



Friday, July 6, 2018

---

*Homeland security: The changing role of Argentina's military*



On May 24, President Mauricio Macri took measures to expand the role of the Argentine military in internal security. Prior to his announcement, Argentina's armed forces had largely been restricted to defending against external threats, which are almost nonexistent. The new policy would reverse restrictions imposed by his predecessors, Presidents Néstor Kirchner and Cristina Fernández de Kirchner.

The reforms touch upon one of the most sensitive issues in Argentine society, even as the country grapples with potential changes to another political third rail, its restrictive abortion laws. Historically, Argentina's armed forces repeatedly intervened in the country's politics, removing six presidents between

1930 and 1976. The latest intervention was the most notorious. From 1976 to 1983, a brutal military junta controlled Argentina, killing as many as 30,000 civilians in a campaign known as the "Dirty War."

That legacy, as well as fears of a future coup d'état, have dogged Argentina's armed forces. The military's bad reputation has in turn justified a restricted role (and limited resources), beginning under Argentina's first president following the restoration of democracy, Raúl Alfonsín. But three decades

later, there are signs that public opinion might be shifting. In 1995, a Latinobarómetro survey found that only 37 percent of Argentines had confidence in the armed forces. Last year, 49 percent of respondents expressed confidence, including 54 percent of Argentines aged 15-25, born after the end of the “Dirty War.” At the same time, rising crime has increased pressure on the government, leading Mr. Macri and his security minister, Patricia Bullrich, to look for new solutions.

Mr. Macri is betting that fears of crime trump fears of military misbehavior. To explore an expanded military role in domestic security, he has reversed Decreto 727, signed by Mr. Kirchner in 2006 to avoid “confusion between the concepts of internal security and the defense of the nation.” Given the military’s [limited resources](#), which has curtailed its peacekeeping capabilities abroad, it is not clear whether it has the wherewithal to step up in Argentina’s fight against drug traffickers and other security challenges at home. But clearly, the president has decided he wants that option in his crime-fighting arsenal.

---

### ***Trump whisperer: Lemons, and other diplomatic fruits***

Saudi Arabia [welcomed](#) President Trump to Riyadh with trumpets, cannons and fighter jets, and awarded him a medal. China [orchestrated](#) a sunset tour of the Forbidden City. France [arranged](#) a Bastille Day military parade in Paris.

Argentina is not planning anything quite so elaborate for Mr. Trump’s November visit. After all, the U.S. leader will be just one of the G-20 heads of state in town for the annual leaders summit. But the Argentine government has not neglected its relationship with the United States and its mercurial leader. Far from it. Mr. Macri, who had developed close ties with President Barack Obama, was the second Latin American leader to [visit](#) Mr. Trump in the Oval Office. Mr. Trump later sent his [vice president](#) and [secretary of state](#) to Argentina. The close ties have produced policy wins as well. True, the United States wounded the Argentine economy by imposing tariffs on Argentine biodiesel and quotas on Argentine [steel and aluminum](#). But it also [readmitted](#) Argentina to the Generalized System of Preferences, and championed Argentina’s successful request for a \$50 billion International Monetary Fund bailout. After the IMF approved the loan – and MSCI restored Argentina’s “emerging market” status – Argentina’s finance minister, Nicolás Dujovne, said Mr. Macri was “*el presidente con mejor imagen de los que tuvo el país en la historia contemporánea.*”

To some, Mr. Dujovne’s [remarks](#) seemed like an overstatement, especially given the recent peso selloff and an increasing country risk that reflects decreasing confidence in the country’s economic stability. But if anything, Mr. Macri’s diplomacy, especially with regards to the White House, is *underappreciated*.

That is because of the widely held impression that a friendly relationship between Mr. Macri and Mr. Trump was inevitable, given past business ties. Mr. Trump fueled that view in the Oval Office, where he called Mr. Macri his “friend for many years.” However, according to a memoir by Mr. Macri’s father, Francisco Macri, Mr. Trump was less than friendly to the Macri family when the father and son spent years trying to develop a massive residential project on Manhattan’s Upper West Side, between 59th Street and 72nd Street. Mr. Trump had first tried and failed to tackle the project and in the memoir, Francisco Macri blames Mr. Trump for sabotaging his subsequent attempt through a proxy investor, “fifth columnists” inside Francisco Macri’s company and a Trump ally at Chase Manhattan Bank who strung the Argentines along “*hasta que Trump volviese a sentarse en asiento del conductor.*”

Ultimately, after endless negotiations with neighborhood opponents and government agencies – and allegations that the Argentine developers were emissaries of a dictatorship – Francisco Macri sold the development rights to Mr. Trump. The denouement did not suggest future cooperation between the Trumps and Macris. Though Mauricio Macri had regularly played golf with Mr. Trump (and “*hizo buenas migas con Donald*,” according to his father) – and Francisco Macri had hosted Ivana Trump at his home in Argentina and in Punta del Este – the memoir describes Mr. Trump as a “tough negotiator.” The project, Francisco Macri said, had cost him two years and a heart attack. For his part, Mr. Trump, in “The Art of the Deal,” describes Francisco Macri as a “wonderful and well-meaning man” who lacked “practical experience” and was hoodwinked by New York City authorities into costly and unnecessary concessions.

**Remember me?: Beef is back**

**Beef and Veal Trade - Selected Countries Summary**  
1,000 Metric Tons (Carcass Weight Equivalent)

	2014	2015	2016	2017	2018 Oct	2018 Aor
<b>Total Imports</b>						
China	417	663	812	974	1,025	1,200
Japan	739	707	719	817	815	832
Hong Kong	646	339	453	543	410	580
Korea, South	392	414	513	531	560	559
Russia	932	621	522	509	480	400
European Union	372	363	368	338	360	340
Egypt	270	360	340	250	280	320
Chile	241	245	298	281	300	295
Canada	272	269	243	229	235	235
Malaysia	205	237	218	211	210	215
Others	2,082	1,909	1,852	1,912	1,943	1,977
<b>Total Foreign</b>	<b>6,568</b>	<b>6,127</b>	<b>6,338</b>	<b>6,595</b>	<b>6,618</b>	<b>6,953</b>
<b>United States</b>	<b>1,337</b>	<b>1,529</b>	<b>1,367</b>	<b>1,358</b>	<b>1,374</b>	<b>1,379</b>
<b>Total</b>	<b>7,905</b>	<b>7,656</b>	<b>7,705</b>	<b>7,953</b>	<b>7,992</b>	<b>8,332</b>
<b>Total Exports</b>						
Brazil	1,909	1,705	1,698	1,856	1,825	2,025
India	2,082	1,806	1,764	1,849	1,850	1,900
Australia	1,851	1,854	1,480	1,486	1,525	1,610
New Zealand	579	639	587	593	570	560
Canada	378	397	441	469	475	480
Uruguay	350	373	421	435	420	420
Paraguay	389	381	389	378	380	400
European Union	301	303	344	367	420	370
Argentina	197	186	216	293	350	350
Mexico	194	228	258	280	295	305
Others	598	683	663	665	626	682
<b>Total Foreign</b>	<b>8,828</b>	<b>8,555</b>	<b>8,261</b>	<b>8,671</b>	<b>8,736</b>	<b>9,102</b>
<b>United States</b>	<b>1,167</b>	<b>1,028</b>	<b>1,159</b>	<b>1,298</b>	<b>1,320</b>	<b>1,372</b>
<b>Total</b>	<b>9,995</b>	<b>9,583</b>	<b>9,420</b>	<b>9,969</b>	<b>10,056</b>	<b>10,474</b>

Argentine steak is world famous, and so are the country’s legendary *asados* and gaucho culture. But its ranching industry has a less august reputation. Its claim to fame? A spectacular collapse, driven mostly by clumsy government intervention.

In the 1930s, Argentina was the world’s top beef exporter, and it remained a leading producer until a decade ago. During 12 years of Kirchner rule, however, the industry lost its footing. To lower domestic meat prices, Argentina’s government experimented with various interventions, including high export tariffs, a temporary export ban and price controls. Predictably, profits declined, slaughterhouses shut down and ranchers reinvested in more lucrative enterprises, particularly soybean farming. The 2001 U.S. ban on Argentine beef, following an outbreak of foot-and-mouth disease, further battered the industry.

Mr. Macri is trying to reverse that trend. Since repairing ties to the United States, he has pressed for renewed access to the U.S. market. In the meantime, *he hopes China will help Argentina recover its position as a ranching behemoth*. Lately, there are [promising signs](#). In the first five months of this

year, Argentina's beef exports increased by [60 percent](#), largely as a result of growing [Chinese demand](#), according to Argentina's Cámara de la Industria y Comercio de Carnes y Derivados. (Trade with China has also fueled steady increases in Uruguay's beef exports. In all, China spent \$2.6 billion on beef [imports](#) in 2016, up from only \$16 million in 1998.)

Argentina's beef sector, however, remains far from its early 20th century dominance. This year, the U.S. Department of Agriculture [expects](#) Argentina to export 350,000 tons, more than Mexico but still behind Brazil, India, Australia, New Zealand, Canada, Uruguay, Paraguay and the European Union. Meanwhile, the recent drought led Argentine ranchers to [slaughter cows](#) rather than expand their herds; analysts expect a reduction of up to 1 million head of cattle next year, from a total of 53.5 million last year.

---

***Tweet: Tweet***

For more Argentina insights, and to keep up with Argentina Project events – such as our discussion on the [FIFA corruption scandal](#) – follow us on Twitter ([@ArgentinaProj](#)), where we also highlight our publications – such as our [analysis](#) of Argentina's approach to climate change as G-20 president, and our [reflections](#) on the recent peso crisis – and announce new [podcast](#) episodes.

Subscribe to the Weekly Asado  
and read past issues

Listen to our podcast

Donate to the Argentina Project

Wilson Center  
Ronald Reagan Building and International Trade Center  
One Woodrow Wilson Plaza  
1300 Pennsylvania Ave., NW  
Washington, DC 20004-3027  
T 202-691-4000

© Copyright 2018. Wilson Center.  
All rights reserved.



wilsoncenter.org/argentina