

POLITICAL AND ECONOMIC SITUATION OF ARGENTINA

Pablo Javier Davoli
January 2025

By Pablo Javier Davoli.
January 26, 2025.

I. INTRODUCTION:

On Tuesday, **January 14, 2025**, at the Brussels headquarters of the **European Parliament**, the conference "***Political and economic situation of Argentina***" took place, led by Pablo Javier Davoli.

The meeting was organized and opened by the **Mr. MEP Paolo Borchia**, head of the ***LIGA Delegation to the UE***.

This document contains the **full text of the dissertation** prepared by the speaker. On that occasion, the speaker presented only some parts of his dissertation, for reasons of time (to prevent the oral presentation from extending for too long.).

Pablo J. Davoli is the representative in Argentina of the Spanish NGO ***Asociación de Amistad Euro-Sudamericana*** (*European South American Friendship Association*).

II. COMPLETE TEXT OF THE PRESENTATION AT THE EUROPEAN PARLIAMENT:

Members of the European Parliament, National Legislators, other Authorities present, honorable Ladies and Gentlemen in general.

Good morning!

First of all, I would like to thank you for the generous invitation with which I have been honored, by virtue of which I have the very pleasant opportunity to talk with you today.

Of course, with the same enthusiasm, I appreciate the presence of every one of the people present at this auspicious meeting.

Needless to say, it is a huge honor for me to be able to share my humble observations and analysis here. Not only due to the extraordinary political relevance

and high institutional prestige of this venue, as well as for the remarkable hierarchy of such an outstanding auditorium, but also because it is about Europe, the cradle of Western Civilization. Great Europe; the admirable Europe, the fertile, fruitful and glorious. Mother of cultures, within its own geographical scope but also beyond the oceans, in other lands and latitudes, especially in America.

With this dissertation, I intend to provide an overview of the Argentine situation, in its most important aspects.

To this end, I will begin by referring to certain very significant indicators of the current situation, and then address some issues of structural order and special strategic relevance.

CIRCUMSTANCIAL SOCIO-POLITICAL PROBLEMS:

I proceed, then, to address the current situation problems, focusing on some political, economic and social aspects. In this sense, it should first be noted that, today, the Argentine situation is far from being good; and that, contrary to what is usually announced and assumed, it is not improving (at least, not substantially) but rather the opposite. This is revealed in several fundamental topics, although, in some cases, a sharp analysis is required to notice it clearly. Let's see:

Regarding tax accounts:

In July 2024, the Government of Javier Milei stridently announced that it had achieved:

- A primary fiscal surplus of \$ 908,253 Million (equivalent to US\$ 962 Million); being the first time in 5 years that a positive primary result was achieved in the seventh month (July seasonally records higher expenses, due to payments of the complementary annual salary).
- Achieve seven consecutive months with a primary fiscal surplus, whose total amounted to approximately 1.4% of the country's GDP, accumulating approximately \$ 9 Trillion of fiscal surplus in the first 8 months of the Government.
- Accumulate a financial surplus equivalent to 0.4% of said GDP.
- Accumulate a 31% year-on-year primary expenditure reduction in real terms.
- Increase, between January and August 2024, the central State's revenues by 243%, while its expenses had only increased by 160%.

Likewise, in December 2024, it was announced that:

- During November 2024, the National Public Sector had again recorded a financial surplus of \$ 357,162 Million, resulting from a primary surplus of \$ 1,381,545 Million.
- In the first 11 months of 2024, the national public sector accumulated a financial surplus of approximately 0.6% of GDP (and a primary surplus of approximately 2.1% of GDP).

Now, to correctly interpret and weight these data that, at first glance, look so favorable, it is necessary to:

a) Take into consideration that:

- In July, the first financial deficit was recorded since the assumption of the President-in-Office: negative result of \$ 600,957 Million (equivalent to US\$.636 million).

- For December, the result was expected to be seasonally negative.

b) Keep in mind that the aforementioned surplus was achieved by:

b.1. The abrupt and indiscriminate interruption of more than 2,000 public works. Many of them were stopped despite being highly convenient for the national economy. In fact, some are strictly necessary for its deployment.

An example: as of April 1st, 2024, the works of the Argentine Reactor *CAREM* and the Argentine Multipurpose Nuclear Reactor RA-10 of the National Atomic Energy Commission were paralyzed due to lack of financial resources. At the time of such stoppages, the execution of both projects was already well advanced (CAREM, by 70% and RA-10, by 85%). These two reactors could ensure the supply of energy to areas far from large cities and industrial centers with high energy consumption, while promoting the Argentine export of reactors, which would bring millions of dollars to the country. In addition, the suspension of these works affected hundreds of workers, who lost their jobs.¹

b.2. A substantial decrease in the purchasing power of salaries, retirements, pensions and social plans that are in charge of the national public treasury.

This ruthless miniaturization of the real value of such payments has been relentlessly produced by inflation, which President Milei himself was responsible for significantly increasing from December 2023, when it abruptly jumped from 10/12% per month to 25.5% per month, to reach, in January, 20.6% cumulative and reach 125% cumulative in June.² Thus, Argentina again recorded the highest inflation in the world in June. And while it is true that, apparently, inflation is decreasing, it is no less true that this does not mean a decrease in prices, but simply a slowdown of the rise in prices, caused by an abrupt fall in consumption. In other words: the price increase has persisted, only more slowly and moreover, for inauspicious causes.

In this regard, economist Roberto Cachanosky has warned that inflation has been tied to an artificially low exchange rate peso-dollar (more recently, former economy minister Domingo Felipe Cavallo has also warned about the exchange rate delay imposed by the Government on the dollar).³ In addition, Cachanosky has

¹ Faced with the stoppage of the two nuclear power facilities, the national senator Antonio J. Rodas presented a draft communication for the Senate to request detailed information from the National Executive Branch on the aforementioned problem (File S-464/24 of the Argentine Senate). The presentation of such an initiative was accompanied by Senators: María T. M. González, Cándida C. López and Alicia M. A. Kirchner.

² According to official statistics, in the period January 2024 to June 2024 inflation amounted to 71.9%. This increase was caused by the Government itself, barely assumed, when it: granted "carte blanche" to the large price formers to highlight them; enabled the "jump" in the rates of public services (tariffs, these, whose tax component is important); allowed the transfer to prices, of the devaluation initially made by the Government itself; etc.

³ Note incorporated after presentation in the European Parliament:

In an interview with Roberto Cachanosky conducted on January 22, this economist confirmed that the dollar is undervalued and warned that its price will end up "exploding", unless "(Donald) Trump lends the Argentine Government a lot of money" that would allow the trap of public bonds in pesos to be undone, without the exchange rate going through the roof (in this case, the exit of speculators from the public bond market in pesos would be financed by contracting more public debt in dollars).

In fact, the Argentine Government is making desperate efforts to the IMF to obtain a loan of between US\$ 10 and US\$ 20 Billion (later, three other objectives are added that the government of Javier Milei

indicated that there continues to be monetary issuance through carry trade.

Likewise, the economist Carlos Maslatón has maintained the following:

- Between December 2023 and December 2024, prices had risen approximately 300%.
- The dollar has been kept artificially low.
- The overvaluation of the peso is maintained with public debt.

And, according to economist Guillermo Moreno, in December 2024, our inflation in dollar was the highest of the world. This is extremely serious because the Argentine economy, not officially but in fact, is bimonetary (pesos and dollars).

As is well known, inflation implies a generalized increase in prices, the speed of which is significantly greater than the consequent increase in wages (General Juan D. Perón taught that, when there is inflation, *wages go up the ladder, while prices go up the elevator*). Thus, between July 2023 and July 2024, the real salary shrank by 30%. But, more specifically, between January 2024 and July 2024, such a reduction, on average, amounted to 18% or 20%.

Needless to say, the attempt to liquefy public spending with such a recipe, in addition to lacking any originality, is disastrous. A sad example of this is given by the more than 5 million retirees and pensioners who, according to the Office of the Ombudsman for the Elderly, are submerged below the poverty line.

c) Although the above fiscal surplus has been used almost entirely to pay interest on the national public debt (a gigantic debt that President Milei himself has already been responsible for increasing in a big way, as I will refer to later).

Thus, for example, between January and August 2024, of the fiscal surplus that had been obtained, **\$ 6.7 Billion**⁴ was delivered in payment of overdue interest on the public debt of the central State, without the total of its maturities being canceled (the unpaid portion had to be capitalized). And, with the remaining **\$ 2.3 Billion**, the Minister of Economy Luis A. Caputo bought **US\$ 1,500 Million** in the market and transferred them to the *Bank of New York*, immobilizing them there until this January, as a guarantee in favor of interest owed to *vulture funds* that entered Argentina during the management of former President Mauricio Macri, which expire in that month.

In short: considering the above clarifications, it can be seen that the surplus boasted by the Government of Milei is far from being a real cause for celebration. It

pursues with the new debt he is looking for). This is not an easy negotiation since the IMF is also demanding that the dollar be allowed to “free float” and its eventual rise will necessarily determine a rise in prices (although, perhaps, somewhat moderated by the fall in consumption).

In the aforementioned interview, Roberto Cachanosky has been very clear: in the Argentine history of the last 40 years, this type of strategy has already failed four times. Today doesn't have to end differently.

I would like to add that, even in the hypothetical case that this tactic finally obtains a positive result, it does not constitute any fundamental solution; On the contrary, it contributes to aggravating the conditions and vulnerability of the Argentine economic situation.

⁴ In the context of this dissertation, the expression “Billion” refers to this number: 1,000,000,000; and the expression “Trillion”, refers to this number: 1,000,000,000,000.

In some parts of this same context, I also use this type of formulation: 1,500 Million (1.5 Billion), for example.

seems to be good news, but the truth is that, strictly speaking, it is not..

The situation laid bare a grotesque and scandalous contradiction: whoever campaigned for the election apostrophizing the State as an “illicit association”, proclaiming that he would “cut off an arm” before raising taxes and promising that the “adjustment” would be done by “the caste”; is the same subject who, as President, has implemented the so-called “inflationary tax” and other highly harmful measures, with the aim of liquefying public spending to pay an already exorbitant and still growing public debt, at the cost of further complicating the battered national economy and of massively affecting the Argentine people, with special cruelty against the most vulnerable people.

In a similar sense, Roberto Cachanosky has pointed out that the government of Javier Milei:

- Increased seven times the tax on liquid fuels.
- Reestablished the fourth category of Income Tax (which weighs on workers' salaries).
- Did not reduce customs withholdings on exports, despite the claims of the export sector, especially agricultural producers (according to Roberto Cachanosky, Argentina still has the highest customs withholdings on exports in the world).⁵
- Although it is true that it has finally eliminated the “Country Tax” (on purchases made abroad), it initially increased it from 7.5% to 17.5% and extended it to sectors that were previously exempt.

Regarding public debt:

From 1976 until today, Argentina suffers from a chronic and growing problem of public debt. On March 24, 1976, when President María Estela Martínez de Perón was deposed by a *coup d'état*, Argentina had an external debt that, at most, amounted to **US\$ 9,000 Million**, of which only **US\$ 5,300 Million** weighed on the

⁵ Note incorporated after the dissertation:

On January 23, the Minister of Economy Luis Caputo announced a temporary reduction of customs duties on the main Argentine agricultural exports (soybeans and their derivatives, wheat, barley, sorghum, corn and sunflowers). The measure will only be in effect until the end of June (it covers the season of the main harvest) and has been taken in response to the strong demand of agricultural producers, besieged by the artificially low price of the dollar and also by the fall in international prices of commodities (in recent days, large companies in the agricultural sector have declared default and announced that they will not be able to pay their obligations).

Certainly, producers are overwhelmed by the tax pressure. Likewise, they are affected by the exchange restrictions that force them to deliver the dollars from their exports to the Central Bank, at an official rate lower than that of the informal market.

The new government measure is a relief, but it is insufficient, not only because of its temporary nature but also because of the small reduction in the tax rate (the largest reduction in the tax rate, which is applied to soybeans, only reaches 7 points: from 33% to 26%).

With this reduction in withholdings, Javier Milei's government hopes to stimulate the liquidation of exports and the entry of foreign currency, while -as has already been mentioned- it negotiates with the IMF a new agreement to inject fresh funds into Argentina's coffers.

Suspensions were not long in coming: while the governors of the provinces of Santa Fe, Entre Ríos and Córdoba warned that “if urgent measures are not taken, the agricultural sector will collapse,” the national government uses its limited room for maneuver to avoid a conflict with the agricultural sector, at least until the legislative elections in October of this year.

public treasury (the rest constituted private external debt). From then on, although with ups and downs and in a different way, the complex Argentine state structure, at all levels, has not ceased to become massively indebted, bleeding Argentine taxpayers along the way with the payment of large interest. This self-destructive process was eloquently denounced in the National Senate, on August 22, 2000, by the – then- Archbishop of the city of La Plata, Mons. Héctor Aguer:

A heavy tombstone threatens to fall on us, burying our purpose and duty to effectively constitute a free, just and sovereign Nation. You can already guess the mortuary inscription: "Here lies the Argentine Republic. He lived paying, he died owing."

To adequately measure the perversity of such a trap, it is also necessary to consider the various domestic policy measures imposed on the country by multilateral credit agencies, as a condition for the successive refinancing of Argentina's parasitic public debt. These measures, in many cases, have been harmful to society, economically, as well as in other crucial aspects (for example: public health, education and national defense).⁶

Thus, public debt is one of the most serious problems in contemporary Argentina. It is a systemic phenomenon that totally conditions the country in financial, economic and political matters. And, to make matters worse, official information about it is scarce (in fact, the identity of the creditors is kept secret).

In this regard, PhD (Licenciado) Héctor L. Giuliano, the main expert on this issue, affirms that our country is immersed in a perpetual debt trap, which operates as an effective instrument of domination.

According to official data, by the end of September 2024, the stock of public debt of the central State amounted to **US\$ 471,000 Million**, that is, approximately 130% of the country's GDP. 40% of said debt was in national currency and 60% in foreign currency, approximately.

However, between January and August 2024, the debt in question had increased by **US\$ 87,000 Million** (about **US\$ 50,000 Million** due to the contraction of new debt and the rest due to the inflation adjustment of the dual bonds created

⁶ In his book *"El cerebro del mundo. De la globalización al gobierno mundial"* (that means: "The brain of the world. From globalization to world government"), political analyst Adrián R. Salbuchi gives us two eloquent examples of this type of conditions, in past decades:

- The deactivation and destruction of the technological achievements obtained in 1983 by the National Atomic Energy Commission in the domain of the integral plutonium cycle.
- The dismantling, in 1990, of the Condor II ballistic missile, developed by the Air Force (an operation skillfully coordinated by the then US ambassador in Buenos Aires, Terence Todman, a member of the Council on Foreign Relations and, later, a member of the board of Aerolíneas Argentinas S.A. and the Exxel Group).

Another especially regrettable case is that of the privatization of YPF, the Argentine State oil company (the first oil company in all of Latin America). Applying a "recipe" that Alan Greenspan had proposed to Mexico in the early '80s as a response to that country's default, the government of President Carlos S. Menem sold YPF to foreign private capital, despite the high strategic value of said company. To make matters worse, he did it at a very low price and charging in "bad currency": rescuing Argentine public debt securities, at their nominal value, despite the fact that their market price was much lower. To this it must be added that, in general terms, the Government of Carlos S. Menem, far from alleviating the problem of Argentine public debt, was one of those that aggravated it the most. More details on this matter can be found in my paper *"The case of YPF"* (translated into English and German), presented at the I Symposium on External Debt, organized at the Public Bar Association of the Federal Capital (Buenos Aires).

by the former Minister of Economy of the Nation Sergio T. Massa, during the last part of the previous presidency, at the time of exchanging overdue debt securities).

In 2025, **US\$ 131,000 Million** of the public debt of the central State will mature (in 2023, there were maturities of **US\$ 101,000 Million**). This is how it emerges from the 2025 annual budget that President Milei sent to the national Congress for its treatment and approval.⁷

As in previous years, the payment of such maturities is not foreseen. Argentina does not pay a cent in capital. It merely renews overdue debt capital, replacing old bonds with new bonds. A *'Roll Over'* procedure is implemented, which, from a legal point of view, implies a novation of debt. Of course, renegotiation conditions always imply an aggravation of the debtor's position. In other words, local government will refinancing deepens the problem. In this case, it will involve the contraction of new debt for approximately **US\$ 142,000 Million**.

Since the payments in question are not made, the debt referred to here does not appear among the operating expenses referred in the annual budget of the central State. For such a budget calculation, it is as if such debt does not exist. Only the payment of interest is accounted for as an expense: **\$ 11.7 Trillion** (equivalent to approximately **US\$ 10.5 Billion**).

To correctly size the weight of such a sum, Mr. Giuliano proposes the following comparison: the payment of **\$ 11.7 Trillion** is equivalent to paying **\$ 32,000 Million per day**; the construction of a secondary school, fully equipped, requires **\$ 1,300 Million**; that is to say, with the money corresponding to a single day of interest, more than 20 schools could be built. It's very illustrative.

Debt capital expiration	US\$ 131,000 Million	It will be refinanced (see below).
Expiry of interest on debt	US\$ 10,500 Million	It will be paid.
New Debt	US\$ 142,000 Million	Same repayment guidelines.

⁷ Note incorporated after the dissertation:

As I have already anticipated, these days the Government of Javier Milei is desperately negotiating to obtain a new loan for US\$ 10 or US\$ 20 Billion. This money would be used to:

- 1) Increase the monetary reserves of the Central Bank.

Central Bank's balance is negative and tends to worsen:

- In December 2024, the consulting firm *Outlier* estimated that the reserves of the Central Bank were negative by US\$ 10,489 Million, according to the IMF's calculation methodology.

- At the end of the same month, Guillermo Moreno pointed out that these reserves had lost US\$ 2 Billion, without the government explaining why.

- 2) Have reserve dollars in sufficient quantity to avoid a jump in its price, in case the government is forced to let it "float freely", as required by IMF.

- 3) Pay the interest on the public debt in dollars whose maturities will occur in the coming months.

- 4) Allow the settlement of dividends to foreign shareholders of private companies operating in Argentina (on January 25, 2025, in an interview with economic journalist Maximiliano Montenegro, economist Santiago Bulat pointed out that: the accumulated dividends whose transfer abroad is pending amount to US\$ 6 Billion, and to this must be added US\$ 6/7 Billion in commercial debt).

Regarding the fall in real wages and consumption:

In November 2024, the consultancy *Scentia* published a report based on the sales of the main supermarket and self-service chains throughout the country. This report confirms the evolution of a serious problem that several economists and businessmen had been warning for several months: **consumption in Argentina is in free fall.**

According to this report, in October 2024, the fall in consumption, in general, reached 20.4% year-on-year, accumulating a decline of 12.8% so far in 2024.

More specifically, in the case of retail supermarkets, the retraction reached 20.7% (corresponding to 18.2% to the Metropolitan Area of Buenos Aires and 22.8% to the rest of the country).

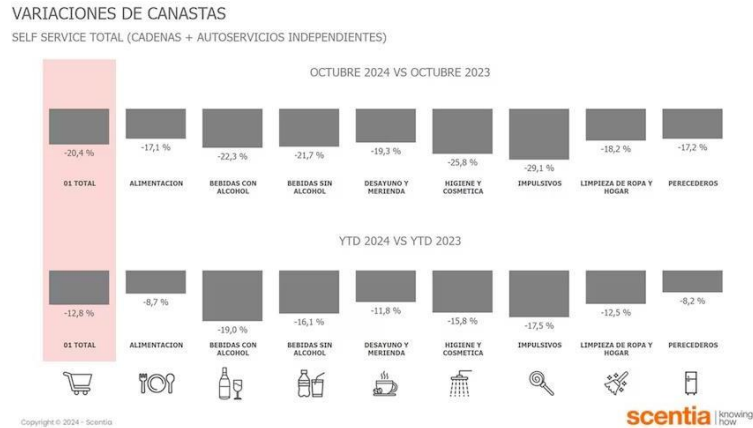
In wholesale supermarkets, this dynamic reached 20.2% year-on-year and 11.8% accumulated between January and October 2024.

In addition, the monthly evolution of sales volumes is not showing any recovery. Since April 2024, there has been a stagnation in volumes sold.



In addition, the report indicates that the abrupt drops were verified in all the categories of products that were certified, in accordance with the following detail:

- **Impulsive products:** 29.1%.
- **Hygiene and cosmetics:** 25.8%.
- **Alcoholic beverages:** 22.3%.
- **Non-alcoholic beverages:** 17.1%.
- **Breakfast and tea-time:** 19.3%.
- **Household and laundry cleaning:** 18.2%.
- **Perishables:** 17.2%.
- **Feeding:** 17.1%.



Privately, businessmen recognize that, for the recovery of the level of sales, it is necessary to recover the purchasing power of wages. At the same time, consumption analysts assert that, with the sharp increases in the prices of services that occurred at the end of last year (after the inauguration of President Milei), household spending was reconfigured, reducing the availability of money to spend on expendable food. In addition, from October 2023 to October 2024, the variation in prices was 197.9%.

Certainly, from the arrival of Javier Milei to the government, until October 2024, the minimum, living and mobile wage was reduced by 28.4%, in real terms. This represents a decrease of almost a third compared to the end of last year and about half compared to the end of 2015, according to the latest report by the *Center for Research and Training of the Argentine Republic (CIFRA)*.

Specifically, this report reaches the following conclusions:

- * The adjustable minimum living wage experienced a brutal loss of purchasing power, barely recognized by the current government, due to the devaluation of the currency and its impact on prices. In the following months, the nominal increases determined by the Ministry of Labor kept said minimum wage practically frozen at that depressed value. Thus, in October 2024, the real value of the minimum wage was 28.4% lower than in November 2023.

- * That loss accumulates with setbacks from previous years: in October 2024, the purchasing power of the minimum wage was 39.9% lower than in November 2019, at the end of the *Cambiamos* government, and 54% lower than November 2015.

- * The historical setback is so great that the real value of the minimum wage is already lower than that in force in the final crisis of the monetary convertibility regime, which occurred in the years 2001-2002.

- * The comparison of the minimum wage with the lines of poverty and indigence reveals a situation worse than that of the critical year 2001. In October 2024, the minimum wage was only enough to acquire 54.3% of the basic food basket that defines the line of indigence for a typical family and just over a quarter of the basket corresponding to the poverty line.

In line with this, at the end of December 2024, the economist Guillermo Moreno stated that, since the assumption of Javier Milei as President, there had been a general drop in sales, between 30% and 40%.

Regarding the contraction of the industrial sector:

The aforementioned falls are in dangerous consonance with another no less dramatic fall: that of industrial activity. In this regard, Mr. Carlos Aga, an expert on the subject, pointed out at the beginning of December 2024 the following:

- As of November 2024, the average of the entire industry, according to the industrial activity index of the National Institute of Statistics and Censuses, is -12% (that is: a drop of 12%).
- More than 50% of the industrial capacity installed in the country is idle.
- On average, 12.5 *small and medium-sized enterprises* close per hour and this supposes that about 80 employees lose their jobs, also per hour.

To this it is necessary to add that the indiscriminate opening of imports, ordered by President Javier Milei, threatens to intensify this fearsome wave of company closures, alerting the Argentine Industrial Union, which in November 2024 expressed its alarm in this regard. As indicated by the most elementary logic and the Argentine historical experience (of the '70s and '90s), this opening, far from alleviating the problem raised here, will considerably aggravate it.

Not surprisingly, for months, economists like Guillermo Moreno have been denouncing that, because of such harmful policies, the Argentine economy is rapidly sliding into depression.

In short: it is a dramatic phenomenon, as relentlessly logical as it is highly problematic, which constitutes another aspect of this new link in the already long (and heavy!) chain of ostensible political-economic failures that the Argentine people have been enduring for at least a decade.

Regarding an unprecedented social insensitivity bordering on cruelty:

To all this, it is necessary to add that the Government of Javier Milei has adopted severe measures of administrative reorganization and budgetary restriction that are seriously harmful to the most vulnerable sectors of society. An eloquent example of this is given by the sudden suspension of coverage of drug purchases by members of the P.A.M.I., the social health insurance of the Argentine State for the elderly, which, in turn, is the largest health insurance in Ibero-America. With this suspension, the Government of Milei left the granting of health coverage to troublesome procedures that not all those users affected are able to carry out and, in addition, whose compliance and coverage, in not a few cases, takes more than a month.

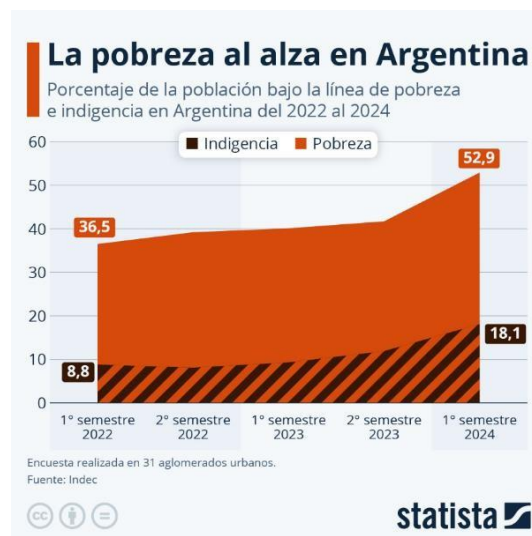
Of course, measures of this type, in addition to strongly contradicting the high-sounding campaign promises, denote a social insensitivity bordering on cruelty and flagrantly violate basic rights that are among the most precious, while injuring the traditional ethical sense and the noblest feelings of the Argentine people.

Only **GOD** knows for certain whether such a contradiction is due to sheer ignorance, feverish fanaticism, emotional exaltation, or wicked cynicism. It is quite probable that, in the President and his cabinet, several of such unfortunate causes have an impact, if not all of them (although with variations, according to each player of such a cast). Be that as it may, the current Government seems to be doing everything possible to gain a prominent place in the ignominious gallery of rulers who, knowingly or not, have disappointed and betrayed Argentinians, for the benefit of foreign interests and those opposed to their country.

Regarding the increase in poverty levels:

Argentina is experiencing increasing poverty. Broadly speaking, and without prejudice to temporary ups and downs, the percentage of Argentine citizens who have fallen below the poverty line has not stopped increasing for approximately half a century. Therefore, the Argentine middle class, which was always open, broad and vigorous, has closed and dwarfed, running the risk of becoming extinct.

According to official statistics, in September 2024, the percentage of households below the poverty line reached 42.5%, covering 52.9% of people who live in such households. Within this set, 13.6% of households below the line of indigence were distinguished, which included 18.1% of people.



To adequately measure the phenomenon of impoverishment of the Argentine people, it is useful to consider that, in 1974, only 4.6% of households were in poverty.

An especially worrying, tragic and cruel aspect of this deconstructive process is given by poverty in childhood (that is to say, children under 18, in general). According to UNICEF, in mid-2024, 71% of this age group fell below the poverty line, with 34% living in extreme poverty (about 8.6 Million and 4.2 Million children).

In the first 6 months of 2024, more than 1.5 Million children became poor and almost 1.9 million became destitute. Between 1 Million and 1.1 Million children must skip meals daily due to lack of money. These truly scandalous amounts (in the

country of natural resources and, above all, food, this constitutes a crime that cries out to Heaven), in addition to the pains and misfortunes they entail, places a mortgage on the future of the Nation.

In summary:

All these data lead me to conclude that the Government of Javier Milei - speaking in general terms - is contributing to the accelerated aggravation of the critical situation in which Argentina has been plunged for years. And that this crisis seems to be reaching a climax.

Despite everything, Argentina is still standing... And, in the bowels of its lands and seas, as in the depths of the soul of its people, it still possesses enormous material and moral resources that determine a powerful capacity for recovery. A capacity that the Argentine people have shown to be able to use skillfully - sometimes in a completely unpredictable way - on not a few occasions throughout their history...

Today, the million-dollar question points to the limits of Argentini-ans' patience and the way in which their satiety will be expressed. In this dramatic scenario, the energetic warning that Gen. Juan D. Perón formulated more than half a century ago becomes especially valid and resounds with renewed force: *"When the people exhaust their patience, they usually make the chastisement thunder..."*.

MAIN STRUCTURAL PROBLEMS OF ARGENTINA:
SYSTEMIC POLITICAL PROBLEMS:

At the strictly political level, the current Argentine context presents the following problems and challenges:

As in other countries, the Argentine political system suffers from a deep crisis of representativeness, functionality and credibility. Generally speaking, and with honorable exceptions, political leaders, political parties and government bodies are deeply discredited, submerged under a thick cloak of suspicion.

In fact, it was this disappointment that favored Javier Milei electorally, as a novel and disruptive figure on the Argentine political scene, catapulting him to the national presidency, despite being a truly bizarre figure, with controversial ideas and dubious emotional balance. It is true that Javier Milei was able to arouse some confidence and moderate optimism in people. But this phenomenon, a sort of breath of fresh air in the middle of a leaden social atmosphere, has not taken long to begin to evaporate, as if it were a mirage of dissipating smoke, in front of the slaps given by the concrete facts.

This political crisis has multiple causes, among which the following stand out:

* The Argentine political system is "oligarchized".

This is so, above all, because of the extraordinary onerous nature of electoral campaigns. This phenomenon, to which the conversion of these campaigns into a sort of sophisticated and bombastic show, trivial, vulgar and denatured, has been synergistically added.

* Political participation is seriously limited by a closed and rigid partisanship.

In this topic, the main pitfalls come from:

- The monopoly of the faculty to present candidacies, by the political parties.
- Administrative difficulties in founding new political parties.
- The bureaucratization and factual sectarianism of existing political parties. We are, in general terms, faced with partisan oligarchies, which have turned the political-electoral dynamic into a perverse game reserved for the few (this phenomenon seriously hinders the renewal of the so-called “electoral offer”; it makes political parties tend to stubbornly insist on the same list of candidates, even if they are hackneyed or discredited personalities).

Regarding this last topic: such an anomaly makes citizens tend to decide their vote “against”, instead of “in favor of”. This phenomenon is among the main factors that led Javier Milei’s accession to the presidency of the Nation. And this trend could also benefit Javier Milei’s political party in the next legislative elections (October 2025) if:

- The government manages to avoid (at least momentarily) the volatilization of the serious economic and social problems that affect the country.
- No convincing electoral alternatives emerge.

* Many of the political parties have *de facto* abandoned or distorted their doctrinal and programmatic bases.

* On the other hand, there has been mostly a hollowing out of state power. The public power (which, ultimately, belongs to the national community) has been privatized in a high proportion. While the governing bodies and the main dependencies of the public administration seem to have been subtly but effectively kidnapped, threatening to reduce the rulers and officials to the role of mere managers of interests alien to the People of the Nation (if not contrary to it). Consequently, “public affairs” are seized and even alienated by certain private interests (usually foreign and transnational or cosmopolitan).

* Except for honorable exceptions, politicians have become experts in electoral compromises, spurious transactions and propaganda fabrications. While architectural policy (that is, the design and implementation of public policies) is defined by agendas and programs unrelated to the Argentine national interest and the popular will of the Argentine people.

* The mass media spectrum of social communication is deeply oligopolized and largely under foreign control. This situation favors the vicious manipulation of information and opinions, the interested installation of hegemonic discourses, the manufacture of artificial consensuses (just as Walter Lippmann, the “dean of the American press” and first editor of the famous magazine “Foreign Affairs”, suggested in the 1920s.) and anti-democratic pressure on government bodies.

For these and other reasons, it can be affirmed without fear of exaggeration that the Argentine mental world, our symbolic community universe, has been assaulted and is partially invaded by forces foreign to the Nation.

* In short, in the Argentine context, the thesis of the *defection of the elites* proposed

by the American sociologist Robert Lash can be mostly seen.

Faced with such a panorama, the social pressure that demands and struggles for the renewal of the Argentine political leadership and the redirection of its actions is growing day by day.

POPULATION ISSUES:

a) Demographics:

In this regard, Argentina presents three problems and, therefore, crucial challenges:

a.1. A small population:

According to the last population census, carried out in 2022, Argentina has a population of **46,234,830 inhabitants**. This demographic volume is insufficient, in relation to the breadth of the national territory and the volume and diversity of its natural resources.

In this regard, it should be noted that the Argentine territory has: 3,669,710.7 km² of land surface, plus 7,483,172.2 km² of areas corresponding to maritime spaces (according to laws No. 23,968 and No. 27,557). This amounts to a total of 11,152,882.9 km².

a.2. A population without growth:

Argentina began the twentieth century with 38.4% of its population between 0 and 14 years old.

This relative share decreased throughout the century, reaching 30.6 % in 1991.

In 2022, this age group only reached 22% of the total population (presenting a difference of 18.3 percentage points compared to 1895).

Year	0 - 14 years (%)	15 - 64 years (%)	65 + years (%)
1869	42.8	55.0	2.2
1895	40.3	57.7	2.0
1914	38.4	59.3	2.3
1947	30.9	65.2	3.9
1960	30.8	63.6	5.7
1970	29.3	63.7	7
1980	30.3	61.4	8.2
1991	30.6	60.6	8.9
2001	28.3	61.8	9.9
2010	25.5	64.3	10.2
2022	22	66.1	11.9

According to the report of said census, the narrowing of the base of the Argentine population pyramid in recent years has been due to the **decrease in fertility**. In fact, the Birth Rate in Argentina (number of births per thousand inhabitants in a year) in 2022 was 13.79 ‰, and the Fertility Index (average number of children per woman) was 1.88 ‰.

As is known, with that Fertility Index, lower than 2.1 per woman (replacement fertility), Argentina, today, does not have a guaranteed stable population pyramid.

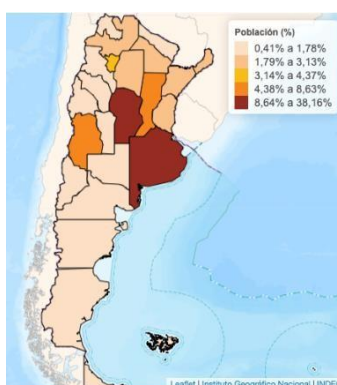
Year	Birth Rate	Fertility Rate
1960	23.78‰	3.00
1970	23.47‰	3.09
1980	24.57‰	3.30
1990	21.99‰	3.03
2000	19.37‰	2.59
2010	17.87‰	2.35
2020	14.13‰	1.91
2021	13.90‰	1.89
2022	13.79‰	1.88

a.3. A poorly distributed population:

The Argentine population is poorly distributed throughout the national territory. This is for two reasons:

a.3.1. Chronic and structural macrocephalism: a hypertrophic head (in the Greater Buenos Aires Agglomerate and its surroundings) and a demographically stunted body (the rest of the country). More than 60% of the national population is in less than 25% of the country's continental American land territory (2,780,084.6 km²) and less than 17% of Argentina's total land territory (3,669,710.7 km²).

State party	Total population (2022 Census)	Territorial area (National Geographic Institute)
Province of Buenos Aires	17,523,996	305,907.4 km ²
Province of Córdoba	3,840,905	164,707.8 Km ²
Province of Santa Fe	3,544,908	133,249.1 Km ²
C.A.B.A.	3,121,707	205.9 km ²
TOTAL	28,031,516	604,070.2 km ²



a.3.2. An excessive urban concentration: by 2020, 92% of the Argentine population lived in cities. It is estimated that, in 2030, this percentage will be 94%.

To contrast these portions, it is useful to mention that: worldwide, the urban population represents 54%; in Europe, 75%; in the US, 82.2%; and, in the region, 83%.

The high percentage of population in urban areas is verified both in the most populated provinces (Buenos Aires, Córdoba and Santa Fe, where the percentage of urban population ranges between 91% and 100% in most of their departments) and in provinces with low population density, such as Santa Cruz and Tierra del Fuego that concentrate between 90% and 100% of their population in urban areas.

According to the 2010 Population Census, almost 70% of the Argentine population resided in the country's 31 largest urban agglomerations.

At the same time, Argentina's extensive rural areas are practically depopulated. And the country's iconic rural families are all but extinct. Obviously, this anomalous phenomenon contributes to a major strategic problem in Argentina: the lack of effective occupation of much of the national territory.

a.3.3. To the problem under analysis is added a gross disparity in the distribution of the urban population: 37% of this population is located in the "Aglomerado Gran Buenos Aires" (A.G.B.A.), whose population amounts to 10,849,299 (according to the 2022 Population Census). Its demographic weight is almost ten times that of the agglomeration that follows it in terms of population size (Greater Córdoba).

Thus, the A.G.B.A. is the third largest metropolis in Latin America, behind Mexico City and Sao Paulo.

73% of the population of the province of Buenos Aires lives in the "Conurbano districts", which represent 4% of the provincial area.

a.3.4. Faced with such a context, in Argentina the maxim that says: "*Governing is populating*" remains fully in force.

This expression was coined in the mid-nineteenth century by the jurist Juan Bautista Alberdi, the main doctrinal source of our National Constitution, issued in 1853. It was under the auspices of this slogan that Argentina welcomed into its bosom the millions of mainly European immigrants who arrived on its beaches between 1850 and 1950.



"To govern is to populate" - Juan Bautista Alberdi (1810-1884).

Aware of the persistence and importance of such a challenge, General Juan Domingo Perón, in his third presidency, adopted various government measures deliberately and expressly aimed at "*intensifying the quantitative and qualitative growth of the Argentine population and its more adequate regional distribution.*" This, based on the promotion of the birth rate and easily assimilable immigration; and against "*non-Argentine interests*" that discouraged the consolidation and expansion

of families, “*promoting birth control, denaturing the fundamental maternal role of women and distracting our young people from their natural duty as protagonists of the future of the homeland.*”



General Juan Domingo Perón, three-time democratic president of Argentina.

b) Demological aspects:

In this regard, Argentina has an ethno-cultural heritage as unique as it is substantial, from which, at least potentially, auspicious advantages derive.

It is true that, for various reasons, this original and rich heritage is undergoing changes and, in certain aspects, under threat. But it is no less true that it is an acquis that still enjoys definition and vitality; and that, therefore, still possesses a vigorous capacity for resistance and recovery.

b.1. Solid and prolific foundations of national identity:

As is known, the Argentine Nation has obtained its community identity from the combination, conjugation and synthesis of various roots and traditions. They were mainly and predominantly European; it should be clarified in this regard that, those others that were not, were also largely integrated and merged.

The prevalence of European origins has been due, first, to the Spanish conquest and colonization, which gave birth to the originally Argentine population: the Creoles. And, later, the great European immigration received between 1850 and 1950. This process, by which more than 6 million immigrants arrived in the country, definitively settling in it more than half of contingent sizes. Given that, at that time, the native population was very scarce (in 1869, there were only 1,700,000 inhabitants), the impact of said immigration was enormous and decisive, evidenced until today.

In 1985, a group of researchers from the Faculty of Medicine of the University of Buenos Aires concluded that, in the “*native population*” studied, they had found: between 81.47% and 81.77% of “*European component*” and between 18.23 and 18.57% of “*Aboriginal component*”.

A French-Argentinean study conducted in 2002 and published in 2006, under the direction of anthropologist Sergio Avena, concluded that: the genetic map of Argentina was composed of 78.9% from different European ethnicities, 15.8% from different Amerindian ethnicities, and 4.15% from African ethnicities. Almost concomitantly, another group of researchers came to very similar conclusions:

79.9% (± 0.4) of European contribution, 15.8% (± 0.4) of indigenous contribution and 4.3% (± 0.2) of African contribution.⁸

However, to have a clearer idea of Argentine identity, in terms of the European strains and lineages that have contributed to its formation, it is worth highlighting, above all, the **Spanish origins**, that is, the **Spanish-Creole base** of Argentina. These origins, in turn, came from magnificent syntheses of Celtic, Romanesque and Germanic (especially Gothic) elements. In addition, these Spanish origins were brimming with the transcendent and chivalrous medieval spirit. They provided the broad and consistent foundation that allowed the isolation of the other contributions.



Part of a poster from the time of the first presidency of General Juan D. Perón, in commemoration and tribute to the discovery of America by Christopher Columbus. In it, you can see a Spanish conqueror from the 15th and 16th centuries, and a modern Argentine gaucho.

This Spanish-Creole base, coming from the times of the Spanish conquest and colonization in America, was reinforced in the second half of the 19th century and the first half of the 20th century by a large Spanish immigration.

Secondly, the very special role of Italian immigrants should be noted: currently, **70% of Argentines have Italian origins**. Not surprisingly, our famous writer Jorge Luis Borges went so far as to say: ***Argentine is an Italian who speaks Spanish...*** For his part, the Argentine philosopher Alberto Buela -who, in addition to ancient Greek,

⁸ In my article entitled "*Breves apuntes sobre la 'cuestión indígena'*" ("Brief notes on the 'indigenous question'"), published in June 2015, I provide more details about these scientific investigations. I also point out there other statistics related to the same topic, taken from other sources, which present similar and even higher percentages of European ancestry in the current Argentine population.

is fluent in all Latin languages- has observed that, in addition to the predominantly Italian origins of the Argentine *lunfardo*, the phonetics used in the country are essentially Italian, that is, we speak Spanish with a markedly Italian accent and intonation. Finally, it should be noted that, in a famous speech in 1954, the then President Juan Domingo Perón did not hesitate to affirm: ***“an Italian will never be a foreigner among us.”***



Italian immigrants arriving in Buenos Aires in 1948.

I allow myself to tell here a brief story that reveals the enormous political relevance that the special Argentine-Italian ethnic-cultural ties have come to have: the Argentine journalist Pablo Caruso relates that, in an interview with Giulio Andreotti, seven-time Prime Minister of Italy, this important Italian politician told him that his country had secretly helped Argentina during the South Atlantic War of 1982. When British Intelligence discovered this collaboration, Prime Minister Margaret Thatcher called Giulio Andreotti to express her complaints. However, the Italian prime minister reminded Margaret Thatcher that the first soldier to fall in the Malvinas was an Argentine soldier of Italian ancestry, Pedro Edgardo Giachino. And he finished the conversation with the following phrase: *“Since you are English, you will not understand what I am going to tell you: ‘il sangue non è acqua.’”* In other words, “blood is not water”, emphasizing again the importance of blood ties for both nations.

Without prejudice to the Spanish-Creole base and this deep Italian imprint, our ethnographic mapping of Argentina would be far from complete if we did not make even a cursory reference to other European origins. For reasons of time, I will only refer here to the most salient cases:

- According to 2006 studies, almost 6 million Argentines (that is, 17% of our population) have at least one direct and relatively close ancestor from France.



Argentines of French descent in Oberá, province of Misiones.

An interesting historical fact to add here: in General Juan Domingo Perón, Creole, Basque, Italian and French roots were combined. But the surname Perón is of French origin. The Perón lineage in Argentina was founded by Fortunato Tomás Mario Perron, great-grandfather of the remembered general, who was born in Genoa. However, his father, Marius Toussaint Perron, was a native of Aix-en-Provence, where his family historically belonged. Marius had emigrated to Northern Italy, escaping the revolutionaries of 1789.

- Currently, it is estimated that almost 8% of Argentines have German, Swiss-German or Russian-German ancestry: 1,000,000 from Germany and Switzerland; and 2,500,000 Volga Germans (or “Russian Germans”). 15% of the inhabitants of the province of Entre Ríos are exclusively descended from Volga Germans (according to 2017 studies).



Argentines descended from Volga Germans (*Wolgadeutsche*), also known as Russian Germans (*Russlanddeutsche*).



Youth of Villa Crespo (Province of Entre Ríos). In this locality, most of the inhabitants are wholly or predominantly of Volga German descent.



An interesting historical fact: Ulrich Smichdt, the first German to arrive on Argentine soil, at the end of the 16th century, under the orders of the King of Spain. He was author of the first book written about Argentine and Paraguayan lands.

- Today, it is estimated that between 1,000,000 and 1,500,000 Argentines have Polish ancestry. More than a quarter of the population in the Province of Misiones has Polish roots (i.e.: 250,000 people).



Young Argentinians of Polish descent.

- Around 500,000 Argentines are of Irish descent. They make up the largest population of Irish descendants outside the English-speaking world.



Argentines of Irish descent.

- It is estimated that about 250,000 descendants of Croats live in Argentina today. This is the same amount as in Australia and Canada. This number of Irish descendants has only been surpassed in the US. And Germany.



Argentinians of Croatian descent.

- Likewise, about 1% of the Argentine population is of Ukrainian descent. It is about 460,000 people, approximately. They reach 4% of the population of the Province of Chaco and up to 9% in the Province of Misiones.



Young Argentinians of Ukrainian descent.

- It is estimated that there are about 350,000 people of Russian origin living in Argentina, especially in the Metropolitan Area of Buenos Aires.



Young Argentinians of Russian descent.

As I have already said, these are the most salient cases, due to the demographic volumes involved. To them we should add that, in the genealogy of the Argentines, although in smaller quantity and proportion, there is no lack of Danish, Greek, Dutch, Hungarian, Lithuanian, Romanian, Swedish ancestors, etc.

Having reached this point, it should be clarified that, in large cities, mixed marriage has prevailed and, therefore, the formation of Argentine families with diverse European origins. Of course, the most widespread and typical case has been that of the union of Spaniards and Italians. Whereas, in rural areas and smaller towns, relative inbreeding has been the dominant trend. But this has not resulted in closed and impermeable communities. Nor has it prevented in any way the complete

"Argentinization" of immigrants and their descendants.

Fortunately, most immigrants soon became "criollos" (Creoles) and, in the countryside, "gauchos"!

Both phenomena, which have occurred concomitantly and each in its own way, make an important difference with other historical experiences, of countries that have received large migratory contingents, but whose descendants have been confined or confined to "islets" without acquiring or contributing anything substantial to the receiving country that has received them and their original population.

The Argentine Nation is a case of symbiosis and successful fusion of diverse roots and traditions. Such a happy result was achieved, among other factors, thanks to⁹:

a.- The fact that the native Argentine population was well below its optimal demographic volume. As we have already said, Argentina needed (and still needs) to swell its population.

b.- The undeniable telluric influence of the land that generously welcomed the immigrants and to which they chose from the heart as a new homeland (the powerful influence of the soil on man, his body and his soul, has been very well studied, among others, by Carl G. Jung; in addition, history reveals that the specification of Peoples and Nations is always - Martin Heidegger would say - "situated", that is, it occurs in intimate dialogue of the community with a geo-historical context in which it inhabits).

c.- For the peaceful, friendly and mutually enriching coexistence of immigrants with the native population; a population that, due to its Hispanic and Catholic tradition, was willing to receive and integrate those who arrived in their homeland (hospitality and solidarity are typical moral values of the Hispanic-Creole Tradition; so much so that, in Argentina, help and collaboration are popularly referred as "gauchada", that is, something typical o characteristic of gauchos).

d.- Because of the coincidences, similarities and fundamental cultural compatibilities that effectively fostered the rapprochement and union between, for example, Creoles, Italians and Germans, underneath the thousand specificities and particularities that differentiated them. Indeed, in general, the different groups that came together in the formation of the modern Argentine Nation, beyond their undeniable differences, shared fundamental beliefs, conceptions, values and behavioral patterns, as well as the will to coexist and participate in the same socio-historical-political project. In short: they shared, in terms of St. Augustine of Hippo, *loves* and *laws*, the two factors being, in harmony, those that allow and promote the mutual cohesion of various groups and social sectors, constitute a united political society and coexist peacefully and amicably.

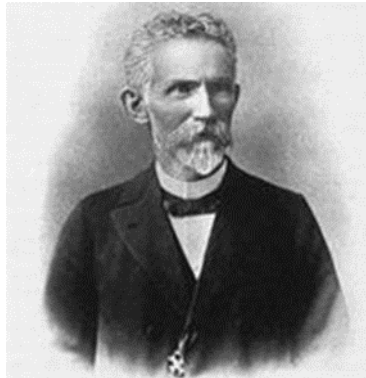
Such coincidences, similarities and compatibilities came mainly from the

⁹ I have extended the analysis on this topic in my article titled: "*Berni, the Susceptibility of Progressivism and Immigration Policy*".

common European root of all of them and their common belonging to the same matrix and civilizational framework.

e.- For the very valuable contributions, of a very different kind, that this immigration made in favor of the material and spiritual progress of their new Homeland.

Below, I list some illustrative examples (extracted from the thousands that could be mentioned):



Carlos BERG (originally, Friedrich Wilhelm Karl BERG), a Latvian scientist and educator, of German origin, naturalized Argentine. He developed and published more than 200 research papers in his adopted homeland. He was appointed Director of the National Museum of Buenos Aires in 1892.



Carlos Burmeister (originally, Karl Burmeister), German naturalist, zoologist and paleontologist, Argentine nationalized. He spent most of his prolific career in his second Homeland. He founded the National Academy of Natural Sciences of Cordoba. He directed the Argentine Museum of Natural Sciences in Buenos Aires for many years.

We must also include recognizing European immigrants for the introduction and thickening of economic activities and, even, the foundation of new settlements and localities. Let's look at a couple of examples of this last topic:



In the early 1880s, the Belgian engineer Eugenio Schepens, together with several of his compatriots, formed a Flemish colony in Villaguay (Entre Ríos Province). It soon stood out for its prosperity. Today, more than a third of Villaguay's inhabitants have Belgian ancestors.



Esperanza, in the Province of Santa Fe, was the first organized agricultural colony in Argentina. It is one of the most prosperous cities in the country. Its first settlers settled in June 1856. There were about two hundred European families: 102 Swiss families, 54 German families, 28 French families and 6 families from Belgium and Luxembourg. In 1858, Italian families arrived from the Piedmont region.



The first settlers of the city of San Carlos de Bariloche, an important urban and tourist center of the Province of Río Negro, were German and Swiss.



Two images of Villa General Belgrano, nestled between the mountains of the Province of Córdoba. The population of this small town has predominantly German origins. They are just a few examples of the many that could be mentioned.

In short: through that happy process Argentina achieved, within its own bosom, the integration of multiple origins, thus engendering a unique national identity, prolific in its own cultural fruits that perfectly express the synthesis of the convergent original elements. This synthesis can be seen in all aspects of national culture: from gastronomy to the arts, through philosophical and political thought. A good example of this is given by Argentine tango: in this remarkable multi-artistic expression (music, poetry and dance), the criolla guitar, which is Spanish, is combined and conjugated, among other "ingredients"; the bandoneon, which is of

German origin and was incorporated into the genre, along with the piano, by the Italians, becoming the most emblematic instrument of the genre; the particular epic and noble sense of the Creoles as descendants of the Spanish conquerors; the refined sensitivity and expressiveness of the Italians; the nostalgia but also the dreams and hopes of the bulk of the immigrants; the romantic idealism of the nobility at heart; the dynamism of the modern Buenos Aires city...



Typical tango orchestra. Early 20th century.

To this must be added that the most emblematic voice of tango is that of Carlos Gardel, known as the *Creole thrush*, who was born in Toulouse, France. This glorious voice was the same one that, in New York, wisely advised a very young Frank Sinatra, who already old would declare in Buenos Aires that Carlos Gardel had "*taught him to live*"...



Carlos Gardel, originally named Charles Gardes, was born in Toulouse (France) in 1890. He arrived in Argentina with his mother, at the age of two. In the photo, Carlos Gardel with Argentine actress Rosita Moreno.

Certainly, Argentine culture exhibits multiple particularisms. However, its basis and substance is shared by all Argentines, whom it identifies and distinguishes. Indeed, Argentina has a well-defined and substantial national culture, which has proven capable of flourishing in various specificities, without losing its uniqueness. There is an *ethos*, as well as a typically Argentine lifestyle and attitude, which made the writer Ernesto Sábato affirm that, in any foreign country, an Argentine can be distinguished at once.

This phenomenon constitutes an eminently positive characteristic, as well as a social advantage. This is attested to by universal history. But, in addition, such an

assertion is paid, when not simply and plainly corroborated, by numerous and very diverse scientific studies of today. As mere examples, it is worth mentioning the investigations of: Robert Putnam (American sociologist and political scientist); Frank Salter (Australian ethologist); Thomas Schelling (American economist and geopolitician); Anthony Daniels (British psychologist and researcher); Francisco Contreras Peláez (Spanish jurist); Seymour Lipset (American sociologist and political scientist), Richard Lamm (American politician, former governor of Colorado 1975-1987, member of the board of directors of the Institute of Public Policy Studies), Victor Hansen (American military historian), Igor Panarim (Russian geopolitician), Alain de Benoist (French sociologist), Helmuth Nyborg (Danish psychologist and doctor of philosophy), Alberto Alesina (Italian economist) and Eliana La Ferrara (Italian economist, public policy expert), etc. (I have reviewed the studies on this topic by these and other authors in one of my books, entitled "*Comunidad Nacional y Sociedad Multicultural. Una crítica integral del multiculturalismo*" -that means: "*National Community and Multicultural Society. A Comprehensive Critique of Multiculturalism*"-).

However, just as in the aspects, which are objective, a remarkable consistency and cultural fruitfulness can be seen, in the national consciousness (which is one of the subjective aspects of national identity) we find a certain weakness and vulnerability. In Argentina today there are certain defects and flaws in the national conscience. This is due to several factors, but mainly to the gravitation in public opinion of an ideological preaching that distorts our history and identity. She has quite distorted the perception that we Argentines have of ourselves.

Thus, in this aspect, the main challenge is the recovery of national consciousness itself. The conscious reunion of Argentines with our own national identity to rediscover our sense and historical vocation, as well as our potential.

TERRITORIAL ISSUES:

a) Argentina has serious structural problems in terms of regional development.

Their levels of regional development are very asymmetrical. In this respect, the country presents a highly unbalanced overall picture. This problem is in negative synergistic relationship with:

- The poor geographical distribution of the population.
- The inadequacy and deficiency of the transport and communications infrastructure.

Such conditions prevent the production of synergistic economic processes that allow the cooperative and optimal use of all the country's natural and human resources.

Particularly, in relation to natural resources, it must be said that what is not taken advantage of by us is plundered by strangers, with serious loss of opportunities and even effective damages (economic, social, ecological, etc.) for Argentina.

However, the enormous amount and variety of these resources means that, despite the disappointing economic outlook already described, Argentina continues to offer very attractive business opportunities (especially in the extraction of raw

materials - agricultural, mining, etc.- for export).

b) To make any movement (economic, commercial, naval and even military) we are forced to pass through a foreign port or touch foreign territory, even to leave the Paraná through the Río de la Plata.

This anomalous circumstance involves the Paraná-Paraguay waterway (the second most important in the world, after the Mississippi basin) and the Beagle Channel (to cross to the island of Tierra del Fuego, you must pass through Chile; our entire movement, from the mainland to Tierra del Fuego and vice versa, always passes through that funnel).

c) On the other hand, this tight geopolitical review would not be complete if we did not make, at least, a brief reference to the portions of Argentine territory that are usurped by the United Kingdom. Specifically, I refer to the Malvinas Islands, South Georgia and the South Sandwich Islands, as well as their respective maritime adjacencies. In this regard, it is necessary to clarify that the territory involved in this conflict has an area of 2.500.000 square kilometers. It should be added that its importance is strategic, basically, for the following reasons:

- Because of the gigantic fish resources of the usurped portions of the Territorial Sea and the oil and gas deposits that the respective seabed houses.

- Because the three archipelagos can be used as a base to control the maritime routes of the southern Atlantic Ocean, as well as the Drake Passage, which connects that ocean with the Pacific Ocean.

- Because of the Antarctic projection.



BY WAY OF CLOSE-UP:

In my humble opinion, Argentina is at a decisive historical hour, in which, due to the seriousness of the crisis in which it is immersed, what is in stake: ***To be or not to be.***

As General José de San Martín, the greatest hero of Argentine independence, warned, ***you will be what you should be, or you will be nothing.***

For the sake of its national fullness, in accordance with its origins, nature, vocation and destiny, Argentina must develop historically around the following fundamental vector-axes, whose due attention goes beyond the common good of Argentines, solidarity with other peoples:

- Hispanic axis-vector:

Hispanidad is a gigantic ecumenical and geopolitical platform engendered by the Hispanic Empire and born from it. It is the daughter of the civilizational project founded by the *Catholic Monarchs*, Isabella I of Castile and Ferdinand II of Aragon, in the light of the Roman model (hence the name *Romanesque America*) but, above all, of the ideal of the Universal Catholic Monarchy. In short, *Hispanidad* constitutes a modern side (still alive, although seriously deteriorated and fragmented) of *Romanity* and *Christianity*, loaded and impregnated with enthusiasm, optimism, the spirit of freedom and the eagerness for adventures of traditional Spanish. From it - according to the philosopher Alberto Buéla- another Modernity emerged, essentially different from the one that, fed by the usual immanentism anthropocentrism, evolved through rationalism, enlightenment and positivism, until today reaching transhumanism and post-humanism. We are talking about a traditional, theocentric and Catholic modernity, faithful to its Greco-Latin roots and to the strong Germanic imprint left by the Goths in Mediterranean lands, which gave birth to the Baroque and with which a large part of the European immigrants of the nineteenth century, impregnated by German and Italian romanticism, would find so much harmony.

Without a doubt, Argentina is a Hispanic country. It has in *Hispanidad*:

- Its main backbone.
- Its containment framework.
- Its amplifying soundboard.

As explained masterfully by Dr. Rafael Breide Obeid, Argentina's own role within the Hispanic context (and, more specifically, within the Hispanic American scenario) is one of exemplarity, reference and leadership. There are many who affirm - inside and, what is much more important, outside Argentina - that, just as Spain is the Motherland of the Hispanic Nations, Argentina is their major sister.

There are several historical events that account for this role.

- Vector-western axis:

It is, above all, because of its Hispanic foundation that Argentina belongs, from its very origin to the West. In this regard, in a famous speech in 1947, the then Argentine President General Juan D. Perón pointed out:

History, religion and language place us on the map of Western and Latin culture, through its Hispanic side, in which heroism and nobility, asceticism and spirituality,

reach their most sublime proportions.

To this it should be added that:

- This Hispanic side, derived from the Greco-Roman world, was also nourished by Celtic and Germanic (mainly Gothic) sources.

- The huge immigration that Argentina received from all corners of Europe deepened and strengthened its membership in the West, making it much more multifaceted and synergistic.

- American European axis-vector:

For the reasons just explained and several more, for more than a century and a half now, Argentina has been the most solid link and the most fluid bridge between Europe and Latin America.

- Universal axis-vector:

Due to its Hispanic matrix, as well as the varied contribution of immigrants from all corners of Europe, Argentina is not only intimately linked to the West, but also feels called to contribute to the construction of a just and cooperative international political order. This is thanks to the universal and perennial truths and values that have given life and splendor to our common Western tradition. In another famous speech by General Perón, addressed to the Italian-Argentine organizations, he called to "*gather our spiritual forces in the organizations that we have created and enlarged for purposes of solidarity*" for "*the exaltation and vindication*" of that civilizational legacy, which he saw "*as the only and, perhaps, the last hope, so that the men and peoples of the world find themselves united again in the splendor of an authentic culture; a deeply humanistic culture, in a union of just, sovereign and free peoples.*"

Emphasizing the Greco-Latin legacy, the remembered founder of the *Third Position*¹⁰ proclaimed: *it is necessary to rebuild a new Roman Empire in the spiritual field.* Promising: "*This will allow man to rediscover his lost kingdom; the one that God granted him in the Universe not well out of the mysterious depth of His Creative Will; and that of the small world built within each of us, with the chalk of time and the soul in eternity*" (in short, what is it about -in metaphysical terms- is being *Katejón*).

This vector-axis perfectly explains the international behavior that Argentina has traditionally had (and that, now, President Milei betrays senselessly and irresponsibly). Hence the historical guidelines of Argentine foreign policy: its proactive commitment to peace, despite the warmongering pressures of the imperialist powers; its constant willingness to provide shelter to the abandoned and persecuted, and to offer protection to the weak; among other attitudes and actions in the same direction.

In conclusion, it is appropriate to point out that the problems that afflict us Argentines constitute, at the same time, powerful historical challenges that wake us up, challenge us and summon us.

¹⁰ *Third Position* opposes both liberalism and marxism.

Argentina (with its enormous potential and magnificent destination in the making) is still calling and waiting for the Argentines... And, as he once did, he continues to generously invite, with his right hand extended and his arms open, all those men and women of good will who wish to be friends, who want to be allies and, even, who could and decide to participate in some way in our promising National Project. New technologies in communication and transport enable a thousand wonderful possibilities in this regard...

In my opinion, this invitation is addressed in a very special way to all Europeans. In fact, our National Constitution, in Article 25, prescribes: "*The federal government will encourage European immigration.*" Several and powerful are the reasons that can be adduced to sustain this singular predilection. I have already explained some of them. Notwithstanding this, it should be quickly underlined here that most of us are direct descendants of the siblings and cousins of your grandparents and great-grandparents.

This call from Argentina (which has the vigor and forcefulness of an essential claim, sprouted from the deepest and most intimate of our National Being and its Historical Sense) currently acquires the urgency of crucial moments, great trials, decisive battles and the most exciting adventures.

In any case, it is a call that Argentina makes, as stated in the Preamble of our national Constitution, invoking the protection of **GOD**, Who -as the Preamble of our National Constitution says- is the Source of All Reason and Justice.

Thank you very much!