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USAWC MILITARY STUDIES PROGRAM

ARGENTINA: A COUNTRY STUDY

INDIVIDUAL ESSAY

by

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Carlisle Barracks, Pennsylvania 17013
17 May 1983

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TABLE OF CONTENTS

	Page
ABSTRACT	ii
INTRODUCTION	1
GENERAL BACKGROUND	1
HISTORICAL PERSPECTIVE	5
THE 1980'S AND BEYOND.	25
US INTERESTS IN ARGENTINA.	31
BIBLIOGRAPY.	37



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INTRODUCTION

Argentina is important to the United States for many reasons. It is one of the largest countries in the world and is located in our own "American Hemisphere." It possesses one of the strongest military forces in South America and is a co-party, with the United States, to the Inter-American Treaty of Reciprocal Assistance (Rio Treaty). Its constitution was modeled after our own and over one-fourth of its imports come from the US.

These are just a few of the reasons why we should acquire a knowledge of this great country that lies to our south. Many books have been written about Argentina and some in great depth about various aspects of the country. This paper is an attempt to outline for the reader a synopsis of all relevant aspects of Argentina, to condense the volumes of information available to a readable treatise, and to highlight what United States foreign policy should be towards Argentina, now and in the future. I believe that the best way to develop a true understanding of a country is to study its history carefully and thus acquire knowledge of why citizens of that country think and act as they do. Consequently, a large portion of this paper will discuss Argentina from a historical perspective.

GENERAL BACKGROUND

Argentina is the second largest country in South America and the eighth largest in the world, in terms of size and population. It covers a 2,771,300 square kilometer area, about one-third that of the US with land boundaries of 9,414 kilometers and a coastline of 4,989 kilometers. It is shaped roughly like an inverted triangle that tapers southward from a base

about 1,000 miles broad and borders on five other South American countries: Chile to the west, Bolivia and Paraguay to the north, and Brazil and Uruguay to the northeast.¹ Argentina's population is currently slightly in excess of 28 million with an average growth rate of 1.6%.

In climate, size, and topography Argentina can be compared with that portion of the United States between the Mississippi River and the Rocky Mountains. Eastern Argentina is characterized by its humid lowlands while there are dense swamps in the northern part of the country. Westward the renowned Pampa, the humid but fertile central plains, gives way to range-land and finally to desert that is broken only by irrigated oases. The Andes, in the extreme west, present a far more imposing barrier than the Rocky Mountains of the United States. Since it extends much farther from north to south than the US, Argentina has a wider range of climates that support a broad diversity of vegetation, tropical as well as temperate. These climates range from subtropical in the north to subantarctic in the extreme south.

About 22% of Argentina's land area consists of accessible forests, but another 3% is inaccessible forests. There is also a striking variety of vegetation. The Patagonian-Fuegian Steppe in the south is characterized by a cold, windy and very dry climate and trees are scarce. The north and northeast are mostly desert and scrub regions with a climate as dry as that of the south, but somewhat warmer and essentially without a winter season. Its vegetation is highly drought-resistant and consists partly of low trees. The trees often grow in salt-impregnated soils, marshes or swampy areas. The southern Andes region in the west has high intermountain valleys with dry grasslands and often sub-desert shrubs and trees.

In sharp contrast to the rest of the country is the vast Pampa region which covers roughly one-quarter of the nation. It is the most extensive

level grassland in South America and contains some of the richest topsoil in the world. It is extensively cultivated in wheat and corn and provides year-round pasturage for most of Argentina's 56 million head of cattle.²

The population of Argentina is largely Caucasian (97%) but of varied national origin. Spaniards and Italians predominate, but there are also large groups from other west and east European countries, as well as Arabs and Jews from the Mideast. About 700,000 of the population is of Arab descent, most of them Lebanese Christians. The Jewish community numbers about 450,000, the British about 22,000, and there are approximately 650,000 Indians concentrated in the northern and western border provinces. Most of today's population stems from a European immigration that was concentrated in the years 1880-1930, with a spurt after World War II. Spanish is the official language, but English, Italian, German and French are also spoken.³

Over 90% of the population is Roman Catholic but less than 20% of these are practicing their religion. Most Argentines are city dwellers, living in apartment buildings. Their family life is close and affectionate and they are well read with a literacy rate of 85%. They also eat well and their per capita consumption of meat is one of the world's highest.

Argentinians enjoy one of the highest per capita incomes in South America but in recent years have been subject to rampant inflation, over 200% in 1982. Agricultural and livestock products are major components of the economy, accounting for about two-thirds of the country's export earnings. They have a labor force of 10.8 million; 19% agriculture, 25% manufacturing, 20% services, 11% commerce, 6% transport and communications and 19% other. Argentina is the world's fourth-largest exporter of raw meat and also produces substantial amounts of corn and wheat. Industry is

growing but remains dependent upon the import of machinery and raw materials.⁴

Argentina's current GNP is approximately \$150 billion. Its major industries are food processing, motor vehicles, consumer durables, textiles, chemicals, printing, and metallurgy. Major exports are meat, corn, wheat, wool, hides and oilseed. Major export trading partners are Brazil (9%), Netherlands (9%), Italy (8%), United States (9%), Federal Republic of Germany (6%), and USSR, Japan and Spain (5%). Major imports are machinery, fuel and lubricating oils, iron and steel, and intermediate industrial products. Major import trading partners are the United States (26%), Brazil (10%), Federal Republic of Germany (11%), Italy (4%), Japan (11%), and Chile (3%).⁵

Argentina is officially an independent republic, so proclaimed in 1816. It was under military regime from 1966 until 1973 when free elections were held and the country returned to constitutional rule. Military control was reimposed in 1976 when the junta of Commanders-in-Chief of the the three branches of service became the supreme authority. The constitution itself remains in force only to the extent that it is not suspended or contradicted by the decree laws issued by the junta.⁶ The current ruling junta has declared itself as only a caretaker government until civilian rule can be reinstated and has scheduled elections for 1983.

Argentina has only approximately 40,000 kilometers of railroad of four different gauges. Only 50,000 of its 210,000 kilometers of highways are paved. It has 11,000 kilometers of navigable inland waterways and seven major and twenty-one minor ports. Its pipelines consist of 4,000 kilometers of crude oil, 2,200 kilometers of refined products, and 8,200 kilometers of natural gas. Argentina has over 2,100 useable airfields, 108 of which have permanent surface runways, 24 with runways 2400-3600 meters, 311

with runways 1200-2400 meters. It also has an extensive modern telecommunications system composed of a telephone network with 2.76 million sets, radio relay is widely used, and 1 satellite station with 2 Atlantic Ocean Antennas. Argentina's Armed Forces total 180,500 (118,000 conscripts) out of a military manpower pool of 7,000,000 males 15-49 (5,715,000 fit for military service) and 236,000 reach military age (20) annually. The Army consists of 125,000 (90,000 conscripts) with reserves of 250,000: National Guard, 200,000; Territorial Guard, 50,000. The Navy numbers 36,000 (18,000 conscripts) including Naval Air Force and Marines. The Air Force is the smallest of the services with only 19,500 men (10,000 conscripts). There are also 43,000 Para-Military Forces: 12,000 Gendarmerie, mainly used for frontier duties; 9,000 Argentine Naval Prefecture (coastguard); and 22,000 Federal Police.⁷

HISTORICAL PERSPECTIVE

I Discovery and Conquest: 1516-1600

The area now known as Argentina was first discovered by the Spanish in 1516. Ferdinand Magellan also explored the east coast in 1520 during his voyage around the world (1519-1522) and Sebastian Cabot's expedition established a short-lived settlement on the lower Parana at the mouth of the Carcarana River in 1527. The first major expedition from Spain was led by Pedro De Mendoza in 1536 when he established a settlement at Buenos Aires. They moved north in 1537 and established Asuncion, now in Paraguay; and abandoned the Buenos Aires settlement in 1541. The first permanent settlements began in the late 1500's when colonists came from Chile and Peru seeking silver and gold. However, since the area had no known mineral wealth and only a few native indians, there was little royal interest in the widely scattered settlements.

II. Colonial Period: 1600-1810

It was not until 1776 that a viceroy was sent to Buenos Aires, to stop Portuguese occupation of Uruguay and expansion of Brazil as far as the Rio de la Plata.⁸ The colonization of the Spaniards did result in several developments that affected the economic and political development of the country. The horses and cattle that they brought, and subsequently released, thrived on the lush grasslands of the Pampa. They also brought their knowledge of farming, and they introduced wheat and other cereals. The exportation of beef and wheat have become two of the most important item in Argentina's economy.⁹

Up until the time that the viceroyalty of La Plata was established in 1776, Argentina was a dependency of the Peruvian viceroyalty. Buenos Aires was not permitted to trade by sea or even freely with its interior neighbors. All trade was strictly controlled and moved by land to Lima (3000 miles away), from there to Panama, and then on to Spain. The isolation of Buenos Aires led to the development of self-reliance and independence among its population. At the same time, antagonism developed between its people and the inhabitants of the interior. Thus, even before the republic had been founded, the people of Buenos Aires and those of the interior were developing two distinct ways of life and two contrary attitudes toward the world that were to become the foundations of Argentina's future political conflicts.¹⁰

Early in the nineteenth century, the colonists began to unite to complete independence from Spain. The growth of nationalism was fostered by the rebellion of the English colonies in North America and by the French Revolution. In June 1806, an English naval force captured Buenos Aires after the Spanish viceroy fled with his family and his entire staff. The people of Buenos Aires did not accept the English as their masters and a

patriot militia drove the English out in August 1806. In May 1807, the English again attempted to seize the town, but they were decisively defeated in one day. This second victory against English forces is chronicled in Argentine history as Defensa (Defense). The people of the port of Buenos Aires (portenos) become aware that they could defend themselves, without support from the interior provinces, and recognized the inability of the Spanish crown to protect them.

III. Political Consolidation: 1810-1880

In May 1810, following the example set by Spanish cities after the capture of King Ferdinand VII by the French, Buenos Aires held an open town meeting and elected a junta which deposed the viceroy and declared itself in authority. The revolutionary movement of 1810 opened a new era in Argentine history. Henceforth, the chief concern of the groups seeking independence would be to organize the country politically and to reform it socially and economically. The new leaders recognized that the country could not be fully free from Spanish domination until Spanish military power in Chile and Peru was overthrown. The principal proponent of this was Jose de San Martin, born in Argentina but educated and trained as a military officer in Spain. He began to recruit, equip and train an expeditionary force in 1814. In 1816, a congress of provincial delegates met in Tucuman and issued a declaration of complete independence from Spain. In January 1817, San Martin led his expeditionary force across the Andes and defeated the Spaniards in Chile. In 1821, he defeated them in Peru and formally declared the independence of Peru but left in the hands of the Venezuelan liberator, Simon Bolivar, the military operations required to defeat the Spanish garrisons. San Martin returned to Argentina and retired from public life, steadfastly refusing to become involved in politics.¹¹

Independence from Spain left Argentina torn by political disunity. There followed a period of provincial strife between the centralists in Buenos Aires and the powerful leaders of the interior provinces, most of whom were self-elected governors maintained in power by armed bands of gauchos. It lasted until Juan Manuel de Rosas became governor of Buenos Aires Province and imposed order and centralism from 1829 until 1852, when he was defeated by the forces of General Justo Jose de Urquiza. Rosas' administration soon evolved into a tyranny under the prodding of his aides, but it arrested the disintegration of Argentina and restored a substantial measure of order and security. His rule never extended beyond his own province, except that by general agreement he was given control of Argentina's foreign relations. Under his rule, Argentina was almost constantly embroiled with foreign powers, neighboring Brazil and Paraguay, and at various times France and England as well. His rule was a reign of terror and violence, but he was honest in handling financial affairs (he retired to exile in poverty after having been one of the wealthiest landowners in Buenos Aires) and his rule, based to a considerable degree on popular acceptance, had the effect of welding Argentina into a nation.¹²

General Justo Jose de Urquiza was hailed as a liberator when he arrived in Buenos Aires in 1852 and was granted the title of provisional director of the entire nation. At his request the provincial governors met and drew up in 1853 a liberal federal constitution, modeled after that of the US, which remains in force today. The military forces of the provinces were merged into a national army over which Urquiza was given command. Under his progressive administration peace and order were restored and he turned over the presidency to constitutionally elected successor in 1860.

It was hoped that this smooth transition of power would quiet interprovincial conflicts by allowing the new President, Santiago Derqui, to govern in the interest of the entire republic.

But this was not to be and Bartolome Mitre led Buenos Aires in a move for supremacy over the other provinces in 1861. Mitre was subsequently elected the first president of a united Argentina in 1862.

Mitre gave much to Argentina. Even while carrying on a foreign war, Mitre laid the foundations for Argentina's prosperity. Under his wise rule, internal peace was established. Foreign trade and national revenue were doubled. Immigration rates were quadrupled. Population increased forty percent. Steamship lines were opened and subsidized. Railroad trackage was extended from 47 to 573 kilometers, with contracts let for twice as much more. Confidence was created, and the nation was given financial stability. A legal system was organized. On the basis of these contributions Argentina has grown up to wealth and world influence.¹³

Domingo Faustino Sarmiento was elected president in 1868, and he and his successor, Nicholas Avellaneda (1874-1880), promoted railroad construction, immigration and education. It was a period of rapid economic development, and the fertile pampa began to shift from pastoral to agricultural production.¹⁴

IV. Political Growth: 1880-1930

In 1880, the Federal District Act was passed, separating the city of Buenos Aires from the province of Buenos Aires. Thus ended the centralist-federalist quarrel with the provinces and their federalist policies the apparent winner. But in the long run the victory belonged to Buenos Aires Province and to its city and port. Then the chief problem of Argentina became a social one. The National Party, under the leadership of General Julio A. Roca (who served two terms as president, 1880-86 and 1898-1904) with the support of the military and the landowners, dominated the nation. During this period, railroad and telegraph lines were extended, and a

transatlantic cable linked Buenos Aires with Europe. Almost a quarter of a million immigrants arrived between 1880 and 1889, mostly from Italy and Spain, settling primarily in the interior. Barbed wire was introduced, estates were fenced and control of cattle herds followed for more selective breeding. Argentina then became one of the principal food suppliers to Europe.

From 1890-1916 the country was governed by an oligarchy of estate owners, bankers and merchants, and its foreign relations were closely related to economic development. To combat this, a middle-class party called the Radical Civic Union was formed and they succeeded in forcing the enactment of electoral reforms. In 1916, in Argentina's first secret ballot, the leader of this party, Hipolito Irigoyen, was elected President. From 1916 to 1930 many of the members of the traditional oligarchy were ousted from office and there were signs of the rise of the middle class to influential levels in various aspects of national life. During World War I, there were strong domestic and foreign pressures to draw Argentina into the war on the side of Great Britain, but Irigoyen held firmly to Argentina's neutrality, refusing to break diplomatic relations with Germany, even when both houses of congress approved resolutions to that effect.¹⁵

Irigoyen introduced many labor and educational reforms and under his leadership, the Radical Party swept the elections of 1922 and 1928. However, the lower class felt that he had not done enough and even though he received two-thirds of the popular vote in the 1928 election, there was a severe rift within his party. In 1930, primarily because of an economic crisis caused by the world depression, he was overthrown by the first successful armed revolt in seventy years of Argentine national history. In 1930, a new era was begun, one on which the military came to play an active role in the political arena.

V. Modern Argentina: 1930-Present

From 1930 to 1943, the country was governed by a group of Army officers and estate owners, supported by clergymen, bankers and merchants. General Augustin P. Justo was elected president in 1931 and served until 1938. He introduced the country's first income tax and initiated an expansive road building program that was opposed by the British who complained that the program represented government-sponsored competition with the British-owned railroads.

Roberto M. Ortiz became president in 1938 but because of illness relinquished his office to his vice-president, Dr. Ramon S. Castillo in 1940. During this period, Argentina was moving away from neutrality and toward the Axis powers. Many of the Argentine military personnel were convinced that the Axis powers would win. Castillo's continued pro-axis position elicited criticism within the country. Although the continued exportation of food products was bringing the highest prices in the country's history, the people were not sharing in the resultant prosperity because of an abrupt rise in the cost-of-living. As the election of 1943 drew near and no prominent political leader appeared who could attract the support of the quarreling political parties, a group of pro-Axis Army officers organized a coup on 4 June 1943.¹⁶

General Pedro Ramirez, Castillo's Minister of Defense, was chosen to head the new regime. He dissolved Congress and provincial legislatures, intervened in every province, and appointed military men to run them all. He also established a stringent censorship of the press, outlawed the principal pro-allied organizations in Argentina, and removed the leaders of many civilian organizations, particularly labor unions. These drastic steps turned most politically active Argentines against the new government. A group of younger military leaders soon realized that the regime would have

to win back civilian public opinion if it wanted to continue in power. These officers were led by Colonel Juan Domingo Peron, the Secretary to the Minister of War.¹⁷

Peron first turned to the industrialists and other middle-class groups for support. But these elements were reluctant to make a deal with the military, and thus, the young military men turned to organized labor. In November, 1943, Peron was named Secretary of Labor and Social Welfare and in 1944, he also became Vice-President, Minister of War and head of the Postwar Council. In March, 1945, Argentina declared war on both Germany and Japan.

The extent of Peron's working-class support became evident in October, 1945, when he was dismissed from all his government posts and jailed by an anti-Peron military group. His followers descended upon Buenos Aires and virtually seized control of the city, with no resistance from the military. As a result, Peron was released and brought to the presidential palace where he addressed a gigantic rally in triumph. He became a presidential candidate in the February, 1946, elections and was elected with about 55 percent of the vote. His followers won almost a two-thirds majority in the Chamber of Deputies and gained all but two posts in the Senate. On 4 June 1946, Peron, by then a general, was inaugurated as president; he held this post for more than nine years.¹⁸

Early in his career, Peron realized how neglected the Argentine working class was by the ruling elites, and he set about creating a strong organization of workers whose support he won by decrees enacting a wide range of labor and social welfare measures. Within a few years he raised the proportion of unionized labor from one-tenth to two-thirds of the working force. He built up the police force of the city of Buenos Aires until it was better armed and more powerful than the nearby army garrison.

Peron's long-range objective was to create an economic and social revolution that would convert the country into a modern industrial state. His short-range objective, however, was to consolidate absolute power in his own hands. He was an inspired, mass leader, a domineering commander and an astute contriver.

His second wife, Eva Duarte Peron (Evita), was a major influence in his success and rise to power. She served as Secretary of Labor and Welfare in her husband's government, and organized and headed the women's branch of the Peronist Party. She also founded the Eva Duarte de Peron Foundation, which by presidential decree took control of all Argentine charities. The foundation became the corporate source of help for widows and orphans, for the sick and the maimed, and for the poor. Its treasury overflowed with offerings from grateful labor unions, prudent employers, wise foreign corporations, and public employers, and it became a multi-million-peso enterprise. Evita's devotion to Peron endured until her death from cancer in 1952.

During his presidency, Peron introduced many reforms. The minimum wage law was changed to recognize the increased cost-of-living, paid vacations were established, the pension system was strengthened, and a national program to provide low-cost housing for workers was instituted. He did nothing however to break up the monopoly of landownership.

Argentina emerged from World War II in an excellent economic position, with extensive foreign-exchange reserves and a surplus of agricultural products that were badly needed in Europe. By 1949, however, all these reserves had been exhausted as Peron had bought back the railroads, telephones, gas companies, post installations, imported heavy machinery and equipment, subsidized key consumer goods to keep prices down, and allowed appreciable sums to disappear into the pockets of important figures in the

Peron regime. In contrast to his predecessors, the Peron government favored industry and agriculture seriously declined. Land under cultivation was reduced from 53 million acres (1943-44) to 46 million acres (1949). The rural situation in the early 1950's was further complicated by serious droughts. Inflation became so serious that, by the time Peron was overthrown in 1955, it had virtually wiped out the real wage gains the Argentine workers had achieved during the first five years of the Peron era.

Peron's regime became increasingly dictatorial. A thorough purge of the labor movement, directed by Peron's wife, removed virtually all union leaders in office when Peron came to power. In 1949, Peron authorized a constitutional assembly to write a new constitution which incorporated his social and economic ideas and greatly increased the power of the president. Freedom of the press was destroyed as some newspaper owners were forced to sell out to a chain of publications controlled by Evita, while others were closed down because they were suddenly discovered to have violated the public health code or some other irrelevant legislation. The same tactics were used against opposition political parties. The armed forces were kept in line by a combination of frequent command changes, ample funds, and an efficient espionage system covering the activities of most military leaders. Relations with the Catholic Church also deteriorated, particularly after the government repealed the 1944 decree establishing Catholic teaching in public schools and passed laws to legalize divorce and prostitution.

Peron's policies for the emancipation of the working classes gained him many enemies, including estate owners, businessmen, middle-class radicals, left-wing socialists, and even some union leaders. This dissatisfaction eventually spread to the military and in September 1955, he was driven

from power by a military revolt led by Army officers whom Peron had persecuted for their opposition to his policies. The two basic causes of his downfall were his short-sighted economic policy (worsened by alleged corrupt diversion of public funds) and the political opportunism that led him to disregard Argentine devotion to civil liberties.¹⁹

With the success of the military coup against him, Peron went into exile. He first sought refuge in Paraguay, later in Venezuela, Panama, the Dominican Republic, and ultimately in Spain. A military junta took control of the government, led by General Eduardo Lonardi who was strongly influenced by the Roman Catholic hierarchy. His government failed to take any definite direction and he was deposed by a bloodless coup two months later, on 13 November 1955, led by General Pedro Aramburu (Lonardi's vice-president, Admiral Isaac Rogas, continued in office). This regime was unequivocally anti-Peron and was faced by a continuing crisis as the cost-of-living soared and as riots, revolts, strikes, and bombings became commonplace. About one-fourth of the population continued to be sympathetic to Peron, with two-thirds of the labor movement remaining loyal to him. When the Peronistas attempted a counter coup on 9 June, 1956, the regime responded violently and many of its leaders, military and civilian, were executed.

Aramburu's principal accomplishment was the restoration of constitutional government. He suspended the Peronista constitution of 1949 and reinstated the constitution of 1853. National elections were held in February 1958, and Arturo Frondizi, the leader of the Intransigent Radical Civic Union (middle-class, urban party) was elected president with the support of the Peronistas who were not allowed to organize into a party of their own. The military leaders, dubious of Frondizi's alliance with the Peronists, nevertheless turned over the reins of power to him.

Despite thirty-five rumored attempts by the military to overthrow his government, Frondizi stayed in office until March 29, 1962. Skillfully, Frondizi managed partially to revive the economy and set the country on the road toward constitutional government. He stimulated the production of petroleum, fostered industrialization, and strongly encouraged foreign investment. Yet Frondizi could not win the support of all sections of the population for a concentrated effort of austerity to save Argentina's economy from the chaos it had undergone. The workers, the rich, the military, the government employees, the landowners, and the industrialists all thought someone else ought to make sacrifices. Frondizi came to grief when the reinstated Peronist Party won control of several provinces and increased its membership in congress in the elections in 1962. The Peronist Party governed 34% of the popular vote--forty-two seats out of a total of 192 in the Chamber of Deputies and eleven governorships out of the sixteen provinces that voted that year. The armed forces, alarmed at the rise in Peronist power, deposed and arrested President Frondizi.²⁰

A new military junta took power in March 1962, annulled the elections (thus denying governorships to the Peron supporters) and installed Jose Maria Guido, the provisional president of the Senate, as Argentina's new leader. For the next fifteen months, the economic and political situation in Argentina was chaotic. The international value of the peso plummeted, inflation rose drastically, Frondizi's investment program was curtailed, and capital fled the country. The Guido government itself was a faintly disguised military dictatorship, characterized by bitter fights among contending factions, primarily the Azules (blues) and the Colorados (reds). The Colorados favored outright military dictatorship and a liquidation of the Peronistas. The Azules favored a return to constitutional government by election and a compromise with the Peronistas. The Azules defeated the Colorados in a short civil war in September, 1962 and purged the armed forces of all officers openly sympathetic to the Colorados.

New elections were held in June 1963, but they were also chaotic. The Union Civica Radical del Pueblo named Arturo Illia, a provincial doctor and old-time politician, as its candidate for President. A large section of the Intransigentes broke with Frondizi and named its own candidate,

Dr. Oscar Alende. Frondizi himself joined forces with the Peron supporters in a Movement of Popular Unity. The electoral authorities vetoed three presidential nominees of the movement, however, and thus many voters cast blank ballots, at the urging of both Frondizi and Peron (from abroad). Arturo Illia was elected, although he received only one-quarter of the vote, and took office on 12 October 1963.²¹

In the meantime, the situation in Argentina worsened: the economy continued to decline; bankruptcies increased 46 percent; the cost-of-living rose 50 percent; the new peso dropped 67 percent; and the GNP declined 3 percent. As time passed, it became evident that President Illia's way of dealing with the country's major problems was to avoid taking any decisive action. In two years, the cost-of-living rose another 63 percent.

Illia's government was continually faced with political turmoil, as well. In March 1965, in congressional elections, Peronists won 44 of 99 seats and polled 38 percent of the national vote as contrasted to 30 percent for Illia's party. President Illia also became involved in a dispute with General Juan Carlos Ongania, the Army Commander-in-Chief, and virtually forced him into retirement in November 1965, by appointing as Secretary of War an active-duty general junior to him in rank. This action cost Illia the support of the Azules faction of the military and in June 1966, the military leaders overthrew President Illia in a bloodless coup.

General Ongania was appointed president by the junta, promising to restore the nation's sagging economy and solve its multiple problems. President Ongania made it clear that he and military men associated with him intended to stay in power for a long time. He dissolved Congress and the provincial legislatures, appointed military men to run all of the provincial governments, replaced all members of the Supreme Court, abolished all political parties, and suspended the constitution.

The Ongania government set for itself the goals of economic growth and internal security. Its formula for economic growth was control of inflation; encouragement of savings; and stimulation of investment, domestic and foreign, in the productive sectors. Its formula for internal security was a ban on communist activity, a reorganization of security forces, and the purchase of new military equipment. . . . A reorganization of planning and management took place, designed to centralize policy making and decentralize policy implementation.²²

Inflation was cut by means of rigid wage controls, and by the end of 1969, the economy was growing at a rate of 7% annually. These successful economic policies were overshadowed, however, by growing political tension.

Labor represented the principal opposition to the government and violent strikes became commonplace. Rumors of a coup, resulted in replacement of the Commanders-in-Chief of the three services in August 1968 and an actual coup attempt by army officers with Peronist leanings was thwarted in October 1969. Ongania continued to rule without Congress and imposed strict control on the press and all means of mass communications.

Dissatisfaction mounted early in 1970, and acts of terrorism increased. The most tragic event was the execution of ex-President Pedro Eugenio Aramburu by an extremist group, the Montoneros, influenced by the Cuban revolutionary, Che Guevara. President Ongania refused demands to end restrictions on political activity, and announced that elections would probably not be held for another twenty years. As long as he was supported by the armed forces, Ongania's position was relatively secure. In June 1970, however, Ongania refused the demand of a junta of high-ranking military officers that he restore constitutional government and the democratic system. The military leaders removed him and installed Brigadier General Roberto Marcelo Levingston, a little known career intelligence officer, serving as military attache to the Argentine embassy and as delegate to the Inter-American Defense Board in Washington, DC, as president.

Levingston rejected the liberal economic policies of his predecessor in favor of economic nationalism. He outlined a five-year plan in December 1970 that called for Argentinization of the economy and severe restrictions on the role of foreign capital. But by failing to open up the political system, he deprived himself of potential civilian support for his economic policies. He also clashed with the military Commanders-in-Chief over when general elections would be held and was removed from power by them in March, 1971. He was replaced by the Army Commander-in-Chief, General Alejandro A. Lanusse.

Lanusse attempted to conciliate the contending forces around him by pursuing economic policies that amounted to a compromise between the "liberals" and the "nationalists" and by announcing that elections would be held in early 1973. He made contact with Peron, in exile in Spain, and announced that political organizations, including the various Peronist groups, would be granted legitimacy. Lanusse attempted to ease the economic strain on labor and the consumer by granting wage increases amounting to 30 percent by June 1972, but he was also confronted by an annual inflation rate of about 80 percent. Furthermore, despite the suspension of civil liberties, the government had been unable to curtail the actions of the various guerrilla organizations significantly.

Peron himself was not allowed to run for the presidency in the March 1973 elections, but he was allowed to visit Argentina in November 1972, and he was able to forge a coalition of a dozen parties under his leadership. In the general elections, Dr. Hector J. Campora, the candidate of the Justice Liberation Front (FREJULI) and Peron's hand-picked choice, was elected president with 49% of the vote; the candidate supported by the military government received only 2.9% of the vote. FREJULI candidates

also won a congressional majority and swept the gubernatorial elections in twenty of the twenty-two provinces.

After his inauguration in May 1973, Campora retired the heads of the three military services and granted amnesty to some 600 political prisoners. He was also able during his brief administration to achieve sufficient cooperation with his economic program to bring about a decrease in the rate of inflation. However, he was no better able than his predecessors to cope with the rising tide of terrorism, much of it from extreme Peronist factions, and after a consultation with Peron in Madrid, he announced his resignation effective 13 July 1973. This paved the way for new elections in which Peron himself would be a candidate.

Peron, who had returned to Argentina on 20 June 1973 after 18 years of exile, to a tumultuous but violence marred welcome, won the presidency with 62% of the vote in a special election of 23 September; his third wife, Maria Estela (Isabel) Martinez de Peron, was elected vice-president. He moved to restore order by cracking down on left-wing extremists and stressed nationalism and social justice; he was plagued, however, by factionalism within his own movement and by increasingly widespread opposition from guerrilla groups.

When Peron died on 1 July 1974, he was succeeded by his widow, who became the first woman President in the Western Hemisphere. Isabel Peron's administration was progressively undermined by economic deterioration, escalating terrorism, and Peronist intraparty struggles. On 13 September 1975, she vacated her office for 34 days due to ill health. During her absence major changes were announced, including the creation of a National Defense Council, all moves combining to strengthen the powers of Argentina's armed forces. Finally, on 24 March 1976, Isabel Peron was arrested in a bloodless coup and a military junta consisting of the commanders of the

Army, Navy and Air Force took over the government. Lieutenant General (Ret) Jorge Rafael Videla was appointed as President.

The first actions of the new government in dismantling the old Peronist order were to suppress all trade union and political activity (including the right to strike and to bargain collectively), to dissolve national, provincial and municipal legislatures, to sack all Peron appointed justices of the Supreme Court and to appoint new provincial administrators. It was also announced that all subversives would be tried in military courts and that the death penalty was in force for convicted terrorists. These steps were announced as just the beginning in the government's effort to prevent anarchy, corruption, and subversion and to reverse the nation's economic decline.²³

Violence continued to be part of political life in Argentina as there were numerous unsuccessful attempts on the life of President Videla. Complaints were also made about the lack of information provided by the government on the fate of political prisoners. In 1977, the United States decided to reduce military aid to Argentina from \$36 million to \$15 million because of the human rights issue, but the Argentine government rejected even this amount, accusing the US of interfering in Argentina's internal affairs.

Videla was confirmed in office as president for a second three-year term on 2 May 1978, but he was replaced in the junta by his supporter, General Roberto Viola, who was also given command of the Army. Criticism of the government's economic policies intensified in 1979; inflation had decreased from the staggering figure of approximately 600% in July 1976, when the military took over, but it was on the rise again (170% at the end of 1978, from a low in 1977 of 160%). Signs of dissatisfaction were also appearing among certain sectors of the Army and reports of unexplained

disappearances of individuals were estimated at between 5,000 and 15,000 from the beginning of 1976.

In October 1980, the military junta nominated General Viola as military president to assume office in March 1981 for a three-year term and published its guidelines for the policies to be carried out during the next four years. These included continuation of current economic policies, reduction in the size of the public sector, development of labor union legislation, creation of a responsible political system, and the defense of national security. The government continued to face pressure, both at home and abroad, to explain the disappearance of individuals, now numbered by Amnesty International at 15,000-20,000.

General Viola assumed the military presidency of Argentina on 29 March 1981, but he was removed from office on 11 December 1981 by the three-man military junta, supposedly for reasons of health. Lieutenant General Leopoldo Galtieri, the Army commander and one of the members of the junta, was sworn in as president on 22 December 1981. He retained his post on the junta and also command of the Army. General Galtieri was an advocate of closer relations between the US and Argentina, which had improved when President Reagan took office.

President Galtieri was faced with an inflation rate at the end of 1981 of 120%; up from the 1980 rate of 88%. He proposed a return to strictly orthodox economic policies, with reduction in public spending and a contraction of the state sector. The major political parties in Argentina advocated national reconciliation and called specifically for: the lifting of the ban on political and trade unions, the application of the existing statute on political parties (rather than a new one being drafted by the military regime), and the holding of general elections without restric-

tions. It also demanded an official explanation of the fate "the thousands of disappeared."

Galtieri's government was quick to make news on the international scene. In January 1982, it unilaterally abrogated an agreement signed with Chile in 1972 concerning their longstanding dispute over the Beagle Channel Islands. On 2 April 1982, Argentina invaded and occupied the Falkland Islands and South Georgia. General Galtieri announced that he had "recovered" these lands "for the nation."

Since the establishment in 1833 of British sovereignty over the Falkland Islands, Argentina had consistently disputed Britain's title to these islands and their dependencies. Argentina claimed sovereignty over the islands as the successor to the Spanish colonial power and because of their proximity to its coastline and its occupation of the Falklands for several years in the early 19th century. The British claim was based largely on Britain's continuous occupation of the islands since 1833 and on the fact that the Falklanders themselves had expressed the wish to remain British.²⁴

As Argentina consolidated its military hold on the islands in defiance of a United Nations Security Council Resolution urging it to withdraw, Britain rapidly assembled a large task force to recapture them. Intensive diplomatic exchanges took place through the US Secretary of State, Mr. Alexander Haig, but to no avail. The task force sailed via Ascension Island (a British possession with an airbase leased by the US) situated 3,300 nautical miles from the Falklands. Officials from the member states of the European Community agreed to impose a Community-wide ban on all imports from Argentina. Argentina requested a special meeting of the Permanent Council of the Organization of American States (OAS) to consider hemispheric sanctions against Britain and the possible invocation of the 1947 Rio Treaty which stipulated that "an armed attack by any states against an American state shall be considered as an attack against all the American states."

In light of Argentina's failure to accept any compromise, the US sanctioned Argentina by suspending all military exports, withholding certification of eligibility for military sales, suspending new export-import bank credits and guarantees, and suspending Commodity Credit Corporation guarantees. Argentina responded in a letter saying that the Argentinian people would "never understand or forget" that the US had sided with "a power foreign to this hemisphere."

Following extensive military action in and around the Falkland Islands in May and June 1982, Argentinian forces formally surrendered to troops of the British task forces on 14 June. The brief war cost 254 British and some 750 Argentinian lives, and heavy material losses on both sides.

General Galtieri resigned on 17 June as President, Commander-in-Chief of the Army and a member of the military junta. Major General Alfredo Oscar Saint Jean, the incumbent Interior Minister, was appointed interim President on 18 June. Considerable dissension ensued over the appointment of a permanent replacement to the presidency. While the Army was in favor of appointing one of its own generals and of continuing military rule indefinitely, the Navy and Air Force called for a date to be set for the transfer of power to civilians and for the immediate appointment of a civilian as president. Despite opposition from the other two services, the Army announced that it would "assume responsibility" for ruling the country and confirmed the appointment to the presidency of a conservative, General (Ret) Reynolds Benito Antonio Bignone, who had been Secretary-General of the Army under President Videla. The Army also undertook to lead a "short-term transition government" to restore civilian rule "by early 1984." President Bignone was sworn in on 1 July 1982 at a ceremony boycotted by the Air Force Commander-in-Chief and attended by the Navy Commander-in-Chief in a personal rather than official capacity.

President Bignone announced the immediate lifting of the ban on political activity, promised to lift the remaining restrictions on trade union activity and said that his "greatest ambition" was to hand over power to a constitutional successor and become "the last non-elected President in Argentinian history." In September 1982, the military junta was reestablished (having ceased to exist since June when the Air Force and Navy Commander-in-Chiefs withdrew in opposition to Bignone) and resumed control over the presidency. In December 1982, President Bignone stated that national elections would be held "no later than the first Sunday of November 1983."

1983 has also been a year of turmoil for Argentina. A 24-hour strike called by Argentina's labor unions in defiance of the military government brought commerce and industry to a standstill on 28 March. The strike was called to protest inflation, currently over 200% annually, and to urge changes in government economic policies. It was estimated that over 85% of Argentina's workforce of about 8.5 million participated in the workout. Will the upcoming elections bring true democracy to Argentina or will her search continue?

THE 1980'S AND BEYOND

Government

The Argentine Constitution of 1853, still in effect, and patterned on that of the United States, calls for a separation of powers into executive, legislative, and judicial branches at national and provincial levels. Each of the provinces also has its own constitution. The President, Vice-President, and Congress are directly elected by the people for a term of 4 years. Cabinet Ministers are appointed by the President and are subject to confirmation by the Congress. The Argentine judiciary functions as a

separate and independent entity of the government. The apex of the court system is the Supreme Court, whose judges are appointed by the President with the consent of Congress. It has the power to declare legislative acts unconstitutional.²⁵

Upon the return to military rule in 1976, the constitutional structure of 1853, which had been restored in 1973, was again suspended. The National Congress, provincial legislatures, and municipal councils were dissolved and all Supreme Court and provincial justices dismissed. The junta has reserved the right to designate the president of the republic as well as cabinet officials, high court justices, and government administrators. Regional administration is based on the nation's 22 provinces, a national territory (Tierra del Fuego), and the Federal District of Buenos Aires. Although the provinces formerly elected their own governors, there has been a long history of federal intervention in provincial affairs, and all leading officials are now junta appointees.²⁶

Argentina today is a good example of a type of authoritarian administration which, partly because of the rotation system of leadership and military responsibility, is just as divided over matters of policy, particularly economic policy, as any government of Britain, France, or even the United States. Individual officers argue and disagree just as much as their opposite numbers who are elected. It is the government's intention to return to a freely elected form of government; however, Argentina is taking that path at a slow, cautious pace. The country has been engaged in an anguished search for the right political formula for a return to civilian rule since it is intent on avoiding at all costs a re-run of the Peronist era.

The Argentines are more "Latin" than the Latins in temperament, often impatient, sometimes greedy, and frequently volatile. Historically and

socially, however, they have tended to be more reasonable in their approach to the changing scene. The shock of so much internal bloodshed before and immediately after the takeover by the junta in 1976 has made them more determined than ever not to go back to the days of weak, ineffective civilian administration, without some very firm ground rules. Hence, the ebb tide of authoritarianism in Argentina may be a little slow.²⁷

Economy

Argentina is a nation of impressive human and natural resources, but political turbulence and uneven economic performance since World War II have impeded full realization of its considerable potential. When the military took over in 1976, Argentina's economic situation under the Peronist regime was deteriorating rapidly. Production was declining, inflation was accelerating rapidly, and Argentina was facing an external debt moratorium. The new government set out to tackle these immediate problems and embarked on a new development strategy. In the place of the Peronist populist programs to redistribute income and expand state activities, the government sought to establish a free market economy. The government program emphasized an export-oriented growth strategy built around recovery of the agricultural sector. Major objectives were reduction of the fiscal deficit, rationalization of public-sector activities, monetary discipline, and the expansion of domestic and foreign private investment.²⁸

This program has shown mixed results. Inflation was brought down from 347.5% in 1976 to 87.6% in 1980, but it has risen to 200% at the end of 1982 and is forecast to increase to 400-500% in 1983. Private banking is undergoing a severe crisis and rate of growth of the economy has once again slowed. In September 1982, the government announced a new set of economic measures designed to halt the decline in living standards and curb labor

protests. In a move away from the free market policies it had been following, the government set price ceilings on bread and milk, raised electricity and fuel prices in an attempt to curb consumption, and banned the sale of meat in restaurants two days a week, hoping to slow down the rise in beef prices. General wage hikes were also instituted. Unemployment stood at approximately 1.5 million, out of a work force of 7 million, and manufacturing was said to be running at only 50% of its capacity. Argentina's foreign debt at the end of 1982 was equal to about half of its yearly gross national product.

To group the limits of the Argentine economy, one must comprehend the full implications of the Pierr Denis characterization which points out that Argentina is like the Prairie States of the United States, but with the land abruptly cut off at Chicago. That is, Argentina, because of her proximity to the ocean, is capable of heavily exploiting her vast agricultural potential by extending her reach to foreign markets. But, no country of Argentina's size seems to be so thoroughly lacking in the mineral and power resources on which manufacturing industry must be supported.²⁹

Argentina's deposits of coal, iron, copper, manganese, bauxite and other important industrial resources are notably small and dispersed, being mined with varying degrees of efficiency. Her energy resources are merely adequate. Argentina's greatest economic problem is a failure to fully comprehend the limitations of her resource base and to use her agricultural strength to its greatest advantage--a very difficult problem in a country so nationalistic.

Political Parties

Traditionally, the alignment of the political parties in Argentina has been along socio-economic and religious lines, and that alignment, although modified, still holds true. An alliance of the landowners, the high clergy, and their followers from the lower classes has defended the church and they are interested, above all, in the preservation of the traditional

order. On the other side, there have been the advocates of changes, merchants and professional men who resent the preeminence of the aristocracy and who tend to also be anticlerical. The two great issues that determined party alignment during the first half-century of Argentina's independence were separation of church and state and centralization. However, in modern times, new parties have arisen that seek to correct certain economic inequalities by appealing to the working class, small farmers, and the intellectuals. Conflicts of social and economic interests are slowly replacing political or religious issues as a basis of politics.³⁰

Political activity has been severely curtailed under the present military regime, which has formally outlawed five left-wing parties: the Marxist-Leninist Communist Workers Party, the Revolutionary Communist Party, the Trotskyite Workers Party, the Workers' Political Party, and the Workers Socialist Party. Of the large number of other national and provincial groups, only two major organizations contested the last congressional election in March 1973: the Justicialist Liberation Front and the Radical Civic Union.

The National Justicialist Movement (MNJ) represents many elements of Peronist support and was the personal vehicle of the former president. It joined with smaller parties to form the Justicialist Liberation Front to contest the 1973 legislative election. It was suspended by the military government after the 1976 coup.

The Radical Civic Union (UCR), whose history dates from the late nineteenth century, represents the moderate Left in Argentinian politics. In the period following the deposition of Juan Peron, the party split into two factions, the People's Radical Party and the Intransigent Radical Party led by former presidents Arturo Illia and Arturo Frondizi, respectively. The UCR reemerged during the legalization of parties in 1971 but was also

suspended in 1976. The Popular Federal Alliance (APF) is another former opposition party that won twenty seats in the 1973 election and also ran a presidential candidate.

The Union of the Democratic Center (UCD), modeled after the Spanish ruling party of the same name, was established in mid-1980 as a grouping of eight minor parties opposed to the "political monopoly" of various populist movements during the last half-century. The leading components are the Christian Democratic Union (UCD), the Progressive Democracy (DP), and the Social Democratic Party (PSD).

There are two major terrorist groups currently operating in Argentina. The Montonero Peronist Movement (MPM) and the Revolutionary Labor Party/-People's Revolutionary Army (PRT/ERP). The MPM was formally launched in Rome, Italy in April 1977 by merger of the Montonero guerilla movement and the Authentic Peronist Party (PPA). The Montoneros were organized as a Peronist terrorist movement in 1960. The ideology of this group is a rather curious blend of Catholicism, Marxism and Peronism. They merged with the Revolutionary Armed Forces (FAR) in 1972.

The founder of the Trotskyite PRT/ERP and his principal subordinate were both killed in a clash with Argentine Army security forces in July 1976. The PRT/ERP has long been less successful as a political force than the Montoneros because of its lack of a strong Peronist base, and much of its effectiveness as a guerilla organization is believed to have been destroyed.³¹

It is, of course, exceptionally difficult to predict with any degree of accuracy the political future of any nation; however, it may not be as difficult for Argentina as for most nations. In fact, it seems relatively simple to predict that during the next several years (or, perhaps, decades) Argentine politics will remain very much as they have been the past few decades. At least since 1955, and many would say since 1930, instability has been the dominant feature of the political system, and there is no readily apparent reason to believe that this will not continue

to be the case . . . no group seems capable of effectively governing the country--not the conservatives, nor the radicals, nor the Peronists, nor even the armed forces. . . . Of all the nation's political parties, only the radicals and the Peronists have popular support even approaching that required to govern the country effectively. . . . At present there is no individual, nor political party, nor organized group of any sort, that is truly acceptable both to the leaders of the armed forces and to the general public. In the absence of such an individual, or party, or group, the only realistic possibility is a continuance of political chaos.³²

US INTERESTS IN ARGENTINA

Argentina Foreign Relations

Argentina pursues a pragmatic, ideologically pluralistic foreign policy, maintaining relations with almost all countries. The maintenance of political sovereignty and economic independence rank with ideological pluralism as priority policy tenets. Relations have traditionally been closest with Western Europe, the United States, and Argentina's Latin American neighbors. However, more recently, the pursuit of trade and other economic advantages has encouraged contacts with nontraditional partners, including Communist nations.

Argentina presently has two territorial disputes. One is with the United Kingdom over the Falkland Islands, referred to as the Islas Malvinas by the Argentines, and the other is with Chile over possession of three islands in the Beagle Channel, a narrow passageway dividing the main island of Tierra del Fuego from the smaller islands at the southern tip of South America.³³

Argentina's political and economic influence has been greatest in the nations that border it, although these countries have generally been of two

minds about the Argentines. They have admired the cosmopolitan atmosphere of Buenos Aires and the relatively high standard of living that most Argentines enjoy, but they have also been fearful of becoming victims of "Argentine imperialism."

Argentina's international prestige and influence is less now than it was a generation ago, since its economic importance, cultural impact, and political prestige have fared badly during the intervening period. Argentina's economy has largely stagnated during the last few decades, while those of most Latin American countries have developed rapidly. Argentina's problem is one of thwarted change and development. The lingering crisis from which the nation has suffered is fundamentally political and involves two basic issues: first how to provide leadership for completing the process of social change and economic development that has been halted in midstream, and second, how to bridge the gulf which divides the Argentines into Peronistas and anti-Peronistas.³⁴

US--Argentina Relations

The United States and Argentina have maintained diplomatic relations since 1823. Both countries have sought the maintenance of a harmonious, constructive relationship based on reciprocal respect and understanding. Current relations with Argentina have focussed on the serious human rights violations that have occurred there since the military takeover in 1976. Numerous US firms maintain subsidiaries in Argentina, or have licensing agreements with local companies. US private investment exceeds \$1 billion, primarily in manufacturing, chemicals and agricultural manufacturing. There are no Peace Corps Volunteers in Argentina, but several thousand US citizens reside there. Recently there has been increasing resentment

against US economic power as well as against US opposition to Argentine aspirations to hegemony in the hemisphere.

US Strategic Interests in Argentina

The primary strategic interests of the United States in Latin America in general are: access to resources and markets, a level of strategic equilibrium to preclude contingencies requiring a major diversion of resources, and access to bases, facilities, and lines of communication. Our interests in Argentina can be broken out into four major areas:

- a. Location. The only moderately important locational element with regard to Argentina is the fact that it is the only large area of fertile, temperate-zone soils in Latin America--a factor of potential importance in a food short Latin America. In this sense, it may well be undesirable for this country to fall into unfriendly hands.
- b. Resources. Argentina is practically the sole external supplier of asbestos to the United States. Otherwise her negligible mineral wealth is of no importance to us.
- c. US Investments. US direct investments are among the largest in any Latin American country, some 55% of them being in the manufacturing sector.
- d. US Trade. US imports from Argentina are less than 10 percent of that country's total exports and therefore of relatively little consequence to the overall Argentine economy. US exports to Argentina, however, account for more than a quarter of that country's total imports and may thus be of relatively greater importance to her. The American market acts as a conduit for Argentine agricultural products to the rest of the hungry world in exchange for increased US imports.³⁵

US Policy

There is a widening perception within Latin America that the United States can no longer be counted on to moderate regional conflict, or even to attend to its Rio Treaty collective security commitments in the region. There is a generalized view that collective security should include economic development. Although the US has publicly rejected this position, there are indications that the US is more sympathetic to the notion that military sufficiency does not assure security. With this realization, the United States should pursue a more comprehensive security policy in the future with its Latin American partners.

In the 1980's the military institution of Argentina will act as a superintendent of the process of political devolution to civilian control. They will be opposed to the reappearance of what they consider to be the political excesses that marked the liberal democratic experience of the 1960's and 1970's. With this in mind and the spreading of the so-called "national security state," relations between the US and South American governments will be somewhat tense. Security relations of the type that previously existed in the area will be weakened, particularly because of the declining level of US military diplomacy, assistance, and sales in the area and because of the Latin American desire for independence in military equipment. New mechanisms may have to be developed and existing ones strengthened. In the future, the United States must adapt to the broader doctrines of national security emanating from South America.³⁶

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