are ignorant of the foundations main function as a promoter of “educational, recreational and volunteering activities”35 believing that Fundación Botnia helps with money to those who need it. Others, on the other hand, have a more critical opinion about the foundation and its activities. Alejandro, a farmer said to me:

Last week Fundación Botnia distributed free household appliances at the school, but there are only a few pennies, chirolas. When I was a child the landlord of my father gave me sweets and I, being five years old, I thought how lucky I was, but as the years went by, I understood that the landlord of my father was not as good as I believed. He gave me sweets meanwhile he exploited my father.

A local environmental activist agrees with Alejandro, saying angrily that: “Botnia doesn’t pay taxes and buys the community’s support with gifts, dádiva. The dádiva is the marketing of Botnia!” For Alejandro and for the local environmental activist, as well as for others, Fundación Botnia’s work has not had a big impact and they see the different projects the company supports as a kind of charity that has as its goal to “buy” the support of the community or as another form for marketing. A pastor of a church said: “I think these kinds of companies always want to buy the people. They don’t give us work, but crumbs. With Fundación Botnia they break with the image of an aggressive Botnia, it becomes a benevolent capitalism”. Other informants were suspicious of the fact that Fundación Botnia took journalists on a trip to Finland and the fact that the company buys huge advertisements in the local newspapers: “the newspapers need the money of the advertisement, so they cannot criticise Botnia”. What is more, the journalists who went to Finland told about their experience in the Nordic country, and their stories influenced the public opinion. The common assumption was that the pulp mill in Uruguay will have the same impact as in Finland, as the following person told me: “Local journalists went to Finland and they say that there is no pollution there, so I think Botnia is good”.

In an interview, the Uruguayan communication manager of Botnia maintained that the problem with the criticism toward Botnia from some people in the community lies in the expectations people had in relation to the company. In her view, “Botnia is being asked for too much”: Se le pide mucho a Botnia. According to her, the company has a big social engagement in different areas but Fray Bentos is a very deprived area so there is a limit to how much a single project can contribute.

Another important issue that is not related directly to the foundation but which has to do with Botnia’s enterprise is the reparation of the roads damaged by Botnia’s activities. During my fieldwork I experienced an increased concern among people about the conditions of the roads and road accidents. The company is exempt of the reparation of the roads that are damaged as consequences of the heavy loaded trucks with logs that are driven to the company. The mill receives 280-300 trucks with 30000 kilos of wood each and every day and many of the trucks have overturned on the routes to Fray Bentos. Between November 2007 and April 2009 there were around 30 accidents on the route, according to different newspapers. The situation is worrying. Raúl, an informant who works for a log transporting company told me:

The accidents could also be avoided if we reduce the working day from 16 to 10 hours. We do not work 16 hours everyday but it happens if you had two hours left after your last trip then you have to drive to a plantation and bring more logs to complete your working day, suddenly you work three or four hours more that you were supposed to, you are tired and the trucks are heavily loaded so it is easy to lose the control of the steering wheel on the damaged roads.

Lito, a taxi driver in his forties, wonders how long it will be possible to drive on the 24 Route:

You see, I don’t feel safe anymore driving on this route. There have been so many accidents and the tracks in the road direction to Fray Bentos begin to be so deep that it is difficult to drive there with small cars. Botnia does not pay taxes and does not repair the roads! It is unbelievable, our politicians are great businessmen! —says Lito laughing and adding changing to a more serious tone—Who will pay for the reparation of the roads that Botnia destroys? We, the Uruguayan!
Raúl attributes the causes of the accidents on the roads as being the result of workers that are tired in conjunction with the bad condition of the route. Lito, on the other hand is angry about the fact that the roads become damaged as a consequence of Botnia’s activity. His way to give account of it reveals the hopelessness that he feels about the situation. The company does not take the responsibility for the reparation of the roads its enterprise damages, not even when they are exempt from paying most of the national taxes and the district council cannot afford the reparation. Thus, it is not only that the benefits of Botnia for the locals are few; in addition the community is affected by the company’s activity.

The Other Side of Social Responsibility: Social Invisibility

On the Mëtsa Botnia company’s website we read:

Botnia applies the same rules and standards as in all operations in Finland […] We demand the same standards from all our subcontractors and special attention is paid to work safety.36

Nevertheless, during Botnia’s construction period many accidents occurred. Those that provoked much reaction were the poisoning of at least nine workers with sodium sulphide and the death of two workers in fatal accidents. The poisoning of the workers took place the 14 August 2007; and the other two accidents in February and April of 2008. Here I will present the account of Gabriel, he is in the thirties and was one of the poisoned workers. Gabriel has always been a “changador”:

You don’t have any idea how it burnt. My eyes burnt. I saw that there were some workers filling the chemical tanks, some meters from us. A strong wind was blowing the workers had safety clothes; we didn’t. We were erecting scaffolds rather high up. I looked at one of the others guys and said: ——look! We are forgotten here! Then el Vitor said to me: —I can’t stand this smell. Thus, very quickly after that we started to feel bad. I felt suffocated. An hour after the powder covered us I

started to vomit and I itched everywhere. And we were working very high, at about 30 meters. Those who worked with this thing (sodium sulphide) had masks and special clothing. I thought that Tito would die, but it was worse for Miguel, he got a scar for life. How could we know that we were not supposed to wash out the chemical with water? And he did it. I was sick for 6 days. I vomited and had diarrhoea until the poison got out from my body. I lost seven kilos, but I was lucky that I didn’t wash the chemical out with water. I don’t remember how we managed to get down from the scaffoldings. Suddenly we were driven to the clinic in a private car because there was no ambulance but nobody there knew about this chemical and what to do with us. El Pepe repeated: I’m dying, in a low voice – he couldn’t speak. El Rúben says to me. –He is going to die! I vomited and had diarrhoea until the poison got out from my body.

The distress described by Gabriel was provoked by the inhalation of sodium sulphide, which led to the irritation of the skin and affected the respiratory tracts. Gabriel worked at the construction of Botnia with a foreign subcontractor firm. He worked 11 hours, from 7am to 6pm, from Monday to Saturday and half day on Sundays:

It is hard to work as a building worker. I was very tired all the time during many months. Later, the accident happened and the trial started. I could continue to work at Botnia for a while but now the entrance to the plant is forbidden for me. We filed a lawsuit against Botnia because they ought to notify 24 hours before the use of chemicals. They cannot manipulate chemicals with people working in other areas without knowing that it is dangerous. We had no protective dress on. When the accident happened, nobody at the hospital got information about what kind of chemical we were poisoned with. One day I went to Montevideo. There I met Miguel by chance, he is the worst injured among us. He didn’t know that you can’t mix water with sodium sulphide, so when the accident occurred he went down from the scaffolding and washed his arm. It itched a lot. It burnt then and he got blisters. When I met Miguel he had had a meeting with doctors and advocates: —How are you doing? —I have given up. The medical
council considered his case and said that the wound in his arms worsened because he scratched it!—Gabriel tells this staring vacantly into space with resignation—Just imagine! He, as the rest of us, has a family to support. Now he can work only from 4 am to 7 am to avoid the sun. When he goes to Montevideo to get a skin treatment he spend 45 US$ dollar every time. He had given up, is therefore he doesn’t want to talk to you about the accident, Cecilia. When we told about our situation in the local radio, people called and said that we were liars. A local journalist said that the Argentinean environmentalists manipulated us, and that we weren’t really harmed. You know, Botnia had a deadline; it ought to start the production so everybody had to work faster and faster. Nobody cared about us; everybody was preoccupied in taking care of the image of Botnia. Nobody cares that Miguel has children to feed. In the beginning we were very afraid to talk about the accident, we didn’t want to talk to anybody but finally we did.

Why were you afraid? – I asked him:

If we talked, we would have had the community against us. A local journalist said to us that we were liars. We were afraid to talk, but finally we went to an old lady from the environmental group who is very strong and not afraid of anything or anybody and we asked for her help. We were afraid. One of the workers had an accident. The crane he drove fell down, he complained and everything was used against him afterwards. Botnia is powerful.

Since the workers were afraid to talk about the accident with me, except for Gabriel, it is difficult to know the intensity and quality of the distress that, for example, has been inflicted upon Miguel and how he copes with it. The accidents occurred due to the negligent work safety regulations at Botnia. However, I noted a total disregard in local concerns about the accidents and risk situations workers suffered during the construction of the mill. Rosalind Morris (2006:63) pointed out in her study of a South African mining community: “it is the acceptance of the accident as normal that marks the violent nature of the society”. The final balance is the death of two workers,
the poisoning of nine and many different accidents workers were exposed to. Botnia did not take responsibility for the deaths or the accident with sodium sulphide because the victims worked for sub-contractors. A few of my informants told me that Botnia’s manager tried to minimise the situation, saying that the accident was just an incident, a minor accident. The poisoned workers were not indemnified neither by the subcontracted companies or by Botnia. They received only unemployment insurance. This case illustrates not only the lack of social responsibility of Botnia, but also the insufficiencies of the Uruguayan legal system, the legal and health institutions and their agents. The case also makes clear the difference between the pulp industry in Finland and in Uruguay. These workers were injured and continued to suffer. They are invisible to the company and for the legal system that was supposed to help them. The poisoned workers were called liars by the local media and the deaths of the workers were wiped out from the “official story”. In other words the political and moral meaning of the injury and suffering those people underwent is overlooked. The injured workers have wives and children to support and struggled to sustain their everyday activities. From what I was able to ascertain these stories were silenced and the professional discourse of the medical establishment did not support the workers. Unfortunately, I did not gain access to the professional statement about this case. According to Gabriel and other informants the medical diagnosis says that Miguel’s skin disorders and the intense irritation are the result of his scratching. He told me that the lawyers support the medical arguments in this diagnosis to defend Botnia and gave the company the support in not taking responsibility of its activity. Rewriting what I wrote earlier, CRS is the responsibility of a business to embrace the impacts of their activities on the environment, employees and host community. This example undermines the ideas of progreso in which Botnia is imbedded. I see the lack of responsibility of Botnia towards the workers not only as an aspect of the company’s thin model of social engagement but also as an unintentional poverty-producing process; a process to which the legal system and of Uruguay contribute to when it provides an unequal access to legal standing (see Øyen 2000).

**Conclusion**

In this chapter I have focused on how Botnia inserts themselves into the community. The last decades have seen a transformation in the relations between governments,
business and local communities. This has lead to a changing social contract between enterprises and their host communities, making the engagement of the companies thinner.

The social engagement of the old industry that built schools, houses, hospitals and recreational spaces has been replaced by another model of engagement such as the adding of financial support to different projects. In my opinion some projects of Botnia’s CSR might not be the outcome of an ethical position, but might be part of a marketing strategy, a window-dressing, that legitimises or at least aims to win the support of the public opinion for the insertion of these alien industries—forestry and pulp—in the area. As some scholars (Böhm and Brei 2008, Kerski 1995) highlight the approval of the local communities is essential for these industries. Their marketing shades the significant environmental, social, economic and cultural consequences of their enterprises’ practices, such as desertification—due to the immense water needs of eucalyptus trees—unequal land rights and a decrease in farming jobs due to the shift of cattle farming to forestry.

I suggested that Botnia in Uruguay is included in a discourse imbued with ideas of socially thick model of development, although in reality Botnia and the companies associated to it, such as Forestal Oriental, represent a socially thin model of development. This discrepancy is clearly apprehended through Botnia’s CSR. Companies are not expected to solve social problems, but since Botnia is included in a discourse of progress it is expected to be a major contribution to the economy of the community, this have been central to my argument. CRS should not be about charitable functions or “philanthropic programs”, but about operating with a perspective broader and longer than their own immediate short-term profits. I argue that Botnia represents a socially thin model of development in Uruguay, they has not a committed responsibility in the long term with the community of Fray Bentos.
Conclusion

This study has analysed the socioeconomic effects of the installation of a Finnish pulp mill in the rural community of Fray Bentos in Uruguay. I conclude that the forestry and pulp industry do not lead to progress in Fray Bentos due to the interplay between the economic dynamics in which these industries are embedded and the history of the local socioeconomic structure. I have aimed to show the importance of studying the interconnectedness of global and local processes, especially in relation to economic growth and the increase of poverty. Although questions of development as economic growth have been contested for a long time, financial and political institutions still conflate them. In this context, progress in relation to Botnia is one-dimensionally economic growth and not improvement in living standards and opportunities for self-fulfillment.

Throughout the thesis I have focused on different aspects of the community and its socioeconomic reproduction in the present and in the past, showing that poverty in this rural area has remained prevalent through the neo-liberal inspired transformation of Uruguay’s productive models. In the midst of a difficult socioeconomic situation a flourishing transnational corporation in cooperation with governments and financial institutions promote the spreading of the forestry and pulp industry as progress. The power of the idea of progress lies in that it creates hope in a socioeconomic situation where the lack of long-term employment opportunities disintegrates all sense of hope. Thus, I have argued that hope is important in studying Uruguay’s neo-liberal policies and the pulp industry, in relation to the official discourses and its ramifications at the local level. There are people that find hope in the idea of progress, but there are people, as in the case of several of my young informants, who are disillusioned by the lack of progress. The discourse of progress is imbued with prescriptions that are difficult to achieve for many young people. Therefore, they find their own way to create hope for themselves. The stories of the young people of my study is not particular to Fray Bentos but to other areas of the world too. The constriction in the possibility for progress has to be analysed in relation to the local socioeconomic development of this community linked to neo-liberal economic reforms.
In chapter II I presented the relevant contexts against which the different themes in the thesis are interpreted or assigned meaning. In chapter III I examined a carnival group, the young’s relation to carnival and the young’s living conditions. I have attempted to show that poverty has remained prevalent in Fray Bentos with the arrival of Botnia. I have argued that the carnival offers a window to socioeconomic processes and how people themselves understand these processes. In chapter IV I illustrated how people conceptualise Botnia and the role narratives of the past have in relation to people’s understanding of Botnia. I have argued that hope is central to understanding why, in spite the fact that Botnia did not have a significant economic impact in the everyday lives of many people, people still support this enterprise. Underlying both chapters, III and IV, there is also an attempt to show that hope is not easily conceived and that some forms of hopes are pervaded with ambivalence. In chapter V I analyse the insertion of Botnia in the local community through its corporate social responsibility. I have stressed that there is a gap between the values that are promoted and the practice of Botnia and its associated companies. I suggested that Botnia is included in a discourse imbued with ideas of a socially thick model of development, but in reality it represents a thin model of development.

According to Ghassan Hage (2003), Bourdieu argued that the rise of neo-liberal economic policies has influenced the capacity of nation-state to distribute hope. Bourdieu argues that capitalist societies have always been marked by unequal distribution of hope but contrary to the neo-liberal period, they offered the ground for struggles toward an equitable distribution. Extending Bourdieu’s understanding, Hage (2003) remarks that despite the fact that the actually ground for struggle has shrunk; societies’ still can produce and distribute hope through hegemonic discourses. These discourses maintain an experience of the possibility of upward social mobility among its population, giving people hope and dreams for a better future. Thus, most people can live their lives believing in the possibility of upward social mobility without actually experiencing it (Hage 2003:14). The impact of development discourse and Botnia’s place in it can be interpreted in this light. The installation of Botnia is a good illustration of the kind of hopeful discourses discussed by Hage. I have argued that the hope distributed by the government’s discourses and the overwhelming marketing of Botnia was sustained by false promises; however it was effective in that it did in fact give many people hope and trust about their future.
The socioeconomic deprivation of Fray Bentos is not the result of Botnia’s installation but Botnia has not contributed to a change in an opposite direction. This mega transnational corporation was portrayed as the great manufacturer of prosperity not only for the local community but also for the country in general. Nevertheless, this idea of progress does not materialise in a social betterment for the host community. This discrepancy between ideology and reality is not particular to the Botnia case. It seems the rule and not the exception of neo-liberal system of which Botnia in Uruguay is part. As several scholars have pointed out (see. e.g, Bourdieu 1998, Ferguson 2006, Harvey 2000), prosperity, as the result of what Harvey calls the neo-liberal “utopia”—a functionally perfect market independent from a state’s control—is not within everybody’s reach. In Fray Bentos there are many vulnerable groups, especially the young generations, who do not have choices, and whose aspirations are increasingly difficult to fulfil. The economic boom in Fray Bentos brought material objects such as motorbikes and mobile phones instead of stable jobs. The promise of prosperity and an increase material wellbeing for Fray Bentos with Botnia’s arrival was not fulfilled. Botnia and the pulp industry do not imply a betterment in people’s living condition but economic growth. Therefore, it does not alleviate poverty as international financial and political institutions promote it to do. Economic growth alone is insufficient to reach social development goals.

Only through careful analysis of transnational inequalities will we understand the complex social processes that structure growing disparities and what is needed to guarantee social and economic rights by states or other polities. I hope that the case presented in this thesis, by giving some insights into what happens in the wake of the global forestry and pulp industry entering a local community, contributes to rethinking global politics. Financial and political institutions subsidise and promote the spread of the industrial tree plantations and the pulp industry as development. However, the way in which these industries organise their production in developing countries has not lead to more social justice, but has contributed to more economic disparity among regions and communities. These industries’ actions and practices encourage an uneven global development, creating or consolidating social inequality. In addition to what my case has illustrated, these industries have contributed to deforestation and the destruction of livelihood of groups and communities in several parts of the world.
Epilogue

In the course of writing of this thesis, the pulp mill and the eucalyptus plantation company Forestal Oriental in Uruguay were transferred to UMP-Kymmene OYJ (UMP), which is a Finnish pulp, paper and timber manufacturer. UPM has 91% ownership in the pulp mill and 100% in Forestal Oriental. It seems to me that this transaction is another example of the chronic instability resulting from the so-called market “flexibility” inherent in neo-liberal capital accumulation.

In April 2010 The Hague ruled on the final verdict in the case of Argentina and Uruguay. The court held that there was no evidence that the discharges of effluent from the UMP (ex Botnia) mill have had deleterious effects or caused harm to living resources or to the quality of the water or the ecological balance of the river since it started its operations in November 2007. The ordering of dismantling the mill was rejected and the pulp mill can continue to operate. Despite this fact, in May 2010 the Asamblea Ciudadana Ambiental Gualeguaychú ratified the continuity of the blockade of the international bridge.
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