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Policing the Economy: Hyperinflation, Consumption and the Making of Austerity in Greater Buenos Aires, 1989-1991

Vigilar la economía: hiperinflación, consumo y austeridad en el Gran Buenos Aires, 1989-1991

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| **Abstract:** This article examines a period of hyperinflation and food riots that swept Greater Buenos Aires from 1989 to 1991. It is based on an analysis of hundreds of declassified police records compiled by the Intelligence Directorate of the Buenos Aires Provincial Police (Dirección de Inteligencia de la Policía de la Provincia de Buenos Aires, DIPPBA). DIPPBA officers tracked the fluctuating price of basic goods, rising rates of urban poverty, and sporadic outbreaks of supermarket lootings. Albeit crafted with an eye toward surveillance and social control, DIPPBA reports shed light on the survival strategies and consumption patterns that urban residents devised to offset the consequences of hyperinflation. As the challenges of prolonged economic crisis drew police attention to the everyday realms of shopping and the marketplace in new ways, DIPPBA archives from this period offer novel insights into the history of consumption by explicitly linking scarcity and citizens' inability to access basic goods as a matter of national security.

Keywords: Hyperinflation; Food riots; Police surveillance, Buenos Aires

| **Resumen:** Este artículo examina un período de hiperinflación y saqueos que asoló el Gran Buenos Aires entre 1989 y 1991. Se basa en un análisis de cientos de registros policiales desclasificados recopilados por la Dirección de Inteligencia de la Policía de la Provincia de Buenos Aires (DIPPBA). La DIPPBA siguió de cerca la fluctuación de precios de los productos básicos, el aumento de los índices de pobreza y los esporádicos saqueos de supermercados.

Aunque elaborados con fines de vigilancia y control social, los informes de la DIPPBA arrojan luz sobre las estrategias de supervivencia y los patrones de consumo que los ciudadanos idearon para contrarrestar las consecuencias de la hiperinflación. Los archivos de ese período de la DIPPBA ofrecen nuevas perspectivas sobre la historia del consumo: a medida que la crisis económica atraía la atención hacia los ámbitos del consumo cotidiano, la policía empieza a percibir explícitamente la incapacidad de los ciudadanos para acceder a los bienes básicos como una cuestión de seguridad nacional.

Palabras clave: Hiperinflación; Saqueos; Vigilancia policial; Buenos Aires.

In December 1989, police throughout Buenos Aires province increased their patrols of poor and working-class neighborhoods in response to growing rumors about supermarket lootings. Their heightened surveillance targeted the shantytowns and supermarkets of Greater Buenos Aires, areas that had been at the center of a national wave of food riots triggered by hyperinflation in May of that year. The May 1989 uprisings shocked Argentines with upwards of 19 deaths and an estimated 282 store lootings (Serulnikov 1994, 2019; Adair 2020). By the time the week-long riots subsided, Raúl Alfonsín, Argentina's first democratically elected president following the nation's last military dictatorship, had announced his resignation and a date had been set for the inauguration of Carlos Menem, a Peronist who promised a "productive revolution" to bring economic relief.

The start of Menem's presidency put a temporary stop to the unrest. But hopes for an end to inflation proved short-lived. As the Christmas and New Year holidays approached, monthly inflation reached 40 percent. By January 1990, it topped 80. The return of hyperinflation brought economic chaos and fears of another *estallido*—or outbreak—of supermarket lootings and disturbances. Throughout February and March 1990, supermarket riots broke out again in Rosario, Córdoba, and Greater Buenos Aires. Though not as widespread or as lethal as the riots of May 1989, the uprisings and the unrelenting pace of inflation cemented a constant threat of *estallido* in the nation's urban centers. Following several government attempts to rein in prices, fears of uprisings began to subside in April 1991 with the start of "Convertibility," a monetary policy that fixed the value of the Argentine peso to the US dollar, ushering in a tenuous social peace and an end to runaway inflation.

The Intelligence Directorate of the Buenos Aires Provincial Police (Dirección de Inteligencia de la Policía de la Provincia de Buenos Aires, DIPPBA) chronicled this extended moment of uprising. Officers tracked the fluctuating price of basic goods, rising rates of urban poverty, and the mobilization of neighborhood organizations. Their reports documented a "war of nerves," and a climate of "collective psychosis" in the supermarkets and public trains and buses of the capital region. Although crafted with an eye toward surveillance and social control, DIPPBA records from this period shed light on the consumer survival strategies that urban residents and local government officials devised to offset the consequences of hyperinflation in Greater Buenos Aires.

This article examines the hyperinflation and riots of 1989-1991—beginning with the start of the Menem presidency and ending with the implementation of Convertibility—based on an analysis of hundreds of DIPPBA records focused supermarket uprisings and consumption. Founded in 1956 and headquartered in La Plata, the DIPPBA functioned until 1998 as an arm of Cold War surveillance and state repression in the province of Buenos Aires. As described bluntly in a founding document, "The purpose [of the DIPPBA] is to know who is who, that is, to have a record of the good guys so that we know who they are when they cease to be" (Comisión Provincial por la Memoria, n.d., 3). Over its four decades in existence, the DIPPBA monitored a widening web of "internal enemies" including Peronist trade unionists, communists, student groups, the armed left, religious leaders, and shantytown residents, among others. Following Argentina's return to constitutional rule in 1983, the DIPPBA continued to spy on citizens until 1998 when it was disbanded as part of the reorganization of the provincial police.

Methodologically, this article opens new avenues of inquiry by using DIPPBA records to explore the period following the height of state terror in Argentina. Argentina's transition to democracy did not radically alter the DIPPBA's institutional mission, and throughout the late 1980s and early 1990s its intelligence gathering repeated familiar Cold War scripts. Provincial police were quick to blame unrest on elaborate leftist plots to incite popular insurrection. In many ways, the ideas that animated Argentina's national security doctrine endured well into the democratic era. Yet the DIPPBA's reporting on supermarket riots and rumor campaigns from 1989 to 1991 also reveals how intelligence forces confronted larger political and economic changes that coincided with the return to constitutional rule. During the prolonged economic crisis, DIPPBA officers closely monitored the consumption patterns of citizens. The challenges of inflation drew the DIPPBA's attention to the everyday realms of shopping and the marketplace in new ways, with reports focused on registering citizen anxieties around prices and rising hunger as potential sparks of uprising. The reports make clear calculations between the drama of meeting basic needs and the most potent catalysts for *estallido*. While many studies of consumption in contemporary Latin America focus on the role of expanding consumer cultures (Canclini 1993; Elena 2011; Sinclair and Pertierra 2012), DIPPBA archives from this period offer novel insights into the history of consumption in the region by explicitly linking scarcity and citizens' inability to access basic goods as a matter of national security.

In their study of Mexican spy records, Tanalís Padilla and Louise Walker remind us that "intelligence sources often tell us as much, or more, about the state as about groups and individuals under surveillance" (Padilla and Walker 2013). Building on this insight, the analysis here challenges periodizations that posit a clean break between dictatorship and democracy in Latin America, to bring into sharper focus a moment when the Cold War gave way to an era of economic austerity and new inequalities that altered everyday consumption in Buenos Aires. DIPPBA records from the hyperinflation and riots of 1989-1991 depict a security apparatus at a crossroads, subject both to checks

on their power imposed by constitutional rule and the realities of acute economic crisis. DIPPBA security forces may never have abandoned their concerns about the organized left. But their surveillance operations were compounded by a new, indomitable "enemy" in the form of hyperinflation that made large numbers of citizens potential adversaries and therefore subject to scrutiny. These groups included familiar targets of spying like political militants and sectors of the urban poor. DIPPBA forces also increasingly singled out the middle classes, whom police viewed as susceptible to insurrection because of inflation's impact on their standards of living and consumption habits.

As a chronicler of the post-dictatorship era, the DIPPBA was a witness to and a participant in a new politics in the making. Though not the first riots in Argentine history, the 1989 supermarket lootings were the first "subsistence" riots on a mass scale, the opening act of a two-year period of food uprisings and hyperinflationary spikes that confounded the government of Carlos Menem (Serulnikov 2017). While Menem had campaigned on a platform touting his Peronist bona fides, upon assuming office in July 1989 his government initiated plans to privatize key state enterprises, policies more in line with free market fundamentalists than the Peronist rank and file. These events took place far from DIPPBA surveillance operations in the historically Peronist strongholds of Greater Buenos Aires. While most scholarship on Argentina's neoliberal turn investigates the onset of structural adjustment from the commanding heights of state power, DIPBBA records from the early 1990s offer a glimpse into the making of austerity "from below" (Heredia 2015; Roig 2016). As they chronicled the disastrous impact of hyperinflation on the lives and consumption patterns of middle- and lower-income urban residents, DIPPBA surveillance operations also complicate understandings of popular support for the newly installed Peronist government and its local representatives in Greater Buenos Aires. Refracted through the lens of state spies, the passage of free market reforms emerged in a crucible of state surveillance and repression, economic pain, and popular uprising.

THE AFTERMATH OF THE MAY 1989 RIOTS: CONSUMPTION UNDER SURVEILLANCE

Supermarket lootings and inflation still dominated headlines when Carlos Menem was inaugurated on July 8, 1989. Though the number of reported lootings had dropped since the height of the May riots (investigators registered 164 incidents in June, and 79 in July), DIPPBA security forces remained vigilant for any signs of unrest on the horizon.[1]

[1] These figures are based on investigations conducted by the Centros de Estudios Unión para la Nueva Mayoria in the midst of the May to July uprisings. The report findings appear in *Ámbito Financiero*, "Disminuyen saqueos en 3 meses duros," August 1, 1989, in: El Archivo de la DIPPBA (Dirección de Inteligencia de la Policía de la Provincia de Buenos Aires) (hereafter Archivo DIPPBA, Mesa DE: factor social, Legajo 569Bis(2), folio: 21.

One report concluded, "It is likely that new acts of looting and vandalism may reoccur if the situation worsens, and if the authorities can no longer maintain soup kitchens for the most marginalized sectors."[2]

In the aftermath of the riots, DIPPBA security forces turned their attention to evaluating the consequences of uprisings in their jurisdictions. Police stations received orders from DIPPBA headquarters in La Plata to report on any emergency social programs enacted by municipalities, the mood of store owners and shoppers, the availability of medicine and medical services, and the mobilization of leftist groups. These reports, known internally as the "Requerimiento 300" (Requirement 300) surveys, provide vivid descriptions of the ongoing challenges presented by the economic crisis after the worst of the May riots had subsided. The surveys focused on supermarkets and pharmacies as centers of popular anger and potential uprising, the frontlines of daily consumption where citizens felt the impact of inflation most acutely. Throughout Greater Buenos Aires, residents frequently accused shop owners of cheating consumers. Police documented a common pattern of stores overcharging for goods—selling 800 grams of sugar for the price of one kilo, for example—and price gouging on products like milk and cooking oil despite official sanctions condemning the practice.[3] DIPPBA officers noted that the ever-rising cost of basic goods in the "family basket" made store owners equally mistrustful of shoppers and government authorities, who seemed powerless to halt rising food prices.[4] In Merlo, a municipality close to the center of looting in Greater Buenos Aires, local authorities were forced to cut municipal hospital budgets, which led to a shortage of essential medical supplies such as syringes and gauze. The lack of funds to pay salaries meant that surgeons were called on for life-threatening emergencies only.[5] These reports highlight the obstacles that citizens confronted daily to meet their basis needs. In so doing, they make consumption a purview of DIPPBA surveillance and access to goods and services, in the estimation of officers, a determining factor for social unrest.

Requerimiento 300 surveys, most of which were filed shortly before Menem's inauguration, provide snapshots of consumer anxiety and anger throughout Greater Buenos Aires. They also demonstrate the ways that the security forces constructed their narratives of the economic and social crisis. Police overwhelmingly saw social unrest as fueled by the left. When supermarket lootings erupted throughout the nation in May 1989, DIPPBA authorities were quick to see left-wing conspiracies at their center and the supermarket riots as an extension of the political militancy of the 1970s. This conclusion, which was also promoted by most of Argentina's leading politicians, had a basis in recent events. The January 1989 attack on the Tablada military barracks by the leftist group Movimiento Todos por la Patria (MTP) alerted security forces to any

2 Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folio: 32.
3 Archivo DIPPBA, Mesa DE: factor social, Legajo 569(Bis)2, folios: 2-7.
4 Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folio: 32.
5 Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folio: 4.

sign of leftist mobilization (Hilb 2007). Almost all the reports assessing the aftermath of the May riots repeat a common refrain about leftist groups "ready to take advantage of the emergency" to gain new adherents among the urban poor.[6] Though many DIPPBA delegations conceded that the threat of uprisings had subsided by Menem's inauguration in July 1989, security forces were primed to view political parties like the MAS (Movimiento al Socialismo) and Partido Obrero (PO) as ready to fuel the flames of popular ire.

While DIPPBA security forces saw access to basic goods and left-wing groups at the center of possible further uprisings, their surveillance of consumption also highlighted varied local responses to the crisis sparked by months of hyperinflation. Throughout the 19 municipalities that then constituted Greater Buenos Aires, emergency food relief was the most frequent and high-priority social need. Across the capital region, local governments instituted voucher programs to subsidize food purchases and soup kitchens to feed residents. In La Matanza, one of the most densely populated municipalities, community kitchens served up to one hundred thousand people per week.[7] The neighboring municipalities of Quilmes, Berazategui, and Lomas de Zamora reported serving close to seventy thousand meals per week and engaged the support of the local Catholic Church to coordinate food aid.[8] These municipal efforts coincided with the launch, in August 1989, of the *Bono solidario*, a national aid program that provided food, clothing, and medicine to families in need.[9] Local and national welfare programs administered urgent social services in the midst of the economic emergency, which had left up to 38 percent of Greater Buenos Aires residents below the poverty line by mid-1989. The attention DIPPBA officials paid to emergency food aid underscored how officials viewed hunger—the absence of the ability to consume—as a key element of the *estallido*. This was an assessment shared by many of the nation's leading political figures. Antonio Cafiero, the Peronist governor of Buenos Aires province, declared the crisis facing the capital region a national calamity without precedent whose effects would be difficult to reverse. In a speech delivered a few weeks after the start of Menem's presidency, he offered a sober assessment: "We must understand that Greater Buenos Aires, which is home to almost half of the population, is the true neglected country, the land of the condemned of the earth, the people of whom Evita said that the birth of a child does not bring joy to a family, but rather a problem that will grow and that must be fed, clothed and educated…"[10]

As bleak as Cafiero's conclusions were, the start of Menem's presidency also brought expectations of economic recovery. In one sense, the proliferation of emer-

6 Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folio: 8.

7 Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folio: 32.

8 Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folios: 128-133 and folios: 55-56.

9 "Empiezan a funcionar los bonos solidarios," *La Nación*, August 8, 1989, in Archivo DIPPBA, Mesa DE: factor social, Legajo 569(Bis)2, folio: 54.

10 "Cafiero dice que el cuadro es calamitoso," *Clarín*, July 31, 1989, in Archivo DIPPBA, Legajo 569(Bis)2, folio: 9.

gency municipal aid programs reflected a belief that the Peronist government would be able to meet citizens' material needs. In the township of Lomas de Zamora, one incident illustrates this point. In early August 1989, DIPPBA officers reported on a protest of approximately 300 residents gathered outside the doors of municipal offices demanding food relief with signs reading "We are hungry!" dotting the crowd. Police expected that the scene would devolve into violent skirmishes along the lines of the recent supermarket riots. Instead, a municipal representative was able to reassure protesters that emergency food relief was on the way, and the crowd dispersed without further commotion. DIPPBA officers concluded that the peaceful resolution to the tense standoff was an indication of residents' faith that the newly installed Peronist government would be able to put an end to the economic crisis.[11] This assessment echoed Menem's own pledge to reverse the recession of the 1980s via a "productive revolution" that would fulfill the promises of the first Peronism (1945-1955), a period marked by the expansion of Argentina's industrial economy, a mobilized working class, and popular consumption (Canelo 2011; Milanesio 2013). In July 1989, promises of industrial growth and job creation inspired a measure of cautious optimism, especially in the Peronist strongholds of Greater Buenos Aires.

Menem had achieved the presidency based in part on his exploitation of Peronist doctrine. Once in power, however, his administration quickly cast off the movement's legacies and embraced a program of structural readjustment. During the first six months of the Menem presidency, government officials sought to contain the economic emergency by resuming negotiations with Argentina's foreign creditors and by adopting the free-market recipes advocated by the nation's lenders. The most prominent measures enacted during this time included the passage of the "Economic Emergency" and "State Reform" laws, which aimed to reduce government spending through the privatization of key national industries and a sharp reduction in public employment and state spending (Roig 2016). Government ministers insisted that these policies would restore economic solvency and, more importantly, halt inflation. Weeks into his presidency Menem confidently declared that that the threat of "*estallido social*" had disappeared, boasting that his government's policies would "put a definitive end to the situation of hyperinflation constantly sapping the energy of Argentines." He predicted that within a year, "inflation would be at 15 percent annually, give or take a point or two."[12] For a few months, Argentines did enjoy a brief respite from inflation, which went from 200 percent in July 1989 to 5.6 percent in November. Shortly thereafter, however, prices began to rise again. By mid-December, prices spiked by more than 40 percent. At the end of 1989, the annual consumer price index reached 3,079 percent. The return of hyperinflation gutted salaries and purchasing power, plunging

[11] Archivo DIPPBA, Legajo 569(Bis)2, folios: 14-18.

[12] *La Nación*, "Un posilble estallido social fue desechado por Menem," August 1, 1989, in Archivo DIPPBA, Mesa DE: factor social, Legajo 569(Bis)2, folio: 12.

more people into poverty, and bringing with it the second round of supermarket lootings in one year.

A "WAR OF NERVES": RUMOR CAMPAIGNS AND THE RIOTS OF FEBRUARY-MARCH 1990

On December 16, 1989, shop owners from San Miguel, the municipality that had seen some of the most violent supermarket lootings seven months earlier, wrote a letter to the head of the Intelligence Directorate in La Plata demanding "the prompt intervention of public authorities" (Neufeld and Cravino 2001). The shop owners, who noted that they had "already been the victims of the May-June disturbances," were bracing themselves for more uprisings in light of "rumors of citizens who appear to be activists intent on convincing nearby residents [to loot]."[13] In the final days of 1989, as the cost of living soared, rumors of uprisings began to circulate with greater intensity. Officials at DIPPBA headquarters in La Plata fired off telegrams to precincts throughout Buenos Aires province warning of a "coming wave of *saqueos* [looting]" and urging officers to take extra precautions.[14] The Christmas and New Year holidays passed without new incidents, but supermarket lootings eventually broke out again in February 1990. Beginning in the outskirts of Córdoba and Rosario and then spreading to Greater Buenos Aires, this second round of riots was not as explosive as the May 1989 episodes. In total, 71 supermarket sackings were reported in these three urban centers between February 18 and March 19, 1990. Only seven percent of these occurred in Greater Buenos Aires (Iñigo Carrera *et al*. 1995, 42-47). Though the riots of early 1990 decreased in intensity as compared to their May 1989 counterparts, police intensified their spy operations in supermarkets, banks, commercial districts, and residential neighborhoods throughout the capital region.

How did DIPPBA officers interpret the second round of hyperinflation and uprisings? And who and what did they view as the greatest threats to law and order? Overall, rumor and hearsay defined this moment of unrest. Police dedicated considerable energy to tracking stories and reports of possible uprisings, most of which did not materialize. As with the riots of May 1989, DIPPBA officials saw the left at the center of destabilizing rumor campaigns and lack of access to basic goods as principal grievances. Officers accused leftist groups like MAS and PO of operating stealthily to spread a climate of fear and uncertainty about the economic situation and to plant the idea of looting in citizens' heads. Despite their close attention to plots and schemes, DIPPBA officers throughout Greater Buenos Aires admitted they could not confirm the origin or veracity of rumors. The cumulative effect of these whispers, however, produced concrete effects in daily life. Officers described a "war

[13] Archivo DIPPBA, Mesa DE: factor social, Legajo 572, folio: 181.

[14] Archivo DIPPBA, Mesa DE: factor social, Legajo 591, vol. 1, folios: 32-34.

of nerves" and a feeling of "collective psychosis" that perturbed security forces and citizens alike.

In her pioneering work about the place of rumor and hearsay in the archive, Ann Laura Stoler demonstrates that the "imaginings" of colonial authorities "propelled their actions" (Stoler 1992, 179; 2009). Stoler and others have examined the ways that state actors and security forces weaponize rumor and disinformation "from above" as a form of social control and institutional violence (Zemon Davis 1987; Troullot 2005; Caimari 2017). Echoing Stoler, Vanessa Freije and Rachel Nolan assert in a recent study about rumor, forgery, and denunciations in contemporary Latin America that "dubious or challenged claims… are an important constitutive part of the historical record and often altered material realities" (Freije and Nolan 2021). This is not to say that rumors of riots led to uprisings. On the contrary, rumors of purported supermarket lootings in late 1989 and early 1990 rarely panned out. Instead, the constant drum beat of rumor—culled from the press and from the DIPBBA's own reporting—created an echo chamber of plots, falsehoods, and intrigue that simultaneously shaped and reflected the worldview of police and that prompted concrete actions, not the least of which was more surveillance of poor and lower income residents.

In the weeks leading up to the Christmas and New Year celebrations, DIPPBA officers registered an uptick of troubling rumors. Much of this information came directly from regional and national newspapers throughout Buenos Aires and Santa Fe province. Officials collected and archived dozens of articles about a predicted wave of lootings in the city of Rosario, the site of the most violent uprisings earlier that year. They paid particular attention to alleged plans for supermarket lootings supposedly meant to coincide with an upcoming soccer match between Rosario Central and Newell's Old Boys when, the reports noted, the Rosario police would be otherwise engaged with security for the game.[15] According to representatives from a coalition of a Rosario shantytowns, these carefully planned assaults were being coordinated by members of the "extreme left […] people from outside of the neighborhoods [who were] spreading rumors about a resurgence of looting while instigating [us] to join the movements."[16] Other articles noted that the planned attacks, organized under the rallying cry "For a Christmas without hunger," were a response to general social anger and the recent suspension of two hundred local soup kitchens.[17] Despite widespread media attention in the lead-up to the game, the match proceeded without any reported lootings. Santa Fe officials nonetheless installed armed guards at supermarkets and set up road checks that lasted for the next several months.

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[15] "Detectan en Rosario a activistas que incitan a saquear supermercados," *La Prensa*, December 7, 1989, in Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 36.

[16] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 36.

[17] "Temen saqueos en Rosario," *Sur*, December 8, 1989, in Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 49.

The attention that DIPPBA officials paid to events in Rosario reflected security forces' worst fears of a society on edge with uprising just around the corner. Closer to the capital region, DIPPBA officials followed up on and generated their own reports about rumors. These reports underscore the ongoing resonance of the specter of hunger and access to basic needs as social demands that tapped into individuals' anxieties about want and scarcity. Echoing news from Rosario, police tracked graffiti on city walls and collected political flyers that declared, "This Christmas, food will not be missing." In La Matanza officials noted "the possibility of supermarket lootings is lurking right around the corner […] due to the proximity of the Christmas and New Year festivities, when low-income people are under certain special sentimental and psychological effects."[18]

The psychological and emotional state of urban residents figures prominently in DIPPBA reports from late 1989. One scenario that appears frequently in memos describes a pattern of leftists "preying" on vulnerable workers, "[waiting] in groups of 10-12 outside of factories, and at bus stops, supermarkets, and in bank lines […] with the intent of haranguing those present...to rebel and disavow all types of authority, whether police, municipal or political."[19] Officers paid close attention to the epicenters of the May 1989 riots in Greater Buenos Aires, municipalities like General Sarmiento for example, where officers described "psychological activity aimed at provoking police presence."[20] In the municipality of Moreno, located to the west of the capital, rumors circulated about activists mobilizing by word of mouth or going door-to-door with promises of "a Christmas without hunger." Officers from Moreno conceded that they could not "confirm with certainty that these events will transpire." Yet, they concluded, "the information gathered [so far] is sufficient to prove that there is a psychosis prepared (*una pscicosis preparada)* to act in the presence of organizers…"[21] Though calm reigned into the new year, DIPPBA officials predicted that "in the face of such rumors the most marginalized sectors of society are predisposed to repeat the events of May-June [1989]."[22]

The DIPPBA's preoccupation with rumor was certainly not new. Since the DIPPBA's founding in 1956, officers frequently generated rumors and disinformation, including the collaboration of civilian informants, for its operations. Likewise, officers' conclusions that the left was at the center of looting schemes were far from unique. DIPPBA memos from late 1989 and early 1990 evoke the height of Cold War surveillance, detailing sometimes fantastical, step-by-step plots in which the supermarket riot represented the first step toward widespread popular insurrection. There were, however, some cracks in these narratives. For one, while police wielded rumors as a

[18] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folios: 53-54.
[19] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folios: 37-41.
[20] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folios: 42-43
[21] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 82.
[22] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folios: 56-58.

weapon, they also proved susceptible to them, casting themselves frequently as the main targets of rumor campaigns. In General Sarmiento, the municipality the DIPPBA described as the "neurological center" of leftist-fueled mobilizations, officers noted that the rumor mill operated "practically 24 hours per day," and was taking a toll on local security forces.[23] According to one report: "These psychological actions are aimed at wearing down the police forces […] who are immediately mobilized to sites of the alleged looting, which end up being nothing more than false alarms and maneuvers of distraction."[24] Memos like these depict officers as casualties of the "war on nerves." At moments, they betray a surprising sense of impotency. While police still held firmly to the reins of coercive state force, rumors represented a destabilizing presence that pierced the DIPPBA's sense of its own authority during a broader crisis of scarcity and consumption in the years following Argentina's return to democracy.

THE SHIFTING FOCUS OF SURVEILLANCE: FROM THE URBAN POOR TO THE MIDDLE CLASSES

Even as the DIPPBA remained alert to rumors of leftist agitation, its assessments of radical action began to shift. Compared to the surveillance of the 1970s, the police abandoned phrases like "subversion" and "terrorism" to refer to activists. In the hundreds of documents covering the riots and hyperinflation from 1989 to 1991, there is only one mention of the word "terrorism."[25] This changing lexicon reflected the diminishing of Cold War antagonisms and the return to constitutional rule. It also signaled the DIPPBA's evolving interpretations of popular mobilization and the role that consumption played in its assessments of social unrest. As the economic crisis continued into 1990, police viewed the main weapons of the left as rumor and whisper, not armed struggle. Likewise, the site of popular mobilization—and therefore police surveillance—transferred from the factory floor to supermarket and neighborhood level. Flyers collected from leftist groups like MAS and PO highlight the privatization of state enterprises, inflation and rising rates of hunger and poverty as their main concerns. Though these issues impacted the livelihoods of low-income urban residents, DIPPBA reporting also demonstrates, perhaps unwittingly, the limited reach of leftist appeals among popular sectors. For example, in the same report describing General Sarmiento as the "neurological center" of left-wing activity, officers noted that the Partido Obrero had recently closed its offices in the municipality. In a detailed memo describing the work of MAS activists in the municipalities of General Sarmiento, Quilmes, Avellaneda, and Florencia Varela, officers observed that despite months of

[23] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 88.

[24] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 10.

[25] I encountered only one reference to "terrorism" and "subversion." See: Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 133.

dedicated efforts to recruit neighborhood leaders, MAS activists were unable to make inroads, citing the strength of Peronist loyalties among shantytown residents.[26]

As the economic crisis wore on, the gap between the fears of DIPPBA officers and the actual course of events widened. As noted above, none of the most bizarre rumor plots documented by the DIPPBA came to fruition. When rioting did break out in Greater Buenos Aires in mid-February 1990, the episodes reported by the DIPPBA involved small groups of individuals—mostly young men—attempting to rob convenience stores or gas stations. In terse telegrams officials describe many of these incidents as "robos" (robberies), as opposed to "saqueos" (looting), categorizing them as a form of petty crime. These scenes differed greatly from the May 1989 uprisings, many of which were noteworthy due to the large numbers of women and children involved. As documented by the DIPPBA, the uprisings of early 1990 did not conform to the picture of widespread chaos envisioned by security officials and the press. One resident of San Miguel, the epicenter of the May 1989 riots in Greater Buenos Aires, described the social mood in 1990 in the following terms: "They say on the radio that we are preparing. Preparing for what? They say there are flyers circulating here and there […] But there is nothing. People are pacified [*amansada*]."[27]

In August 1990, as the Menem government entered its second year in power, the president announced the so-called Omnibus Decree, which extended the Economic Emergency and State Reform laws.[28] The measures committed to deepening austerity measures, including expanded privatizations and increased tariffs. Shortly after the promulgation of the Omnibus Decree, DIPPBA officials received orders to send updates about their jurisdictions. Similar to the reports that the DIPPBA filed in the aftermath of the May 1989 riots, this new round of surveys, known as the "Circular 412," asked police to respond to a series of questions about leftist activity, the social demands of shantytown residents, municipal responses to the crisis, and the possibility of further uprisings. In the sixteen months that had passed since the first wave of riots, several aspects of DIPPBA reporting remained the same. Officials throughout Greater Buenos Aires continued to underscore the threat of leftist groups such as the MAS and PO. But their reading had been tempered by an acknowledgement of these groups' limited impact. Police in Quilmes noted that the main concerns of MAS activists—privatization of state enterprises, negotiations with foreign creditors over the nation's debt, and the attack on the public sector—were not primary concerns of the urban residents they intended to sway. In response to MAS campaigns denouncing the rising costs of electricity, Quilmes police observed that shantytown residents were unmoved by these protests since they "already lack these

[26] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 90.

[27] "En el Oeste suena un silencio contenido" *Sur*, December 22, 1989, in Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 1, folio: 161.

[28] For the full text of the decree, see: http://servicios.infoleg.gob.ar/infolegInternet/anexos/0-4999/3939/norma.htm.

services and so many others."[29] On this point, DIPPBA surveys highlight the ongoing needs of the poorest urban sectors. While conceding that the worst of the economic crisis had passed as compared to the previous year, officials listed secure housing and full employment as the most pressing social demands. Hunger also continued to threaten the livelihoods of many urban residents, yet officials observed how a patchwork of municipal and national aid programs offset its most extreme forms. In many jurisdictions, even limited food aid was enough to keep at bay the most acute forms of suffering and, in the estimation of DIPPBA officers, prevent further uprisings.

DIPPBA surveys from mid-1990 emphasize the same social demands—inflation, hunger, access to basic needs, and joblessness—that officials believed had triggered the two previous waves of food riots. Yet, most officers were no longer concerned about the threat of supermarket lootings. "No imminent uprisings detected," rang a common refrain, even from reports filed from the epicenters of the riots.[30] Instead, the surveys from September-December 1990 underscore the demobilizing effects of the twin ravages of inflation and austerity measures. One report from the municipality of Tigre concluded: "the population has accepted the crisis and they are just trying to get through it."[31] Though officers did not discount the possibility of future disturbances, the urgency of 1989 was no longer present. Instead, their overall conclusions highlight widespread resignation. Towards the end of 1990, the economic emergency had cemented a feeling of crisis in daily life, as austerity introduced a measure of uncertainty that disarmed and exhausted residents.

Endemic crisis also began to impact the focus of DIPPBA surveillance efforts. Throughout the hyperinflationary spikes and food riots of the previous year and a half, the DIPPBA had been concerned with the poorest urban residents. For the most part, middle-class individuals did not appear in DIPPBA reports on the *estallido*. As the economic emergency persisted, however, and as the government advanced privatizations and a rollback of state institutions, DIPPBA attention turned notably in the direction of middle-income sectors. Dispatches from across the capital region began to feature middle-class grievances in a new register. The reports emphasize the ways that the crisis had altered a fundamental aspect of middle-class identity, specifically individuals' ability to participate in markets as citizen-consumers, a condition that now brought them under suspicion. Reporting from Quilmes noted that, "the effects of the economic measures and the readjustments of tariffs and services have a greater impact on the middle sectors [...] [and] their dissatisfaction is more significant when taking into account [their] standard of living expectations."[32] A similar assessment from Lanus identified the negative consequences of austerity on the middle classes, including a warning that future protests denouncing "taxes, fees, and services" were

[29] Archivo DIPPBA, Legajo 567, vol. 4, "Situación Social en Buenos Aires," folio: 26.
[30] Archivo DIPPBA, Legajo 567, vol. 4, "Situación Social en Buenos Aires," folios: 10, 16, 27.
[31] Archivo DIPPBA, Legajo 567, vol. 4, "Situación Social en Buenos Aires," folios: 13-14.
[32] Archivo DIPPBA, Legajo 567, vol. 4, "Situación Social en Buenos Aires," folio: 27.

likely to be led by "the so-called middle classes."[33] A more ominous forecast from San Martín cast the middle classes as a potentially insurrectional force. One memo concluded, "We have identified different socio-political situations that affect the welfare not only of the poorest sectors but also of upper-middle and lower-middle strata, the implications of which are generating a climate of pre-insurrection and general discontent ..."[34]

Notably, DIPPBA memos referencing the middle classes emphasize no short-term likelihood of uprisings. Yet the reports challenge engrained understandings of the Argentine middle classes as a bulwark of stability (Cosse 2014; Adamovsky 2009; Cruz, Lopez-Pedreros and Stern 2022). In the estimation of DIPPBA officials, the middle classes "had the most to lose" in the construction of a new Argentina aligned with free market liberalism. The combination of economic crisis and the onset of austerity measures, which had begun to erode social protections and state institutions, made middle income sectors vulnerable and suspect. DIPPBA officials were not immune to these changes either. Though never explicitly mentioned in their reports, presumably many officers may have felt affinity with middle-class demands. Equally exposed to the fluctuations of an inflationary economy and vulnerable to looming budget cuts and a restructuring of their institution, the DIPPBA could also count itself as imperiled.

To be sure, the urban poor did not disappear completely from DIPPBA spy reports. Hunger and poverty, however, no longer figured as the main sparks of unrest. What can we make of this shift? On the one hand, DIPBBA reports highlight the demoralizing and disciplining force of the crisis. At the same time, the DIPPBA's new focus on the middle classes makes clear the uneven impacts of austerity, which had the ability to upend the security of middle- and lower-income sectors while leaving the most vulnerable groups behind. By mid-1990, the cautious optimism that had accompanied the onset of the Menem presidency was replaced by an acknowledgement of the growing frustrations of the popular sectors that had supported him originally. In a report about shantytowns residents from Tigre and Zárate, officers noted "the great disappointment of the people […] [with] a Peronist Party embroiled in its internal conflicts that has abandoned its bases."[35] These reports from Greater Buenos Aires demonstrate the failures of Menem's promised recovery, replaced by intractable anxieties about downward mobility and scarcity. A municipal official from San Miguel summed up the feeling thus: "People can't take it any more…They know that the *bono* [i.e., the *bono solidario* program discussed above] and food handouts are palliative fixes. Where is the Productive Revolution they were promised?"[36]

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[33] Archivo DIPPBA, Legajo 567, vol. 4, "Situación Social en Buenos Aires," folio: 35.
[34] Archivo DIPPBA, Legajo 567, vol. 4, "Situación Social en Buenos Aires," folio: 42.
[35] Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 2, folio: 56.
[36] "Calma vigilada en el conurbano bonarense," *Sur*, February 22, 1990, in Archivo DIPPBA, Mesa DE: varias, Legajo 591, tomo 2, folio: 16.

CONCLUSION

The DIPPBA archives of the *estallido* end on the eve of Convertibility. In March 1991, the Minister of the Economy, Domingo Cavallo, announced the restructuring of Argentina's currency, which pegged the value of the Argentine peso to the US dollar. In the weeks leading up to the start of Convertibility, DIPPBA officers amassed newspaper articles on the political negotiations surrounding the measure, in addition to their ongoing reporting from the capital region. Together, the reports and articles capture the disposition of a weary public and the skepticism of the political moment. Despite doubts, Convertibility brought an end to hyperinflation for the rest of the decade, even as it contributed to growing inequality and sowed the seeds of Argentina's December 2001 debt crisis, which sparked days of deadly protests and food riots nationwide (Gordillo 2017).

How can we assess DIPPBA spy reports from the 1989-1991 *estallido* and what do they reveal about the history of consumption in Latin America? DIPPBA records from this period are vexing sources. Extensive memos assessing the possibility of rioting throughout Greater Buenos Aires exist alongside terse, one-line telegrams. Press clippings detailing the rising costs of food and persistent hunger are bundled with political pamphlets and propaganda. At once ethnographic in their detail, the records go silent equally fast. As sources, they pose methodological challenges for researchers trying to piece together events and to parse truth from fiction. While attuned to their limitations and the agendas of security forces, the analysis here has demonstrated that the tensions and divergent rhythms of the DIPPBA archive are the most revelatory for historical inquiry. An essential repository for understanding the evolution of state terror, DIPPBA records also invite readings of other consequential shifts in national life, among them, the collapse of Argentina's industry-based economy, the deepening era of free-market liberalism, and changing forms of popular mobilization and policing in the years following Argentina's return to democracy. Consumption was at the center of many of these transitions and the focus of police attention as never before. DIPPBA surveillance vividly captures daily life amid hyperinflation and the onset of austerity, with consumption and access to basic needs at the center of surveillance operations as prime security concerns. DIPPBA's reporting makes connections between the surreal climate of rumors and the surreal realities of surviving hyperinflation. As documented by officials, inflation was a disembodied enemy that exhausted citizens and constituted a danger to public security. Embedded within reports of supermarket riots and rising prices are finely hewn descriptions of municipal strategies to ameliorate hunger and poverty in Greater Buenos Aires, alongside mounting uncertainties brought on by structural readjustment.

As DIPPBA officials widened their surveillance efforts, they were also attempting to make sense of these changes in real time. While DIPPBA officials rarely mention their institution as part of their spy reports, their memos offer glimpses into a security apparatus facing both budgetary constraints and new limits on its power in the

aftermath of authoritarian rule. The DIPPBA never halted its surveillance of left-wing groups or poor urban residents, but its interpretation of popular uprising began to change in the early 1990s as the Menem government embraced austerity. This, in turn altered the DIPPBA's focus on the agents of mobilization. On the eve of Convertibility, fears of food riots had subsided, replaced by a sense of exhaustion, and a new emphasis on the impact that austerity measures were having on middle income sectors, most especially their identity as citizen-consumers. Notably, the middle classes were at the helm of some of the most dramatic protests in 2001, when a decade of neoliberal policies came to its dramatic end. DIPPBA reporting on *estallido* thus offers a prescient glimpse at the shifting tectonic plates of popular consumption, protest and policing as the Cold War ended at the dawn of Argentina's neoliberal age.

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