

WEEKLY ASADO

Woodrow Wilson International Center for Scholars

The Argentina Project

Latin American Program

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Hot or not: Ratings agencies warm to Argentina

Agency	Rating	Outlook	Date
Moody's	B2	stable	Nov 29 2017
Fitch	B	positive	Nov 07 2017
S&P	B+	stable	Oct 30 2017

There was once an adage in international finance, “there are three types of economies: developed, developing and Argentina.” Today, that putdown seems to be losing its punch. By wooing investors and taking steps to reduce the fiscal deficit and lower inflation, Argentine President Mauricio Macri has been reducing Argentina’s historically high risk premium. As a result, on November 29, Moody’s upgraded Argentina’s sovereign credit rating to B2 from B3 – the country’s highest rating from Moody’s since 2001, before Argentina’s infamous default. In fact, since 2014, Argentina’s ratings from the “big three” ratings agencies have been on a consistently upward trajectory, picking up steam over the first two years of the Macri government. In 2014, Fitch rated Argentina RD, indicating “an uncured payment default”; its Moody’s rating stood at Caa1, the third-lowest level; and S&P rated Argentina SD, for “selective default.” As is clear in the graphic above, Wall Street analysts are pleased by Mr. Macri’s efforts to turn things around. The latest [Moody’s report](#) notes Mr. Macri’s “record of macroeconomic reforms” and the “likelihood that reforms will continue” thanks to the government’s strong showing in the October [midterms](#). For the first time since 2011, Moody’s analyst Gabriel Torres reported, Argentina’s economy is expected to expand two years in a row.

Look over there: World Cup gives political space



It is summer vacation season in Argentina, and not even Sunday's start of the new congress will distract Argentines from Christmas shopping and Mar del Plata getaways. Typically, Argentine governments enjoy this respite from public scrutiny only until late February. That is when back-to-school shopping reminds voters of the country's troublesome inflation (over 20 percent these days), and this fall's high prices for the *canasta escolar* will be a real buzz kill. Frequent teacher strikes that delay the start of classes are also a jarring reminder that summer vacation is over. Next year, however, Mr. Macri might experience an extended honeymoon. The 2018 World Cup, in Russia, starts June 14 and in the run-up, Buenos Aires cafe discussion will be focused on soccer, not politics. That could permit Mr. Macri to advance controversial legislation – such as proposed labor reforms – without provoking the typical backlash. Argentina's skin-of-its-teeth World Cup qualification might also produce economic benefits, as fans scoop up new TV sets to show off to guests at World Cup parties. However, the World Cup get-out-of-jail-free card cuts both ways. Argentina's first round match-ups in Group D are expected to be [competitive](#), including games against Croatia and Nigeria. A first round loss would doubtlessly sour public opinion and might dent Mr. Macri's popularity. (He's not the only one with his reputation on the line. Despite a remarkable record for Barcelona, Lionel Messi's legacy will be forever tainted if he retires before winning a World Cup or Copa América for Argentina. Twice this year, vandals have [defaced](#) a Messi statue in the Paseo de la Gloria in the Costanera Sur in Buenos Aires, including in January and again this month.) Meanwhile, there is no guarantee that the World Cup crowds out politics. The last World Cup was next door, in Brazil in 2014, and Argentina made it to the finals against Germany. (Germany beat Argentina, 1-0, in Rio de Janeiro.) Nevertheless, President Cristina Fernández de Kirchner characteristically managed to hang on to the spotlight, as Argentina stumbled into a summertime sovereign debt default.

Marcos Peña: Do you think you're what they say you are?



The Graduate School of Political Management (GSPM) y The George Washington University tiene el agrado de presentar el Seminario de Estrategias en las Campañas Electorales del 2018, en el cual se analizarán las distintas estrategias y tácticas que se llevarán a cabo en las próximas elecciones de regiones, como así también se tratarán las últimas experiencias basadas en técnicas y tecnologías que han hecho ganar elecciones.

GSPM está logrando reunir a destacados consultores y académicos que focalizan su área de trabajo en campañas electorales para que los participantes de este seminario cuenten con las herramientas teóricas y los ejemplos prácticos que les permitan aplicar exitosamente estas mismas o similares estrategias en sus propias campañas.

Las ponencias serán dictadas en nuestro Campus Universitario en la ciudad de Washington, DC los días 1 y 2 de diciembre de 2017.

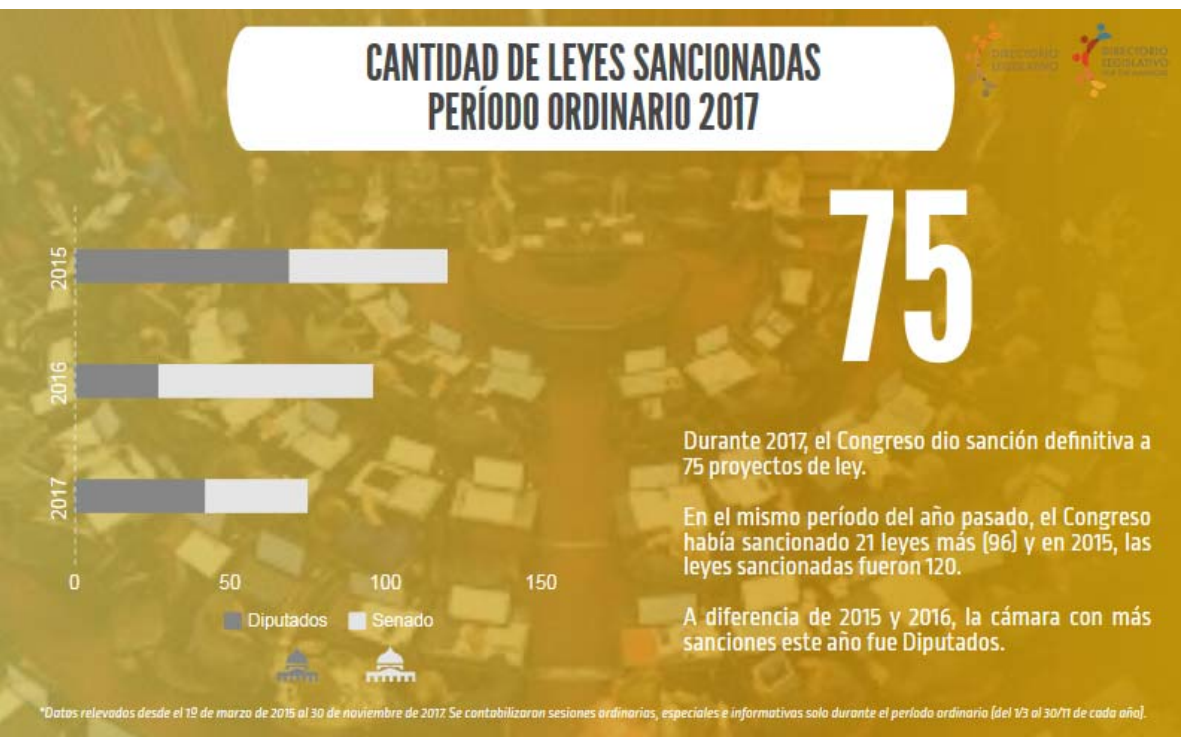
Expositores



Marcos Peña. Actual Jefe de Gabinete de Ministros de la Nación Argentina. Dirigió la campaña presidencial que lo llevó a Mauricio Macri a la Presidencia por el Frente Cambiemos. Fue Secretario General del Gobierno de la Ciudad de Buenos Aires entre el 2007 y 2015, y en 2003 asumió como legislador más joven de la historia de la Ciudad. Miembro fundador y dirigente del PRO y de Cambiemos.

Marcos Peña, Mr. Macri's high-profile chief of staff, gatekeeper and campaign adviser, is also increasingly a spokesman for the administration, to Argentine lawmakers, journalists and foreign audiences. Earlier this week, he was at George Washington University for a [seminar](#) on campaign strategies, alongside Mr. Macri's campaign adviser, Jaime Durán Barba. Before that, Mr. Peña sat down for a revealing Q&A with La Nación. The session – titled “*La Nueva Argentina*” – focused on the transformation of Argentine politics, economics and society in the post-Kirchner era, and it permitted Mr. Peña to describe Cambiemos's self-image and the contrast with its predecessors. The governing coalition, he said, is reformist, but also pragmatic and inclusive, and “*siempre tiene la puerta abierta*.” Unlike the last government, Mr. Peña said, Mr. Macri views the presidency as “*un servicio y no como hegemonía, no como personalismo, no como mesianismo*.” Notably, despite the government's [midterms success](#), Mr. Peña reiterated its commitment to gradual change domestically, while highlighting its lighting fast reintegration into the international community, including its hosting of the WTO ministerial this month and the G-20 leaders' summit next November.

Permanent campaign: Electoral attention-deficit disorder



Mr. Macri's Cambiemos coalition has little to complain about in the results of the *elecciones de medio término* – a political tonic that delivered victories in the country's five largest electoral districts, Buenos Aires City and the provinces of Buenos Aires, Córdoba, Santa Fe and Mendoza. (Nationally, Cambiemos won 41 percent of the vote, compared to 21 percent for Ms. Fernández de Kirchner's leftist movement and 14 percent for traditional Peronists.) But for some in Mr. Macri's circle – a movement

in a hurry,” as former President Obama put it during his visit to Buenos Aires last year – the elections were a drag on the reform juggernaut. Though Argentine election law limits the duration of the formal campaign season, political maneuvering occupied most of this year. Measuring government productivity is not easy, and there are numerous potential constraints, such as a government’s failure to win a congressional majority. But the latest data from Directorio Legislativo, an Argentine NGO, offers evidence that the country’s government machinery might have slowed this year: The organization’s biannual “*balance legislativo*” [report](#) showed that the Argentine congress held only 29 sessions (14 in the Lower House, 15 in the Senate) this year, a 24 percent decline from 2016. In the 2015 presidential election year, the congress held just 19 sessions. Relatedly, Argentine lawmakers approved just 75 laws this year, a 22 percent drop from 2016. (On the other hand, in the run-up to the 2015 presidential election, Ms. Fernández de Kirchner’s rubber stamp congress managed to approve 120 laws.)

Crowd control: Activists barred from WTO summit

#WORLD NEWS NOVEMBER 30, 2017 / 6:58 PM / 4 DAYS AGO

Argentina blocks some activists from attending WTO meeting

Luc Cohen, Nicolás Misculin

3 MIN READ



Argentina is under fire for revoking the credentials from a group of activists who planned to participate in the World Trade Organization ministerial in Buenos Aires December 10-13. The WTO had accredited the 63 activists – mostly from the Our World Is Not for Sale organization – who have led protests at previous WTO gatherings. But the WTO later advised the activists that they were not welcome in Argentina after all, due to opposition from local authorities. An Argentine government spokeswoman said Argentina wanted to avoid disruptive demonstrations, Reuters [reported](#). But the decision prompted criticism that Argentina was restricting civil society participation in the high-stakes, biannual summit. That was particularly worrisome, given Argentina’s role as host of the next G-20 leaders’ summit, in November, when activists will again stampede into the Argentine capital. “Argentina’s rich history of anti-globalization backlash – most recently expressed in the aftermath of the 2001 economic crisis that led to a sharp increase in unemployment, poverty and inequality – all but guarantees that Buenos Aires will be the stage for violent clashes between police and well-organized protesters,” Brookings noted in a recent [analysis](#). “If it is to preserve both its international standing, as well as the integrity of the G-20, the Argentine government must find a way to tread carefully the fine line between containment and repression. The whole world will be watching.” Argentina’s former U.S. ambassador, Cecilia Nahón, a vocal Macri critic, agreed. “With this unprecedented, shameful decision, the government of @mauriciomacri showed its true colors to the world,” Ms. Nahón wrote Monday on Twitter. “The current ban on NGOs should be immediately reversed to guarantee all voices and views are represented in the public debate in the WTO ministerial.”

Mano dura: CELS sees heavy-handed policing

DERECHOS HUMANOS EN LA ARGENTINA INFORME 2017

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editions



Argentina's Centro de Estudios Legales y Sociales has released its 2017 [human rights report](#), drawing additional scrutiny to the Macri administration's human rights record, which was already under a microscope following the fatal shooting by border police of a 21-year-old Mapuche protestor, Rafael Nahuel, on November 25. In addition to addressing specific cases of concern, CELS raised alarms about the government's "very adverse stance in general with regard to social protest and public demonstrations as forms of expression and questioning of authorities." Demonstrators, CELS alleged, have faced "repeated incidents of police abuse and repression." Other observers have been more kind to the Macri administration, which appears to regard some of its domestic critics as politically motivated. The U.S. Department of State, in its 2016 [Human Rights Report](#), also drew attention to incidents of "excessive force by police" in Argentina, but it found no evidence of "arbitrary or unlawful killings" by law enforcement. Furthermore, Argentina's latest Universal Periodic Review – the quinquennial UN human rights peer evaluation – praised Argentina's establishment of a Human Rights National Plan, though member states criticized Argentine authorities for failing to implement human rights legislation, such as laws protecting indigenous people.

TTT: Three to Tango



If the Argentina Podcast's [new stinger](#) has put you in the mood for tango, Trifilio Tango Trio is [performing tonight](#) at the Carroll Café at Seekers Church, in Takoma Park. The trio performs original tango music in Washington and Buenos Aires, and it has released two albums.

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