

# WEEKLY ASADO

Woodrow Wilson International Center for Scholars  
Latin American Program  
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## *Midterms: Easy (Like Sunday Morning)*

Argentina's midterm elections are two days away, and polls predict a strong performance for Mr. Macri's Cambiemos coalition, not only in the Buenos Aires Province Senate race, but also in the other large districts, including the City of Buenos Aires, Córdoba, Santa Fe and Mendoza. In the bellwether Buenos Aires contest, polls show Macri ally Esteban Bullrich leading former President Cristina Fernández de Kirchner by an average of 38.6 percent to 36.2 percent. (The winning party gets two Senate seats, and the third goes to the runner-up.) Should Mr. Macri run the table in Argentina's most populous regions, analysts say it would catapult the country from FDI purgatory into "a new era of stability and growth," according to a recent Citi report. Giddy investors are already predicting Mr. Macri's reelection in 2019. Still, Sunday's results are not assured. Under Mr. Macri, investment has remained relatively low; recently, Fitch noted that investors remain in a "wait-and-see mode," and observers near and far are still exhibiting a "*falta de confianza en que la Argentina permanecerá en un camino*," as [I told](#) La Nación. (In case you missed [our panel](#) on the Argentine midterms, check out our [podcast highlights](#).)

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## *Child labor: Hostest with the mostest*



IV GLOBAL CONFERENCE  
on the Sustained Eradication  
of Child Labour

Buenos Aires, Argentina | 14-16 November 2017

Next month, Argentina [hosts](#) the 4th Global Conference on the Sustained Eradication of Child Labor, where the International Labor Organization, government officials and activists will discuss strategies to eliminate child labor by 2025, and forced labor, modern slavery and human trafficking by 2030. The conference is in Buenos Aires November 14-16. The previous meetings were held in Oslo (1997), The Hague (2010) and Brasilia (2013). I'm told the State Department's International Labor Affairs office – in the Bureau of Democracy, Human Rights and Labor – will join the U.S. delegation, led by the Labor Department. Globally, there are 10.5 million children ages 5-17 considered child laborers. The Argentine government gets relatively high marks for its child labor policies; the Labor Department's 2016 global [report](#) credited Argentina with “significant advancement,” including a new law defining the types of hazardous work prohibited for children under age 18, and the ratification of a forced labor protocol that commits Argentina to provide child labor victims protection and compensation. Labor issues in general are expected to take center stage at the G-20 next year, under the [Argentine presidency](#).



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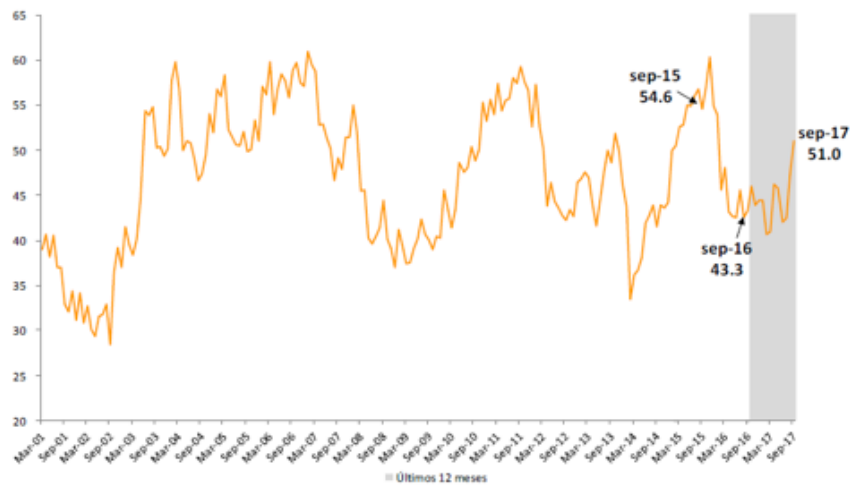
***Economic Section: VIP FSO***

In topsy-turvy Argentina, skilled macroeconomists are in high demand, high-profile and a [major export](#). Now, it appears the U.S. embassy's economic team is angling for column inches in Noticias. First, the embassy's highly regarded, former economic section chief, Timothy Stater, returned to Buenos Aires. Next, his deputy, Peter Newman, was selected for the State Department's prestigious Herbert Salzman Award for Excellence in International Economic Performance. The award “recognizes outstanding contributions in advancing U.S. international relations and objectives in the economic field,” the State Department announced to diplomats worldwide. The announcement highlighted Mr. Newman's contributions to the normalization of Argentina's international financial position, and his efforts to negotiate a bilateral Tax Information Exchange Agreement.

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***WEO: A wing and a prayer, and credit growth***

## Índice de Confianza del Consumidor Nacional (ICC)



(Source: Di Tella)

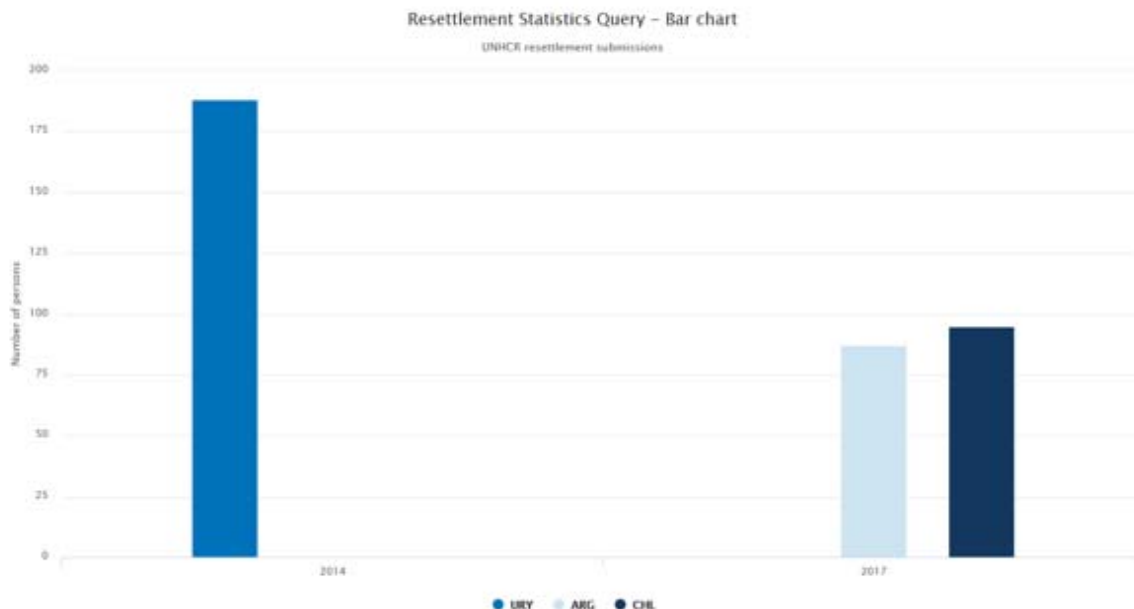
The International Monetary Fund's [latest projections](#) – included in the World Economic Outlook released during the IMF/World Bank annual meetings – project 2.5 percent GDP growth for Argentina this year, and the same in 2018. Any economic expansion is welcome, following the 2.2 percent GDP contraction that greeted President Mauricio Macri in his first year in office. Though it remains a sluggish recovery, Argentina has been buoyed by increasing investment and private sector credit expansion. The IMF WEO projections see faster growth than in Brazil (1.5 percent in 2018). In Argentina, consumer confidence is also rising, according to a highly regarded index from Universidad Torcuato Di Tella. Unemployment is 8.7 percent, down from 9.3 percent a year ago, and the poverty rate has fallen to 28.6 percent from 32.2 percent last year. But inflation remains a red flag. Citi expects 2017 inflation to hit 23.5 percent, and recent discouraging data dogged Federico Sturzenegger, Argentina's central bank president, during his visit for the annual meetings. “*La credibilidad del Banco Central se construye a lo largo del tiempo, con un compromiso sostenido para reducir la inflación,*” [he said](#) in Washington. “*El proceso de desinflación no es un proceso lineal, matemático. Tiene altibajos.*” Nicolás Dujovne, Argentina's treasury minister, also downplayed inflation fears. In a [statement](#) at the IMF, he said inflation was on “a clear downward trend” and would not exceed 20 percent this year, half the level in 2016.

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*Tempest-tossed: Syrian refugees*



On October 12, Chilean President Michelle Bachelet [welcomed](#) more than 60 Syrian refugees in a ceremony at the Santiago airport. Chile joined its neighbors, Argentina and Uruguay, in accepting small numbers of refugees fleeing the Syrian civil war. Argentina has promised to resettle 3,000 Syrian refugees, and public records show 800 pending applications for refugee status. However, [data](#) from the UN Refugee Agency credits Argentina with resettling only 87 Syrians since the start of the civil war in 2011, fewer than Chile or Uruguay (though governments have other ways to resettle Syrians that are not captured in UNHCR data).





(Source: United States Holocaust Memorial Museum)

Actor Ben Kingsley is in Buenos Aires [filming](#) “Operation Finale,” about the 1960 Mossad operation to seize Nazi war criminal Adolf Eichmann following World War Two. Eichmann had escaped U.S. custody in 1946 and fled to Argentina. He lived under several aliases – including Ricardo Klement – until Israeli agents captured him and Israel put him on trial in Jerusalem. He was found guilty, and hanged in 1962. Two years ago, Eichmann’s daughter-in-law ran for mayor of the northeastern Argentine village of Garupa. She dropped out after provoking a backlash by defending her father-in-law and shrugging off the Holocaust. “The version that you know from movies and books is written by the Jews,” she said, “and all the world accepts that history.”

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*Cuba Libre: Fernet con cola*



Argentina’s iconic [Havanna](#) alfajor maker has opened shop in Miami, and plans a further expansion in the United States. In Buenos Aires, Havanna cafes are ubiquitous, but La Nación reported that the company feared that confused U.S. patrons would expect *arroz con pollo* and *lechón*. Apparently, one of the founders of the company, Demetrio Eliades, chose the name as an homage to the [capital city of Cuba](#) (though the quirky spelling remains a mystery). Nevertheless, the company is giving it a go, starting with a Miami showcase, with a supersized footprint and a future drive-through window. In the next decade, Havanna plans [to open](#) at least 80 cafes in the United States, initially by expanding in Florida. The downside? U.S. travelers to Argentina will need to find a new, go-to duty free souvenir. So, when is Medialunas Calentitas heading north?

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