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Democracy, Economic Crises and Social Turmoil, 1989–2006

This chapter describes the historical and social processes that contemporary Argentinians underwent during this period; these processes left their mark on the telenovelas analyzed in the chapters to follow.

The military dictatorship that held power in Argentina between 1976 and 1983 had major effects on the democratic governments that followed it. President Raúl Alfonsín (1983–1989) inherited a country submerged in an economic and moral crisis. During his term of office he tried to shape a pluralistic, democratic society, but his government was faced with strong limitations in the political arena because he had not been able to achieve a senate majority. The relationship with the armed forces also became tense after the president's decision to investigate crimes committed during the years of oppression and to punish those responsible, particularly after their refusal to re-examine their actions during the 'years of lead'.¹ In addition, the economic problems inherited from previous governments began to deteriorate in 1987; by 1989 hyperinflation and the looting of businesses in some major cities were the norm. As a result, Alfonsín brought forward the date for the presidential elections and Carlos Menem took office in December 1989. During Menem's years in office (1989–1999) profound changes took place, especially in the economic field. The reforms that Menem's government introduced brought about the development and modernization of large sectors of the national economy, but they also widened the social breach and generated the impoverishment of the middle and working classes. Menem helped to blur the boundaries between politics and show business, and converted the media, especially television, into his government's favourite milieu.



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In December 1999 the third democratically elected president since the military dictatorship arrived in the *Casa Rosada* (Pink House): Fernando de la Rúa, who two years later was forced to leave the presidential palace in the midst of economic and social chaos. In spite of the economic and political volatility of the moment, democracy prevailed. In May 2003 Néstor Kirchner became the president of Argentina, and against all forecasts eventually gained the support of a large number of Argentinians. Twenty years after the return of democracy, the President reopened the trials of the military juntas who had been in power during the Dirty War, and gave his unconditional support to organizations like *Madres* and *Abuelas de Plaza de Mayo*, who to this day continue to search for their missing children and grandchildren.

The First Steps towards Democracy

The 24th of March 1976 marked the beginning of the *Proceso de Reorganización Nacional* (National Reorganization Process). The armed forces were determined to re-establish order by means of repressive measures, taking advantage of the sense of chaos that prevailed in a large part of society. During the dictatorship, thirty thousand people, Argentinian and also foreign, are said to have disappeared without a trace against the background of a passive, indifferent society. The country's economy was restructured, supposedly to put an end to social and political conflicts.²

The military Junta proposed to eliminate guerrilla warfare, institute a traditional code of morality and boost the economy. Although the regime adopted a liberal stance, seeking political rapprochement with the West and implementing free market policies, the army's more common illiberal tendencies pervaded the plan.

The defeat in the *Malvinas*/Falklands war in 1982 brought the armed forces' internal conflicts to a head. This, added to an unprecedented economic crisis and the disappointment of a large part of society, created a vacuum that political parties were prompt to make the most of. The transition from dictatorship to democracy was swift and unconditional: this was one of the reasons for the governability problems that arose during the government of Raúl Alfonsín.³

Alfonsín, the leader of the Radical Party, was the winner in these first democratic elections; unlike most Argentinian politicians he

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had kept his distance from the military, and he had never come out in favour of the *Malvinas*/Falklands War. During his election campaign the Radical leader made a point of emphasizing democratic values as a way to overcome the lack of stability and encourage economic growth. This proposal won him the elections in October 1983; it was the first election defeat inflicted on Peronism in the party's history.⁴

Alfonsín's government was marked by three fundamental issues linked to the military dictatorship: the government's human rights policy; the first trials of the ex-commanders (who were found guilty but subsequently pardoned by President Menem); and a number of military uprisings. In December 1983 the president founded the CONADEP, *Comisión Nacional sobre la Desaparición de Personas* (National Commission on the Disappearance of Persons), to investigate the events that took place between 1976 and 1982. The commission, whose members enjoyed national and international prestige and were staunch defenders of human rights, delivered an in-depth report which later became a book – *Nunca Más* (Never Again). It exposed the details and magnitude of the forced disappearance system, and the state's responsibility in its implementation. *Nunca Más* was a key element in the military junta trials in 1985, and became "the narrative that constructed the mode of recalling and regarding the disappearances and political violence in Argentina".⁵

During Alfonsín's government several important bills were passed, such as the laws on divorce and shared custody. The National Pedagogical Congress attempted to carry out a substantial reform of the educational system, modernizing the curricula and eradicating authoritarian practices in primary and secondary education.⁶

On the economic front, the *Plan Austral* was launched in 1985, and for some time was successful in stabilizing the economy. In 1987, a crucial year for the Alfonsín government, it tackled the *Cara Pintada* (Painted Faces) military uprising, which revealed profound divergences in the army and also exposed the civilian government's inability to control the uprising.⁷ These events were exacerbated by general strikes, which weakened the already fragile domestic economy and undermined the 1983 'contract' between the Alfonsín government and Argentinian society, and the shared desire to boost democratic institutions.⁸

The situation became explosive at the beginning of 1989, with

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hyperinflation, robberies and looting in several provincial towns and Greater Buenos Aires. The fear of chaos became general, and the spectre of national dissolution arose in the mind of millions.⁹ As a result, the elections were brought forward and Carlos Saúl Menem, the Peronist candidate, was elected president of Argentina. His inauguration in July 1989 was a historic event, because since 1928 no democratically elected Argentinian president had been able to transfer power to the next. The new president's first decision was to stabilize the economy by opening it to international markets.

Argentina's Insertion into the 'First World'

In 1988, for the first time since the military dictatorship, the two main political parties, Peronism and the Radical Civic Union, held internal elections to choose their presidential formulas.

The Peronist (*Justicialista*) primaries held a surprise in store with the election of a presidential formula comprised of Carlos Menem and Eduardo Duhalde, who soundly defeated Antonio Cafiero and Juan Manuel de la Sota.

Menem's style began to take shape during his presidential campaign, which emphasized his flamboyant personality and expressive language. He used an oratorical style based on images, metaphors and analogies, as well as rhetorical devices such as alliteration and rhyme.¹⁰ From the very beginning of the campaign Menem refrained from attending large political gatherings or formal reunions. Together with his retinue, he toured most of the country in a campaign bus nicknamed '*El Menemóvil*'. He organized procession-like motorcades that accompanied him from town to town in the interior of the country, in a quasi-religious, almost mystical style, initiating spontaneous dialogues with potential voters; he encouraged informal meetings and discussions, and established direct contact with local power bases bypassing intermediaries. His speeches were held in open spaces, and directed at a multitudinous audience. His campaign speeches dealt with topics such as hope and victory, extolling the value of joint effort; he used slogans and sayings with a mystical overtone, such as '*¡Siganme, no los voy a defraudar!*' (Follow me; I will not disappoint you!).¹¹ This direct, almost spontaneous approach changed completely once he was elected president. Menem chose the media, in particular television, as his favourite platform when he wished to communicate govern-

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ment decisions. However, his rhetorical style remained unchanged; he continued to use phrases with Christian connotations. He was often a guest in both political and entertainment programmes, and unlike previous presidents, made few formal appearances and seldom used the national broadcasting chains. His ‘show business’ style was the new politics.¹²

On the economic front and following worldwide trends, new concepts gained relevance and made their mark on the economy, as in most Latin American countries. These views of the world called for the cutback of the welfare state and the privatization of essential services, which were still in the hands of the state. Foreign debt, particularly with the IMF (International Monetary Fund), was a constant source of pressure and intensified the economic crisis that developed into 1989’s social debacle. Menem awakened a Messianic enthusiasm, and this produced a pragmatic acceptance of the rules of the economic game, which were presented as indisputable through the official discourse. Thus, the spectre of hyperinflation kept convertibility alive for a considerable length of time. In his role as a no-nonsense politician, Menem announced that he would carry out ‘surgery without anaesthesia’ in order to save the national economy.¹³ He believed that only by making drastic changes would it be possible to improve the country’s economic situation, and he decided to summon businessmen and industrialists and make them partners in his economic programme. In this context, he came to an agreement with the largest domestic business corporation, Bunge & Born, and designated one of their executives, Miguel Roig, as Minister of Economy. Roig died unexpectedly and was replaced by Néstor Rapanelli, also one of Bunge’s men.¹⁴

To carry out an economic reform like this Menem needed freedom of action. With this purpose in mind he sent two bills to the National Congress: the Law of Economic Emergency and the Law of State Reform. Both regulations allowed many congressional powers to be delegated to the executive branch; for example, decisions to privatize certain state utilities and to open up domestic markets. In a very short time, and using an accelerated process, Aerolíneas Argentinas, the country’s flag-carrying airline, was sold to Spanish corporations. The result was that companies that had been under the monopolistic power of the state passed into the hands of foreign conglomerates that were now able to control aviation and communications markets, also monopolistically.¹⁵

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In March 1991, the influential economist Domingo Cavallo became Minister of Economy. He was the driving force behind the convertibility law, which consisted of a fixed one-to-one parity between the U.S. dollar and the Argentinian peso, guaranteed by the Central Bank. At the time, international loans were easily available and this helped the government to finance economic activity. Between 1991 and 1994 large international capital inflows entered the country, though not always in the form of productive investment. Industrial activity increased substantially and domestic consumption rose. These changes generated optimism and a belief that the government was trustworthy, but they pushed the high costs of the economic reform into the background. The victory of the *Justicialista* party in the 1991 legislative elections kicked off the 'Golden Era of Menemism' and strengthened the government's determination to continue with the reforms. These were successful years for President Menem: he obtained the support of both Congress and the economic establishment and the favourable opinion of the general public, for whom he had almost become another show business celebrity. Cavallo continued with the government's privatizing crusade and sold off the national oil company, YPF (*Yacimientos Petrolíferos Fiscales*); during his ministry several power stations were sold, along with other state companies. The reforms led to accelerated growth, which at first benefited wide social sectors but also produced a division between those included and excluded, and between prosperous and neglected areas. The situation became worse in mid-1994 with the slowdown of economic growth, which caused the bankruptcy of many companies and generated high levels of unemployment and poverty.¹⁶ Towards the end of 1993 there were several social outbursts rejecting economic adjustment policies implemented by the government. The first broke out in the province of La Rioja; the most serious occurred in Santiago del Estero, and was considered an inflection point in the development of popular protests in Argentina between the 90s and the 2000s.¹⁷ In response, and in order to restrain growing popular discontent, the government created assistance and social development programmes, but instead of creating new employment these methods encouraged clientelism and dependence on the state.¹⁸

Menem's foreign policy also underwent a fundamental change of direction: the government's alignment with the United States as a source of funding and investment, a commercial partner, and an ally

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in negotiations with credit institutions. This new diplomatic approach, entirely pragmatic, was cultivated to perfection by the foreign minister, Guido Di Tella, who famously described the relationship with the US as ‘carnal relations’. During this period Argentina was shaken by two terrorist attacks: the bombing attack on the Israeli Embassy in Buenos Aires in May 1992, and another on the *Asociación Mutual Israelita Argentina, AMIA* (Argentine-Jewish Mutual Aid Association) in July 1994.¹⁹

In order to free himself of political obstruction and legal limitations, Menem made use of the *per saltum*, a legal mechanism by which the Supreme Court could intervene in a lawsuit, thus circumventing decisions made in lower courts. In this way Menem was able to veto judiciary decisions and ignore the opinions of judges; in addition to signing presidential emergency decrees, Menem was accused of manipulating the designation of judges who would find in his favour. This breakdown in the separation of powers culminated in the Olivos Pact, signed between Menem and Alfonsín, as Radical leader of the opposition, in December 1993: they reached a consensus on the reform of the National Constitution. The new constitution would allow Menem a four-year re-election, shortening the presidential term for future presidents (from six years to four), but allowing them to serve two terms, consecutive or not. Presidents and vice-presidents would be chosen by direct election and a two-round ballotage system,

In exchange, the Peronist party promised several modifications: to include the self-government of Buenos Aires City in the new constitution; the creation of the Magistrates Council; the direct election of senators; the inclusion of a third and fourth generation of human rights: consumer rights, environmental rights and the right to information; class actions; appeals for legal protection, and others.

Consequently, Menem was re-elected president by more than fifty percent of the voting public, while the Radical party had one of its poorest results ever. A new political force began to emerge, challenging the usual two-party system. This coalition, the *Frente Grande* (Broad Front), included Peronist dissidents like Carlos Chacho Álvarez, and figures such as Graciela Fernández Meijide, who had a distinguished track record in the field of human rights.

²⁰ The front not only flatly rejected the Olivos Pact; they also set themselves up as the main critics of government laws and programmes. All this was happening in the midst of the economic

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crisis known as the *Tequila Effect*, which broke out in Mexico in December 1994 after the government's decision to devalue the Mexican peso.

After his re-election Menem put into effect measures known as The Second State Reform, aimed at trimming public spending and reducing the bureaucratic machine. However, the government was unable to reach these goals, faced with additional problems such as the judiciary system's lack of transparency, widespread corruption, the abuse of presidential power, and the national government's tense relationship with provincial powers over the distribution of resources. The support base Menem had amassed in the elections had deteriorated, and tragic events like the murder of journalist José Luis Cabezas and the explosion of an arms factory in Río Tercero, Córdoba, heightened the atmosphere of political impunity. The crowds expressed their discontent with protest marches and other demonstrations by groups of workers who were suffering the consequences of the government's cutbacks and economic reforms, as in the case of teachers, public employees and pensioners.²¹

The political climate turned against the Menemist government. In September 1996, the FREPASO: *Frente por un País Solidario* (Front for a Country in Solidarity), which had its origins in the Broad Front, organized a blackout and a *cacerolazo* – a demonstration in which saucepans are banged as a sign of protest. This particular form of protest anticipated the *cacerolazos* that would become frequent in the 2001 crisis. Both methods had an impact on the general population and the media. The pickets organized by the Ingenio Ledesma workers in the province of Jujuy also inaugurated new forms of protest, which expanded and were used by a number of sectors and groups such as students, agricultural workers and industry employees. The second half of the nineties was marked by growing corruption, an economic model in crisis and a government that neglected or ignored the claims of wide sectors of the population. In spite of this, Menem's government continued to amass economic and political power, and during his presidency new attitudes and views of the world became usual in Argentinian society, influencing the country's destiny: individualism, competitiveness – the mind frame of triumphalism that divides the world into winners and losers.²²

As a result, the 1999 presidential elections were a great opportunity for FREPASO opposition leaders. Fernando de la Rúa, a prominent member of the Radical party, and Chacho Álvarez, one

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of the founders of FREPASO, were chosen for the *Alianza* coalition's presidential ticket. They won by just over 48 percent of the votes.²³ However, two years later, on 20 December 2001, de la Rúa resigned and fled the *Casa Rosada* in a helicopter, against a background of protest marches, *cacerolazos*, and an infuriated mob determined to advance on government house. The protest was brutally suppressed by police forces, leaving a number of dead and injured. During the ten days following that terrible afternoon, four presidents took office and subsequently resigned, an unprecedented situation anywhere in the world.

De la Rúa and Álvarez: A Dream becomes a Nightmare

The *Alianza para el Trabajo, la Justicia y la Educación* (Alliance for Work, Justice and Education) was a party coalition created to provide an alternative to the neo-capitalist model imposed by Menem, but from the very beginning it had to deal with a variety of hitches. In the first place, it was difficult to govern with a Peronist majority in control of the Lower House. Secondly, the convertibility issue: the Argentinian peso was pegged to the U.S. dollar, and this could be neither sustained nor abandoned.²⁴ Thirdly, different factions emerged within the *Alianza* itself, so the only policy that could be considered a common denominator was the fight against corruption. Under these complex circumstances, the government had to provide urgent solutions for the social crisis, growing unemployment and the various social movements that were protesting in different parts of the country.²⁵ The domestic situation was made worse by the constant pressure of international banking and the IMF (International Monetary Fund), who withdrew their vote of confidence in the local economy. Adjustment policies were soon enforced, and a fierce recession hit the country. Under these difficult circumstances, the political leadership of De la Rúa and Álvarez came into question, and that was the beginning of the end for the *Alianza*. In August 2000 there was a report that in April that year members of the senate had been bribed to push through Menem's labour reform bill. Álvarez sped up the investigation, and called for the resignation of those involved. De la Rúa, in an attempt to build up his authority, announced changes in the cabinet, placing key figures from his own circles in significant roles, and removing others that he considered less trustworthy. As a result, Álvarez resigned the



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vice-presidency and left the coalition teetering on the brink of collapse. De la Rúa had achieved a more supportive cabinet, but he also found himself in total isolation, shunned by the political parties.²⁶

In March 2000, Domingo Cavallo became Minister of Economy for the second time; his appointment was well received by the public. For nine long months, with an assortment of measures, he attempted to bolster convertibility and prevent the economy from plunging headlong into disaster. In November, Cavallo announced the *corralito financiero*, a limited account freeze on cash withdrawals, but the decision undermined the social prestige of convertibility. There were riots and looting in Greater Buenos Aires, social mobilization, and *cacerolazos* in which even the middle class participated of their own accord; these events foretold the death of the *Alianza* government, and the image of the president leaving the *Casa Rosada* in the presidential helicopter became indelibly fixed in everyone's mind.²⁷

Four Presidents, Ten Days, One Democracy

The summer of 2001 was engraved in the memory of Argentinians, and the young democracy was once again put to the test as four Peronist presidents were sworn in over the period of a month: Ramón Puerta, Adolfo Rodríguez Súa, Eduardo Camaño, and Eduardo Duhalde, who held office until the end of 2003. His first measures were to devalue the peso and complete the necessary break with convertibility. In December 2002 the *corralito financiero* finally came to an end and funds deposited in current and savings accounts were released. The Argentinian economy appeared to be on the road to recovery, but even so half the population lived below the poverty line.²⁸ Finally, general elections were held in April 2003; voters could only choose between different Peronist candidates as there were no others. With a very small margin of difference, Carlos Menem came in first with 24 percent of the vote, followed by the little known governor of Santa Cruz, Néstor Kirchner (22%). Rodríguez Súa came in third with 14 percent of the ballots. Menem dropped out of the second round, knowing he would lose, and by default Kirchner was elected President of the Nation.



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The Kirchnerista Spring: Human Rights and Desaparecidos take Centre Stage

On 25 May 2003 Néstor Kirchner was sworn in as president. He governed until December 2007 when he was succeeded by his wife, Cristina Fernández de Kirchner. From the beginning of his term he had the unconditional support of former president Duhalde, who handed over an economy on the mend: inflation had been controlled, and a policy to rationalize public accounts was in place, together with other measures that had been taken by Duhalde and his Minister of Economy, Roberto Lavagna. The new president confirmed Lavagna in his post, and implemented a productive model with social inclusion, making essential adjustments in government expenses, salaries and retirement pensions.²⁹

Another fundamental decision was to reopen the trials for human rights violations and to reinstate the issue in the public arena. In this sense, the Kirchner government incorporated the human rights issue into a new narrative and a new political project, inspired in the tradition of the populist left.³⁰ Within this framework, Kirchner repealed the decree that forbade the extradition of military repressors, annulled the Due Obedience and Final Stop laws, and reopened the trials for crimes against humanity. The inauguration of the *Museo de la Memoria* (Museum of Memory) in what had been the notorious ESMA (Navy Mechanic's School), a detention and torture centre for political prisoners and detainees during the military dictatorship, was one of several actions that received massive support from the public.³¹ The government instituted and conducted a policy of memory, supported the work of *Madres de Plaza de Mayo* and *Abuelas de Plaza de Mayo* (Mothers and Grandmothers of Plaza de Mayo) as well as CELS (Centre for Legal and Social Studies), rejecting the Theory of the Two Demons.³²

In the field of foreign affairs, Kirchner's policies were markedly different from those carried out by Menemism or the *Alianza*. They broke with previous strategies, for example in the Malvinas/Falklands Islands issue, or the increased political closeness to the Venezuela of Hugo Chávez, who purchased Argentinian bonds to help make up for the country's lack of foreign credit.³³

At the beginning of the third millennium, Argentina was faced with a constantly changing reality, partly because of the neoliberal policies carried out during Menem's government: the decline of the welfare state, legislation that undermined workers' rights, the



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impoverishment of the middle class. After the 2001 crisis, the domestic economy began to show signs of recovery, surprising political leaders, researchers, and Argentinian society. During his six years in government, Kirchner managed to stabilize the economy and consequently enjoyed a wide social and political support base. The voters' response was not slow in coming; in the presidential elections held in 2007 the Kirchner administration, with Cristina Fernández de Kirchner at its head, was voted in by 45 percent of the electorate.

The political and social landscape of Argentina described in this chapter is discernible in the plots of the telenovelas analyzed here and to some extent is dealt with by the fictional texts and dialogue.

