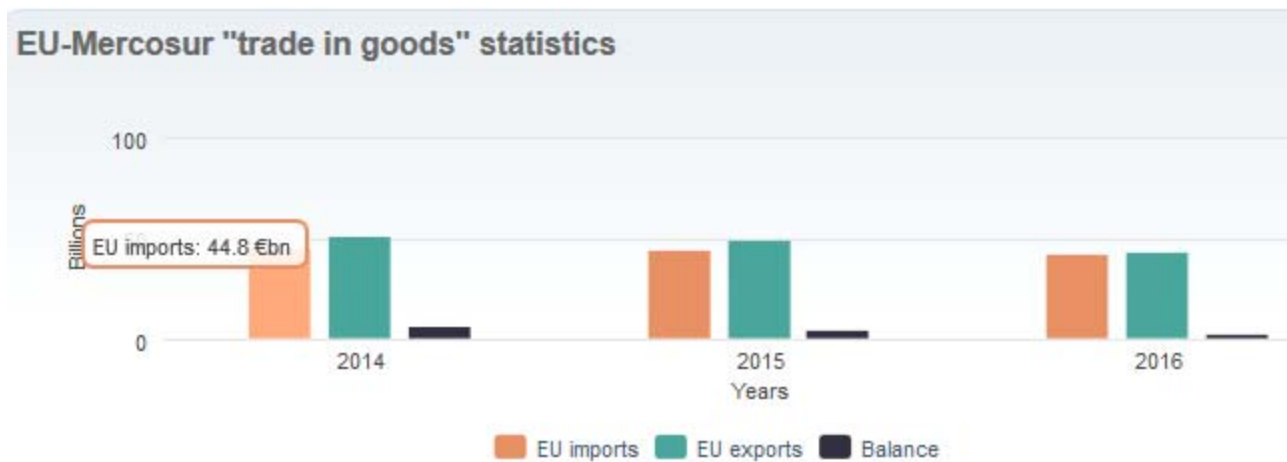


WEEKLY ASADO

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The Argentina Project
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EU-Mercosur: Deadlines come, deadlines go



During a World Trade Organization ministerial in Buenos Aires that was dragged down by U.S. malaise, President Mauricio Macri had hoped to use Argentina's moment on center stage to make a historic announcement about negotiations with the European Union over a free trade agreement. It would have been quite an accomplishment; the Mercosur-EU talks have been plodding along for 22 years and in the interim, Mercosur lost its FTA mojo. (In its belle-époque, Mercosur signed FTAs with Chile, Colombia and Peru.) As it turned out, however, Argentina's expectations for a deal before the year's end were unrealistic. The EU has announced that it needs more time to respond to Mercosur's latest offer, as European farmers continue to fight against a potential flood of South American beef and ethanol. But the two sides remain optimistic. European Trade Commissioner Cecilia Malmstrom said negotiators could "see the end of this," and observers now expect the talks to conclude in February. The EU is already a top trading partner for all Mercosur members,

accounting for approximately 21 percent of the bloc's total trade. Mercosur countries sell mainly farm products to Europe, whereas European firms ship mostly machinery and vehicles to the Southern Cone.

'Far-fetched': Human Rights Watch unimpressed by treason charges

In 2014, while I was still at the U.S. Department of State, we briefly departed from our no-mud-slinging posture to answer Cristina Fernández de Kirchner's charge that President Barack Obama was plotting her assassination. The allegation, the U.S. government declared, was "*tan inverosímiles que no pueden ser tomadas en serio.*" Our "far-fetched" description made headlines in Buenos Aires, and was not well received in the Casa Rosada. Now, Human Rights Watch has [handed down](#) its own "far-fetched" charge, in a lengthy denunciation of Judge Claudio Bonadio's Dec. 6 decision to charge former President Cristina Fernández de Kirchner with treason for allegedly colluding with Iran to cover-up its role in the 1994 AMIA bombing. Human Rights Watch says there is "no evidence" to back up the charges, which also target Ms. Fernández de Kirchner's former foreign minister, Héctor Timerman. (In his own defense, Mr. Timerman published a New York Times [op-ed](#) that made the far-fetched claim that "few facts have been established" about Iranian culpability.) There is no ambiguity about the former president's role in advancing a memorandum of understanding with Iran in 2013 that sought to establish a joint investigation of the bombing. But the basis for prosecution, Human Rights Watch says, is "dubious," and sections of the 491-page indictment are "simply bizarre and weak to the point of being ridiculous." Human Rights Watch also criticizes the judge's order of pre-trial detention for the suspects. (Ms. Fernández de Kirchner is free, for now, because of parliamentary immunity, and Mr. Timerman is under house arrest, because of his poor health.) The criticism is significant because Human Rights Watch – unlike the Centro de Estudios Legales y Sociales and other Argentine NGOs that have similarly criticized Judge Bonadio – was no friend of the Kirchners. In fact, Human Rights Watch criticized the Iran agreement after it was signed. (The Argentine congress approved the deal, but it was later ruled unconstitutional.)

'Waffle maker?' 'Too domestic.': 'Bust of Nelson Rockefeller?' 'Too gubernatorial.'

In the United States, governors are rarely decisive actors when it comes to Congress, though opposition from Republican governors to the proposed Obamacare repeal reverberated in Washington earlier this year. In Argentina, by contrast, governors often exert significant influence over their province's senators. For that reason – and to influence provincial spending and local taxes on businesses – Mr. Macri has courted governors since the first day of his administration. That strategy has perhaps never been more obvious than in the president's pursuit of tax reform. As he sought to reduce corporate taxes and to tax investment income, Mr. Macri encountered resistance from two key governors: Tucumán Governor Juan Manzur, a former health minister who nonetheless objected to a proposed tax on sugar (the province is famous for its sugarcane); and Mendoza Governor Alfredo Cornejo, who raised hell over a proposed sin tax on wine. In both cases, Mr. Macri bowed to the governors' demands.



In 1998, President Carlos Menem’s ambassador to the United States, Diego Guelar, launched the Smiling Beef Club, a popular dinner at his Dupont Circle residence that attracted a loyal following and the cache these days associated with an invitation to the sauna at the Finnish Embassy. That tradition did not last. Around 2001, Argentina experienced a foot-and-mouth disease outbreak that led the U.S. Department of Agriculture to ban Argentine beef. Later, under the Kirchner governments, Argentina lost its charm for many in Washington; its government grew close to China, Iran, Russia and Venezuela, and its aggrieved bondholders in the United States launched a campaign to tarnish the image of Buenos Aires. A decade later, Argentine beef has still not returned to the United States, and Mr. Guelar is running the Smiling Beef Club in Beijing, where he serves as Mr. Macri’s ambassador. But the Argentine Embassy is suddenly fashionable again. That was clear on Friday, when the chargé d’affaires, Sergio Perez Gunella, and the political counselor, Gerardo Díaz Bartolomé, hosted a holiday gathering advertised by colorful exterior lights and featuring a DJ who entertained a notably bipartisan crowd that included at least two White House officials – including the vice president’s Latin America adviser, Landon Loomis – and a handful of Obama administration veterans, such as Mr. Loomis’s predecessor, Daniel Erikson; former Biden speechwriter Daniel Benaim; a former Latin America adviser to John Kerry, Michael Camilleri; and a former National Security Council G-20 negotiator (and Argentina Project [podcast](#) guest), Paula Tufro.

Trading with Trump: The hits just keep on coming

As Argentina inches forward in its efforts to regain access to the U.S. market for its lemons and beef, and to soften the confiscatory tariffs on Argentine biodiesel, two additional body blows are headed its way. Argentina’s campaign for readmission to the Generalized System of Preferences duty free program, already an uphill climb, might soon be overtaken by events. On December 31, the global program is scheduled to expire, absent congressional action. The United States booted Argentina from GSP in 2012, after Argentina refused to honor international arbitral awards. But the country settled those awards in 2013 and since October 2016, Mr. Macri has been petitioning the United States Trade Representative for renewed access to the program, noting in one submission that “the reinstatement of the preferential treatment to Argentina under the GSP will have a positive and significant impact in our regional economy.” Meanwhile, the U.S. Department of Commerce is

preparing to target another hugely important Argentine export to the United States: aluminum. Commerce is investigating whether U.S. imports of aluminum constitute a national security threat because they reduce U.S. production, crowding out U.S.-based smelters and limiting the U.S. capability to produce military aircraft, among other goods. By law, Commerce has 270 days to conclude its so-called Section 232 investigation – beginning in late April, when the president ordered the review – and present recommendations to President Trump. The law is rarely used; since 1980, Commerce has conducted only 14 Section 232 investigations. But given the protectionist posture of the administration – Mr. Trump has highlighted the Section 232 investigation as the way he “stands up for American-made aluminum” – Argentina should prepare for the worst. Last year, Argentina shipped \$332 million in aluminum exports to the United States – nearly equal in value to Argentine wine sales in the U.S. market (\$336 million), according to USTR data. Meanwhile, China is lowering trade barriers for Argentina. The latest Novam Portam business digest reports that China has reduced tariffs on a range of Argentine products including lobster, dairy products and pasta.

Handoff: The presidential baton



In December 2015, following Mr. Macri’s election, Ms. Fernández de Kirchner was not in a particularly magnanimous mood. She boycotted the inauguration and refused to participate in the traditional handoff of the presidential sash and baton. Amid the dispute, a judge ruled that Ms. Fernández de Kirchner’s term ended the midnight before Mr. Macri’s swearing-in. Consequently, Senator Federico Pinedo ended up serving as acting president between midnight and Mr. Macri’s midday ceremony. The absurdity of those contretemps was never more obvious than on Sunday, when the ruling party in Chile lost the presidential election. In a delightfully ostentatious, televised display of statesmanship, President Michelle Bachelet called President-elect Sebastián Piñera to congratulate him, promised to help in the transition, and offered to come over the next morning for breakfast. It might be too much to expect that collegiality in Argentina’s cutthroat political environment. But the Interior Ministry is at minimum promoting reforms to clarify the timeline and locations for major presidential transition milestones.

In the Meantime, In Between Time: Follow us on Twitter, @WWCArentina, for regular updates and insights



Argentina Project @WWCArentina · 2h

In @TimermanHector's world, his alleged collusion with #Iran counts as a "defense of human rights" that mysteriously provoked the "anger of the Jewish community and many families of the victims." Now THAT is "Kafkaesque." #AMIA #AlbertoNisman



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In his @nytopinion piece, @TimermanHector dwells at length on #Argentina's #Interpol Red Notices. Whether or not he sought their withdrawal, the existence of the international arrest warrants suggests that there is evidence of Iranian government involvement in the #AMIA massacre.



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It is also surprising to see opponents of the #Iran deal (a coded reference to Jews) described as preferring "paralysis"; rather, critics correctly objected to the accord's constitutionality, and expressed understandable dismay about its fox-in-the-henhouse structure.



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Argentina Project @WWCArentina · 2h

Were #AMIA prosecutor #AlbertoNisman alive today, he would surely dispute @TimermanHector's assertion that "few facts have been established" in the bombing investigation, or give weight to the fact that "Iran rejects the accusations."

Argentina Project research assistant: Call for applications

The Latin American Program (LAP), at the Woodrow Wilson International Center for Scholars, seeks an intern to provide research and administrative support for its newly launched Argentina Project.

Argentina Project

The Argentina Project aspires to be the premiere institution for policy-relevant research on the political and economic reforms underway in Argentina. This ambitious project takes advantage of renewed significant interest in Argentina in the public and private sectors in the United States, and provides a forum for non-partisan discussions about Argentina's challenges, opportunities and growing regional and global engagement. The Argentina Project will also analyze relevant regional phenomena affecting Argentina and its neighbors.

Internship

This intern will gain valuable experience in a variety of projects such as research, assistance with the preparation of newsletters and publications and administration and communication (e.g., social media, podcasts, Web site management, proofreading/editing and event planning) in support of Argentina Project activities. Internships also provide opportunities to attend events at the Wilson Center and around Washington. Please note that this is an unpaid internship.

Qualifications

Applicants should be graduate students with an interest in, coursework related to and/or experience working on Latin American issues, particularly economics, trade, social and economic development and energy. Successful applicants should have strong research and writing skills, be detail-oriented and able to work independently. Strong writing skills and language ability in both Spanish and English are preferred. Applicants must also be enrolled in an undergraduate or graduate degree program; a recent graduate (within the last year); and/or have been accepted to an advanced degree program.

How to apply

Please send a resume, cover letter describing how you could contribute to our team and what you are looking to gain from the internship, and a 3-5 page writing sample. Clearly state your availability and desired schedule in your application by filling out our Internship Program Application, <https://www.wilsoncenter.org/opportunity/internships-the-latin-american-program>. All materials should be submitted together to lap@wilsoncenter.org. In the subject line, please use the following format: Last name, Argentina Internship.

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