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## The results and significance of Obama's visit to Argentina

After the historic visit to Cuba, Obama concluded his two-day visit to Argentina where the US, after a long break, was able to bring its protégé, Mauricio Macri, to power.

### The geopolitical significance of Argentina

Argentina is the largest country in area and population in Latin America after Brazil and the largest Spanish-speaking country in the region. It is the most economically developed country in South America and is the driver of continental integration. Both Argentina and Brazil could turn the Latin American region into an independent pole within a multipolar system in international relations.

Argentina's geographical position and climatic situation gives the country diverse land and natural resources, provides an important cultural and economic connection for all of South America, and also render it relatively safe from outside powers.

### Argentina in the 20th century, sovereignty, and Anglo-Saxon domination

During the 20th century, Argentina fell under the influence of foreign

powers (the UK and the US), and only later attempted to pursue independent policies. The most prominent advocate of converting Argentina into a power independent from the global centers of power was Juan Domingo Peron. His economic program placed emphasis on the industrialization and self-determination of Argentina, and was therefore approved by many factions of the conservative nationalists, as well as by a significant part of the working class. In 1955, Peron was overthrown by the military and exiled to Spain. In 1976, a military junta overthrew the government of his wife, Isabel. The government that used the military to come to power during the period of the Cold War focused on the complete subordination of the country to the United States.

### **Peripheral realism in Argentina**

In 1989, the former Peronist Carlos Menem came to power, and under his leadership the country began to change in the spirit of neoliberalism. The upshot was the economic collapse in 1998. Menem's foreign policy has become a model of so-called "Peripheral realism." The main piece of work that presents the main provisions of "peripheral realism" is the book "Foreign Policy Theory in Menem's Argentina," by Carlos Escudo in 1997. The author, who was Menem's adviser, explains that the pro-American policy of the Argentine leadership desires to take the most advantageous position in the global system by following the rules and alliance with the hegemonic power that establishes these rules. "The strong have to be in control, because only they are able to actually enforce the rules, without which the system would collapse. Likewise, the weak and democracies have to obey, because it is in their interest to avoid accidents and in the interests of their citizens to cooperate

with those who makes the rules," emphasizes the Argentine author.

## **Return of the Peronists**

The economic crisis, which was the result of neoliberal policies, led to the rise to power in 2002 of the Peronists. From that time until last fall, the Kirchner couple ruled Argentina: at first, two-terms by president Nestor Kirchner, and then two terms by his wife, Cristina Kirchner. They were able to partially rectify the economic situation in the country. Between 2003-2008, economic growth in Argentina amounted to 8% .The economy became stronger during the presidency of Cristina Fernandez de Kirchner. Nevertheless, serious problems remained, including debt from past governments, including neo-liberal ones, the hostile position of the Rothschild's IMF, and inflation.

In foreign policy, Argentina has committed itself to strengthening its sovereignty and rejecting the policy of "peripheral realism."

Argentina normalized relations with Brazil, and, in 2014, expressed its desire to join the BRICS group, challenging the unipolar US hegemony. Under the Kirchners, Argentina established allied relations with China and Russia.

## **The new face of peripheral realism**

Current Argentinian President Mauricio Macri came to power after the elections last November. Macri is notable for criticizing the economic policy of the previous government, in particular for high inflation and a growing budget deficit, and also foreign policy. He was in favor of consistent rapprochement with the United States

and, in fact, aims to reinvigorate the old course of Menem's "peripheral realism". The essential role in the victory of Macri was played by the pro-American groups of influence who bet on Macri from the beginning of the electoral campaign. As a result, Argentina has returned to the program of neoliberal reforms, austerity measures, and pro-American foreign policy. It is significant that Carlos Escudo also supported Macri and welcomed Obama's visit.

The United States president has not visited Argentina for more than 12 years. Obama's visit to Argentina was a sign of support for his protégé. Does anyone believe that he went there just for dancing tango or for fishing? As a demonstration of the fact that the peripheral realist strategy towards the United States is "working", the US announced that it was ready to make concessions on the issue of Argentina's external debt.

### **Argentina's foreign debt as a factor of pressure**

On Wednesday, the US Justice Department filed an appeal to the 2nd US Circuit Court of Appeals in New York demanding the ratification of the March 2nd ruling by US Judge Thomas Griesa, approving the lifting of the injunctions he had originally imposed on Argentina following the country's 6.5 billion dollar offer to settle the debt dispute.

The US Justice Department said lifting the orders would respond to the interests of the US government, which supports Macri's initiatives to strengthen the Argentine economy by facilitating its access to global money markets.

Argentina made the request to lift the injunctions after offering, on 5th February, to settle lawsuits by various bondholders stemming from its record \$100 billion default in 2002. The injunctions at hand prevented Argentina from servicing its restructured debt until it paid investors, who spurned its 2005 and 2010 debt restructuring. Argentina hopes to return to the bond markets as it resolves court cases with holdout bondholders and takes legislative action to secure related agreements.

Prior to Obama's visit, Macri made a deal over the 'holdout' funds that recently advanced through a congressional hearing. Argentina agreed to pay \$4.65 billion to the lead "holdout" investors suing the country in US courts over unpaid debt stemming from a record \$100 billion default in 2002. The main conditions that were pushed by lenders were cutting the budget deficit, cutting public spending, austerity measures, and job cuts in public sector. Such is the price of pro-American policies.

It is likely that under US pressure, the IMF will make certain concessions to Argentina, but for them the Argentine people will pay deadly in a literal sense.

### **The people vs. Obama**

Despite the pro-American orientation of the new Argentine leadership, the Argentinian people, according to a LAPOP survey, continues to be largely distrustful of the United States. According to the study, the data that was announced on March 23rd, at the beginning of Barack Obama's visit to Argentina, "Argentiniens trust the US government 31.8 degrees on a 100- degree scale, making it

the country that trusts the United States the least out of all Latin America and the Caribbean ".

Obama was met by mass protests and, among other things, the presence of the American president reminded Argentinians of the atrocities committed by the pro-US military regimes. Obama's visit coincided with the anniversary of the military coup in 1976 that ousted the legitimate Peronist government. During his visit, Obama expressed his condolences to relatives of those killed at the hands of the pro-American regime, and even said that he has declassified some documents on this subject, and that the US was inconsistent in defending human rights. But, of course, he did not condemn the principle of organizing coups in other countries and their purposes. Prominent human rights groups in Argentina boycotted President Barack Obama's visit to a memorial for people who died during the South American nation's dictatorship.