

The Political Origins of the Argentine Crisis

By *Mauricio Rojas*

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The ills that afflict Argentina are not simple or superficial, and the solutions to its problems require a more serious diagnosis than the one given by those who look for a scapegoat to blame this one-time promising country's woes on. Understanding this today is more important than ever, because the country is going through a characteristic period of recovery and hope that appears from time to time, like a pause between violent swells of crises. Now is the time to start facing these long-standing problems, before they overwhelm us again.

This document is a revised version of the preface to the second Spanish edition of «History of the Argentine Crisis». The book was originally published in Swedish and later translated and published in English and Portuguese. The first Spanish edition was published by CADAL and TIMBRO in December 2003.

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It is a great satisfaction to see that my book «History of the Argentine Crisis» has been so well received that a new edition is needed. I would like to take the opportunity to address two issues that were raised a number of times during my recent visit to Buenos Aires, when I presented the book's first Spanish edition. The first issue conveys a legitimate curiosity about the author. The second issue is much more important and concerns the political history of Argentina, characterized by a pitiful continuity of *caudillaje*, patronage and corruption that has turned the Argentine state into a true public danger. The question I had to answer most, both at presentations and during interviews on the book, was why «a Chilean who has been living in Sweden for thirty years», whose position in the Swedish parliament surely keeps him very busy, is interested enough in Argentina to write a book about its recent ups and downs. My answer to this question has three aspects: a personal one, a professional one and a political one.

The personal aspect relates to a growing affinity I have had for Argentina and its people since my childhood days in a rather provincial Santiago in the 1950s. Argentina was the land of plenty, where my grandparents would come back from bringing *mantecol*, *alfajores*, white chocolate and cured ham. Argentina meant opulence and development, and Buenos Aires was as close to Europe and «culture» as the Chilean middle-class could get. I visited Argentina a number of times in my youth and, at the end of 1973, left for Europe from Buenos Aires when I was driven out of Chile, like so many others. Later, I had many Argentine friends in Sweden with whom I shared my first years in exile, when Argentina was going deeper into a sinister tunnel of unlimited violence. And during those years, I could not help but ask myself how a country that was so radiant and full of cultured and kind people could plunge so deep into crisis and produce such cruelty.

The professional aspect is simple and pitiful. Being an economic historian specialized in problems of comparative economic development, it is difficult not to be interested in Argentina. It is a rather unique case, a strange and intriguing pathology, which cannot but attract a specialist's attention. This is certainly unfortunate, but it is the reason why I began to analyze the Argentine case over a decade and a half ago in my books on comparative development¹. Therefore, when the crisis broke out at the end of 2001, I had the analytic framework and historical knowledge I needed to promptly write the book titled «History of the Argentine Crisis».

When the crisis began, blaming Argentina's ills on liberal ideas and the market economy became fashionable. It was as if a formerly strong and healthy Argentina suddenly saw itself devastated by a suicidal opening to the globalizing forces of modern capitalism. Undoubtedly, this would just be considered outright ignorance or a bad joke if it were not for the fact that it was a new version of that tragic escapism that has condemned Argentina to repeat its tragedies and go from one disaster to another. This is why I thought it was appropriate to tell the true story of a debacle that has very little to do with freedom and capitalism properly understood. Leaving aside the reasons for writing «History of the Argentine Crisis», I will now refer to the question of the continuity of «bad politics» (of *caudillaje*, patronage and

gangs) in Argentine history. «History of the Argentine Crisis» outlines the cumulative processes that were leading the country towards the recent decades' abyss. This book begins in Argentina's fat years, the seventy-year period of unprecedented growth that ended in 1930, during which the phrase «...rich as an Argentine!» could be heard in Paris. It was precisely during this apparently successful period when an economic model of development, that would prove to be unviable in time, was created.

In essence, it is the creation of an economic system with mercantilist traits, pre-modern in the deepest sense of the term. In other words, a system in which the management of the economy, instead of being itself separated from the management of politics, becomes increasingly dependent on it. In this way, economic success is neither a function of entrepreneurial efficiency nor technological creativity, but of political favors and influence, of conflicts of interests and fights for political and state sinecures. This politicization of the economy created extremely favorable conditions for corruption in politics and the machinery of government that is unfortunately evident throughout Argentina's history to the present. It created a devastating dialectic between pre-modern capitalism and an equally pre-modern political context that overlapped and corrupted each other, drowning the country in a swamp of fratricidal struggles for spoils that ended up by devouring the wealth and hopes of a country that was destined, to paraphrase San Martín, to be great or to be nothing.

This is the fundamental account of the history of the crisis that shook Argentina at the end of 2001 and in 2002. However, during the two years that have past since I wrote the original version of this book, I have come to the conclusion that this reasoning has a «missing link», so to speak. The process of overlapping and mutually corruptive politics and economics could not have existed (not at least in such a deep, permanent and disastrous way) unless certain political pre-conditions encouraged the use of government power as a tool for the organized assault on the nation. In this way, I am convinced that I have left out an important item in the description of Argentina's evolution towards the crisis. In fact, it is the historical key to a thorough understanding of how politics works in Argentina. In order to have truly grasped it, I should have gone back further in time and analyzed the politically formative events of the first half-century of the country's independent stage, to show how a certain «political paradigm» emerged back then and, in a way, endures to this day. Indeed, I do not intend to make up for this omission but I would at least like to trace some brief outlines of it.

It is known that the independence from Spain brought about a lingering disorganization of the national economy as well as decades of intermittent civil war, destruction of central government, *caudillismo*, and dictatorship. It is what Alberdi called the long «war of the country against the country», «despicable and barbaric», «unpatriotic and fratricidal».² This is the period where we can find the origins of a paradigmatic structure of doing politics and using government power that, once consolidated, will influence the country's entire social and economic life.

During these decades, government power became a function and reflection of the regional caudillos' mobilization of both

local elites and lower classes who served as each caudillo's military force. The caudillos (those «virile characters strengthened by rural hardships» and «accustomed to blood» who Mitre, to some extent, caricatured in *History of Belgrano*³) used the armed rural population to subdue their rivals and specifically the cities, in what can be referred to, quoting David Rock, as «the countryside's conquest of the cities».⁴ This is also related to the political effects of a fundamental socio-economic change: the awakening of the pampas and the emergence of *estancieros* as a dominant economic force and the backbone of political power. The *estancieros* would, to a considerable extent, displace, subordinate or absorb the traditional urban elites who were already devastated by the anarchy of the civil wars and the dislocation of the commercial relationships that were typical of the colonial period.

We are in the presence of the mobilization of the «political gang», namely allies and clients (vassal *estancieros*, militias looking for new employers, farmhands, gauchos, vagrants, marginalized individuals of African origin, poor people from the cities), to assault government power and then move on to assault the region or country. This is how caudillos earned the right to hand out spoils and, more important, new and large areas of land that were being annexed to the country during the recurrent wars against the native tribes (known as the «conquest of the desert»). This process' most significant historical synthesis and result was Juan Manuel de Rosas, the cruel restorer of order, whose reign of terror eclipsed the violence of the so called Dirty War of the late 1970s, taking into consideration the size of the population. Rosas was a master at mobilizing rural and urban poor and the pioneer of Argentine populism; he took the art of social control and State terror to extremes that were only surpassed by twentieth century totalitarian dictatorships. They were the outrageous days in which «the whole country was painted one color», as it was often said. They were the terrible days of the *mazorca*, beheadings, and «*negrada federal*».⁵ It was a period in which the chaotic barbarism of caudillos was subdued by the organized and systematic barbarism of that unrivalled caudillo and *estanciero* called Rosas.

The essence of Rosas' government was the *estancia* - according to Sarmiento's famous interpretation, later adopted by John Lynch⁶ and others. The Rosas state was the *estancia writ large*⁷, turned into a country, and the patron-peon relationship, the vassal and servant discipline, became its form of government. Recalling Sarmiento's words:

Where has this man studied the plan of innovations he is applying in his Government...? God forgive me if I am mistaken; but this idea has been haunting me for some time: on the CATTLE ESTANCIA, where he has spent his whole life... the successive imprisonment of hundreds of citizens for unknown reasons and for years, is the rodeo that makes the cattle docile, herding it into pens every day; the lashing on the streets, the mazorca, the ordered killings are other methods of taming the city, until it ends up like the most

domesticated and organized cattle ever seen... If this explanation seems monstrous and absurd, give me another one; show me the reason why his running of an estancia, his methods and administration, horribly coincide with Rosas' Government, methods and administration.»⁸

This is an early «materialist» explanation of politics: a «mode of production», with its specific social and power relationships, that turns into politics without mediation, without the mediating presence of any relatively independent political class and culture. Additionally, Rosas will also be the creator of a series of political characters and methods (favoritism, patronage and populist mobilization, a young woman -his daughter, Manuelita- who nurtured the relationship with the poorer sectors, an extensive use of xenophobia, coercion and propaganda to subdue his own people and crush his opponents) that will later reappear throughout the history of Argentina as if the «spirits of the past» planned a «conjuring of the dead», to speak in Marx's *Eighteenth Brumaire* terms, that refuses to leave Argentina alone.

The end of the intermittent civil wars and the growing political stability achieved by the oligarchic republic was, undoubtedly, an important change in the Argentine political scene. However, this did not alter the caudillo and patronage-like essence of the previously formed political paradigm. More so, the step from rural to urban *caudillaje*, or from the poncho to tailcoat to put it differently, confirmed Alberdi's premonitory fear:

If it is true that the barbarism of the rural military caudillos rises like floodwaters that are violent and disastrous, but superficial and passing, and leave their mark on the bark of society, the erudite and golden barbarism of the urban caudillos leaves its mark on the foundations of the social building, and its deep and radical evils affect entire generations.»⁹

Local caudillos, with progressively urban bases of power and followers, became the backbone of a complex system of patronage, retaliations and rewards that formed the basis of power for the Autonomist National Party (*Partido Autonomista Nacional* or PAN), the hegemonic party from 1880 to 1916. The relationship between the party leaders and society hinged on these caudillos during Argentina's golden years. They were, as Ezequiel Gallo puts it, the «key components of the political system because they were the real drive belt between the regime and its followers.»¹⁰

What could be said about those caudillos a century ago could easily be said about the same type of bosses or local chieftains throughout the entire twentieth century, namely that the government «gives them everything and lets them do as they please: the police, the municipality, the post office... rustling, roulette, in sum, every kind of help for their friends and pursuit of their enemies».¹¹ Politically, the country continued to be a conglomeration of *estancias* or feudal estates, with its local patrons, followers and gang-like methods of political mobilization.

This distinctive way of doing politics, based on patronage and followers who are mobilized by local caudillos, who in turn are the power bases of national leaders or caudillos, hardly dwindled when post-oligarchic democracy was established and the radicals came to power in 1916. In general, only the names of the caudillos changed or, in some cases, traditional caudillos just switched bosses. Particularly in the period between 1919 and 1922, as well as during his short second term, Hipólito Yrigoyen resorted to populism, patronage and handing out positions and sinecures like never before, with disastrous fiscal consequences. By then, Argentine politics had turned into something it would continue to be in future decades: «an industry, struggle or sport amongst unscrupulous opportunists», as was expressed in a speech at the time.¹²

This is how the continuity of this devastating political paradigm worked its way through Argentine history, joining the 19th century caudillos' armed gangs with the recent decades' trade-union, business, party, picket, *montonero*, military, paramilitary or simply mafia-like gangs. The 1930 coup d'état and the subsequent «infamous decade» did not improve the quality or ways of doing politics. On the contrary, even the last traces of political decency disappeared when electoral fraud became progressively blatant. This paved the way for an unexpected popular reaction, and its rejection of the entire ruling class of the time led to the emergence of the second great caudillo in the history of Argentina, Juan Domingo Perón, and to the formation of a major political and social movement,

Peronism. This movement, like no other, would summarize Argentine political tradition and from then on be the key to the country's destiny.

This continuity of «bad politics» is what has to be interrupted in order to start to get to the bottom of Argentina's problems. It is the only way to put an end to that incredible mixture of civilization and barbarism, to use the title of Sarmiento's famous book, which has characterized most of Argentina's history as an independent country. A thorough reform of the State and politics, with the removal of every form of *caudillaje* and patronage, is needed to give way to the formation of a modern and serious democracy. This is the only context that can create the citizens' trust that is needed to reestablish the basis of a truly viable Argentina.

The ills that afflict Argentina are not simple or superficial, and the solutions to its problems require a more serious diagnosis than the one given by those who look for a scapegoat to blame this one-time promising country's woes on. Understanding this today is more important than ever, because the country is going through a characteristic period of recovery and hope that appears from time to time, like a pause between violent swells of crises. Now is the time to start facing these long-standing problems, before they overwhelm us again. This calls for a serious retrospective and introspective view, and, above all, responsible leaders who are not satisfied with harvesting the illusions of a fleeting moment of recovery, but will rather sow for the future.

Endnotes

¹ Specially in my book on social and economic history of Latin America, published in Swedish in 1988, titled *Latinamerikas sociala och ekonomiska historia* (Studentlitteratur, Lund 1988), as well as in the study on comparative history of development written in collaboration with Christer Gunnarsson, Professor at Lund University, first published in 1995 and titled *Tillväxt, stagnation, kaos* («Growth, Stagnation, Chaos», SNS, Stockholm 1995; re-edited in 2004).

² Juan Bautista Alberdi, *Los caudillos*, Works, Vol XVIII, La Facultad, Buenos Aires 1920 (quoted from the version available on internet at www.argiropolis.com.ar).

³ Bartolomé Mitre, *Historia de Belgrano*, Estrada, Buenos Aires 1947, Vol. 2, p. 258.

⁴ David Rock, *Argentina 1516-1987*, Alianza, Madrid 1988, p. 139.

⁵ *Mazorca* was the common name of the the armed wing of the *Sociedad Popular Restaurador*, a political club and a para-police organization in charge of the administration of political terror during the dictatorship of Rosas. The «negrada federal» was a dreaded military corp, formed by people of African origin.

⁶ John Lynch, *Argentine Dictator: Juan Manuel de Rosas, 1829-1852*, Oxford University Press, Oxford 1981.

⁷ This is Lynch's classic definition. John Lynch, «From Independence to National Organization», in *Argentina since Independence*, Cambridge University Press, Cambridge 1993, p. 26.

⁸ Domingo Faustino Sarmiento, *Facundo*, Cátedra, Madrid 2001, pp. 323-24.

⁹ Juan Bautista Alberdi, *ibid.*

¹⁰ Ezequiel Gallo, «Política y sociedad en Argentina 1870-1916», in *Historia de América Latina*, Vol. X, Crítica, Barcelona 1992, p. 57.

¹¹ Francisco Seguí, quoted in Gallo, *ibid.*, p. 58.

¹² Benjamín Villafañe, speech delivered on June 28, 1924, quoted in *Grandes discursos de la historia argentina*, Aguilar, Argentina 2000, p. 184.