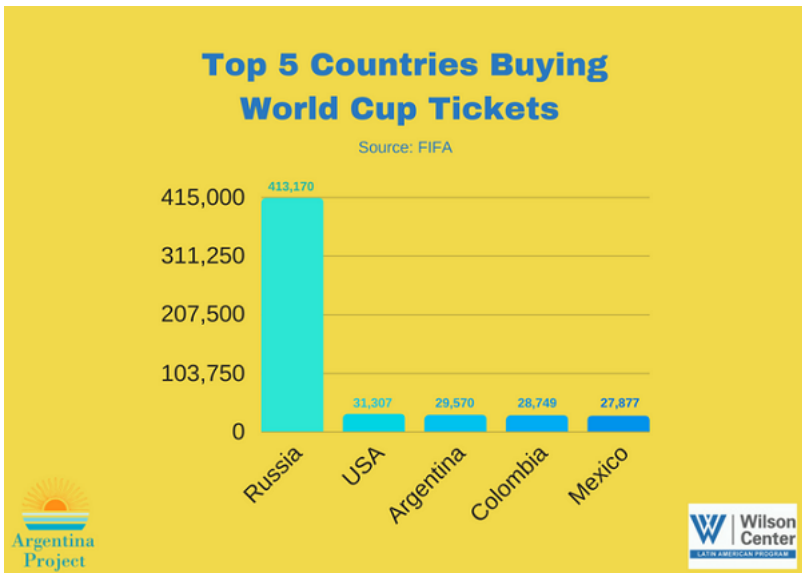




Friday, May 11, 2018

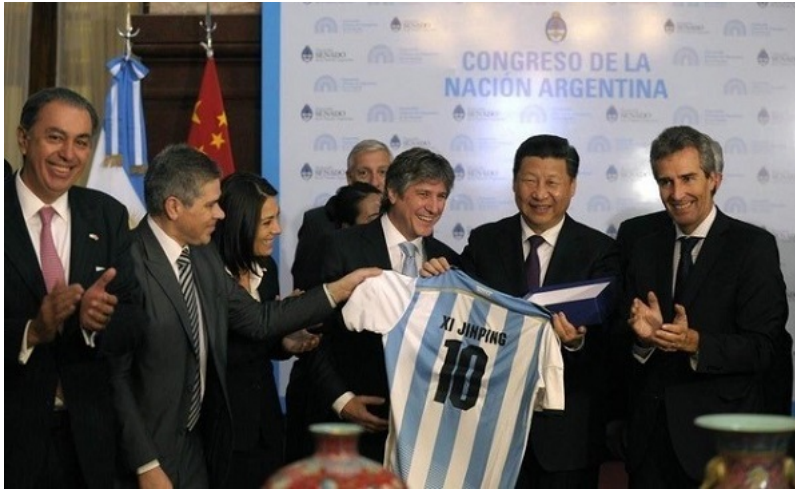
Sticker shock: Mundial mania



Though the Copa Mundial is still more than a month away, we’re prepared to diagnose Argentina with World Cup fever. Sure, fans from all over the world are gearing up, buying jerseys, planning parties and collecting stickers. But the enthusiasm in Argentina – despite anxiety about the national team’s [preparedness](#) – stands out.

FIFA has organized two of three phases of ticket sales for the tournament, selling over one million tickets in all. So far, Argentines have bought nearly *30,000 tickets* to matches in Russia, more than any country other than the host and the United States. In Buenos Aires, banks are [advertising](#) loans to cover the cost of a flight to Moscow, and political analysts expect a legislative hiatus for the games. Meanwhile, the Argentine government is already angling to host a future tournament, marketing a joint bid with Paraguay and Uruguay for the 2030 centennial games (as we discussed in last Friday’s [edition](#).)

Of soy and soccer: Fútbol diplomacy



China failed to qualify for the Russia World Cup, and it has only once, in 2002, participated in the tournament. But as interest in the sport [grows](#), Argentina has found a new [export opportunity](#): soccer. Messi and Maradona are already household names in China, and their exploits have motivated scores of Chinese students to study Spanish. Now, Argentina is formalizing those cultural links. Last month, Beijing and Buenos Aires launched a soccer cooperation program that will select promising Chinese athletes to travel to Argentina for training, and send an Argentine soccer coach to China to train his peers. There is also discussion of establishing a binational team to compete in Argentina.

This is not the first attempt by a South American *fútbol* powerhouse to trade soccer knowhow to the Chinese. In 2015, Brazil established the Ronaldo Academy, and it has since opened branch offices in Shanghai, Hebei, Yunnan and Hainan, where professional Brazilian coaches teach Chinese youngsters “Samba football.” At the same time, more and more Latin American coaches and players have come to China for professional opportunities; the Guangzhou Evergrande Taobao F.C., among the most valuable teams in the world, is coached by a Brazilian.

Despite China’s disappointing performance in the World Cup qualifying matches – it is in 73rd place in the FIFA rankings – its soccer dreams are apparently still alive. President Xi Jinping is a big soccer fan, and he recently ordered that all Chinese primary school students practice soccer for at least two years. “It’s interesting, we care so much about football, but we’re so bad at it,” one Chinese researcher told me.

Patagonian waddle: Black, and white and Red List all over



On Twitter, @ArgentinaProj’s celebration of World Penguin Day, on April 25, struck a solemn note, pointing to the “near threatened” status of Argentina’s Magellanic penguins on the International Union for Conservation of Nature’s [Red List](#). After consulting with a George Washington University biologist, however, we felt more upbeat. Though South American penguins face risks from oil pollution and bycatch, their “near threatened” status is still two downgrades away from an “endangered” designation. Moreover, the downgrade to “near threatened,” in 2004, reflected a reported, but never verified, steep decline of the Magellanic penguin population on the Falkland (Malvinas) Islands. In Patagonia, the populations of Northern Rockhopper, Galapagos, Big Crested and Oceania penguins are apparently stable. In all, an estimated 900,000 penguins still waddle along the Argentine coast.

Lights out: Powder keg



The politics of utility prices are always delicate, so it was no surprise that President Mauricio Macri’s Cambiemos coalition has shown small cracks in recent weeks over the latest round of price hikes. Since taking office in late 2015, Mr. Macri, eager to erase a sizable budget deficit, has been

chipping away at the subsidies on natural gas, electricity and public transportation that Argentines have enjoyed since the 2001 economic crisis. By President Cristina Fernández de Kirchner’s last year in office, the subsidies had reached 4.5 percent of GDP. However, though the rate hikes have never been popular – in a recent Poliarquía survey, more than 45 percent of respondents opposed the subsidy reductions – Mr. Macri’s approval rating has remained around 50 percent and the grumbling among consumers has been relatively mild. Why is that? After all, in other parts of the region, similar policies have provoked price riots, such as the infamous *Caracazo* in 1989, when Venezuelan President Carlos Andrés Pérez’s austerity program included increased bus fares and provoked days of rioting and 400 deaths. In January, an increase in the price of gasoline in Mexico led to six deaths, the ransacking of 300 stores and 700 arrests.

For one, Mr. Macri’s *tarifa social* has shielded the poorest Argentines from the utility price changes. Furthermore, though Argentines are not shy about taking to the streets, the prices for public services remain relatively low compared to Argentina’s neighbors. Argentines, for example, pay \$134 per megawatt hour of electricity, compared to \$299 in Uruguay, \$209 in Brazil and \$183 in Chile, according to the Uruguayan firm SEG. (In the United States, the average electricity cost in the first quarter of 2017 was \$125, according to the OECD.) For natural gas, it costs \$0.33 per cubic meter in Argentina, compared to \$1.57 in Brazil, \$1.46 in Chile and \$1.38 in Uruguay, according to SEG data. Finally, as of April, Argentines paid \$5.22 per gallon of gasoline, compared to \$6.74 in Uruguay, \$5.03 in Chile and \$4.69 in Brazil. On a recent trip to Argentina, the prices still struck me as reasonable – 5.50 pesos (\$0.27) for my off-peak train ride from Belgrano to Olivos; 8.25 pesos (\$0.41) for my 130 bus from Palermo to Recoleta – though tellingly, Argentines almost always express the changes in astronomical percent increases.

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