

AREA HANDBOOK for ARGENTINA









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AREA HANDBOOK for ARGENTINA

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FOREWORD

This volume is one of a series of handbooks prepared by Foreign Area Studies (FAS) of The American University, designed to be useful to military and other personnel who need a convenient compilation of basic facts about the social, economic, political, and military institutions and practices of various countries. The emphasis is on objective description of the nation's present society and the kinds of possible or probable changes that might be expected in the future. The handbook seeks to present as full and as balanced an integrated exposition as limitations on space and research time permit. It was compiled from information available in openly published material. Extensive bibliographies are provided to permit recourse to other published sources for more detailed information. There has been no attempt to express any specific point of view or to make policy recommendations. The contents of the handbook represent the work of the authors and FAS and do not represent the official view of the United States Government.

An effort has been made to make the handbook as comprehensive as possible. It can be expected, however, that the material, interpretations, and conclusions are subject to modification in the light of new information and developments. Such corrections, additions, and suggestions for factual, interpretive, or other change as readers may have will be welcomed for use in future revisions. Comments may be addressed to—

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PREFACE

The Republic of Argentina, one of the world's largest countries, is endowed with rich human and natural resources and is characterized by a fundamentally European culture derived from 16th century Spanish settlers and from waves of immigrants from Italy and other European countries which swelled the population in the late 19th and early 20th centuries. In the late 1960's after a long history of close ties with Europe and relative aloofness from Pan-American affairs, Argentina was an active member of the Organization of American States and other inter-American organizations and of the United Nations, and it was increasing its cultural and economic ties with North America. It maintained diplomatic relations with a number of Communist countries, but it was firmly opposed to communism and to the expansion of Communist power.

This handbook represents an effort to provide a comprehensive survey of Argentine society. A large number of consultants, many with firsthand knowledge of the country, have provided data not available in printed sources. The authors alone are responsible for the final draft.

English usage follows Webster's New International Dictionary (3d edition, unabridged). Spanish words and phrases, which have been used only when adequate English equivalents were lacking, are defined at first appearance. If they are employed frequently, they are listed in the Glossary. Spanish is based on Appleton's Revised Cuyas Dictionary.



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COUNTRY SUMMARY

1. COUNTRY: Republic of Argentina (República Argentina), formerly a Spanish colony under Viceroyalty of la Plata.

2. GOVERNMENT: Constitution of 1853 provides for republican form of government; federal system; separation of executive, legislative and judicial powers; popular election; elected governor and legislature in each province. In 1968 executive and legislative powers were exercised by President Juan Carlos Onganía under Statute of the Argentine Revolution, promulgated in June 1966 when his government took office.

3. POPULATION: Over 22 million; some 97 percent classified as of European descent. Population, which consisted mainly of descendants of colonists, was greatly augmented in late 19th and early 20th centuries by waves of immigration from Italy and other European countries. Since World War II substantial immigration from neighboring countries.

4. SIZE: Over 1 million square miles. Greatest north-south distance, about 2,000 miles; east-west at widest point, approximately 900 miles. 5. TOPOGRAPHY: Bordered on the north by semitropical forests of the Gran Chaco and Andean Piedmont; on the west by Andean massif; on the east by South Atlantic; on the south by Antarctic regions. The Pampa, heart of country, mainly fertile plains and the location of most agricultural production, industrial centers and population. Piedmont in northwest: arid with colonial cities and vineyards. Northeast sector: swamps, prairies, subtropical forests. Patagonia: arid, windswept grazing lands.

6. LANGUAGES: Spanish, the official language, spoken almost universally. English used increasingly in business and professional circles. Some newspapers and periodicals published in German, French, Italian and other foreign languages.

7. RELIGION: Roman Catholicism the official religion and professed religion of over 90 percent of population. Religious freedom guaranteed by Constitution. Protestant and Jewish population estimated at about 4 percent.

8. EDUCATION: Literacy rate estimated at over 90 percent. Free education system. In 1967 over 5 million enrolled in schools and universities.

9. HEALTH: Generally excellent. Public health services readily available to virtually all citizens. Overall number of physicians and medical facilities adequate although concentrated largely in urban areas. Principal causes of death: cancer, heart ailments.

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10. CLIMATE: Mainly temperate, although temperature readings range from 120° F. in north to 3° F. in south. Climate in Buenos Aires area comprises dry summers (December-March), damp winters (June-September), no extremes of temperature.

11. JUSTICE: Administered by federal and provincial courts. Supreme Court, with five judges, sits at Buenos Aires. Each province has own judicial system. Penal code in force in 1968 was National Criminal Code of 1922 as amended, based largely on European jurisprudence.

12. ADMINISTRATIVE DIVISIONS: Civil: 22 provinces, Federal District, National Territory of Tierra del Fuego, and territories claimed by Argentina in the Antarctic and the South Atlantic Islands, which include the Falkland Islands (Islas Malvinas). Military: Five administrative districts.

13. ECONOMY: Country's wealth based primarily on agriculture and livestock which still provide great bulk of foreign exchange.

14. INDUSTRY: Output generates increasing proportion of gross national product—about 36 percent.

15. LABOR: Growing percentage of population employed in manufacturing—over 25 percent in 1968, when total labor force was estimated at more than 8.5 million. Labor unions have played important roles in national politics.

16. EXPORTS: Largely agricultural and pastoral products—particularly meat, cereals, linseed, wool. Important customers: Italy, the Netherlands, United Kingdom.

17. IMPORTS: Principal items: iron, steel, machinery and vehicles, chemicals and pharmaceuticals. Leading suppliers: United States, Brazil, West Germany.

18. FINANCE: Gold exchange standard. Unit for foreign transactions: gold peso. For domestic transactions: paper peso. Banking system dominated by government banks.

19. COMMUNICATIONS: In 1968 about 100 radio broadcasting stations; 29 programing television stations; over 1.5 million telephones. Telegraph services include international radio telegraph circuits, teleprinter services, microwave. Terrestrial satellite station under construction in 1968. Argentines among best-read, best-informed people in Western Hemisphere.

20. RAILROADS: Some 27,000 miles of track with varying gauges, most lines radiating from Buenos Aires.

21. ROADS: Some 29,000 miles of roads, of which about 9,000 considered all weather.

22. RIVER TRANSPORTATION: Important on Uruguay and Paraná river systems. About 2,000 miles of inland waterways.

23. PORTS AND PORT FACILITIES: Buenos Aires one of major ports of Western Hemisphere. Rosario, a deepwater port, second in importance. Some 81 ports in all-most of them river ports.

24. AIRFIELDS: Largest: Ezeiza International Airport, Buenos Aires.

Total of about 90 airports, some 20 of these paved; approximately 100 additional landing fields.

25. PRINCIPAL AIRLINES: State-owned airline, Aerolineas Argentinas, provides domestic and international services. A domestic airline operated by Military Transport Command. Buenos Aires served by most major international lines.

26. MERCHANT MARINE: In mid-1960's Argentine ocean fleet totaled over 1 million gross weight tons. State-owned fleet sails to North and South American and European ports.

27. INTERNATIONAL AGREEMENTS AND TREATIES: Investment Guarantee Agreement with United States in effect since 1961. Mutual hemispheric defense agreement and arbitration treaty with United States. Pact of Conciliation and Non-Aggression with Brazil signed in 1933; agreements with Brazil on cultural exchange, economic and mutual defense; Treaty of Friendship and Conciliation with Brazil; agreements with France on cooperation in peaceful uses of atomic energy and on cultural and technical cooperation.

28. AID PROGRAMS: Limited economic and military assistance from United States. Loans from Inter-American Development Bank, International Bank for Reconstruction and Development, Export-Import Bank of Washington.

29. OVERSEAS TERRITORIES: Claims to Antarctic territory and to South Atlantic Islands maintained by government.

30. INTERNATIONAL OBLIGATIONS AND MEMBERSHIPS: Member United Nations, Organization of American States, Inter-American Defense Board, Latin American Free Trade Association, International Monetary Fund, International Bank for Reconstruction and Development, Inter-American Development Bank, General Agreement on Tariffs and Trade.

31. ARMED FORCES STRENGTH: In 1968—Army: 85,000, threefourths conscripts serving 1 or 2 years; four army corps; Army Aviation Command. Navy: 35,000, including Naval Aviation Command and marine-type Naval Infantry Corps. Air Force: 17,000; five operational commands. National Gendarmery: 11,000—federal constabulary subordinate to Army. National Maritime Prefecture: 8,000, coast-guard-type naval force subordinate to Navy. Police as support for armed forces in internal security: Federal, 16,000. Provincial forces vary with area and population of each province. Largest: Police of Buenos Aires Province, 18,000.



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ARGENTINA

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Figure 1. Argentina.

SECTION I. SOCIAL

CHAPTER 1

GENERAL CHARACTER OF THE SOCIETY

Argentina, eighth largest country in the world and second largest in South America, has a population of more than 22 million and a culture that is basically European. With an area exceeding 1 million square miles, it extends southward for more than 2,000 miles from the arid Andean Piedmont and the subtropical forests of the Gran Chaco in the north to the windswept wastes of Tierra del Fuego on the fringe of the Antarctic region. At the widest point it extends some 800 miles from the peaks of the Andes in the west to the shores of the South Atlantic.

In the eastern central region lies the vast Pampa, the fertile plains which produce the bulk of the country's pastoral and agricultural wealth and contain two-thirds of the population, 60 percent of the railroads and four-fifths of the industrial plants. The southern tip of the wedge-shaped country is sliced off by the Strait of Magellan. Neighboring countries are Chile on the west, Bolivia and Paraguay on the north, Brazil and Uruguay on the northeast (see ch. 2, Physical Environment).

Lowlands predominate, but Aconcagua, the highest peak in the Western Hemisphere, rises to 22,834 feet. The lowest area in the country is 131 feet below sea level, lower than the Caspian Sea, and is in Península Valdés on the Atlantic coast. Although most of the country enjoys a temperate climate, readings range from 3° F. in the south to 120° F. in the north.

The Ezeiza International Airport near Buenos Aires, the capital and one of the major ports of the Western Hemisphere, is more of a terminus than a crossroads. Air distances to other large cities are: New York, over 5,000 miles; Paris, almost 7,000; Cairo, over 7,800; and Tokyo, more than 11,000. The people, well served by communications media, are able to follow international developments closely, and their geographic isolation does not shield them from the effects of economic dislocations in other parts of the world nor from the repercussions of other nations' ideological, political and armed conflicts.

During the 19th century, as a major supplier of primary products and as an important field for British investment, Argentina developed a close association with Great Britain and tended to avoid involvement in PanAmerican organizations. In 1968, however, it was an active member of the Organization of American States and its related bodies and of the United Nations, and it was cooperating with neighboring states in the development of the Río de la Plata region. It maintained diplomatic relations with a number of Communist countries but was firmly opposed to the expansion of communism.

Overwhelmingly European in origin, the population has remarkable cultural homogeneity, but this has not prevented sharp class differences from plaguing the economic, social and political life of the country. In 1968 Argentines were seeking solutions to conflicts involving the conservative, landowning elite and other privileged elements; the middleclass merchants, industrialists, white-collar workers, intellectuals and professional groups; the labor force, represented by powerful unions; the underprivileged, the "shirtless ones"; and the military, who controlled the government.

Most of the people are descendants of the Spaniards who first settled in the 16th century and of the millions of European immigrants—mainly Italian and Spanish—who arrived in the late 19th and early 20th centuries. During the colonial period unions of Spaniards and Indians produced a *mestizo* population, and liaisons with Negroes, brought in as slaves, produced mulattoes. In 1968, however, the *mestizo* population was estimated at only about 600,000; pureblooded Indians were numbered only in tens of thousands; and Negroes had virtually disappeared.

Almost three-quarters of the population live in cities and in towns of more than 2,000, and approximately one-third of the population live in and around Buenos Aires, the most populous metropolitan area in the Southern Hemisphere. Since the early 1930's, when the agricultural economy was affected by the worldwide economic depression, large numbers of rural dwellers have moved to the cities. With the growth of industry, many of these have been absorbed into the labor force, but others have remained rootless shantytown dwellers. It was from these sections of the population that the authoritarian regime of Colonel Juan Domingo Perón drew much of its support during the 1943-55 period.

Cleavage between the people of Buenos Aires, known as *porteños* (people of the port), and the population of the provinces has diminished in intensity since the 19th century, when *caudillos* (regional political strong men), who demanded autonomy for the provinces, fought the *porteños*, who favored a centralist government (see ch. 3, Historical Setting).

Descendants of *criollos* (native-born persons of Spanish descent) have intermarried with 19th- and 20th-century European immigrants and their descendants to produce a population of notable ethnic homogeneity. In 1968 problems arising from ethnic minorities were minimal, and the people were proud of their Argentine nationality in a country where patterns of thought, political habits and social structure clearly reflected the Spanish colonial and European backgrounds.

An important factor in the development of ethnic homogeneity was

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the absence of large Indian communities in the territory which was to become Argentina. Compared with their experience in northern South America and in Central America the colonizers had a relatively clear field and did not have occasion to superimpose Spanish civilization on Indian civilizations. In the 19th century the warlike nomads who remained to block the expansion of farming and cattle raising were exterminated or driven into remote parts of the country.

A folk-hero is the gaucho, the hard-riding cowboy who roamed the Pampa where, in the words of an Argentine writer, "The horizon is always indeterminate... and you cannot tell where the earth ends and the sky begins." for approximately 100 years, beginning in the mid-18th century, the gauchos, usually *mestizos*, formed a numerous and vigorous segment of the population. They killed wild cattle for their hides and fought in the armies of the *caudillos*, who rewarded them well for their services. As the *caudillos* fell before the armies of the *ponteños* and as the cattle ranches and cash-crop farms spread out over the Pampa, the gauchos fought back, but today the original gaucho type exists only in song and story (see ch. 10, Artistic and Intellectual Expression).

The people's great national hero was José de San Martín (1778–1850), the liberator of southern South America. A brilliant soldier, he moved more than 5,000 men across the Andes from Argentina to Chile, one of the outstanding achievements in military history. Streets and squares named for San Martín are found throughout Argentina.

Although the character of the society has been predominantly influenced by *criollos* and by the comparatively recent waves of Italian and Spanish immigration, people of other nationalities also have been absorbed into the population. Among these were French, Germans, English, Welsh, Scotch, Irish, Russians, Syrians, Lebanese, Turks, Austrians, Hungarians, Yugoslavs and Poles.

Since 1954 immigration has dwindled to a trickle. During the 1954–68 period, relatively stable conditions in Europe reduced the number of people eager to start a new life in South America. Population growth was also affected by a diminishing birth rate, which was lower than those of neighboring countries. Relatively high standards of living in a largely middle-class society, urbanization and industrialization have combined to create a tendency toward smaller families. The decline in population growth has caused concern among Argentine leaders. A related concern has been the number of people, including professionally and technically trained personnel, who have emigrated since the early 1950's.

A particularly important element in the social structure is the family, an institution which reflects both the Spanish colonial heritage and the impact of the industrial age. Family connections and loyalties play a paramount part in personal, political and business relations, and the pattern is influenced profoundly by religious institutions and the legal system.

Since colonial times family structure and functions have changed less

in rural areas than in urban centers, where middle-class families are not as strictly bound by tradition, but most Argentines, regardless of class or locality, place loyalty to the family above obligations to any other group or organization with which they may be involved. They tend to feel that only members of their families, however distant the relationship, can be expected to appreciate fully their personal qualities and to render assistance when it is needed (see ch. 7, Family).

The people speak Spanish with a distinctively Argentine flavor, laced with expressions, new pronunciations and gestures contributed mainly by Italians. *Porteños* have their own accent, one not regarded with favor by Spaniards who speak Castilian.

French was once the second language of the privileged classes, but English is now spoken by an increasing number of Argentines—notably in business and professional circles in the cities. The German- and Anglo-Argentine communities for the most part are bilingual, and many immigrants continue to speak their native languages. Among the foreignlanguage publications in cosmopolitan Buenos Aires are dailies printed in English, German, Italian, Yiddish and French and periodicals published in 21 other languages.

The people are among the best informed and best read in the Western Hemisphere. They have a literacy rate estimated in 1968 at better than 90 percent—the highest in Latin America. They support hundreds of newspapers and periodicals, some of which enjoy worldwide recognition for their journalistic excellence and their adherence to the principle of freedom of the press. Daily circulation of newspapers throughout the country exceeded 3.25 million copies. Radio networks blanketed the country, and as the use of transistor receiving sets became widespread, radio broadcasts reached virtually everyone in the land. Millions also watched television, a rapidly growing mass medium.

In Buenos Aires, the leading publishing center of South America, hundreds of translations of European and North American works are published every year along with the works of Argentine writers, European and North American operas, theatrical performances and motion pictures play a significant part in the cultural life of the people.

Most Argentines place more confidence in the printed word than in radio and television. Their attitude toward the content of the mass media is perceptive, questioning and often skeptical. Much of their exchange of information and ideas takes place in cafes or clubs, where they gather after work in the cities and, to some extent, in the country stores (see ch. 16, Public Information).

A free educational system provides the great majority of the people with an opportunity for elementary education, and large numbers go on to secondary schools and to universities. In 1968, for example, enrollment at the University of Buenos Aires was estimated at more than 97,000. Since the beginning of the 20th century the universities, once autonomous, have become centers of political agitation. As a result, in 1968 the national universities were controlled by government-appointed administrators.

The character of the society is broadly influenced by Roman Catholicism, the state religion and the professed faith of more than 90 percent of the people. The Constitution requires that both the President and the Vice President be Catholics. It also guarantees religious freedom, which is enjoyed by Protestants of various denominations and by Jews, whose combined numbers constitute an estimated 4 percent of the population. Government relations with the Church are conducted by the minister of foreign affairs and worship. The Catholic Church does not exercise the power it possessed in colonial times and in the 19th century, but it still plays an important part in the lives of most of the people, particularly the wealthy and the important segments of the middle class.

Inclusion of the colors of the Virgin Mary, blue and white, in the national flag along with the Sun of May, symbol of freedom from Spain, represents the traditional relationship between church and state. In the 16th century missionaries and officials of the Catholic Church went to the Río de la Plata region under royal patronage, and missions were controlled by the Spanish department of colonial affairs. Relations between ecclesiastical and civil authorities were not always harmonious, but the Church became firmly established and exercised a far-reaching influence in both the spiritual and secular lives of its communicants. Members of various orders, including Jesuits, Franciscans and Dominicans, held high office in the hierarchy and, in the course of propagating the faith and establishing schools, set patterns of education which influenced teaching throughout the colonial period. Córdoba, seat of the bishopric of Tucumán, which was founded in 1570, is today regarded by many as the spiritual center of the nation.

Until the latter part of the Perón regime, in the early 1950's, the Church traditionally worked with the government in power, which looked to the Church to engender popular backing while it received material support from the state. In 1955, however, Perón initiated policies contrary to those of the Church and mounted attacks which led to his excommunication and contributed to his downfall in 1955.

Since 1955 differences between traditional elements in the Church and the liberals who actively espouse both reform and the cause of the underprivileged have become increasingly apparent. In 1968 "worker priests" who agitated for better working and living conditions for laborers confronted the conservative segments of the hierarchy.

Lack of candidates for the priesthood is so marked that many priests have been brought in from Europe. Nevertheless, most Argentines feel respect for the hierarchy and the Church. A large proportion of the people do not attend services regularly, but the great majority assume that their weddings, baptisms and funerals will be conducted by Roman Catholic clergy (see ch. 11, Religion).

The nation's wealth in the past has derived principally from its agri-

cultural and pastoral production. In 1968 the industrial, construction and service sectors contributed the larger portion of the gross national product, but the economy continued to depend on the export of primary products for most of its foreign exchange, even though their production contributed only about 15 percent of the gross domestic product.

Approximately 11 percent of the land is cultivated; more than 40 percent is pasture. Important exports are meat, wool, wheat and other cereals, dairy products, vegetable oils and fats. Among the principal imports are iron, steel and other metals, machinery and vehicles, chemicals and pharmaceuticals, fuel and lubricants.

The Spaniards who settled what is now Argentina found neither the silver and gold nor the Indian civilizations which had existed in Peru and Mexico. As a result, the Río de la Plata area was neglected by the colonial authorities for some 200 years while the inhabitants engaged in trade—selling food, mules and other commodities to the mining regions of Upper Peru (present-day Bolivia). Subsequently, the principal exports to Europe were hides and tallow.

In the latter half of the 19th century the introduction of barbed wire to fence cattle ranges and the use of imported breeding stock helped to make cattle raising highly profitable. When railroads were built, radiating from Buenos Aires and other ports, and meat began to move to Europe in refrigerated ships, the country enjoyed a boom which lasted, with certain interruptions, until the late 1920's. The greatest beneficiaries were the cattle barons, the commercial agriculturists and their associates in commerce and banking, but most of the people profited to some extent, and the population evolved into a predominantly middle-class society.

Commercial and financial ties with England became increasingly close. England imported vast quantities of agricultural and pastoral products and exported capital, goods and talent. The British built railroads, installed public utilities, lent money, operated estates and played a prominent part in the social and cultural life of Buenos Aires.

The character of the society was profoundly influenced by economic development. The prosperity of the port cities and growing industrialization caused many rural dwellers to believe they were at a disadvantage as long as they remained in the countryside. They began to move to the cities, where they joined the labor force or became "shirtless ones" in the slums. Increasing urbanization and industrialization provided breeding grounds for new political groupings, such as the Socialists and Radicals who rose to challenge the power of the conservative landowners, the Church and other privileged segments of the society.

The industrial population, organized into powerful labor unions, formed an important part of Perón's constituency in the 1940's and early 1950's. Perón's neglect of the agricultural sector's welfare and his prodigious efforts to increase domestic manufactures, to provide higher wages and more advantages for workers and to purchase foreign-owned railroads and public utilities contributed to economic difficulties that still existed in the mid-1960's. A sizable foreign debt, serious fiscal problems, an unbalanced budget, deficits generated by state enterprises and inflation were among the challenges faced by the government of Lieutenant General Juan Carlos Onganía when it assumed power in June 1966, replacing the elected president, Arturo Illía.

In 1968 labor unions were demanding higher wages, although the nation's economy had been stagnating for 20 years or more, while most people were having difficulty in coping with increasing inflation. As in other large countries with impressive natural and human resources, in 1968 the country faced economic difficulties which the government was endeavoring to remove. Among the greatest needs were increased savings and domestic investment, price and wage stability, improvement of transportation facilities and augmentation of the entrepreneurial and technological classes.

A majority of the people probably regard a republican form of government as ideal. The Constitution of 1853, patterned after that of the United States, provided for the separation of powers—executive, legislative and judicial—at both national and provincial levels. During the latter half of the 19th century and the early years of the 20th, the government was controlled by the oligarchy of landowners, the Church and financial interests.

In 1916 the people elected to the presidency the first representative of the middle class, a candidate of the Radical Party. The Radical Party and its offshoots and the Conservatives played the leading roles in the political arena until 1943, when Perón and his military colleagues seized power and virtually eliminated the two-party system. More than 13 years after their leader's downfall and exile the Peronists in their several manifestations and divisions constituted the largest potential political force in the country, whereas the older parties were fragmented and relatively weak.

The fear that Peronists would achieve additional gains in the congressional and gubernatorial elections scheduled for 1967 was probably a principal rationale underlying the armed forces' decision to seize power in 1966 and to suspend the activities of all political parties. In 1968 important political forces included two large segments of the General Confederation of Labor (Confederación General de Trabajadores), one group not disposed to oppose the Onganía government outright and the other following a hard, antigovernment line. The Communist Party, which had an estimated membership of 65,000, followed the so-called "peaceful coexistence" line of the Soviet Union, although in 1968 there were indications it was tending toward seeking to influence the "Paseo Colon" (antigovernment) group.

Thus, after a century and a half the people continued to seek a workable political establishment. Between 1930 and 1966, 9 out of 12 presidents were military officers. The military have regarded themselves as custodians of law and order and have intervened whenever they believed a civilian government was failing in its duty. The Onganía government announced in 1966 that it intended to govern until the country was capable of resuming life under a civilian regime governing in accordance with the Constitution. It issued the Statute of the Argentine Revolution, which placed both executive and legislative functions in the hands of the President. Portions of the Constitution which did not conflict with the Statutes remained in force (see ch. 14, Political Dynamics).

Attitudes and beliefs of the people have thus been molded by a variety of influences. Iberian culture dominated the scene until the early 19th century. The ideas of Western European and North American political philosophers influenced the framers of the Constitution. Modern Mediterranean civilization infused traits now observable in the large middle class. German national socialism and Italian fascism enjoyed popularity with the men in power during the 1940's and early 1950's but were largely rejected by Perón's successors.

CHAPTER 2

PHYSICAL ENVIRONMENT

The physical features of the country are extremely varied, ranging from the highest mountain peaks of the Western Hemisphere, straddling its Chilean frontier, to a dry lake more than 100 feet below sea level. Buenos Aires, the capital city, is South America's largest metropolis, but the expanses of Patagonia are peopled by fewer than three persons per square mile. The railroad network is the most extensive on the continent, but the inadequacy of the transportation system as a whole deters political and social integration and economic development.

Among the indigenous species of vegetation are a giant herb the size of a tree, lavish jungle foliage and sparse desert scrub. The wildlife includes a camel-like ancestor of the llama and a kind of ostrich. In different parts of the country the continent's highest and lowest temperatures are registered. The soils of the Pampa are among the deepest and richest in the world, but there are also deserts and swamps, and, with the changing of the seasons, portions of the Chaco plain in the north change from one to the other.

The country is formed roughly in the shape of a giant cornucopia (see fig. 1). It has a continental landmass of about 1,072,000 square miles, which makes it the second largest country in South America. In addition, it disputes the claim of Great Britain to the Falkland Islands (Islas Malvinas) and to certain other South Atlantic islands and has agreed with other claimants to hold in abeyance its claim to a large, wedge-shaped section of Antarctica.

Extending 2,200 miles from the Bolivian border in the north to Tierra del Fuego in the south, its lateral extension is about 800 miles at its broadest point. Its 2,500-mile Atlantic coastline is punctuated by only an occasional harbor and experiences wide tidal variations which reach 38 feet between high and low tides at the southern port of Río Gallegos. Virtually the entire country lies to the east of the United States, and Buenos Aires is longitude 7° east of Bermuda.

About 41 percent of the landmass is in permanent meadow and pasture; 36 percent is forested; 11 percent is arable or under tree crops; and 12 percent is unproductive. These figures represent a consensus of estimates available in 1968 and have various dates of origin. A government estimate issued in 1965 indicated unproductive land, including urban areas, to represent 16 percent of the total. The greatest peak of the Andes is 22,834-foot Aconcagua, the highest mountain in the Western Hemisphere. A few miles to the south, Portezuela de Tupungato peak has an elevation of 22,310 feet. Between these two peaks, the 12,200-foot Uspallata Pass is the principal communications route between Argentina and Chile. The Caracoles Tunnel channels highway traffic under the Pass and international air flights are routed through it. North of Aconcagua there are four peaks of 20,000 feet or more in height, and the approximately 20 northern passes are all more than 10,000 feet in altitude. To the south the peaks of the Patagonian Andes are lower, and passes become easier to traverse. Close to the tip of the continent, however, the Cerro Chaltel peak rises to 11,600 feet.

From Mendoza Province northward the eastern approaches to the Andes take the form of the broad and arid Piedmont sector. To the south the Andes meet the Patagonian plain without a Piedmont intervention. In the extreme northeast rolling prairie and tropical and semitropical woodland occur between the Río Paraná and the Río Uruguay. Between this area and the Andes and the Piedmont, an immense series of plains spans the full length of the country from north to south and includes almost two-thirds of its territory.

In its northern portion this flatland is the Argentine sector of the Gran Chaco, a plateau region which includes a small part of Brazil and most of Paraguay. To its south, climatic and soil conditions change sharply, and the flatland becomes the Pampa, which is the cattle and farming center of the country, its most populous region and the site of Buenos Aires. South of the Pampa the flatland is known as Patagonia, an arid waste of vast distances, incessant winds, very few people and a great many sheep.

The city of Buenos Aires, with its suburbs, is the home of close to onethird of the population. Density of the population in general tends to decrease in direct proportion to its distance from the capital. Land suitable for ranching or farming, obtaining mineral deposits and developing potential sources of hydroelectric power decreases in usefulness in a similar proportion. In general, the transportation network serves to link the various parts of the country not with one another but with Buenos Aires.

GENERAL SETTING

Argentina, like Chile, extends farther south than any other country. It has boundaries with five neighbors, but the bulk of its population, concentrated on the Pampa, is remote from the population centers of Chile, Bolivia and Brazil. Only Uruguay and, to a lesser extent, Paraguay are readily accessible.

Throughout its history the country has remained remote from major migration and trade routes as well as from power centers. In 1968 the Ezeiza International Airport at Buenos Aires remained less a crossroads than a final destination. Political, economic and social development have been influenced profoundly by the fact that travelers and merchandise go to or from but not through Argentina. The highway and railroad networks are constructed to connect Buenos Aires with a few other cities and towns, but there are so few interconnecting lines that the urban centers have no ready way of communicating with one another, and the more remote rural areas are left in virtual isolation.

The loneliness of the countryside may help to account for the melancholy of the national songs and literature, a tendency toward somberness in dress and a generally fatalistic outlook. The Pampa rather than crowded Buenos Aires is the Argentine's spiritual home, and the gaucho of the Pampa remains the country's archetype. The word "gaucho," of Quechuan Indian origin, means orphan or abandoned one.

NATURAL FEATURES

Geographical Regions

A country so varied in physical environment cannot easily be described as a whole, and almost all observers have arbitrarily divided it into regions. One of these is the Pampa, a flat and fertile area facing on the Atlantic Ocean in the east-central part of the country. Patagonia, the windy plateau and its Andean ramparts south of the Río Colorado, is another. The Pampa and Patagonia constitute about half of the country's total land area. The remaining half of the country may be divided into two additional regions by drawing a line northward from the northwestern Pampa to a spot near the Argentine tripoint with Bolivia and Paraguay (see fig. 2). West of this line is found the region of the Northwest Andes and their Piedmont approaches. East of it is the Chaco mesopotamian area customarily referred to as the Northeast.

The Pampa

The Pampa, a great oval extending more than 500 miles both north to south and east to west, is the heartland of the country. Consisting of only about one-fifth of the national territory, it includes well over half of the population, approximately 60 percent of the railroad network, 70 percent of the paved roads and 80 percent of the industrial establishments. Nearly all the cereal crops, truck farm and dairy products and cattle come from it.

Pampa is a Quechuan Indian word meaning flat area or steppe, and the region consists almost entirely of an unbroken and very fertile plain. To the north its limits are determined by juncture with the scrub forests and savannas of the less fertile Chaco plain and to the south and west by a line of diminishing rainfall. Southward, this line corresponds roughly to the Río Colorado, which bisects the country on a slanting course from the Andes to the sea between latitudes 35° and 40° S. To the west it corresponds to the beginnings of the Andean Piedmont and, along the north-

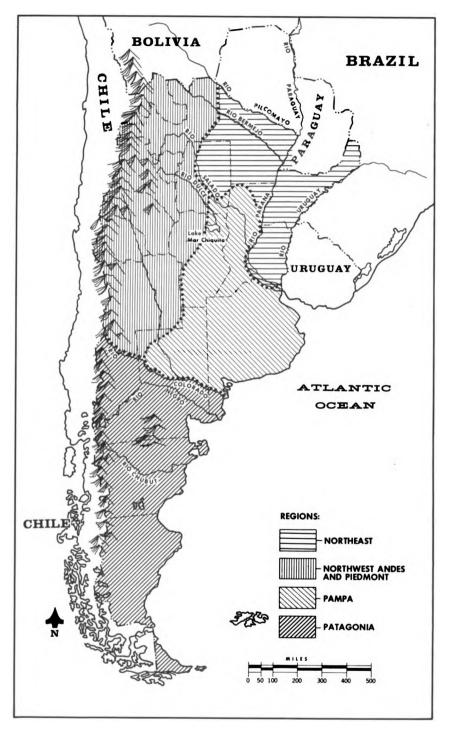


Figure 2. Physical regions and relief features of Argentina.

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ern part of the western edge, to a low mountain chain called the Sierra de Córdoba.

Sometimes referred to as the prairie region, the Pampa is usually regarded as including, in addition to the capital city and nearly all of Buenos Aires Province, most of the provinces of La Pampa, Córdoba and Santa Fe and a small portion of Santiago del Estero. The rolling plain of the southern portion of Entre Ríos Province is separated from the Pampa by the Río de la Plata estuary and the Río Paraná. It has characteristics similar to those of the region of the Pampa, however, and is frequently regarded as a part of it.

There is a natural division into humid and dry subregions. The humid Pampa fans out some 200 miles from Buenos Aires, and the dry Pampa occupies the outer reaches of the plain where rainfall becomes progressively scantier but where cooler weather reduces the rate of evaporation of surface water. Because the distinction between the humid and dry Pampa is generally recognized, the two are frequently referred to collectively in plural form as the Pampas.

Lying beneath the soils of the region is an immense basin-like substructure of granites, gneisses and quartzites, regarded as a southern fragment of the old Brazilian massif. The Sierra del Tandil and Sierra de la Ventana, which range along the southern border of Buenos Aires Province, and the island of Martín García in the Río de la Plata are outcroppings of this crystalline substructure. The rich overlay of soils which fills the basin to varying and sometimes enormous depths is an accumulation of clays, loesses and sands. Some are apparently of marine origin, but most are products of the leaching of soils from mountain and Piedmont, or they have been deposited as dust from windstorms out of the southwest. There is a virtual absence of rock formations and stone over most of the plain.

Although the granitic underlay is believed to be uneven, the surface of the plain is monotonously smooth, and there is a tilting toward the Atlantic coast which results in a pattern of drainage from the northwest. The tilting is so slight, however, that in some areas water cannot drain properly, and even though the average rainfall is light there are swampy areas in the southeast. In other areas ground water drains readily through the more porous soils.

The Northwest Andes and Piedmont

A region as large as the Pampa extends along the western half of the country from Patagonia in the south to the Bolivian border in the north. On the west it is bordered by the Chilean frontier and on the east by the Pampa-Chaco section of the great plain that runs the full length of the country. It consists of the central and northern Andes and their Piedmont approaches and includes the first-settled parts of the country.

The Piedmont, extending from the border of Patagonia northward to a line crossing Catamarca and Tucumán Provinces, is a subregion known popularly since colonial days as the Cuyo. It includes the old cities of Mendoza and San Juan. East of the Piedmont are the dry Pampa on the southern flank and the transitional Pampean Highlands (Sierras Pampeanos) on the northern. The Highlands section (site of such old colonial cities as Tucumán, Catamarca, La Rioja and San Luis) is usually considered part of the Piedmont. In the far northwest are the high Andes and the broken Andean approaches that make up all of Jujuy Province and portions of Salta, Catamarca and Tucumán Provinces.

Economically and in population the second most important region, the Piedmont is the wine-producing portion of the country. Its arid surface is punctuated by old cities and farm villages clustered around the occasional Andean streams. Most of these watercourses are small, are intermittent toward the north and are perennial to the south. Streams run transverse to the trend of the mountains and drain generally toward the Atlantic. Many streams, however, eventually find their drainage destination in interior basins, the largest of which is the saline Lake Mar Chiquita in Córdoba Province, the country's largest lake.

The Cuyo portion of the Piedmont is an area of violent natural phenomena. At its northern extremity there are volcanoes, and all of it lies in an earthquake zone. Mendoza, its largest city, was founded in the 16th century, but in the mid-1960's it had no building more than 100 years old. In its third centennial year it had suffered a disastrous earthquake, and to prevent a recurrence of the disaster the city was rebuilt with extraordinarily wide streets and solid buildings. In 1968 the other major Cuyo city of San Juan had not recovered entirely from a major convulsion which nearly destroyed it in 1944.

The foothills north of Tucumán have a decidedly different character. In this northern extremity the high plateau, commonly referred to as the *puna*, reaches elevations of 10,000 feet or more. It is geologically and topographically similar to the Atacama *puna*, adjacent to it on the Chilean side of the continental divide, and to the Bolivian Altiplano. The topography includes dry, sandy and clay-filled salt basins, residual mountain systems and volcanic cones and debris. The sparsely populated western portions are considered totally unproductive.

The Northeast

The portion of the country to the north of the Pampa and to the east of the Northwest Andes and their foothills has a variety of natural characteristics. It usually is treated as a single region, however, because of the differences between it and the regions that adjoin it. Between the Paraná and Uruguay rivers the Northeast includes the provinces of Entre Ríos, Corrientes and Misiones, which are known as the Argentine Mesopotamia. The rolling prairie of Entre Ríos is usually associated with the Pampa, whereas the two more northern provinces consist largely of subtropical woodland. West of the broad Río Paraná is the Chaco plain, including Chaco and Formosa Provinces and portions of Santiago del Estero and Santa Fe Provinces. The fertile soils of the mesopotamian provinces extend to depths of 20 or more feet in the Río Paraná flood plain. The contours are low and flat, and the slow course of the rivers results in seasonal flooding which drains southeastward through the Paraná-Uruguay river system. Topographical and drainage characteristics of the Chaco plain west of the Paraná are similar, but the area has shallow soils made up of alluvial materials washed down from the Andean highlands. During the seasonal rains the shallow Río Pilcomayo, Río Dulce and Río Salado watercourses overflow their banks and flood extensive areas. During dry seasons these areas become parched wastes. Government geographers refer to a 100mile-wide strip of territory extending north to south along the west bank of the Paraná as the Northern Littoral (Litoral Norte), which they consider to be a separate region transitional between the mesopotamian section and the Chaco plain.

Patagonia

Occupying more than one-fourth of the country's territory, Patagonia extends southward some 1,200 miles from the Río Colorado to Tierra del Fuego and from the Atlantic westward to the Andean frontier with Chile. It includes all of the provinces of Neuquén, Río Negro, Chubut and Santa Cruz and a southern panhandle of the province of Buenos Aires. The National Territory of Tierra del Fuego is considered a part of it.

Patagonia is a land of arid and windy plateaus, crossed at intervals by a few rivers whose wide and deep valleys were carved out in past ages by floods from melting Andean icefields. The coast is fringed by steep escarpments which truncate the interior plateau at heights ranging from about 200 feet in the north and south to nearly 2,000 feet in the vicinity of the port town of Comodoro Rivadavia. In some places a narrow coastal plain borders the cliffs.

Rising in tiers toward the west, the heavily eroded plateau reaches altitudes of some 5,000 feet. In the northern section between the Río Negro and Río Colorado, however, the Granbajo de Gualicho, a large natural depression, descends to 105 feet below sea level. The Patagonian soils, probably resting on a crystalline foundation similar to that of the Pampa, are considerably shallower and less productive than those of the littoral farther to the north. They are made up of continental deposits accumulated over long periods, principally as sandstones but including clays and marls near the Atlantic.

The southern Andes have natural features entirely different from those of the plateau land. Occasionally they are regarded as a separate region but more frequently are considered a part of Patagonia. The southern Andes, which deteriorate south of the Río Colorado and become a marginal chain south of the Río Chubut, are dotted with scenic lakes between the two rivers. The best known of these, Lake Nahuel Huapi, is the site of the world-famous resort of San Carlos de Bariloche. In the far south there are glaciers, icefields and moraine-blocked lakes which drain into the Pacific. The largest of the lakes, Lake Buenos Aires in Santa Cruz Province, extends westward and spans the Chilean frontier. The Andes serve also as the source of the Patagonian rivers. The larger rivers drain into the Atlantic, but many smaller streams drain internally into large lakes in the plateau lands of Chubut and Santa Cruz Provinces.

Vegetation

The variety of flora in the country is great and ranges from the rain forest of the northeastern frontier to the scrub of Patagonia and the cactus of the Andean *puna*. Argentina is not a heavily wooded country, however, and the grassy plain, desert, high plateau and barren mountain slopes are more characteristic than the occasional areas of lush and tangled growth. In general, it is possible to conduct a census of species of Argentine vegetation on the basis of the four major geographical regions.

The Pampa once was covered by the native grass, the *pasto duro*, which grew in spiny clumps up to 3 feet high and once provided nourishment for the wild cattle and horses descended from animals which had escaped from unsuccessful early Spanish settlement efforts. There was also a giant thistle which grew rapidly during the season of spring rains. The *ombú*, a long-lived growth, more like an herb than a tree, had a huge and pulpy trunk and was useless even as fuel. It grew to great heights, however, and provided shelter to range cattle and to horsemen in a region where no other shade was available. It became known as the lighthouse of the Pampa and achieved the status of a national symbol. During the last century, however, the indigenous growths have been replaced largely by European grasses, alfalfa and cereal crops, and the *ombú* is seen less frequently than the eucalyptus and poplar that are planted around ranchhouses.

In the extreme northwest, foothill areas are marked by scrub forest and, as the high plateau is reached, by giant cacti reaching 30 feet in height and by other desert flora. In the Piedmont, scrub and desert growths are relieved by the vineyards and other planted greenery around the oasis population clusters. The central and southern Andes produce laurel and scrub oak at lower levels, and conifers and elderberry flourish at higher altitudes.

In the Northeast the northern reaches of the mesopotamian area are in large part covered by vegetation characteristic of tropical rain forest. Large tropical trees are draped with lianas, bamboos, tropical herbs and thick growths of shrub which include the indigenous *yerba*, cultivated as *yerba mate*—the popular Paraguayan tea—in plantations scattered about the region. Commercially, the most important of the tropical hardwoods is the quebracho or "axe-breaker," the source of an extract that is important in the tanning of leather. It also is the source of high-grade charcoal and the principal source of railroad ties and fenceposts in the Pampa. In the southern mesopotamian area the tropical forest growths give way to scattered and mixed woodlands and eventually to the rolling grasslands of Entre Ríos. West of the Río Paraná, in the Chaco plain, there is scrub and semitropical forest in the north and scrub forest in the south which gives way to savannas and eventually to the open Pampa.

South of the Río Colorado the Patagonian plain has little greenery of any sort except in the river valleys where cultivated grasses flourish. On the plateau, desert brush and scrub, seldom more than 3 feet in height, are scattered without relief of other vegetation except where planted poplars serve as windbreaks for settlements. In the reaches of the Patagonian Andes, deciduous and evergreen beeches and Chilean pines are characteristic, particularly in the wooded lake sector around San Carlos de Bariloche, where plentiful rainfall results in a good forest cover.

Wildlife

Wildlife in great variety is found in the humid lowlands of the Paraguay and Paraná rivers where some of the principal species are the howler monkey, the tapir, the marsh deer, the giant anteater, the jaguar and the ocelot. There are also alligators, a variety of turtles and lizards and numerous kinds of snakes. Reptile species include an occasional boa constrictor and such poisonous varieties as the rattlesnake, coral snake and fer-de-lance. The country's best game fish, the *dorado*, is found in the waters of the Paraná-Uruguay river system.

There is little wildlife of significance in most of the Pampa and the Piedmont, but wild boar, wild goats, hares and an occasional puma are found in the Andes. On high plateaus droves of miniature donkeys and llamas, alpacas and vicuñas are sometimes seen. Trout are plentiful in mountain lakes, where salmon grow to enormous size. Off the Atlantic coast a wide continental shelf provides the basis for potentially important commercial fishing grounds, but ocean fishing has been virtually neglected.

It is the variety of grassland and desert fauna of Patagonia that gives the country's wildlife its distinctive character. Most striking are a camellike relative of the llama, called the guanaco, and the ostrich-like rhea. These two species and deer sometimes run sociably together in mixed herds. There is also a large assortment of burrowing rodents which riddle the plain with their holes in the manner of North American prairie dogs. Among the common Patagonian bird species are the *perdiz*, which resembles the partridge, the ovenbird and the great condor of the mountains. Wild dogs and red foxes roam the region and represent hazards to sheep.

Mineral Resources

Mineral resources are varied, but the known deposits are small ones usually found in remote localities. There is little reason to believe that there remain substantial undiscovered reserves of mineral wealth. With the exception of petroleum and natural gas, almost all of the deposits are in the Andes chain and its approaches north of Mendoza, a zone which corresponds geologically and topographically to the heavily mineralized zone of Chile extending northward from the vicinity of Santiago to the Peruvian border. The most extensive and varied Argentine concentration occurs in the far northwestern parts of Jujuy and Salta Provinces.

Petroleum is the only mineral produced in substantial quantity. The largest oilfields are located near the port town of Comodoro Rivadavia in Patagonia. There is also production from the Piedmont oilfields at Tupungato in Mendoza Province and Tartagal in Salta Province, from an oilfield at Plaza Huincul in Neuquén Province and on Tierra del Fuego from an extension of Chile's Manantiales oilfield.

Soft coal is mined in limited quantities from the Río Turbio deposits in the inaccessible southwestern part of Santa Cruz Province. Unworked lateritic coal reserves are located south of San Carlas de Bariloche and in the Piedmont between the cities of Mendoza and La Rioja. Asphaltite deposits are found in the western portions of the provinces of Mendoza and Neuquén.

There is a small iron industry at Zapla, and ore is mined from a 200million-ton deposit at Sierra Grande near the Patagonian coastal town of Rawson. There are also reserves in the Sierra de Córdoba range. Other metallic minerals mined in small quantities include lead, tungsten, tin, beryllium, zinc, copper and manganese. Among the nonmetallic minerals exploited, the most important is salt from beds in the far northeast and from saline lakes scattered about the Piedmont. Other nonmetallics worked on a small scale include gypsum, refractory clays, sulfur, kaolin and asbestos. Minerals for which no recent production has been reported but which are known to exist are gold, silver, molybdenum, vanadium, mica, potash and talc.

Building materials include limestone, sands, granites, quartzites, basalt, silicon sand, dolomite and marble. The virtual absence of rock formations or stone of any kind on the broad surface of the Pampa, however, has been a serious problem for roadbuilders and housing constructors.

Climate

In Buenos Aires and its immediate vicinity the average annual temperature is about 62° F., ranging from 72° F. during the Southern Hemisphere summer (December through February) to 50° F. during the winter (June through August). Rainfall is distributed throughout the year, but a somewhat heavier fall occurs during the winter months. There is seldom any winter snowfall, and vegetation is unlikely to be frozen although frosts occasionally occur. Summer temperatures can become disagreeably hot, and the humidity, averaging about 76 percent for the year, is high in all seasons and aggravates the unpleasantness both of summer heat and of winter chill.

The capital and nearby portions of the Pampa are affected by the oc-

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casional violent windstorm known as the *pampero*. This storm, usually bringing with it drenching rains, is caused by the meeting of cool winds blown northward from Patagonia with warm airmasses from the humid northwest. It is accompanied by massive backing up of the waters of the Río de la Plata which, before the improvement of harbor facilities, represented a serious hazard to shipping.

Temperatures and temperature ranges in the dry as well as in the humid Pampa are generally similar to those in the city of Buenos Aires, and there is little variation between different portions of that area. Rainfall and humidity, however, diminish toward the western and southern fringes of the region, and the precipitation decreases generally to about 10 inches at the perimeter. In addition, humidity decreases; frosts become more severe; and the likelihood of some snowfall increases.

The mesopotamian provinces are hot and humid; there is little seasonal variation in temperatures; and humidities range from 85 to 90 percent during the Argentine winter months. Temperatures throughout the area average over 70° F., and the rainfall in the extreme Northeast is the country's heaviest. As a whole, rainfall averages 70 inches annually in Misiones Province, 40 to 50 inches in Corrientes and about 35 inches in Entre Ríos.

Westward across the Paraná, in the Chaco plain the temperature averages 74° F.; there is little seasonal change; but there is a pronounced dry season in which rainfall reaches near zero during the summer. In this area both annual rainfall and average humidity decrease progressively toward the west. Farther westward, the land rises toward the high and arid plains of the *puna* and the peaks of the northern Andes; the temperature drops to an annual average of the low 50's; and the rainfall decreases to 2 or 3 inches annually. Some of the lower valleys of Salta and Jujuy Provinces, however, are humid and moist. Immediately to their south, the sugar-growing region of Tucumán Province has ample rainfall, mild winters and summers which are uncomfortably hot in the lower reaches.

In the Piedmont region the climate is dry and, in the lower regions, substantially hotter than on the Pampa. In Santiago del Estero temperatures of 118° F. are as high as any ever recorded on the South American continent. Winds blow across the bare *puna*, and humidity is low except in occasional damp depressions.

On the Patagonian desert, humidity is low, and temperatures and rainfall become progressively lower from north to south. In general, rains average about 10 inches a year in the north and decrease southward. The principal exception is the cool and humid alpine lake district around San Carlos de Bariloche in Neuquén Province, high in the Andes. Throughout Patagonia, however, winters are mild because the tapering of the continent and the lower altitudes of the southern Andes make available to the region the warm effect blown in from both the Atlantic and the Pacific Oceans.

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There is never any actual summer in Patagonia, but ranges in temperature are not great in most parts of the region. Annual changes on the basis of monthly averages are about 23° F. in southernmost Santa Cruz Province, but only about 16° F. on Tierra del Fuego. The coldest monthly average temperature recorded in any portion of the country has been a few degrees below zero in western Santa Cruz Province, but occasional readings as low as -22° F. have been recorded in south-central Chubut Province.

The almost continuous high winds which sweep over the Patagonian region scatter dust and inhibit the growth of plantlife. It is these winds and the absence of surface water at higher elevations which have driven the sheep ranches of Patagonia into the comparative comfort of the occasional wide river valleys which dissect the plateau.

TERRITORY AND BOUNDARIES

International boundaries coincide generally with natural features, and all but a few miles of the frontiers have been demarcated. On the west the 3,200-mile border with Chile follows Andean crests and watersheds almost to the tip of the continent where it veers eastward to the tip of Punta Dungeness, which guards the eastern entrance to the Strait of Magellan. Tierra del Fuego is bisected by a straight line drawn at latitude 68° 34'S. After the settlement in 1966 of a dispute concerning a small section of territory in the lake country of the south, the only remaining border issue outstanding with Chile concerned three small islands immediately to the south of the principal island of Tierra del Fuego, which in 1968 were still claimed by both countries.

The Bolivian frontier extends 400 miles between the crests of mountain peaks and along watercourses except where straight lines are drawn for short distances to connect these natural border sections. The 1,000mile frontier with Paraguay, formed by the channels of the Paraná and the Pilcomayo rivers, in 1968 had been demarcated except for a 60mile section of the Pilcomayo where the location of the channel had not been determined. The Brazilian frontier follows the channels of the Río Uruguay and of smaller streams for a total of 700 miles north and west to the Paraná. There are no border disputes with Bolivia, Paraguay or Brazil.

The entire Uruguayan frontier is marked by the course of the Río Uruguay. The ratification in 1965 of a 1961 treaty settled the title to most of the numerous islands dotting the river. In 1968, however, both countries continued to claim certain islands near the river's mouth below the town of Punta Gorda. The most important was Martín García, which was administered by Argentina and was the traditional detention place for political prisoners. In 1961 the two countries issued a joint declaration setting the outer limits of the Río de la Plata estuary. Since the estuary's width is 30 or more miles for most of its length, however, the United States considers it an international waterway. The most active of Argentina's territorial disputes remaining unsettled in 1968 was the perennial conflict concerning the Falkland Islands, a group of two major and numerous smaller islands administered by Great Britain (see ch. 15, Foreign Relations). Their total area is about 4,600 square miles. Both countries established early colonies which did not survive, but Great Britain has occupied the islands continuously since 1833 as a coaling station and whaling port and for sheep ranching.

Argentina prohibits direct intercourse between its mainland and these islands. It refers to them as the Islas Malvinas, and its maps show a complete array of Spanish place names for localities in the islands in place of the English names selected by the British.

In addition, Argentina claims a wedge-shaped section of the Antarctic continent and adjacent waters beginning at latitude 60° S, between longitudes 25° and 74° W, and extending from these points to the South Pole. The area includes the Graham Land peninsula, which juts 800 miles northward from the Antarctic mainland, the South Shetland Islands, the South Orkney Islands and some other smaller islands. The area is also claimed by Great Britain on the basis of priority of discovery followed by formal claim and establishment of local administration under the governor of the Falkland Islands. Chile maintains a claim to the same territory on the basis of proximity and the placement of symbolic garrisons. In 1949 the three countries agreed to notify one another before sending ships into the area. In 1959 they were among 12 interested countries that signed a multilateral treaty in Washington which resolved to suspend all territorial claims in Antarctica for a period of 30 years. The agreement covered the Falkland dependencies in the South Atlantic but did not include the Falkland Islands themselves.

POLITICAL SUBDIVISIONS

The country is divided into 22 provinces, the National Territory of Tierra del Fuego and the Federal District of Buenos Aires. Buenos Aires was originally a part of the province of that name. It later was separated from the province, and a provincial capital was established at La Plata, about 40 miles southeast on the banks of the Río de la Plata.

A majority of the provincial frontiers are straight lines, most of which run north to south and east to west. The Río Paraná, Río Colorado and other rivers and streams frequently serve as provincial boundaries, and occasionally the crest of a range of hills or mountains is used. Provinces do not reflect ethnic groupings and frequently fail to coincide with the major geographic regions. For example, the borders of all of the provinces of the Pampa extend beyond its limits. Most provinces are made up of the hinterland of a single large city which bears the provincial name. In the earlier settled portions of the country—the Pampa and the Piedmont the capital cities were established long before provincial borders were determined and the provincial capital tends to dominate the life of the province as Buenos Aires dominates the life of the nation.

Provincial boundaries, however, occasionally are changed, and political subdivisions sometimes are divided or combined. The internal political map took its present form in 1955 when the number of provinces was increased to 22 by assigning provincial status to various national territories in a redrawing of the map which saw one territory abolished and its lands divided between two neighboring provinces.

Internal boundaries do not ordinarily limit communications or political, economic or social integration within the country. Because of the commanding position of the provincial capital cities, however, there is considerable local chauvinism, and boundaries are sometimes contested. At the beginning of 1968 one such dispute involved the provinces of Tucumán and Salta; the issue apparently involved the allocation of federal funds and the control of policy regarding public works in the disputed area. In commenting on the altercation, the Buenos Aires press observed that public works should be planned on a regional basis and that planners should not be bound by past precedents which have very little to do with modern geography.

SETTLEMENT PATTERNS

Most of the capital cities of Latin America are also the principal population centers of the countries involved. Nowhere else, however, does population clustering around the place of the seat of government reach the extreme which it attains in Argentina. In the 1960's Buenos Aires was the largest city in Latin America and the largest urban center in the Southern Hemisphere.

The Avenida General Paz beltway girdles the city proper. Beyond it, a total of 18 suburban clusters, called *partidos*, extend to a distance of about 10 miles beyond the beltway. At the rim of the city itself, shantytowns, literally called villages of misery (villas de miserías), are crowded with migrants from the countryside.

In 1967 the Greater Buenos Aires population of some 7 million represented close to one-third of the population of the entire country. It was not the only important population cluster, for Argentina is the most extensively urbanized country in Latin America. In 1965 about 72 percent of the population was urban; approximately 60 percent of the urban population was in cities of over 100,000. The rural people, living on farms or ranches or in villages with fewer than 2,000 people, accounted for only 28 percent, in contrast to the rural population of Latin America as a whole, which amounted to about 60 percent of the total population (see ch. 4, Population and Labor Force).

Urbanization has not been confined to the more heavily populated regions. Patagonia's population consists of less than 3 persons per square mile, but over half of it is considered urban. The explanation is found in the enormous sheep ranches which require very few people to operate them. In such a region one town with 2,000 or 3,000 people may constitute the bulk of the population within a several-hundred-mile radius. This same concentration of population in towns in even sparsely populated areas is to a lesser degree characteristic of other portions of the country. There are many Pampa cities, but they are surrounded by large rural holdings rather than small farms. In the Piedmont farms are small, but they cluster around watercourses. The desert countryside for many miles around may remain virtually devoid of human habitation. In the Northeast patterns are varied, but so much land is virtually unpopulated that there is a fairly high degree of urbanization.

The kind of urbanization which characterizes the country is largely dependent on developments that occurred in the 19th century. Small clusters of population which grew up around the manor houses of the great estates had some of the economic and social facilities ordinarily associated with towns, and landowners tended to ignore small towns in the vicinity and to maintain their more important relations with cities which might be at a considerable distance. The consequence was that towns performed few significant economic functions and stagnated, whereas cities, with their more extensive economic and cultural attractions, continued to grow.

The distribution of this predominantly urban settlement pattern has developed with a pronounced eastward tilt. Between the censuses of 1914 and 1947, 11 of the country's major political subdivisions had suffered net population losses through migration. Six of these were provinces of the Piedmont. In general, this trend had been from the countryside to cities of the Pampa and, particularly, to Buenos Aires. In 1968 there was no indication that the flow of population toward the Pampa and funneled through its cities to Buenos Aires was likely to abate.

The reasons for the location of the country's centers of population are varied. The colonial cities of the Piedmont were established in that region because the original Spanish settlers came across the Andes from earlier settlements on the Pacific coast. Along the river system of the Northeast, settlements tended to form along the banks of navigable rivers. Elsewhere in the country, there were few navigable rivers bordering on fertile lands, and no major riverine settlements were established. Along the Atlantic coastline there were no important port settlements other than Buenos Aires and Bahía Blanca because good harbors were scarce and the southern part of the coast bordered the uninviting Patagonian plain. South of Bahía Blanca the only port town of any size is Comodoro Rivadavia.

The railroad system had considerable effect on the populating of the Pampa. Lines constructed during the latter part of the 19th century were designed principally to take beef from the great cattle estates to Buenos Aires for export. At that time there were few urban areas in the region. During succeeding years, however, towns came into being or grew in size because of the existence of an adjacent railroad.

TRANSPORTATION

The country has perhaps the most extensive transportation system in South America. Highway and railroad networks, internal shipping lanes and, to a lesser extent, air routes fan out from Buenos Aires, but there are few interconnecting lines. It is often easier to reach the capital city from the old colonial towns of the Piedmont than it is to travel from one town to another. In more remote portions of the country, when newspapers arrive, they may be 4 days old.

Virtually all of the international waterborne traffic and most of the domestic shipping pass through Buenos Aires, a city so firmly established as the country's principal port that its residents are invariably referred to as *porteños* (people of the port). Coastal vessels connect it directly with the few port towns of the Pampa and of Patagonia, which is almost entirely dependent on shipping to move its merchandise. Most of the produce of the provinces of the Northeast reaches Buenos Aires on vessels plying the waters of the Paraná-Uruguay river system. The city's port facility complex is strung out along the full length of its waterfront in the four separate dock districts of Richauelo, Puerto Madero, Puerto Nuevo and Dock Sur.

The most important river port is Rosario on the Río Paraná. Located 260 miles inland from Buenos Aires, it can accommodate vessels drawing up to 24 feet of water. Smaller oceangoing craft can proceed farther up the Paraná to the Río Paraguay as far as Asunción in Paraguay. Concepción del Uruguay, some 200 miles from Buenos Aires on the Río Uruguay, is also a port for international water traffic. In the area watered by the Paraná-Uruguay system, few towns are more than 50 miles from a river navigable by small craft.

As a whole, however, the country's rivers are not effective aids to communications. Navigation on the island-dotted Paraná and Uruguay rivers is not easy; the rivers do not reach densely populated or very productive areas; and the absence of bridges across the broad Paraná has badly hindered development of the mesopotamian provinces. The only navigable streams outside the Paraná-Uruguay system are the Río Colorado and Río Negro in Patagonia, and these are not important avenues of waterborne transportation.

Bahía Blanca, at the southern extremity of the Pampa coastline, has the country's best natural harbor and ranks in importance as a port with Rosario and after Buenos Aires, La Plata and Campaña on the Río de la Plata. North of Bahía Blanca on the Atlantic coast, Necochea is an important grain shipping point. The Pampa port towns, however, have failed to reach their potential for moving the produce of southern Argentina because of the absence of rail connections with most of Patagonia and because the extensive rail system in the Pampa permits the direct movement of produce from the farms to Buenos Aires by boxcar.

Railroads, built principally by British and French interests, represent the foundation of the transportation system. Their construction began in the 1870's, and by 1900 over 10,000 miles of track had been laid. The mileage had increased to 20,000 by 1920, and in the mid-1960's there were some 27,000 miles. Lack of coordination in planning the system resulted in the laying of track in a variety of widths. The first lines were broad gauge; later ones were standard gauge (4 feet, 8 inches) or narrow gauge. A French-built line running from Buenos Aires into the Northwest was laid with 1-meter (3 feet, 3 inches) track.

The unplanned rail network was developed for the purpose of conveying the produce of the countryside by the most direct route to Buenos Aires for shipment to Europe. Routes were laid out in approximately straight lines toward indefinite terminal points until the Pampa was heavily striated with track. As a general rule the lines were not interconnecting except that Rosario, Santa Fe and Bahía Blanca served as secondary convergence points. Consequently, the installation of the rail system served to accentuate existing divisions between adjacent localities rather than to draw them together.

As it is served by the rail system, the Pampa is divided into four major zones penetrated by the main line and branches of one of the four major railroads. To the southeast the Ferrocarril del Sud serves the cities of La Plata, Mar del Plata and Bahía Blanca. The Ferrocarril Oeste runs southwest from the capital. A third line, Ferrocarril de Buenos Aires al Pacifico, turns westward to Mendoza, where it connects with rail and highway systems passing over the Andes into the central valley of Chile. The fourth line is the Ferrocarril Central Argentino, which points northwest to Rosario, Santa Fe and Córdoba.

Elsewhere, the rail system is less extensive. In the northwest international lines pass from Salta to Chile and Bolivia. A single line connects Rosario with Resistencia at the confluence of the Paraná and Paraguay rivers; two parallel railroads cross the length of the Chaco plain from east to west; and a mesopotamian system connects with the Uruguayan and Paraguayan borders.

South of the Río Colorado, the only line which provides connections to Buenos Aires runs between Bahía Blanca and the resort town of San Carlos de Bariloche. Farther south in Patagonia the only rail systems are single lines which feed from a few of the larger port towns westward across the plateau. None of these connects with another route.

The highway system has been slow to develop, and in the mid-1960's authoritative maps showed wide stretches of Patagonia and some of the other sparsely populated parts of the country without any manmade routes of communication other than tracks and trails (*huellas y senderos*).

In early 1968 the Inter-American Development Bank reported in con-

nection with its lending operations that the Argentine network included 29,000 miles of roads, of which 9,000 miles were considered to be all weather. Although some sources quote figures which indicate a considerably more extensive road network, the Development Bank statistics are roughly consistent with figures reported in 1965 by the Argentine Government.

In the mid-1960's branches of the Pan American Highway system connected the capital with all of the country's five neighbors except Uruguay. The heaviest traveled of these was an 800-mile route to Chile through Mendoza and the Caracoles Tunnel under the Andean crest at Uspallata Pass. About 500 miles of it were paved. Another international route, most of it paved, followed an intricate course of more than 1,000 miles north to the Bolivian border through Santiago del Estero, Tucumán and Salta. A road through the Chaco plain to the Paraguayan border covered 850 miles, of which some 500 miles were paved. Brazil, by way of the Iguazú Falls, could be reached through Paraguay by way of Asunción. Alternative access to Brazil and road transit to Uruguay were available by highway through Rosario or Santa Fe followed by river crossings by ferry. Most of the roads were paved.

Intraregional roads are not well developed and, like the railroads, tend to connect only major population centers. The principal interregional highway south from Buenos Aires is a coastal road which passes by alternate routes through the Pampa cities of Mar del Plata and Santa Rosa to converge at Bahía Blanca and skirt the coast of Patagonia to the far southern Patagonian town of Río Gallegos. The other north-to-south route follows the foot of the Andes from Bolivia along the full length of the Piedmont and into Patagonia, where it slants across the Patagonian plateau to join the coastal route at San Julián, about 200 miles north of Río Gallegos. In the southern half of the country these two north-tosouth road systems are supplemented by an occasional secondary road and by a great many tracks and trails.

Roads across the broad Pampa before 1870 had been vaguely defined wagon tracks worn by the passage of vehicles and animals. When these tracks became too deeply cut into the soil, powdery or muddy according to the season, travelers guided their horses and carts along new tracks that were parallel to the old ones. After the economic revolution of the 1870's, gates and barbed wire fences began to replace the open plains of the Pampa, and roads could no longer be relocated at will. The established roadways cut deeper into the prairie as dry winds blew away the dust of their surfaces and as rains converted them into quagmires. The result has been secondary roads which may be several feet below the surface of the plain. Surfacing has been urgently needed, but the Pampa has virtually no native stone or gravel, and road improvement has not been easily accomplished.

Similar problems have accompanied the development of road systems in the Northeast. In particular, seasonal flooding has been so serious that it frequently has been necessary to close even major highways for intervals to permit the escape of surface water after heavy rains.

January 1968 marked the beginning of a 3-year road improvement plan which was to add 2,500 miles of new roadways. The core element in this plan was a project to be financed in part by a loan which had been granted by the Inter-American Development Bank in December 1967. It was to include the construction or improvement of stretches of highway connecting with Bolivia and with Chile and for improvement of the Argentine section of the Caracoles Tunnel, which is shared with Chile. Probably the most significant undertaking was to be the 1-mile-long Barranqueras-Corrientes bridge across the thus far unspanned Río Paraná, an accomplishment which would end the historic isolation of the mesopotamian provinces.

Of the country's 200 airports and landing fields, the largest is the Ezeiza International Airport, located about 20 miles south of Buenos Aires and connected with it by the General Pablo Ricchieri superhighway. The Aeroparque, in downtown Buenos Aires on the banks of the Río de la Plata, and the Don Torquato airfield, to the north of the city, are also international facilities. Altogether, about 10 airports of varying size serve Greater Buenos Aires. In addition to those in the metropolitan area, there are international airports of entry in Mar del Plata, San Carlos de Bariloche, Río Gallegos and in localities close to the northern frontiers.

In 1965 a total of 89 airports had facilities considered by the government to be suitable for international flights. Of these, 20 were paved. Provincial fields carrying the heaviest traffic included those at Corrientes-Resistencia, Tucumán, Córdoba, Santa Fe, Mendoza, Bahía Blanca, Comodoro Rivadavia and Río Gallegos. Of 54 fields from which the governmentowned Aerolineas Argentinas operated, only 9 could be used by the company's largest jets, and 16 were suitable only for propeller-driven craft. The small number of large airports, coupled with a shortage of alternate landing sites near the major facilities, limited the effectiveness of the national network.

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CHAPTER 3

HISTORICAL SETTING

Argentina in 1968 was a country which had not taken full advantage of its enormous potential. A land blessed by nature with resources which could provide the basis for the creation of a world power, it was a proud nation with a racially homogeneous population.

After 1930 the country was influenced by a series of events, such as global conflicts and worldwide depression which unfavorably affected the rapid rise in economic and social progress achieved during the 19th and the early years of the 20th century. Some of these events were caused by international circumstances beyond the country's control but nevertheless resulted in a series of political upheavals which undermined the stability of the government and adversely affected the economy.

The legacy of the past continued to exert a significant influence on the nation. Its proud colonial history, successful struggle for independence and power and prestige among its neighbors all contributed to its unity and cohesion and provided a basis for continued development and progress. Counterbalancing this, however, were phases of its heritage which presented obstacles to further progress.

A series of military revolts hindered the stabilization of a democratic government. This situation was further aggravated by a centralized power system which permitted intervention in provincial affairs by the national government. This system placed the locus of power in the capital and created tension between Buenos Aires and the interior provinces. The status of Buenos Aires as the country's megalopolis represented the culmination of a process which had been developing for at least two centuries.

Mendoza, Córdoba and other major cities of the Piedmont had been founded earlier and, until well into the 19th century, continued to compete with the capital as centers of population and as focal points of political, economic and cultural influence. A shift of influence took place and, although the older urban centers did not stagnate, their population growth was slower, and their overall influence underwent a relative decline. The population flow to Buenos Aires resulted from its establishment as the nation's capital, its increasing importance as a port, the growth of industry in the vicinity and the introduction of a railroad network in the 1870's, which eventually linked the provincial cities with the capital rather than with each other. The concentration of population in the city and province of Buenos Aires created an imbalance that made political and economic equilibrium impossible.

The economy fluctuated widely over the years, ranging from extravagant prosperity during World War I to virtual stagnation during the era of Juan Domingo Perón (1943-55).

SPANISH OCCUPATION

The Spanish occupation of Argentina resulted from a misconception. It was believed that the mineral riches of Peru and Upper Peru (presentday Bolivia) extended to the southeast across the continent and that communication and transportation from Peru to the east coast were feasible and would shorten the time necessary to transport the valuable mineral cargoes from the colonies to the mother country. The usual route was by boat from Callao to Panama, by land transportation across the isthmus and then again by boat.

The first recorded arrival of Europeans in the broad estuary of the Río de la Plata was a small Spanish expedition headed by Juan Diáz de Solís, who landed on the northern bank in 1516 and was subsequently killed by the Indians. Ferdinand Magellan arrived in 1520, and in 1526 Sebastian Cabot, an Italian in the employ of Spain, sailed up the Río Paraná beyond the present city of Rosario and named the watercourse Río de la Plata in the belief that extensive silver deposits would be found in the area. Cabot also established a fort above Rosario which he named Espíritu Santo; it is believed to have been the first settlement in presentday Argentina.

In 1536 Pedro de Mendoza led a small expedition into the estuary and established a fort on the south bank in the vicinity of present-day Buenos Aires. Either because of the fresh breezes of the Río de la Plata or in honor of the patron saint of navigators, Mendoza named it Puerto de Santa Maria del Buen Aire. The local Indians at first brought food for the Spaniards, but when they found they were expected to continue this function they became hostile. The Spaniards, unable to provide for themselves, eventually had to eat rats, mice, snakes, hides and shoes. Eventually, the Indians destroyed the fort; Mendoza set sail for Spain and died en route. He had, however, sent a detachment to explore the river in the hope of finding a route to Peru, and this unit proceeded up the Paraná and Paraguay rivers and constructed a fort at Asunción, where the natives were more tractable.

The settlement at Asunción thrived and became the center of Spanish activity on the east coast. Expeditions moved down the Río Paraná and founded other towns on the Argentine plain. In 1573 the town of Santa Fe was established, and in 1580 Juan de Garay and a small force of Spaniards and *criollos* (native-born persons of Spanish descent) moved southward from Sante Fe and again occupied Buenos Aires. It is probable that Spanish women began to accompany expeditions to Argentina around 1550.

In the meantime, Spanish expeditions from the west coast began to cross the Andes by ancient Indian trails and to explore the territory to the east. A unit moved southward from Potosí, Bolivia, and established Santiago del Estero in 1553. Other cities founded by detachments moving from Chile and Peru were Mendoza, 1561; San Juan, 1562; Tucumán, 1565; and Córdoba, 1573.

The Spanish expeditions which first arrived at the Río de la Plata were not imbued with the spirit of exploration and adventure; they were motivated by a desire to obtain personal wealth, such as that which had been obtained in Mexico and Peru. Finding no evidence of mineral riches, they nevertheless pushed inland searching for a communication route to Peru. The Spanish came as conquerors, and they felt that the Indians should provide food, act as guides and undertake menial tasks, such as the construction of forts, churches and other buildings. The Indians reacted with hostility. They had never seen mounted warriors or the effect of a shot from a harquebus (portable firearm), and Spanish columns were able to defeat or disperse Indian concentrations many times their size.

Gradually the Indians were virtually eliminated, as with the Ona in Tierra del Fuego, pushed away from communication routes and Spanish settlements or pacified. Roman Catholic priests, particularly the Jesuits, established missions in which they taught the Indians agricultural skills and the Christian religion. One of the difficulties was the vulnerability of the Indians to diseases imported from Europe, such as smallpox.

Indian uprisings did not cease when the country gained its independence from Spain. In 1879 the Araucanian Indians of northern Patagonia, incensed by the continued fencing of the cattle ranches and the consequent decrease of their hunting preserves, resorted to armed conflict. They cut fences, killed farmers and stole cattle and sheep, which they transported west and sold to Chileans. General Julio A. Roca, then minister of war, organized a force estimated at 8,000. The force proceeded by train to the area where it faced about 2,000 poorly armed Indians. The Indians were completely defeated, and those not killed or captured were driven beyond the Río Negro.

In 1916 and in 1924 the Argentine army was required to take the field to quell uprisings by the Toba tribe, who inhabited the area between the Pilcomayo and Bermejo rivers near the Paraguayan border. Here, also, the Indians rebelled because of the encroachments on their remaining territories by the settlers.

Two events resulting from the arrival of the Spaniards in Argentina affected the economic and political development of the country. The first was that the horses released by the Mendoza expedition when it evacuated Buenos Aires thrived on the lush grasslands of the Pampa. When Juan de Garay reestablished the settlement in 1580, he brought with him approximately 1,000 horses and 500 cattle, many of which escaped confinement and roamed wild. As decades passed they multiplied in countless numbers. The Spaniards also brought to South America their knowledge of farming. They introduced cereals, one of which was wheat. The exportation of beef and wheat eventually became two of the most important items in the country's economy.

The second event was colonization by Spaniards from both east and west, which later caused political strife between the western inland area and the eastern coast. The western cities were developed first, and the areas around them soon were organized into provinces. The western areas remained under the jurisdiction of the governors of Peru and Chile until the creation of the Viceroyalty of La Plata in 1776. Expeditions pushing westward from La Plata eventually met those going eastward to seek an outlet on the Atlantic Ocean. A jurisdictional dispute arose that was settled by superior tribunals, which decided in favor of the colonizers coming from the east.

The city of Buenos Aires became the most important settlement on the east coast. It had an adequate anchorage and a mild climate and was surrounded inland by the fertile Pampa on which livestock flourished and agricultural products imported from Spain thrived. As Buenos Aires increased in size and importance, it attempted to gain political control of the whole country, a policy which was openly contested by the inland provinces. It was this conflict between the city and the provinces which complicated the political life and growth of the country for more than 200 years.

The Spanish possessions in the Western Hemisphere were divided into two viceroyalties, Mexico and Peru. The division continued in force until the end of the 18th century. The viceroys were appointed by the king and governed as he directed, since the territories were possessions of the Crown. The Viceroyalty of Peru was a huge area which extended from Panama to Chile and included the present states of Bolivia, Paraguay, Uruguay and Argentina.

In order to maintain strict control over imports and exports, direct traffic from Spain to Buenos Aires and other settlements on the Río de la Plata was prohibited. Necessary imports were shipped from Seville to Porto Bello in Panama, transshipped across the isthmus, taken by boat to Callao and then transported by mule train over the Andes to their destination. This route represented a lengthy voyage of more than 9,000 miles, whereas direct shipment by boat from Spain to Buenos Aires would have been almost 3,000 miles shorter. Exports, such as hides, had to return by the same circuitous route.

Although halfhearted attempts were made to enforce these importexport regulations, the settlers---merchants, farmers and cattlemen--resorted to smuggling. Single ships entered the Río de la Plata and anchored near the shore, but away from Buenos Aires. Here they transferred their cargoes into small Spanish barks. Exports were smuggled in the same manner. Smugglers and merchants became wealthy, and products were sold to the Western cities at prices far below the costs resulting from the taxes imposed by merchants in Peru and Chile.

Protests of the merchants in Peru reached the king and resulted in the establishment of a customs station at Córdoba in 1622. This was to prevent items smuggled into Buenos Aires from reaching the inland provinces unless 50 percent of the regular duties had been paid.

As the Spanish occupation progressed, restrictions on import duties and direct communication with Buenos Aires were relaxed, and by 1721 permission was granted to ship through Buenos Aires, as far west as Chile, goods worth hundreds of thousands of pesos. This started the release of the country from the economic stranglehold of Peru. In 1776 the Viceroyalty of La Plata was established, comprising the present-day countries of Bolivia, Paraguay, Uruguay and Argentina; Buenos Aires was made the seat of government. At that time Buenos Aires was a straggling village of unpaved streets and had a population of 20,000. By 1800 it had paved streets, churches, public buildings and a population of over 40,000.

Early in the 19th century the colonists began to unite to obtain complete independence from Spain. The growth of nationalism was fostered by the rebellion of the English colonies and by the French Revolution. When the Spanish Government was overthrown by Napoleon, the colonists began to renounce their allegiance to Spain, which had imposed upon them oppressive laws and regulations that were enforced by the arrogant Spanish officials who held all the important positions in the government, the military and the clergy. The Crown took no remedial action, and a test of strength came with the arrival of the English, who encouraged rebellion in the Spanish-American colonies.

In 1806 Commodore Home Popham, without permission from his government, left Cape Town after its capture from the Dutch, sailed to South America and entered the Río de la Plata. His forces included the veteran 71st Highland Regiment commanded by Brigadier General William Beresford. On June 27 the English, without opposition, occupied Buenos Aires. The Spanish viceroy, Marqués de Sobremonte, who had been attending a play when he was notified of the English landing, fled to Córdoba with his family and his entire staff. He left no one in charge and had made no preparations for the defense of the city. General Beresford issued a proclamation guaranteeing the people freedom to practice the Catholic religion, freedom of commerce, the right of private property and the right to administer justice to themselves.

The people of Buenos Aires did not accept the English as their masters. A French national, Santiago Liniers, who had been in the employ of the Spanish Government, actively started the independence movement. He obtained permission to enter Buenos Aires and carefully noted the locations of the English guard posts and the quarters of their officers and men. He then went to the Banda Oriental in Uruguay and raised an expeditionary force. On August 12 the *criollo* militia surprised the English and forced them to surrender. In Argentine history this operation is known as the Reconquista (Reconquest), which refers to the Christian recapture of Spain from the Moslem Moors. An urgent request was sent to Spain for military aid since it was expected that the English would return, but the mother country indicated that it was in no position to send assistance.

The English sent another force of at least 10,000 men under Lieutenant General John Whitelocke which arrived in the estuary in May 1807. They attacked Buenos Aires in July, but the *criollos* had time to prepare the militia of approximately 8,000 for defensive operations. As the attacking columns entered the city from several directions, thus preventing mutual support, they were fired upon by *criollos* concealed on rooftops, behind doors and windows and behind hastily prepared barricades. In 1 day the English had 400 killed, 650 wounded and nearly 2,000 taken prisoner.

General Whitelocke arranged a truce with Liniers, and an agreement was signed. The entire English expedition—troopships, warships and merchantmen—sailed home from the estuary on September 9, 1807. The second victory against the English army is chronicled in Argentine history as the Defensa. The *portetios* (people of the port) of Buenos Aires became aware that they could be organized into military units capable, without support from the interior provinces, of preventing the occupation of the city by trained regular troops. They began to recognize their own united strength and the inability of the Spanish Crown to protect them.

During Beresford's short occupation of Buenos Aires he had guaranteed complete freedom of commerce and had drastically reduced import duties. The English prisoners of war also suggested the idea of independence, perhaps under an English protectorate. The effect was to make the *porteños* more dissatisfied with the oppressive commercial regulations which bound them to Spain. Thus, the seeds of independence, planted long before, were fertilized by the English invasions.

ACHIEVEMENT OF INDEPENDENCE

Napoleon's campaign in the Iberian Peninsula created political repercussions in Argentina and in all the other Spanish-American colonies. Spain gave tacit support to the Spanish viceroy in Buenos Aires, but in 1810 when the French captured Seville and Cadiz, the last of the Bourbon strongholds, the viceroy's position was hopelessly weakened. On May 25, 1810, the municipal council of Buenos Aires appointed Argentina's first *criollo* government, acting on behalf of the Spanish king in place of the viceroy. This date is considered the origin of independence.

The criollo leaders recognized that the country could not be fully free from Spanish domination until Spanish military power in Chile and Peru was overthrown. The principal proponent of this idea was José de San Martin, born of Spanish parents in Misiones Province in 1778. He traveled to Spain with his parents and served as an officer in the Spanish army. He returned to Buenos Aires in 1812 and offered his services to his country; in 1814 he was appointed governor of what was then the province of Cuyo in the western part of the country near the foothills of the Andes.

For the next 3 years San Martín recruited, equipped and trained an expeditionary force, including mounted troops, infantry and artillery units. Women assisted by making uniforms, and great technical help came from a priest, Luis Beltran, who had come from Chile to join San Martín. Beltran, thoroughly acquainted with physics, chemistry and mathematics, organized factories and foundries for the manufacture of weapons and ammunition.

In 1816 a congress was held in Tucumán, with representatives from each of the provinces which formed the Viceroyalty of La Plata. After much discussion the congress issued a declaration of complete independence from Spain. Argentina had no sizable Spanish garrisons, but large garrisons were permanently stationed in Chile, Peru and Upper Peru (Bolivia).

In January 1817 San Martín led his expeditionary force across the Andes, utilizing the passes of Uspallata and Los Patos. The strength of the army was about 4,000 men; it was accompanied by some 1,400 militia. Although they were suffering from cold and lack of oxygen, the columns successfully crossed the mountains and converged on the Chilean side. On February 12 they met and defeated the Spaniards at the battle of Chacabuco (north of Santiago); on April 5 they defeated the remaining Spanish forces at Maipú, thus assuring the independence of Chile.

In 1820, after his army had rested and obtained reinforcements, San Martín made an amphibious landing on the southern coast of Peru and entered the city of Lima in July 1821. He formally declared the independence of Peru but left in the hands of the Venezuelan liberator, Simón Bolívar, the military operations required to defeat the Spanish garrisons. San Martín returned to Argentina by way of Chile and retired from public life, steadfastly refusing to become involved in politics.

THE EARLY YEARS (1810-29)

Complete independence from Spain left the country beset by political disunity. The *porteños* wished to have Buenos Aires recognized as the center of political control for the entire country, but they were opposed by the powerful leaders of the interior provinces, most of whom were self-elected governors maintained in power by armed bands of gauchos (Argentine cowboys).

The gauchos soon learned to capture and break horses which were ridden to slaughter wild cattle whose hides were sold to provide money for their simple needs (see ch. 5, Ethnic Groups and Languages). The gaucho gradually became a hero in song and poetry (see ch. 10, Artistic and Intellectual Expression). Most of them were *mestizos* (offspring of Spaniards and Indians), but some were *criollos*, mulattoes and Negroes. The gaucho professed complete contempt for city dwellers and was content to remain on the Pampa or on the estate of his own *caudillo* (regional political strong man).

Bands of gauchos were used to guard the vast herds of cattle on the large estates. They were well looked after by the owner and, in turn, gave him their complete loyalty. Combined bands of armed gauchos, therefore, remained a permanent military threat to central political control of the country by the city of Buenos Aires. From 1816, after the declaration of independence, until 1820 centralized political organization of the provinces was subordinated to the outcome of the military operations against the Spaniards. In 1820 the province of Buenos Aires had 20 governors, and most of the rest of the country was controlled by local *caudillos*.

Bernardino Rivadavia, Minister of Foreign Affairs (1821–24) and President (1826–27), established a military academy, a munitions factory and the University of Buenos Aires; encouraged foreign trade; and attempted to assist the nation's agriculture by distributing public lands. He was a *porteño*, however, and did not understand life in the interior provinces, which he had never visited. His land distribution program failed, and a small number of individuals became the renters or owners of huge tracts. In 1827, 6.5 million acres had been allocated to 112 individuals. Rivadavia resigned that year because of provincial opposition to the terms of a constitution which he had helped to prepare in 1826.

JUAN MANUEL DE ROSAS (1829-52)

Juan Manuel de Rosas, who was born in Buenos Aires in 1793, volunteered at the age of 13 to join the militia, which recaptured the city from the English under General Beresford. Three years later he was sent to act as manager of his father's large estate. He was tall, blue-eyed, fair and endowed with physical dexterity and a fiercely competitive spirit. The hard life among the gauchos of the Pampa appealed to him much more than the life of the city. He was also a natural leader and commanded the respect of the gauchos, since he soon learned to outride, outrope and outfight the best of them.

Rosas came from a prominent family and was accepted, at first, by the best families in the city. By the time he was 35 he had amassed considerable wealth through his own energy and was the most powerful *caudillo* in the province. He was appointed governor of the province in 1829, since he was considered the only person who could control the anarchy which occurred after the resignation of Rivadavia.

For the next 23 years the history of the country was essentially that of Rosas. With his army of gauchos he quickly made himself master of

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the city and province of Buenos Aires. His policy was toward centralized control in his own hands rather than in an elected government.

In his attempt to eliminate all opposition to his policies, Rosas utilized extreme measures. In 1831 two threats came, primarily from the interior. General José Maria Paz, an intellectual and an able military leader, assembled a small army and marched inland, capturing the city of Córdoba and eventually gaining control of several northwestern and western provinces. Estanislao Lopez, another leader, gained control of the northeastern provinces of Misiones, Corrientes and Entre Ríos. Rosas finally signed a pact with Lopez, and Paz moved his troops into the northeastern area but was captured by Rosas' men and imprisoned for several years. Rosas did not keep his agreement with Lopez but succeeded in tightening his control over the provinces.

In 1832 Rosas refused reelection as governor but accepted a mission to annihilate bands of Indians who were attacking settlements in the south. He pushed the Indians south of the Río Colorado in La Pampa and Neuquén Provinces, opening up vast new territory for settlement and killing some 6,000 Indians during the campaign. He became governor again in 1835 but only after he had been accorded "total power for as long as he thought necessary."

For the next 17 years Rosas remained in power because of his army, his personal police and the provincial governors who remained loyal, since they were obligated to him for their positions. He involved the country in wars with Bolivia, Paraguay and Uruguay, and his intermittent blockading of the port of Montevideo caused England and France to send military expeditions to Río de la Plata, where for a time they occupied the island of Martín García, which controlled the mouth of the Río Paraguay. His fall came in 1852 when another *caudillo*, Justo de Urquiza, led an army from the province of Entre Ríos and defeated Rosas' now disgruntled troops at the battle of Monte Caseros. Rosas fled Buenos Aires and went to England in exile.

Rosas was the first of a series of the *caudillos* who achieved control of the country and left their mark on it. The methods by which he quelled opposition to his policies were drastic, but he opened vast territories for settlement, expanded commerce, refused to allow foreign involvement in his country's politics and economy and paved the way for national unity. There is, however, no statue of Rosas in the country nor is there any plaza or street which bears his name.

THE MOLDING OF THE NATION (1852-90)

Justo de Urquiza was hailed as a liberator when he arrived in Buenos Aires and was granted the title of provisional director of the entire nation. The *porteños* misjudged him, however, and soon found that he was thinking more of the nation than of the city and province of Buenos Aires. He negotiated trade treaties with France, Great Britain and the United States; he opened the Paraguay and Paraná rivers to free navigation; and he nationalized customs revenues. The *porteños* resented these measures and repudiated Urquiza by forcing out the governor he elected and by seceding from the nation. Urquiza moved the capital to Paraná, 300 miles north on the Río Paraná, and for 8 years the province of Buenos Aires remained aloof.

Urquiza turned his efforts toward the organization of the rest of the provinces. His main contribution was the successful promulgation of the Constitution of 1853. This document reflected the influence of the United States Constitution on the Argentine leaders, and it also reflected the patterns of the Constitutions of 1819 and 1826 (see ch. 13, The Governmental System).

One of the men whose opinions were used in the framing of the Constitution was Juan Bautista Alberdi, a political thinker who had incurred the wrath of Rosas and had been forced to send his many written contributions from Chile. He profoundly influenced the authors. The congress which met in the city of Santa Fe to draft the Constitution intended to assure local self-government for the provinces, but, in view of the history of decentralized control which resulted in anarchy, it decided to invest the President with special powers.

One of the most important powers was Article 6, which stated:

The Federal Government may intervene in the territory of a Province in order to guarantee the republican form of government or to repel foreign invasions, and at the request of its constituted authorities, to support or reestablish them, should they have been deposed by sedition or invasion from another Province.

Article 6 became a powerful tool in the hands of many presidents, and between 1853 and 1954 there were approximately 175 interventions.

In 1859 the *porteños* felt strong enough to overthrow the national government. Troops under Bartolomé Mitre moved northward where they were met and defeated by Urquiza forces at the Battle of Cepeda. When Urquiza began to move southward, the *porteños* accepted the Constitution and joined the Argentine Federation. Another armed conflict between the forces of Mitre and Urquiza occurred in 1861, after which Urquiza retired.

Mitre assumed the role of provisional president and moved the capital back to Buenos Aires from Paraná. He served until 1868. During his term of office the Supreme Court was installed; the professional training of army and navy officers was initiated; public education was expanded; railroad lines were extended; customs receipts were federalized; diplomatic and consular services were organized; and immigration was encouraged. President Mitre accomplished many constructive acts during the first 3 years of his term, but the last 5 years were concerned primarily with the exhausting Paraguayan War, which was a terrible drain on finances and manpower.

This conflict began in 1865 when the Paraguayan dictator, Lopez, sent his troops through Argentine territory to attack Uruguay. Allied

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with Brazil and Uruguay, President Mitre went into the field to lead his troops. The Paraguayans resisted fiercely, and the allies were not victorious until 1870. Mitre's continued absence from the capital cooled the ardor of the people for their president, whom they believed to be waging a war of conquest rather than one of national defense.

The election of 1868 brought Domingo Faustino Sarmiento to the presidency, and he was succeeded by Presidents Avellaneda, Roca, and Celman. From 1868 to 1890, there were many impressive changes in political and economic conditions. The first census was taken in 1869 and revealed a total population of 1.8 million, of whom 500,000 lived in the province of Buenos Aires, and 212,000 were of foreign birth, primarily from Italy and Spain. The final elimination of the *caudillos* was completed; railroad and telegraph lines were extended; and a transatlantic cable linked Buenos Aires with Europe. Border disputes were settled with both Paraguay and Chile. In 1880 the longstanding question of the nation's capital was settled by federalizing the city of Buenos Aires, and the provincial capital was moved eastward to La Plata.

The extension of railroads and the cessation of marauding action on the part of the Indians made the interior an immigrant's paradise; 26,000 came in 1880 and 219,000 in 1889, mostly from Italy and Spain. In 1884 an estate was fenced in for the first time, and this practice was soon followed by the owners of other large estates. Control of cattle herds allowed for more selective breeding, and gauchos were unable to roam at will. The first refrigerated ship sailed from Buenos Aires in 1875, and the country soon became one of the principal food suppliers to Europe.

POLITICAL CONFUSION AND ECONOMIC GROWTH (1890-1943)

During the 20 years after 1890 the country progressed enormously in wealth and population. The increase of population from 3.5 million in 1890 to 7.9 million in 1914 was largely the result of immigration, and in 1914 the foreign-born population reached 30 percent of the total.

One of the reasons for the economic growth was the extension of railroads. Most of these were constructed after 1879, the year of General Roca's pacification of the Indians. The mileage increased from 1,500 in 1879 to 18,000 in 1901, and in 1968 the country had the largest total mileage in Central and South America. All of the lines converged from the north, west and south on Buenos Aires, thus facilitating the transportation of immigrants from the coastal city to the fertile agricultural areas of the Pampa. By 1910 the country had become the world's largest exporter of grains; England was the largest importer of meat products; and there was an increasing European demand for Argentine food products.

From 1890 to 1916 the country was governed by an oligarchy of estate

owners, bankers and merchants, and its foreign relations were closely related to economic development. When President Miguel Celman was forced out of office in 1890, Vice President Carlos Pellegrini came to power and was succeeded in 1892 by the aging Luis Saenz Peña. Saenz Peña resigned in 1895, and his vice president was unable to cope with the conflicting aims of the principal political parties. The election of 1898 brought to power the soldier and politician, General Roca. Until 1904 Roca's term of office was an effective one-man rule in which the desires of the provinces were frequently overridden by forceful intervention authorized by the Constitution. The country prospered considerably. Boundary disputes with Brazil and Chile were settled; public buildings were erected; the ports were improved; commerce was increased; and railroads were extended.

The principal political parties were the Conservatives, who desired the continuation of power of the oligarchy, and the Radicals, who campaigned for honest elections in the government and in the provinces. In 1904 Roca was bitterly opposed by the Radicals. He was able, however, to secure the election of Conservative Manuel Quintana, who died in 1906. His successor, Vice President Figueroa Alcorta, remained in office until the elections of 1910; his government was beset by labor agitation and increased pressure from the Radical Party.

The elections of 1910 brought to power Roque Saenz Peña, son of Luis, who was accepted by the Conservatives because of his social standing and education and admired by Liberals because of his longstanding insistence on free elections and political propriety. He died in August 1914, and his vice president in 1916, remembering the pledges of Roque Saenz Peña, insisted upon an honest election. The successful candidate was the Radical Hipólito Irigoyen.

President Irigoyen kept the country neutral during World War I. His attitude probably reflected Argentine nationalism rather than support for the Central Powers. He was responsible for the election of Marcelo de Alvear in 1922 and was reelected in 1928. At that time Irigoyen was 78 and physically unable to attend to the administration of government. In 1930 the army struck. Forces under General José F. Uriburu seized the presidential palace, and both president and vice president resigned.

From 1930 to 1943 the country was governed by a group of army officers and estate owners, supported by clergymen, bankers and merchants. General Uriburu was installed as president in 1930, but opposition to his policies caused him to call for a general election in November 1931 which brought to power another army officer, General Augustín P. Justo. Justo selected as foreign minister Carlos Saavedra Lamas, who accomplished considerable improvement in the country's foreign relations.

President Justo introduced the country's first income tax, largely to offset the decline in customs revenues resulting from the world depression. Another of his measures was the initiation of an expansive roadbuilding program. This was badly needed and was carried out in spite of opposition

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from the British, who complained that the program represented government-sponsored competition to the British-owned railroads.

Roberto M. Ortiz became president in 1938 but, because of illness, relinquished the office to Vice President Ramon S. Castillo in 1940. During this period, although the United States was moving away from neutrality, Argentina was moving in the opposite direction. At first intensifying its neutrality, Castillo's government gradually gave evidence of friendship toward the Axis Powers, which were at the height of their strength. Many of the Argentine military personnel were convinced that they would emerge victorious.

Castillo's continued pro-Axis policies elicited criticism within the country. Although the exportation of food products was bringing the highest prices in the nation's history, the people were not sharing in the resultant prosperity because of an abrupt rise in the cost of living. As the election of 1943 drew near, no prominent political leader appeared who could attract the support of the quarreling political parties. A group of army officers organized a coup on June 4, 1943. Selected military units marched to the Casa Rosada, the presidential palace, and the term of President Castillo was ended.

THE PERÓN ERA (1943-55)

The bloodless coup which overthrew the government in 1943 was initiated and accomplished by the military. For 90 years the oligarchy, with one brief exception, had controlled the country and had been able to secure the election of the presidents. The upper classes, however, had failed to relieve the abusive economic status of the workers and had denied the people free political institutions. The Radical Party had also failed in spite of its being in power from 1916 to 1930.

The country was governed by a military group which included colonels who were members of a more or less secret organization known as the United Officers' Group (Grupo de Oficiales Unidos—GOU). One of the members was Colonel Juan Perón, who was born in Buenos Aires Province in 1895 of an Italian farmer father and a Spanish mother. His paternal ancestors are believed to have come from the island of Sardinia. Choosing the military as a career, young Perón entered the Military Academy in 1911; 19 years later he had attained the rank of captain. During the late 1930's he studied military tactics in France, Germany, Italy and Spain. After his return he studied political theory, wrote some books, gave lectures and completed a tour of duty as a professor of military history.

After the resignation of President Castillo, General Arturo Rawson succeeded to the post and 3 days later turned over the control of the government to another general, Pedro Ramírez. Perón was named chief of the secretariat of the Ministry of War, but he asked for and received a position no one else wanted—head of the Labor Department. He cultivated the labor unions, which had received little consideration from past governments. By November 1943 Perón had created a powerful political machine using as a nucleus the labor unions which he then controlled.

Because of Ramírez's pro-Axis policies, the army forced him to resign early in 1944, and he was succeeded by Vice President Farrell. In May Perón was named minister of war, and in July he became vice president.

Perón's long-range objective was to create an economic and social revolution which would convert the country into a modern industrial state. His short-range objective, however, was to consolidate absolute power in his own hands. He wanted the loyal support of the armed forces, but they had been used to overthrow regimes in the past, and he needed support from another segment of the society to counterbalance the military. He chose the urban workers.

Perón was an inspired mass leader, an imperious commander and an astute contriver. The initial backing of the military enabled him to organize small groups of workers to carry out his propaganda measures. He furnished them with a fighting issue, the emancipation of the common man, and proclaimed dignity, freedom and higher wages. Unions were permitted to debate problems freely, elect their own officials and strike with government permission. Even though they had to have Perón's advance approval for strikes and had to elect officials loyal to him, he was still their benefactor.

Perón received the steadfast support of a person whose social background was even lower than his own—Eva Duarte. Eva, or Evita as she was later called, came from a small town in Buenos Aires Province and soon learned to resent the contempt in which she was held by the upper classes. She had a minor position in a radio station in Buenos Aires in 1943, and after the coup she met several of the officers in the military group including Perón. A close relationship between the two was soon established. Evita was attractive, intelligent, dynamic and calculating. She developed a superior talent as a demagogue and a devotion to Perón that endured until her death, which was caused by cancer in 1952.

Perón's policies for the emancipation of the working classes soon gained him many enemies, including estate owners, businessmen, middle-class Radicals, left-wing Socialists and even some union leaders. In the fall of 1945 this dissatisfaction spread to the military, who were disenchanted with Peron's failure to come to terms with the victorious Allies after World War II. On October 9 he was arrested and imprisoned on the island of Martín García. For 1 week no new leader appeared, but Evita had not been idle. Because of her skillful manipulations, the packinghouse workers converged upon the capital from the suburbs, filled the streets and loudly threatened civil disorders unless Perón was released. The General Federation of Labor also called for a general strike. The military group was cowed, and President Farrell announced that Perón was free. Restored to power, he soon married Evita and began to prepare for the elections to be held in 1946, which swept him into the presidency. The knowledge that he had a 6-year term ahead of him gave him enough power to carry out his ideas concerning the organization of the entire country.

Perón had studied philosophy and political theory but not economics. In 1947 his first Five-Year Plan was announced. Its three objectives were to nationalize, by purchase, the foreign-owned railroads, steamship lines and public utilities; to accelerate the industrialization of the country; and to utilize the wealth of the country to augment the nation's international power and prestige.

At the end of World War II the country was in an excellent economic position, with large reserves of blocked sterling in London and a surplus of agricultural products that were badly needed in Europe. In 1946 Argentina's wartime accumulation of foreign exchange balances amounted to \$1,600 million, representing more than one-third of the total reserves of this kind held by all of the Latin American countries. By 1949 Perón had bought back the railroads, telephones, gas companies, port installations and the Buenos Aires streetcar system, and he had canceled the foreign debt. In doing so, the country's reserves were exhausted.

In 1946 he established the Argentine Institute for the Promotion of Trade, a government agency which purchased at its own prices all agricultural products for sale abroad and, in turn, purchased from abroad all industrial machinery and other commodities needed for all Argentine establishments. The low purchase prices forced upon the livestock raisers and farmers caused an immediate decrease in production. Land under cultivation, which had reached an average of 53 million acres during the 1934-44 period, was reduced to 46 million acres in 1949. The country's gross national product, that had been rising when Perón became president, continued to rise until 1948, after which it began a disastrous 4 year decline.

Perón still had enough backing by the military and the working class to be reelected in 1951, and he entered his second term early in 1952, but many segments of the society began to rebel against his oppressive measures. He seized the world-famous Buenos Aires newspaper, *La Prensa* (The Press), fired its managing staff and caused it to cease operations for several months. Another blow to Perón came in 1952 when Evita died.

In 1954 Perón's regime encountered additional hostility when he opened an assault upon the Roman Catholic Church. It was launched by an address in which Perón stated that the Church had been interfering with labor relations and was attempting to create a separate political party. He stopped the attack in 1955 when he feared a revolt by the military. The Church then was harassed by the prohibition of Catholic radio broadcasts; newspapers were forbidden to publish notices of Church services and other activities; and many priests were arrested.

In order to extend his control more completely over the armed forces, Perón required them to take an oath of loyalty to the "national doctrine." They were ordered to take instruction in this doctrine, which had been identified as the doctrine of the workers. Admiral Isaac Rojas moved major units of the fleet to the vicinity of Buenos Aires and threatened bombardment. When Perón's generals advised him to yield on September 19, 1955, he did so without an attempt to call out the workers. He sought safety on a Paraguayan gunboat that was visiting Buenos Aires, and later he flew by Paraguayan hydroplane to Asuncíon. From there he went to Panama and then to Spain where he resided in 1968.

ARGENTINA SINCE PERÓN

After Perón's resignation, General Eduardo Lonardi was named provisional president and Admiral Rojas was made provisional vice president. After 8 weeks Lonardi was succeeded by General Pedro Aramburu, who remained until the election of a civilian government in 1958. The most prominent civilian candidate was Arturo Frondizi, a member of the Radical Party, which was split into two opposing factions. When the time for voting arrived, Perón's latent political strength became apparent. From exile he directed the Peronist Party to endorse Frondizi, who was elected in the greatest victory since that of President Irigoyen in 1928.

In the congressional-gubernatorial elections of 1962, President Frondizi, because of the support the Peronist Party had given him, allowed its members to vote for the first time since 1955. The result was a landslide for the Peronist Party, which garnered 34 percent of the popular vote, 42 seats out of a total of 192 in the Chamber of Deputies and 11 governorships out of the 16 provinces that voted that year. The armed forces, alarmed at the rise in Peronist power, deposed and arrested President Frondizi.

The succession fell to José Guido, president of the Chamber of Senators. Guido remained in office for $1\frac{1}{2}$ years and, considering himself only a stopgap president, called for elections in 1963, which resulted in the election of Arturo Illía, who became the third successive president of Italian extraction. During the night of June 27, 1966, a military coup forced his resignation.

Retired Lieutenant General Juan Carlos Onganía, the former commander of the army, became the thirty-first president. His principal military support lay in a triumvirate: Lieutenant General Julio Rodolfo Alsogaray, Commander in Chief of the Army; Admiral Benigno Ignacio Varela, Commander in Chief of the Navy; and Lieutenant General Adolfo T. Alvarez, Commander in Chief of the Air Force. As soon as he assumed power, General Onganía dissolved the National Congress and the provincial legislatures. He replaced the five justices of the Supreme Court, and he outlawed political parties. He gave no indication of when the government would be returned to civilian control. He stated, however, that national security and economic stability were prerequisites to representative civilian government.

CHAPTER 4

POPULATION AND LABOR FORCE

In 1968 the structure and evolution of the population and labor force in many ways were less similar to those of the countries of Latin America than to those of the nations of Western Europe. The birth rate, continuously on the decline since early in the century, was among the lowest in the world. Steadily improving health conditions were lowering the death rate, and the median age of the population was rising. It was still a fairly young population by world standards, but increasing need was becoming apparent for attention to the problems of old age.

At the same time, the flow of immigrants from Europe, which was proportionally the world's greatest during the late 19th and early 20th centuries, had almost ceased. Instead, after about 1950 there had been an increasing flow of emigrants, many of them professional people and skilled workmen.

The 20th century has seen a massive shift in the settlement pattern which has transformed the society from rural to urban and its largely agricultural and pastoral labor force to one in which industrial and service-type occupations predominated.

This population shift, however, was not accompanied by a corresponding growth in the country's urban industrial establishment. On the contrary, after rapid growth early in the century, about 1914 the industrial employment rolls commenced a long period of relatively slow growth while employment in service activities was experiencing an unbroken and rapid increase. During the early 1960's industrial employment underwent a slight decrease in absolute numbers, and in 1968 the provision of services occupied almost half of the active population. This division of labor represented a mature rather than a developing economy. In 1968 the declining birth and death rates, the decreasing number of immigrants, the advanced urbanization of the population and the disproportionately large size of the service sector of the labor force also marked the maturity of the country's economy.

The country's development had been arrested by an economic stagnation prevailing since the onset of the worldwide depression of the 1930's, and its major social problems could be traced directly to this phenomenon. With increased economic development the birth rate could be expected to reverse its downward direction, the flow of immigrants to resume and the drain of emigrants to abate. Correction of the imbalance in size between the industrial and service sectors of the labor force would result.

POPULATION STRUCTURE AND DYNAMICS

The country is among the most extensively urbanized in the hemisphere, but it is one of the least densely populated. In the mid-1960's its average population density was only about 30 persons per square mile, but nearly three-fourths of its people lived in cities or towns with populations of 2,000 or more, and 14 of its cities had populations exceeding 250,000 (see table 1).

The birth rate declined from an average of 25.2 live births per 1,000 population from 1950 through 1954 to 21.5 per 1,000 in 1965, and the death rate from 9.6 to 8.2 per 1,000 population during the same period of years. In 1965 the birth rate was said to be the lowest and the death rate among the lowest in Latin America. Whether or not the already low birth rate would continue its decline depended on unpredictable economic and social considerations. The death rate, which was appreciably lower than that of the United States, was not expected to drop much more. Its decline had been a consequence, not only of improving health conditions but also of the expanding and fairly young population. As a progressively larger proportion of the people survive into old age, an eventual rise in the death rate could be expected.

During the early 1960's the birth rate in the Federal Capital (see Glossary) and in largely urbanized Buenos Aires, Córdoba and Santa Fe Provinces was little more than half that in the predominantly rural provinces of Jujuy, Chaco, Formosa and Neuquén. A relatively lower urban birth rate is a generally recognized demographic phenomenon attributed to such factors as better educational facilities and access to more varied recreational outlets. Since the end of World War II, however, it has also been at least in part a consequence of an urban housing shortage so severe that young people frequently deferred marriage and raising a

City	Population	City	Population
Buenos Aires	* 2,966,816	Lomas de Zamora	
Avellaneda	329,626	Morón	
Córdoba	589,153	Quilmes	
General San Martín	279,213	Rosario	
La Matanza	402,642	San Miguel de Tucumán	
Lamís	381,561	Santa Fe	
La Plata		Vicente López	

Table 1. Cities in Argentina with Populations of over 250,000, 1960 Census

* Seven million in Greater Buenos Aires.

Source: Adapted from United Nations, Demographic Yearbook 1966, p. 183.

family (see ch. 8, Living Conditions). In the country as a whole the marriage rate declined by almost 25 percent between 1947 and 1960.

The age profile of the population has been profoundly influenced by the age of its foreign-born sector. In general, the flow of immigrants was slower after about 1930; the median age of the foreign-born rose accordingly; and in 1960 more than half of the immigrant population was over 50 years of age.

The decline in the birth and death rates and the slackening in the flow of immigrants made the proportion of the population under the age of 20 drop from almost half of the total in 1914 to about 39 percent in 1965. During the same period the number of persons aged 60 or over rose from 4 percent to about 10 percent of the total (see table 2).

The most recent population census, which was conducted in 1960, showed substantial regional variations in the age profile. In the Federal Capital about one-fourth of the residents were under the age of 20, and 14 percent were 60 years of age and over. In the frontier province of Formosa, well over half the people were under the age of 20, and only 4 percent were 60 years of age or over. These two areas represented the extremes of regional difference in age composition but, in general, the median tended to be far higher in urban than in rural localities.

The relatively smaller numbers of young people and larger numbers of elderly persons in towns and cities resulted in part from the generally

Age	Male	Female	Total
Birth-4	1,141,000	1,102,000	2,243,000
5-9	1,154,000	1,113,000	2,267,000
0-14	1,101,000	1,062,000	2,163,000
5–19	1,007,000	973,000	1,980,000
0-24	891,000	871,000	1,762,000
5–29	839,000	796,000	1,635,000
0-34	825,000	789,000	1,614,000
5-39	811,000	788,000	1,599,000
0-44	744,000	734,000	1,478,000
5-49	615,000	625,000	1,240,000
0-54	567,000	567,000	1,134,000
5-59	501,000	508,000	1,009,000
0-64	407,000	394,000	801,000
5-69	296,000	298,000	594,000
0-74	208,000	204,000	412,000
5–79	117,000	129,000	246,000
ver 80	70,000	105,000	175,000
Total	11,294,000	11,058,000	22,352,000

Table 2. Population of Argentina, by Age and Sex, 1965

Source: Adapted from United Nations, Demographic Yearbook 1966, pp. 152, 153.

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lower urban birth rate and better urban health conditions and medical facilities. It also resulted in part from the migration from countryside to town, which began to assume massive proportions during the 1930's, and from the increasing tendency of immigrants arriving in Argentina during the earlier years of the 20th century to settle in urban areas rather than in the rural localities which had attracted most of the newcomers during earlier years.

Demographic estimates for 1965 showed that males outnumbered females by a ratio of 102.1 to 100, and males predominated in number in all age brackets up to the age of 45. The sex composition of the population also has felt the influence of immigration. As reported in the first census in 1869, males outnumbered females by a ratio of 105.4 to 100. The first heavy flow of immigrants started at about that time, and a large proportion of the newcomers from Europe were young, unmarried males. As the flow continued, a relatively larger number of women joined the migratory movement, but males continued to predominate, and in 1914 there were 116.5 males to each 100 females. At about that time, both the flow of immigrants and the numerical male preponderance began to decline. In 1947 the male-to-female ratio had dropped to 105.1 to 100. and the proportion of women among the arriving immigrants was continuing to rise. Between 1947 and 1965 over 44 percent of the arrivals were female, and between 1960 and 1965 female immigrants slightly outnumbered males. Moreover, males have constituted most of the small but increasing exodus of emigrants which began in about 1950.

Although men continued to outnumber women by a narrow margin in the population as a whole, the opposite was true in the larger urban areas. In 1960 the male-to-female ratio in the city of Buenos Aires was 88.8 to 100, and among people over the age of 14 the ratio was 85.5 to 100. This was a relatively recent phenomenon. In 1936 women had outnumbered men by only an extremely narrow margin, and there had been a few more boys than girls under the age of 10.

The relatively heavier concentration of women in urban areas during the late 1960's was principally a consequence of internal population movements. The primarily male immigration from Europe which had served to swell the populations of cities before 1930 had nearly stopped. After that date, urban population had grown with the flow of migrants from the countryside; a very large proportion of these were young women moving to urban localities in response to the increasing number and variety of employment opportunities becoming available to women.

MIGRATORY MOVEMENTS

Information about the number of immigrants entering the country during recent years is available, but there are no reliable records on emigration, and the net gain or loss of population by external migration can be estimated only through comparison of the total number of official entries and exits of all travelers over a period of years. The available information is further clouded by the absence of figures concerning the considerable movement during recent years of people moving unofficially across the borders from neighboring countries. Statistics on migration of people from place to place within the country are estimates based principally on periodic population censuses.

During the century ending in 1968, there was a net gain in population through the immigration of nearly 6 million people. According to reliable estimates if there had been no immigration during that period, the 1968 population would have been a little less than half of its actual size, which was nearly 23 million. Argentina in the past century ranked with the United States as a haven for immigrants and, on the basis of the comparative sizes of the receiving populations, immigration in Argentina was far more substantial. Most of the recorded newcomers were from Italy and Spain, but the classification in the 1960's of the country's population as almost entirely Caucasian could not include consideration of the undetermined number of indigenous people who had entered from neighboring countries (see ch. 5, Ethnic Groups and Languages).

According to 1869 census, 12.1 percent of the people were of immigrant origin. Later censuses reported the ratio rising to 25.5 percent in 1895 and to 30.3 percent in 1914. At this high point the country's foreign population was proportionately more than double the highest ever reached in the United States, Australia or Canada. Immigration virtually ceased during World War I and, after regaining momentum during the 1920's, again slackened with the onset of the worldwide depression in 1930. In the 1947 census the proportion of foreign-born people declined to 15.3 percent.

The most recent spate of immigration occurred from 1947 through 1953, when more than 600,000 settlers entered the country. Immigration then declined progressively until 1960, when fewer than 10,000 immigrants entered, and the foreign-born sector of the population had dropped to 12.8 percent of the total. The decline continued during the early 1960's, and in 1965 fewer than 4,000 persons arrived as permanent residents.

The unofficial immigration from neighboring countries has come principally across the northern borders. Bolivians have crossed into Salta and Tucumán Provinces, a majority probably as seasonal migrants to work in the canefields, but many others to seek permanent residence. The tide of migration from Paraguay has included some political refugees, but it has represented mostly the long-continued tendency of Paraguayans to abandon their own primarily rural country for the urban attractions and opportunities of Buenos Aires. Chilean migrants have concentrated in Patagonia. Their number has been much smaller, but in 1960 they represented nearly one-third of the populations of Santa Cruz Province and the National Territory of Tierra del Fuego.

The number of people crossing the borders as seasonal laborers and the number who have become permanent residents are open to conjecture, but some 200,000 were permitted legally to remain under the terms of an amnesty in December 1965.

In 1869 a little more than one-fourth of the population lived in cities and towns. By 1914 half of the population had become urban, and between that date and 1960 the rate of urban growth was almost eight times that in the countryside. In the mid-1960's almost three-fourths of the population lived in cities and towns (see ch. 2, Physical Environment).

The progress of urbanization in large measure has been a natural demographic process. An urban area is defined as a population cluster of 2,000 or more people, and when a growing country town's population passes this mark it is defined as urban. Early in the 20th century most of the actual increase in urban population not resulting from the preponderance of births over deaths had come from European immigration. The migration of people from country to town had not been an important factor in urban growth but, as immigration declined in the early 1930's, the flow of internal migration away from the farms began to quicken. Its height was reached between 1943 and 1947 when over 900,000 people are estimated to have moved to urban areas; this was approximately 20 percent of the entire rural population in 1943.

Both immigration from abroad and the internal migratory flow of people have particularly affected the population structure of Buenos Aires and its suburbs. In 1914, at the height of the tide of immigration, foreign-born persons over the age of 14 made up 75 percent of the population of Greater Buenos Aires. An influx of an average of 30,000 immigrants to the city each year between 1895 and 1914 had brought about this heavy concentration. Between 1914 and 1936 the annual intake dwindled to 11,000, and in 1960 over 80 percent of the country's foreignborn people lived in the Federal Capital or in Buenos Aires Province.

Between 1895 and 1936 Greater Buenos Aires received annually an average of about 8,000 migrants from the interior; in 1936 about 16 percent of its residents were of rural birth. At that time the slackening of immigration from Europe was replaced by a sharply accelerated movement from the interior. Between 1936 and 1943 an annual average of 72,000 persons entered the city, and between 1943 and 1946 the annual average increased to 117,000. In 1947 people of rural origin made up 37 percent of the population of Greater Buenos Aires. The movement slowed progressively after that date, but in 1960 about 40 percent of the population of Greater Buenos Aires was of rural origin, and it was estimated that about two-thirds of the internal migratory movement since 1914 had been in the direction of the capital city and its suburbs.

POPULATION PROBLEMS

Progressively lower immigration and birth rates since about 1930 had combined to produce a slackening rate of population growth. After reaching a high of 3.7 percent annually in 1914, the rate declined to 2.0 percent in 1947, to an average of about 1.7 percent during the years between the census of 1947 and the census of 1960, and to an estimated average of 1.6 percent for the years between 1958 and 1966. For 1967 the growth rate was estimated to have dropped to as low as 1.3 percent.

The growth rate had declined to a point where it was among the lowest in the world, and most government planners, private businessmen and publicists seemed to agree that an acceleration of population dynamics would be necessary if the country were to establish sufficient consuming power to support sustained growth of the industrial establishment.

Such measures as family loans and tax exemptions for families with several children had been suggested as means for raising the birth rate, and early in 1968 the National Directorate of Migrations undertook a more immediate way of increasing the population. Consular officers in Italy, Spain and Portugal were instructed to issue entry permits for permanent residence to candidates who met requirements with respect to age and capacity.

Since both Article 25 of the Constitution of 1853 and the comprehensive collection of immigration rules assembled in a 1968 decree had prescribed a very liberal policy for immigration from Europe, the instruction to consuls seems to have served as a reminder rather than a fundamental change in immigration policy. It did, however, underline the government's belief that the country's population was too scanty and that some program was necessary to bring it to a desirable level.

The distribution of the population was also a cause for some concern. In 1968 the progress of urbanization had reached a point at which the disproportionately large and still-increasing number of city dwellers had created a variety of problems. The new urbanites were concentrated largely in Greater Buenos Aires, where the influx of people from rural areas had been reflected in the serious housing shortage, the growth of slums and the inability of municipal services to provide power and sanitary facilities to the new arrivals. To a lesser degree, the same situation prevailed in other cities. The people coming to town from the country, moreover, generally lacked the skills that would readily permit their absorption into the urban labor force.

Another problem was related to population distribution in the primarily rural areas. The settlement pattern had evolved as one of big cities and isolated farms without the linkage of such market towns as characterize Europe and the United States (see ch. 2, Physical Environment). As a consequence, the economic relationships of the farms and ranches tended to be less with neighboring towns, or even with provincial capitals, than with the city of Buenos Aires. Rural life was severely restricted by the absence of small urban centers capable of serving as focal points of social life for the surrounding countryside. For the widely scattered rural population there was seldom a nearby country town to provide a social hall, a motion picture theater, a hospital or clinic or a school.

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STRUCTURE AND DYNAMICS OF THE LABOR FORCE

In 1965 there were estimated to be some 8.6 million occupied positions in the labor force, equivalent to about 38.1 percent of the total population. Because some workers were employed in more than one position, the number of persons actually employed was several hundred thousand lower. About 12.4 percent were in positions classified as employer, 11.7 percent as self-employed, 69.2 percent as salary or wage earner and 2.9 percent as family worker. A remaining 3.8 percent was not specifically classified.

In 1967 the 1.3 million labor force members employed in the public sector included 487,000 in the national administration, 308,000 in stateowned business enterprises and 485,000 in provincial and municipal administrations. The public sector was considerably smaller than it had been during the administration of President Juan Domingo Perón when, in 1950, 11.8 percent of the entire labor force had been employed in the national administration alone. The 1967 government total was slightly reduced from that of 1961, when the public rolls had 1.4 million workers; in 1968 the government committed itself to a program for reorganizing both the civil administration and the state enterprises; this could be expected further to reduce the public employment rolls.

In relation to the population as a whole, the 7.7 million persons, 37.0 percent of the total population, who made up the labor force in 1960 were fewer than the 6.3 million, 39.5 percent, employed in 1947 (see table 3). On the basis of occupied positions, the decline was from 40.6 percent to 38.2 percent. A projection for total occupied positions in 1970 reported early in 1968 by the Organization of American States Inter-American Committee of the Alliance for Progress predicted a continued decline to 37.6 percent. The available data, which were not always consistent, also indicated a considerable rise between 1947 and 1960 in the number of persons holding more than one job.

Age and Sex Composition

Like the age of the population as a whole, the median age of the labor force was rising during the 1960's. The median age of male workers, however, was considerably higher than that of females because a large proportion of the females were young women under the age of 25.

A 20-percent sampling from the 1960 census returns shows the participation rate of males in the labor force to have been 73 percent between the ages of 15 and 19 and 92 percent between the ages of 20 and 24. During the period of peak productivity, between the ages of 25 and 44, participation remained consistently above 97 percent. The rate then declined progressively to 92 percent for those between 45 and 54, to 64 percent to those between 55 and 64 and to 39 percent for those over 65.

Corresponding data from the 1947 census showed the rates for males

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Category	1947	1960
Agriculture	1,562,400	1,411,900
Total agriculture	1,562,400	1,411,900
Industrial:		
Mining and quarrying	32,400	44,600
Manufacturing	1,646,900	2,145,600
Construction	296,300	448,400
Electricity, gas and water	42,400	65,100
Total industrial	2,018,000	2,703,700
Services:	050 000	F00 000
Transport and communications	376,600	539,600
Commerce and banking	931,700	1,172,800
Services	1,382,200	1,852,100
Total services	2,690,500	3,564,500
TOTAL	6,270,900	7,680,100

Table 5. Employment in Argentina, by Occupational Category, 1947 and 1960

Source: Adapted from Organization for Economic Co-operation and Development, Education, Human Resources and Development in Argentina, pp. 332, 333.

between 20 and 54 to have been approximately the same as those for 1960 but to have been somewhat higher for males under 20 and substantially higher for those over 54. Projections for 1980 by the National Development Council (Consejo Nacional de Desarrollo—CONADE) foresee still further reduction in employment for males under 20 and considerably higher rates for elderly men.

The employment profile for women had a different pattern. Participation in 1960 was 33 percent for girls between the ages of 15 and 19 and about 40 percent for women between 20 and 24. It then dipped sharply to 27 percent for those between 25 and 34 and continued to decline progressively among older age groupings. The 1947 data showed rates for females between 15 and 19 and over 35 to have been higher than in 1960. The participation rate for females between 20 and 35 rose so sharply between the two census years, however, that the overall participation of the female sector of the labor force was considerably higher in 1960 than it had been in 1947. The CONADE projections for 1980 foresee a further proportional decline in the participation rate of girls under the age of 20 and higher rates in all other age groupings, particularly those for women over the age of 35.

The increasing rate of participation of women in the labor force is confirmed by other statistics which show the proportion of females to have risen from 16.6 percent in 1947 to approximately 22.6 percent in 1960. There also has been a shift in the kind of work performed by women. Industrial and economic censuses conducted in 1954 and 1964 showed the proportion of women engaged in industrial occupations to have declined slightly whereas the proportions employed in commercial and service activities to have risen substantially. In the mid-1960's over 90 percent of the country's primary school teachers and about 25 percent of the public employees were female. In addition, female industrial employment was in the process of shifting from such home industrial pursuits as dressmaking and embroidery to employment in factories.

The sharp decline in the participation rate of females reaching the age of 25 shown in both the 1947 and 1960 censuses reflects the constraints imposed by marriage and childbearing. The relative increase in employment of older women projected for 1980 by the CONADE indicates a prosperous and maturing economy capable of making use of the services of women who had interrupted active careers because of family responsibilities. Reentry into the labor force of older women whose responsibilities in the home have slackened occurs more frequently in economies which have achieved an advanced stage of development.

The relative decline in employment between 1947 and 1960 of older persons of both sexes indicated in the population censuses for those years is probably misleading. It is attributed to optional early retirement, which was made possible during that period, but the number of early retirements that actually took place is questionable. Surveys by the CONADE conducted in Greater Buenos Aires during the early 1960's found that nearly 30 percent of the pensioners canvassed were continuing to work without reporting it. Because of this circumstance and because the minimum retirement age in certain categories of employment was raised from 50 to 55 years by legislation in 1963, the employment projections for 1980 foresee substantially higher rates of participation for older age groups.

Occupational Skills

The sampling from the 1960 census returns indicated that 29.2 percent of the labor force was engaged in nonmanual occupations. About 6.3 percent of the labor force were professional, technical and related workers; 2.6 percent were engaged in administrative, executive and managerial activities; 10.9 percent were clerks; and 9.4 percent were sales personnel.

About 18.2 percent of the labor force members were manual workers in agriculture and related activities; 0.3 percent were miners; 3.9 percent were transport and communications workers; 30.2 percent were craftsmen, production and process workers and laborers not elsewhere classified; 9.2 percent were engaged in service, sports and recreational activities; and 9.0 percent were manual workers not classified in any specific occupational category.

A 1962 survey of manufacturing firms employing 11 or more workers showed that 37 percent of the 1.4 million people in this category were carried on the rolls as skilled, 41 percent as unskilled workers and 22 percent as managerial personnel. The distinction between skilled and unskilled workers was somewhat arbitrary, and corresponding figures for the labor force are not available, but some information about the extent of labor's skills can be drawn from an examination of its educational profile. Data from the 1960 census indicate that only a small minority had more than a few years of education and that fewer were technically or vocationally trained.

More than 80 percent of all those employed had not continued their education beyond the primary level; of these, 46 percent had not completed primary school, and 7 percent had not had formal schooling of any sort. An additional 15 percent had ended their education after attending secondary school, and 4 percent had attended postsecondary educational institutions. At all educational levels, workers had been enrolled in general courses of study, except for about 4 percent who had attended vocational schools at the secondary level and less than 3 percent who had engaged in technical or scientific studies at the university level.

Of the professional, technical and related workers, less than 1 percent were without formal education; over half had secondary diplomas or better; and one-third had some postsecondary education.

Of the country's administrative, executive and managerial personnel, well over half had no more than a primary education, and fewer than 1 in 10 had any postsecondary schooling. Of the managers of firms employing 100 or more persons, however, only 24 percent had left school after a primary education, and 35 percent had university degrees.

Of clerical and sales personnel, over 60 percent had only primary schooling, and only a few had progressed beyond the secondary level. Of the two subcategories, clerical workers had considerably the higher educational attainment; almost 90 percent of the salespeople were shop assistants and street vendors.

Among the main groups of manual workers, the least educated were in agricultural occupations. About 18 percent of all farmers, farm managers and farmworkers had no formal education, and about 4 percent had some schooling above the primary level. Fewer of the nonagricultural manual workers were without formal education; 5 percent had continued beyond primary school.

Of craftsmen and factory workers fewer than 4 percent were without formal education, and 12 percent had some schooling at the secondary level or higher. The fact that only 5 percent of the personnel in this skilled labor category had benefited from any vocational school training emphasizes the heavy reliance placed by industrial employers on experience and on-the-job training.

Continuing expansion of the country's educational system since the end of World War II has raised the educational level of the labor force. In all employment categories younger people in 1960 were much better educated than their elders. Among the economically active population as a whole, one-third of the workers between 14 and 19 and one-sixth of those 45 and over were primary school graduates.

Instruction in the manual arts was being stressed for the first time at the primary level. At the secondary level students were urged to enroll in vocational courses of study leading directly to industrial careers rather than in the general secondary system, which included teacher training, commercial and college preparatory courses. At the university level, students were encouraged to enroll in faculties of science, engineering and agronomy rather than in the more popular faculties of law, medicine and the social sciences, which traditionally had attracted a disproportionately large number of students (see ch. 9, Education).

Between 1930 and 1960 the proportion of doctors and lawyers to the population had slightly more than doubled, but the proportion of engineers had quadrupled. In 1967, however, the law and medical faculties of the universities were still attracting far more students than the faculties of engineering, and only a small number of students were enrolled in courses in agronomy and veterinary medicine. At the secondary level, between 1953 and 1967 the enrollment in industrial-vocational schools had increased in about the same proportion as the increase in secondaryschool enrollments as a whole, and agricultural-vocational school enrollments had undergone a proportional decline.

Students have also shown a reluctance to acquire skills associated with rural occupations. At a time when a disproportionately large number of young people were engaged in commercial studies, very few were taking training in agricultural practices, and most of the graduate agronomists were engaged in teaching and other service occupations rather than in operating farms and ranches.

Practical considerations as well as social values discouraged young people from acquiring rural skills. The few agricultural schools were located in urban areas, out of reach of the farm families most likely to be interested in the opportunities afforded by them. In addition, life in the more isolated rural localities was arduous and dull, and young people ambitious enough to seek secondary and higher education were also frequently ambitious enough to leave the farm permanently (see ch. 9, Education).

Because of the rapid growth of higher education since World War II, the universities have graduated doctors, lawyers, engineers, architects and accountants at an unprecedented rate. Between 1940 and 1950 their numbers had increased by less than 40 percent, but between 1950 and 1960 they had almost doubled.

Because there are no precise statistical data concerning emigration from Argentina, it is not possible to determine the full extent of the loss in human resources. United States immigration statistics, however, reflect the extent of increase in the flow of skilled personnel between the two countries during recent years. The 13,804 professional people and technicians, senior executives and skilled workers entering the United States from Argentina between 1950 and 1964 increased from 190 during the 1951 United States fiscal year to 2,164 during the 1964 fiscal year; the total during the period was composed of 6,417 professional workers and technicians; 2,008 senior executives and 5,379 skilled workers. The drainage of skilled personnel represented approximately 35 percent of all Argentine emigration to the United States.

In the professional and technical worker category, the most numerous were the 984 engineers and 925 physicians. As the country had an abundance of physicians and it was believed that many of the emigrant doctors eventually would return to their homeland, their loss was not considered serious. The number of emigrant engineers between 1950 and 1964 was equal to about 5 percent of all engineering graduates of Argentine universities, a proportion regarded as dangerously high if the country were to accelerate its rate of economic growth. In 1965 about half of the engineers following their profession in the country were employed by industry; if the country were to achieve a fuller degree of economic development, it was estimated that industry would require as many as three-fourths of the total.

Other professions represented in the emigrant flow had fewer representatives, but in such fields as geology, physics and biology, where the number of professionals was small, the number of emigrants was relatively important. In 1968 the emigration of skilled personnel had not reached proportions that drastically affected the economy, but Argentina was traditionally a country of immigration rather than emigration, and editorial comments deploring the emigration of professionals had appeared in several newspapers and journals.

Employment by Occupational Sector

Since the late 19th century, evolution of the labor force has followed a consistent pattern in which the agricultural sector has experienced an almost unbroken relative decline in numbers and in which both the industrial and the service sectors have enjoyed relative gains. At all times, however, many more people have been engaged in service than in industrial occupations.

Specific data have been recorded only for the population census years of 1895, 1914, 1947 and 1960. As reported for these years, agricultural employment was 37.9 percent, 31.6 percent, 25.7 percent and 18.5 percent of the total, respectively. Industrial employment was 25.9 percent, 31.2 percent, 31.4 percent and 35.1 percent, respectively. Service employment was 36.2 percent, 37.2 percent, 42.9 percent and 46.4 percent, respectively.

The decline of the agricultural sector was reflected in the expansion of industrial employment between 1895 and 1914 and in the expansion of service employment between 1914 and 1947. Between 1947 and 1960 the further decline in agricultural employment saw corresponding increases in both the industrial and the service sectors, a consequence not only of the accelerated migration from country to town but also of the progressively increasing participation of women in industrial and service areas of employment. Although the proportion of participation in industrial occupations remained virtually unchanged between 1914 and 1947, it was largely during this period that industry changed from artisanry to manufacturing. A corresponding trend occurred in the service sector where, between 1914 and 1947, the rate of participation of domestic servants dropped by almost 50 percent.

The long-term decline in agricultural employment is customary as the introduction of machinery and other economies of production reduces the relative need for farmworkers. The progressive decline in agricultural employment reflects the fact that Argentina was the first South American country to invest heavily in farm machinery, but it also reflects a massive migration from country to town. During the Perón administration many rural people flocked to cities in response to higher industrial wages, but in early 1968 agricultural labor shortages were reported in many rural localities at a time when there was considerable urban unemployment.

Between 1947 and 1960 both the industrial and the service sectors of the economy registered substantial gains in employment, but after 1958 industrial employment entered a period of decline, particularly in the manufacturing and construction industries. By 1963 over 48 percent of the occupied labor force positions were in the service sector, where most of the economy's underemployment was concentrated.

The unbalanced composition of the labor force by sector of employment is recognized by the country's economic planners, and projections developed during the 1960's with respect to the composition of the labor force during 1970 or 1980 foresaw a relatively extensive growth of the industrial sector depending on the assumed extent of economic growth.

CHAPTER 5

ETHNIC GROUPS AND LANGUAGES

The outlines of the present-day ethnic structure did not become apparent until near the end of the 19th century. This comparatively recent development was the product of mass European immigration, which has transformed the social and economic life of the country. In 1967 about 97 percent of the estimated total population of over 22 million was classified as Caucasian and most of them of European descent.

Indians and the offspring of unions between Spaniards and Indians (mestizos) formed the large majority of the early colonial population. In 1810, when Spanish rule ended, they constituted 80 percent of the population, and they continued to be numerically dominant until after the middle of the 19th century. Since that time successive waves of immigrants have absorbed most of the mestizos and have driven the Indians into remote parts of the country. In 1967 the combined Indian and mestizo population probably numbered no more than 650,000, or about 2.9 percent of the national total.

The descendants of the colonial *criollos* (native-born persons of Spanish descent) also have been largely absorbed. *Criollo* originally was used only as an ethnic term, but in Argentine usage it has come to denote anyone or anything traditionally Argentine, as distinguished from Europeanized and modern persons or things.

Early Spanish colonial traditions provided much of what became Argentine culture. The Hispanic cultural emphasis continues in the Roman Catholic religion, the language and many of the customs and traditions transmitted to Argentina from the mother country. The great majority of the immigrants who entered the country between 1870 and 1930 have lost their ethnic distinctiveness and have been assimilated into the dominant Hispano-American structure. They also have contributed certain elements from their own culture and have significantly modified Argentine society.

By far the most numerous of the more than 4 million immigrants entering the country in the last 80 years have been Italians and Spaniards, with 46 percent and 33 percent, respectively. The remaining 21 percent came from every other European country and the Middle East.

The major areas of European settlement are the coastal regions, the Pampa and Patagonia. The city of Córdoba is sometimes said to mark the dividing line between the area of European settlement and that of the interior provinces where Indians and *mestizos* are more prevalent. In the city and province of Buenos Aires, the people are almost entirely of European descent. In the provinces of the north and west, however, *mestizos* constitute about half of the population. The few remaining Indians live primarily in the highlands of the Northwest, the Chaco and southern Patagonia.

HISTORICAL DEVELOPMENT

The ethnic structure is largely the product of the last 80 years, but factors in the country's more distant past helped to shape the modern structure. Ethnic history began approximately 10,000 years ago when groups of nomadic Indians began wandering down from the Andes into the Pampa and southward into Patagonia. Archaeological evidence indicates that these nomadic bands were an offshoot from the mainstream of American Indian migration which moved along the Andes, mainly from north to south.

The Indians of the Pampa and Patagonia never developed an advanced culture like that of the Incas, although there is some evidence that Inca influence once extended into northwestern Argentina. A combination of environmental factors and the distance of most groups from the Andean center of invention precluded the growth of more complex cultural developments. Agriculture was unknown except in the northwestern part of the country, where some rudimentary cultivation was practiced. Almost all of the indigenous Argentine groups were nomadic and depended on hunting and gathering as their primary means of subsistence. The population remained scattered in small groups and probably never exceeded 105,000 for the whole of Argentina.

The indigenous culture was almost immediately changed by contact with the Spaniards who arrived in the 16th century. The most important factor in the change was the acquisition of horses that had escaped from Spanish settlements. They were hunted as game until groups of Araucanian Indians, fleeing from Spanish control in Chile, demonstrated the use of horses in transportation.

The introduction of the horse created greater mobility and ease in hunting, which led to the formation of larger bands of as many as 100 to 500 people. The Indians became more aggressive and frequently raided European settlements throughout the colonial period and well into the 19th century.

Contact between Indians and Spaniards was primarily hostile and involved frequent raids and skirmishes. Sustained exposure to a foreign culture that had superior techniques, organization and numbers resulted in the eventual defeat of the Indians and the loss of their cultural identity. Those who were not killed in the final decades of the 19th century were driven into remote parts of the frontier provinces, and their former lands were converted into farms and estates.

As in the other Spanish colonies, spiritual conversion of the Indians was undertaken simultaneously with the military campaigns against them. The first Jesuit missionaries arrived in Tucumán in northern Argentina at the end of the 16th century. Their mission reservations (*reducciones*) provided the Indians with shelter from economic and social exploitation. The Jesuits encouraged the Indians to adopt a sedentary agricultural way of life and succeeded in converting many to Christianity.

Outside of the Jesuit reservations the Indians often owed encomienda tribute and services to wealthy Spanish estate owners. The encomienda consisted of the granting of the labor of a particular group of Indians to a Spaniard. The worst evils of the encomienda system played no part in the Jesuit reservations, but even the guardianship of the Church could not always prevent estate owners from devising ways to acquire this desired source of labor (see ch. 19, Agriculture). Where the indigenous population could be subjugated, the men were forced to comply with the economic demands of the Spanish colonists.

The early Spanish soldiers and settlers brought few women with them, and they frequently formed liaisons with Indian women. Miscegenation and warfare contributed to the disappearance of the Indian culture and the decline of the pureblood Indian population. The *mestizo* child usually was raised as an Indian with his maternal kinsmen. When he was grown, however, he usually sought work in the Spanish settlements. The *mestizo* incorporated elements of two cultures but belonged to neither. He represented a third cultural type which came to dominate the rural working class and found its best expression in the gauchos of the Pampa.

The Indian population could not supply all of the labor needed by the Spanish colonists, and the Spanish considered manual labor degrading. A solution to the problem was found in the importation of several thousand African slaves, who were sufficiently numerous in 1810 to comprise 10 percent of the population. Slavery was abolished shortly after independence, and the Negro gradually became absorbed into the general population. Assimilation has been so complete that in present-day Argentina there is only a handful of persons with Negro racial characteristics.

The need for immigration to fill the demands for labor became apparent during the mid-19th century. Domingo Faustino Sarmiento, President of Argentina from 1868 to 1874, encouraged European immigration in the belief that an infusion of European blood would stimulate the social, economic and political development of the country. During his term in office, immigration increased to 40,000 persons a year, and in later years Argentina experienced a greater influx of European immigrants than any other South American nation.

The first immigrant farm colonies were established through agreements with private colonization companies. Esperanza, a Swiss agricultural colony founded in 1856 in Santa Fe Province, was the first settlement of this type. It was followed in the next 40 years by German, Spanish and Italian colonies in Santa Fe, Corrientes and Entre Ríos Provinces. Other nationalities that provided significant numbers between 1857 and 1900 were the French, Welsh, Irish, Russian, Austrian and various Slavic peoples.

Argentina offered many inducements to immigrants, but it also presented obstacles to their success, especially in the best farm areas. The pattern of landownership in the Pampa and in much of Patagonia was already established. By the mid-19th century Spanish colonists had divided the land into huge cattle estates (see ch. 19, Agriculture). Tenancy or employment as a day laborer was the only possibility for the majority of immigrants who had no capital and had a rural background. For this reason, many chose to stay in the cities, where industry and trade were expanding, rather than take less desirable land on the fringes of the Pampa.

In the 1860's immigration increased to 134,000 a year, and it had reached 793,000 a year by 1879. In the first decade of the 20th century the number of foreign-born residents totaled over 30 percent of the population.

The first immigrants were taken to Argentina by colonizing companies, which usually paid their passage. The company was repaid later, after the colonists had harvested their first crops. Most of the early immigrants were extremely poor and, as the *criollo* Argentines said, "... come to the country with one hand before and the other behind," meaning they were too poor to cover their nakedness.

The varying tides of mass immigration have reflected the changing fortunes of Europe. Each political upheaval sent great numbers of European immigrants to Argentina. Except for a brief spurt of German immigration immediately after World War II, the improved economic, social and political conditions in Europe brought an end to major immigration. The proportion of foreign-born adults in the population had declined to about 12 percent in 1964.

The arrival of a great number of immigrants was expected to cause immediate political, economic and social change. The change, however, has been much more gradual than was expected and has taken the form of an evolution achieved by the children and grandchildren of immigrants. The largest group of immigrants, the Italians and Spaniards, showed a decided preference for urban settlement. Their descendants comprise a disproportionate part of the urban population, especially in Buenos Aires, and hold a greater share of the skilled trade occupations. Most northern Italians went into the agricultural regions, but the southern Italians became urban factory workers, masons, skilled artisans and small businessmen.

The Spanish immigrants of the late 19th and early 20th centuries were different from the early Spanish colonists and adventurers who first settled Argentina. The majority of the more recent immigrants were either Basques or *gallegos* from the province of Galicia. Both groups

had a rural background, but they preferred to settle in urban areas and to become laborers, servants and small businessmen.

The Lombards, Piedmontese and other northern Italians often became tenant farmers or farmhands on the cattle estates. The native Argentine dislikes agricultural labor and prefers to hire the Italians or the Irish to farm his land. Northern Italian immigrants have been credited with transforming the Pampa. As tenant farmers they contracted to farm a tract of land for a specified number of years, after which they would move on to another tract and repeat the process. In this way they converted huge areas of the Pampa to agricultural land.

The Germans immigrated in smaller numbers than either the Italians or the Spaniards, but they have exercised a strong influence. Many of the 250,000 persons of German descent live in Misiones Province, where they maintain contacts with German settlements across the river in Brazil. Others have settled in the southern lake district. About 65,000 refugees from Nazi Germany entered Argentina in 1930 and settled in Buenos Aires and other cities. The Germans are predominantly middle class and often operate small businesses and minor industries.

About 65,000 British immigrants entered the country between 1857 and 1924, settling in Buenos Aires Province and in other parts of the Pampa. Most were merchants, technicians and managers who worked for British-owned banks, businesses and railroads. Their capital and their technical skill contributed more to the economic and social development of the country than their numbers would indicate. Like the Germans, the British for many years kept ties with their homeland and often retained dual citizenship. The influence of the British has declined considerably since World War II, but many of their customs remain.

Scotch, Irish and Welsh immigrants have also had a role in the country's development. The Scotch settled in Patagonia and Tierra del Fuego, where they established sheep farms. The Irish were among the earliest agricultural settlers, and, like the Italians, they profited from the *criollo's* scorn of manual labor. They were less numerous than the British and did not have their influence, but they have succeeded economically. Many now own cattle estates, which they purchased with money earned by digging ditches and building fences.

Welsh immigrants form a unique community, unlike that of any other immigrant group. Beginning in 1865, with the encouragement of the Argentine Government, they established a number of farm colonies in Patagonia. Their primary purpose for settling in this remote undeveloped area was to preserve their language, traditional customs and religion. Some of their descendants have intermarried with Spanish-speaking Argentines and Italians, but they have retained their ethnic identity to a surprising degree. Most are still Protestant, and many of the churches in their Patagonian villages offer sermons in the Welsh language.

The Jewish community, numbering 450,000, may be the largest in South America. The Jewish population is concentrated in Buenos Aires but is also distributed in other urban areas and in a number of rural communities. The establishment of the Jewish Colonization Association in 1891 and its choice of Argentina as an area of colonization for Russian Jews produced a reaction among some Argentines, who expressed fear of a plot to deluge the country with 2 million Jewish immigrants. Their fears proved groundless, however, when only a few paternalistic farming colonies were established in Entre Ríos, Santa Fe and Buenos Aires Provinces. The number of Jews who entered the country was comparatively small. The majority were poverty stricken and could wield little political, social or economic influence. Many of the children of these immigrants have migrated to the cities where they have been successful as merchants and manufacturers.

Among the non-European immigrants the most numerous have been the Syrians, Lebanese and others of Middle Eastern origin. In Argentina these people are known as *turcos*, regardless of their national origin. There may be well over 1 million, concentrated mostly in Buenos Aires and other cities. They have tended to learn Spanish rapidly and are known for their skill in the retail trade, textile manufacturing and small industries. They have not been politically active and have restricted their social activities primarily to their own ethnic organizations. A fairly large number have married into the Argentine lower-middle class.

ASSIMILATION

A majority of the European immigrants have been assimilated into the national Hispano-Argentine society. The immigrants have been widely dispersed throughout the country and have experienced a high rate of intermarriage with Argentines. The southern European customs and traditions of the Italians and Spaniards blended readily with those of the *criollo* population. The minor social cleavages that have existed between *criollo* and immigrant have been caused more by differences in distribution than by racial differences. Immigrants and their descendants dominate the urban middle class, but the *criollos* and *mestizos* are predominant in the upper and lower classes, respectively, and tend to be concentrated in the rural interior. These distinctions became less apparent with the decline of immigration since World War II.

The usually friendly and receptive attitude of the Argentines eased the absorption of foreigners. European immigrants were accorded preferential treatment in the Argentine Constitution and in treaties and laws. English settlers were guaranteed religious freedom in 1825; and all other foreigners, in the Constitution of 1853. Foreigners have rarely been discriminated against or segregated because of their national origins, although they have frequently been stereotyped for some distinguishing traits. Proposed immigration changes rarely have been rejected, except for occasional proposals for Chinese and Japanese colonization. The

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country has almost no Orientals in contrast to the large number of Japanese in some other South American nations.

The movement of large numbers of immigrants into the cities has contributed to problems of overcrowding and unemployment, but it also has aided rapid assimilation. The immigrants who live in urban centers have made the transition to Argentine culture with greater ease than those who live in rural areas. In crowded city neighborhoods there is close and unavoidable contact with people of many ethnic backgrounds. The immigrant who works in industry or trade has continual contact with Argentines and consciously or unconsciously begins to conform to their standards of behavior.

In such rural settlements as the farm colonies established by the Russian Jews, Welsh, Swiss and others, traditional ethnic customs and language persist more tenaciously. Contacts with Argentines are infrequent in remote areas of the north and south, and education in Spanish often is unavailable.

Relations between the various immigrant groups appear to have been congenial, and there was little evidence of friction. Argentine tolerance served as a common ground for people of all nationalities, which enabled the society to accept many European customs and traditions as its own. Buenos Aires and the other coastal cities have a cosmopolitan atmosphere in which all immigrant groups have contributed certain characteristics.

There is less nationality grouping in Buenos Aires and other cities than would be expected, especially among the lower classes. Ethnic neighborhoods do exist, but they have no rigid boundaries or ethnic purity. There is a predominance of Italians in the Boca and Barracas districts of Buenos Aires and of middle-class Germans and British in Belgrano and Hurlingham. For many years the disappearing Negro and mulatto (mixed Negro and white) population was concentrated in Barracas, but the number now is so few that no neighborhood is predominantly Negro. Jews tend to cluster in their own communities, as do Syrians and others of Middle Eastern origin, but their neighborhoods are not distinct.

As Argentina developed the outward characteristics of a national culture, pressures to enforce "Argentinism" became apparent. This was especially true during World War II, and it continued until the last years of the Perón regime. The national population became emotionally opposed to ethnic group activities, such as ingroup social organizations and the use of languages other than Spanish.

Pressure was exerted on people of foreign birth not only by native Argentines but also by the children of the immigrants. Education has provided the most effective means of instilling conformity and a sense of national identity. Children have learned to consider themselves Argentine rather than Italian-Argentine, Irish-Argentine or German-Argentine. They tend to deride their parents' customs and their poor grasp of Spanish and to look upon Argentine customs and values as superior. A number of Argentine culture elements, including the Roman Catholic religion, ideals of family unity and traditions of political paternalism, are part of the heritage of the Italians, Spaniards and many Germans, Austrians and Poles. The Spaniards already speak the language of the country, and the Italians, who speak a language of similar Latin origin, have little difficulty in learning Spanish. The Italians and Spaniards share with the Argentines a great love for oratory and the flowery, extravagant phrase. Religion and the Church are important factors in everyday life, and great emphasis is placed on dignity, appearance and style of dress. They share a fatalistic attitude toward life, which is often expressed in a love of gambling, and believe that women are to be sheltered and protected within the home.

Many of the immigrants were poverty stricken and illiterate, and their lack of education made it difficult to resist assimilation and retain their own traditions. Only the better educated middle-class Germans and British were able to maintain private schools that emphasized the teaching of traditional culture and language.

INDIGENOUS GROUPS

In 1947 less than .5 percent of the Argentine population was classified as Indian. The Argentine Indian Affairs Commission estimated that there were no more than 130,000 Indians of pure blood, concentrated primarily in the peripheral regions of the northwest, north and south.

Indigenous peoples numbered about 45,000 in Chaco and Formosa Provinces of the Northeast. Included in this population were the Toba, Mataco, Mocovi, Chorote, Chiriguano, Vilela, Mocho and Churupi groups, most of them descended from Guarani stock. In the provinces of the Northwest Andes and Piedmont region, the largest groups were the Colla and the Quechua, totaling about 20,000; and in Patagonia, the Araucanians, Tehuelche and Pampa, totaling 45,000. There were an estimated 20,000 in scattered groups in other provinces, including northern Santa Fe, Misiones, Corrientes and Buenos Aires Provinces.

The groups living in the extreme south, Patagonia and Tierra del Fuego, have been decimated by disease and the increasingly difficult survival conditions. In 1953 it was reported that the number of Ona had declined to 30 and that the Yahgan and Alacaluf were also nearing extinction.

The Northeast may have the greatest concentration of indigenous peoples, but enumeration is difficult because of the seasonal migration of large segments of the population. Many of the Indians comprise a transient labor force which works in the northwest during the sugar harvest. Enumeration is further complicated by the several thousand Bolivian Indians and *mestizos* who enter the country periodically to work on the sugar and cotton plantations and in the mines of Jujuy Province. There are a few remaining nomadic forest-dwelling groups, and their exact numbers are unknown.

Other than seasonal wage labor the main subsistence activities of the northern groups are hunting, fruit gathering and the grazing of sheep and goats, augmented by a small amount of agriculture. Some groups live on government reservations (colonias) and raise cotton or engage in forestry. Others, such as the Mataco and the Caingua, have been encouraged by the government to develop their native handicrafts, particularly basketry and weaving.

In some regions of northwestern Argentina, a communal type of agriculture flourishes as a survival of the Inca agricultural system. Several families rent a few acres of land, farm it collectively and take equal shares of the profits.

In the southern part of the country the primary activities of the indigenous peoples are hunting, fishing, wood gathering, woodcutting and sheepherding for the sheep estates of Patagonia. The Patagonian Indians continue to hunt the ostrich-like rhea and the guanaco (a camellike relative of the llama), and the Ona and Yahgan are seal hunters and fishermen.

The indigenous culture has not remained intact in any area, but remnants survive in some places. Indian languages are still spoken in parts of the northern provinces and in the extreme south, but most cultural attributes are roughly like those of the dominant society. Most Indians are Catholic and have a type of family organization and social structure which has been strongly influenced by contact with Hispanic and other European values. They and the more numerous *mestizos* constitute a rural working class and form a segment of the national social structure.

In the Constitution the government makes no distinctions between Indians and the remainder of the population. The Constitution of 1853 provided for the preservation of friendly relations with the Indians and for their conversion to Catholicism. This section was deleted during the Perón regime so that the Indians are no longer differentiated as a distinct racial or ethnic group.

The government in 1902 provided for the reservation of lands for Indian settlement and stipulated that missions be established and families be given tracts of land derived from the sale and lease of public lands. The Directorate for the Protection of Indians regulates Indian affairs and supervises their employment, settlement and other interaction with the rest of the society.

LANGUAGE

Spanish is both the official and the popular language. During over 300 years of usage in Argentina, Spanish has developed unique variations in pronunciation and grammar. These variations are especially characteristic of the area around La Plata, where the greatest amount of immigrant influence has been evident.

The portensos (people of the port) of Buenos Aires speak Spanish with an accent peculiar to them and popularly called Rio Platense. Vowels are thickened, and the soft Spanish pronunciation of "ll" and "y" is hardened to an approximate English "j." This linguistic trait (*yeismo*) is considered repulsive by recent Spanish immigrants, who are accustomed to Castilian Spanish.

Italians have contributed more to the language than any other group, except the Spaniards. They have added a number of new expressions and gestures and made pronunciation changes. Among the Italian words which have become part of the Argentine vocabulary are *morgar* meaning "to eat," and *chau*, a familiar term of farewell derived from the Italian *ciao*. An Italianized Spanish dialect (*lunfardo*) had developed in the waterfront slums of Buenos Aires by the end of the 19th century. Despite its many variations, Spanish has survived, largely because the children of the immigrants rejected their parents' language and patterned their own on that of the *criollos*.

English is spoken by increasing numbers of people among the professional and business classes of Buenos Aires and other cities. French was once the language of the aristocracy and often was learned before Spanish, but its use has greatly declined since World War II. The Anglo-Argentine and German communities are usually bilingual, and a significant number of the other immigrants have retained a knowledge of their mother tongue. The degree of bilingualism is unknown, but it is probably fairly large. All of the larger immigrant communities in Buenos Aires maintain their own newspapers and other publications. The 16 daily newspapers printed in Buenos Aires include 1 each in English, Italian and Yiddish and 2 each in German and French; nondaily papers are printed in 21 other languages.

The diminishing tribes of southern Patagonia still speak their own tongue, a version of the Tehuelche language. In Misiones Province members of the lower classes, who are predominantly of Indian and *mestizo* blood, continue to use Guarani as their common language. Quechua, a modified form of the ancient Inca language, is spoken in some parts of Jujuy and Salta Provinces.

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CHAPTER 6

SOCIAL STRUCTURE

Argentine society is complex and highly developed and is built on the many specialized institutions of a modern industrial nation. Two-thirds of the population live in towns and cities, which form the centers of cultural, political and economic life. The people living in the various outlying localities constitute, in effect, regional subcultures based on some local economic or occupational specialization. Despite the distinctions which set them apart, the towns and cities of each regional subculture share general features of the national urban society and participate in national institutions. Isolated rural agricultural populations have some features in common with the urban culture in their particular region, but their participation in the institutions of the regional or the national culture is marginal.

Crosscutting the many regional variations is a relatively uniform system of social stratification comprising several classes arranged in status positions on a hierarchical scale. The major criteria for determining status and class membership are generally the same throughout the society. Among these criteria are occupation and economic wellbeing, followed closely by education. Family name is of major importance only to the traditional elite, the very small group at the top of the social structure.

The rate of mobility, both geographical and social, is high. The avenues of social mobility are open to everyone, and the possibilities for advancement are limited only by prevailing economic conditions and by individual ability and opportunity. Many well-to-do Argentines are selfmade men who came from lower-class families and worked their way up in the social system through education and occupational advancement.

The ease of social mobility and the size and predominance of the middle class are the two most outstanding features in the society. Except for Uruguay, Argentina has the largest and most prominent middle class of any Latin American country. The greater part of the middle class has developed since the end of the 19th century and is of European immigrant descent. Three basic interacting factors account for the rapid growth of this predominantly urban group. The first factor was the immigration from Italy, Spain, Germany and Central Europe; the second was the development of modern industry; and the third was the rural-urban migration within the country. Because of its recent development, the middle class lacks unity and has not realized its full potential as a social and political force. Nevertheless, many of the country's military and political leaders are drawn from the middle sectors and move into positions of power which once were reserved for the elite. The values and attitudes of the society as a whole are increasingly affected by those of the middle class.

The same factors which contributed to the rise of the middle class also brought about the development of urban laborers. Comprised largely of rural migrants who had acquired no skills or education, the working class was powerless and disorganized until Juan Domingo Perón became their spokesman. By organizing their support, he strengthened their influence in society and government and inspired class unity (see ch. 14, Political Dynamics).

Economically, the members of the working class sometimes differ little from individuals in the middle class. Their status is automatically lower, however, because they work with their hands, and manual labor is traditionally considered demeaning.

In the past 50 years members of the elite, who derived their wealth from cattle estates, have been forced to share their position in the upper class with the wealthy industrial and commercial class. The two sectors of the upper class constitute only 1 percent of the population. Although they control a large amount of the country's wealth, their influence in politics and society has declined as that of the middle and industrial working classes has increased.

Rural society differs from urban society in composition and in the relationship between the social classes. The rural middle class is very small, except in the areas of extensive tenant farming and small agricultural holdings. In contrast, the class made up of farm laborers, fruitpickers and small subsistence farmowners is large, even though thousands have migrated to the cities. At the top of the rural social structure is the same group of landholding elite that has great prestige in the rest of the society. Movement between these groups is slight, and the social distance between them is considerable.

The urban sectors of the social structure are usually more class conscious than the rural sectors, which tend to be tradition-oriented. Whereas the urban middle and working classes aspire to higher status, their rural counterparts usually do not have such aspirations, but are relatively passive in their acceptance of the status quo.

HISTORICAL BACKGROUND

Sixteenth-century Spanish institutions provided the base for Argentine colonial society. In general, there were two classes. The relatively small elite was made up of upper-class *criollos* (native-born persons of Spanish descent) and Spaniards. The lower class was comprised of *mestizos* (offspring of unions between Spaniards and Indians), Indians and *criollos* who were not of noble birth. Initially, the Spaniards held nearly all of the important offices and were the sole beneficiaries of the grants of land and labor made by the Spanish throne.

Despite the efforts of the Spanish to exclude them permanently, some *criollos* attained importance in colonial society. Many were the wealthy descendants of Spanish nobility who had inherited large amounts of land from their parents. Like the Spanish elite, they disdained manual labor and commerce and developed into a landowning, stockraising leisure class. Higher education fell under their influence, and through it they developed new concepts of government and society. After independence the *criollos* assumed national leadership and replaced the Spaniards in the highest social levels.

The lower class comprised the largest segment of society. It was predominantly *mestizo* and included the landless peasants and the gauchos of the Pampa. Many *mestizos* gained considerable status during the War of Independence of 1817-22 through their role as gaucho soldiers. Others entered the trades and minor manufacturing and gradually moved up the social scale to join a small urban middle group.

This incipient middle class was formed largely from lower-class Spanish immigrants who became tradesmen, craftsmen and merchants. Because of their monopoly in providing vital goods and services, some became wealthy. The combination of wealth and Spanish birth facilitated the entrance of these immigrants into the *criollo* upper class.

Physical labor and domestic service were supplied by Negro and Indian slaves. It was considered fashionable to have at least one Negro slave, but mass slavery never gained the importance which it had in countries with plantation economies.

The various sectors of the society—the Spaniards, *criollos* and *mestizos* —were more or less antagonistic toward each other and developed no feeling of social or political solidarity. All land was reserved for the upperclass *criollos* and Spaniards.

The social structure was not greatly modified by independence, and it remained much the same until the end of the 19th century. The old structure began to crumble after the beginning of mass immigration, predominantly from Italy, Spain, Germany and Central Europe, and the subsequent rise of a new middle class. Most of the merchants and shopkeepers who made up this class were immigrants or the sons of immigrants. Whereas the term *criollo* originally had been used only in referring to the descendants of Spaniards born in Argentina, its usage changed to include the children of all immigrants who stayed in the country and adopted the Argentine way of life. Their view of society differed substantially from that of the old landowning families in that they believed in the right and ability of the individual to move upward in the class structure through his own efforts.

The traditional occupation of stockraising remained in the hands of *criollos* and that of farming in the hands of *mestizos*, but the middle-class

occupations expanded greatly with the influx of foreigners. Added to the traditional middle class were a number of immigrant tenant farmers and a larger group of industrial and manufacturing employees.

By 1968 the term *criollo* had come, at least in Buenos Aires, to change its meaning and was frequently used to denote the rural, lower class countrymen, often *mestizo*, who retained the simplicity of the traditional rural worker or yeoman. It had become a class, cultural or ethnic designation, and the term tended to be applied to the countrypeople by the citybred sons of immigrants.

The landed aristocracy and the industrial elite constituted an oligarchy which dominated government and society during the early decades of the 20th century. This elite group and its political party, the National Democratic Party (Los Conservadores), frequently clashed with the spokesmen of the middle and lower classes over economic, social and political objectives. The two groups vied for power and position until Perón rose to power in 1943 (see ch. 14, Political Dynamics).

Perón strengthened and expanded the formal structures of workingand lower-middle-class labor unions and political organizations. He hoped to weaken the power of the upper classes by increasing that of other groups, but he also recognized the economic importance of the large cattle estates. Although he verbally attacked the large landowners, he did little to destroy their basis of influence and only made a token effort to carry out his threats of expropriation. The landed elite remained at the top of the social and economic structure, but they were forced to share their political dominance with the lower social sectors.

Perón was a major influence in welding group solidarity among the working classes and in arousing their class consciousness. Their frustrations and antagonism toward the upper social levels were given a voice for the first time. The balance of power shifted so that the working classes were able to exert their influence on society (see ch. 14, Political Dynamics).

SOCIAL STRATIFICATION

Crosscutting regional and rural-urban variations are three broad social classes which can be delineated only in very general terms as upper, middle and lower. Each of these main social divisions has some features which are shared by most members of the same class throughout the society. The classes are separated by differences in occupation, attitudes, tradition, power and wealth. Within each of the classes are numerous gradations in status based on family membership, occupational prestige, educational level and reputation. Of the three social classes the middle sector is the least homogeneous; it comprises a wide range of socioeconomic groups; and its status is intermediate between that of the working class and the elite.

In terms of economic participation and occupation, about 50 percent

of the population is in the middle sector. Slightly less than 50 percent is in the lower class. The smallest segment of the population, about 1 percent, is in the upper class.

The Upper Class

Two more or less parallel segments, the traditional aristocracy and the extremely wealthy, comprise the upper class. They are not always mutually exclusive and often overlap. The traditional aristocracy bases its elite status on family background and the possession of a respected family name. The members of this group are the descendants of men who derived their original wealth from the ownership of large estates. They have frequently provided personnel for the highest offices in the government, the Roman Catholic Church and the military.

The aristocracy is nearly a closed group, excluding all who do not belong by reason of birth. A few members of the wealthy upper class have married into this group and have been accepted as equals, but wealth is not a prerequisite or qualification for membership. Although the members of the aristocracy are usually wealthy, they may be less so than the economically successful members of the upper class.

The extremely wealthy who have been successful in the business world are also accorded high social status. They usually have some enterprise which requires their guidance and supervision, holding positions as business executives, bank presidents, judges, high-level government officials and industrial magnates.

The prestige which accrues to landownership has led many businessmen to invest money in estates. Wealthy people who have earned their money in industry and commerce and become part of the upper class buy estates not as purely economic investments but for the prestige factor.

Higher education is almost obligatory in the upper class. Considerable care is taken to see that children receive the best schooling, often at exclusive private schools in Argentina or abroad.

Members of the upper class have their own exclusive private clubs and participate actively in religious activities, charities and volunteer societies. Most social activities take place within the circle of the extended family and friends of similar social position. The names of elite figures dominate the society pages of metropolitan newspapers, but they are no longer prominent in politics and the military.

The Middle Class

Except for Uruguay, Argentina is the only Latin American nation with a sizable middle class. The middle sector is a large, heterogeneous group with status intermediate between that of the working class and the relatively small elite.

Although Argentina has always had a self-employed segment of the

population which comprised a middle sector, the greater part of the modern middle class has developed since the late 19th century. This recent expansion of the middle group resulted from immigration, industrialization and urbanization. The middle class recently has been strengthened by the addition of many European merchants and craftsmen who fled Nazi Germany. The largest percentage of the middle sector consists of second- and third-generation descendants of Italian, Spanish, German and other European immigrants.

The middle class has two major subdivisions: the upper segment, composed of self-employed persons; and the lower segment, composed of those who work for someone else, provided that their jobs involve mainly intellectual rather than manual activities. Anyone who does manual labor is considered to be in the lower class, whereas persons whose jobs are routine and automatic are considered or regard themselves as middle class if they do not work with their hands.

Included in the middle class are all white-collar personnel, merchants, government workers, small businessmen, officeworkers, some skilled workmen who own their own businesses, teachers and professionals. Most intellectuals, important newspapermen, musicians, authors and artists are in the middle class.

Although the middle class is predominantly urban, a number of rural groups are considered part of it. The rural sector includes the owners and renters of small- and middle-sized farms, the managers and some employees of large agricultural and cattle-raising farms. Laborers, both urban and rural, and factory workers are never considered middle class, although they sometimes earn more money than white-collar workers.

There is considerable mobility within the middle class and a constant flow of new members into it from the working class. Because of the relatively recent formation of the middle sector and the state of relative fluidity which characterizes it, it has not developed a group identity or established customs and traditions which would set it apart.

Much of the country's leadership in the 1960's came from the ranks of the middle class, despite this sector's lack of cohesion and organized power base. Whereas 30 years ago the military and civil elite formed a coalition for national leadership, the middle class is now the source of many military leaders and high government officials.

Most people who have been in the middle class for a generation or more have certain habits, attitudes and other types of customs that befit their social role. They also exhibit a level and style of life which Argentines customarily associate with middle-class membership. No group, however, has developed a "professional heritage," the system of values, attitudes and standards which are assumed along with a given occupational role.

Each level of the middle class, especially its urban representatives, exhibits a certain standard of conspicuous consumption. This consists of a socially determined quality of life as evidenced in the outward aspects of dress and the size and style of the home. In each succeeding level

within the middle class, the requirements of status grow in number and importance. This is in marked contrast to the members of the working class, for whom a minimum level of consumption implies no loss of status.

The lower-middle class, in attitude and life style, is similar to the working class. Many in this group are self-made men who have recently attained middle-class status. Educationally, also, the lower-middle-class individual is often similar to many people in the working class.

The upper-middle class gradually merges into the lower levels of the wealthy upper class. Members of this class often copy the manners, behavior and other external characteristics of the upper class.

Secondary and university education are prevalent in the middle class, but they are not prerequisites of membership. Many self-employed businessmen, technicians and lower-level white-collar workers have comparatively little education, but they are fully accepted as middle class because they possess the important criteria of middle-status occupation and economic success.

Cultural interests contribute to individual status within the middle class. Considerable prestige is accorded to the person with the reputation for being well-read, especially if he is considered a true intellectual, one who is a critical reader of literary journals and frequently attends cultural lectures. Most popular fiction, biography, essays and other writings are published for the middle-class market more than for any other group. Members of this social sector are also the largest buyers of magazines and newspapers.

The social activities of the middle class include membership in various kinds of clubs. Most popular among men are sports clubs, particularly soccer clubs, and organizations sponsored by businesses. Every company has a club for its employees, whether they are oil company workers, Department of Sanitation employees or any other type of business organization worker. Many of the descendants of European immigrants continue to belong to ethnic organizations, such as the French Club, the Italian Club, the Club Galicia or the Club Valencia.

Middle-class women have less time than upper-class women for social activities because many are employed. Occasionally, middle-class women belong to a religious or a women's association that performs charity work. School and educational activities are fairly important, but are less so than frequent family gatherings and activities, which are major aspects of social life (see ch. 7, Family).

The Lower Class

The lower or working class comprises a broad sector of rural and urban society. Industrial workers are the largest segment of the urban working class, but there are also many construction workers, menial and unskilled laborers and domestic servants. The rural lower or working class includes day laborers who work on the large livestock ranches and migrant laborers from neighboring countries who work in the sugar, cotton, *yerba mate* (Paraguayan tea) and lumber industries. Others in this class are unskilled cotton, sugar beet and fruit pickers who work for very low wages.

Many agricultural workers have migrated to the cities in an attempt to improve their way of life. Most of them find industrial and unskilled jobs, still regarded as lower-class occupations, but somewhat better than their former work. Large areas of the suburbs and *villas de miserias* (literally, villages of misery) outside the Federal Capital are occupied by these rural migrants, who continue to exhibit rural value orientations and attitudes.

At the upper levels of the working class, there is little distinction between the skilled industrial employee and the white-collar worker, except that of white-collar versus blue-collar occupational status. Skilled factory workers have incomes equal to those of some white-collar workers and a way of life very similar to that of the lower-middle class.

In the semiskilled and unskilled levels of the lower class, however, low incomes begin to reduce the quality of the life style. The individual at the lowest social levels is not concerned with the projected goals of advanced education or with acquiring the amenities of middle-class life, but with obtaining the daily necessities. Inflation and rising prices have cut into the material comforts and small financial reserves of the lower class.

Formal education for lower-class people often ends in the primary grades, especially in rural areas. Children often work to supplement the family income, and women have jobs as domestic servants or unskilled workers in the lighter industries. Social activities are unstructured and informal and often take the form of casual gatherings of family and friends.

A large proportion of the nation's small mestizo population is concentrated in the rural lower class. More people in the lower class than in the higher classes have the dark skin of mestizos. Argentines, therefore, generally associate darker skin with the lower social class, especially since many mestizo farmworkers began migrating to the cities.

SOCIAL MOBILITY

Argentine society has a greater degree of mobility than most Latin American countries. Industrialization and economic, social and political change have facilitated geographic and social mobility, both up and down the social scale. This ease of mobility results in part from the influence of patterns introduced by European immigrants, most of whom constituted the lower class in their own countries. The economic success and higher social status which they achieve came through their independent efforts in the fields of business, agriculture and industry. In the 1960's this group of self-made men comprised a large portion of the middle and upper classes.

The educational system has opened the avenues of upward mobility to members of even the lowest social levels. Schools are readily available in the urban areas, and through them the son of a factory worker can attain status as an educated person. The most important factors in moving upward in the social system are education, economic success and occupational advancement. Marriage into a higher social level is sometimes a means of upward mobility, especially within the various levels of each class.

The wealthy upper class shows considerable willingness to accept new members. Wealthy industrialists and businessmen have attained important positions in the political structure and are accepted in all but the most exclusive circles. The means of access into these aristocratic and exclusive circles are, if not impossible, extremely difficult. Most members of the middle class who aspire to higher status realize that they cannot hope to achieve entry into the aristocracy and, therefore, concentrate their efforts on the slightly lesser goal of the economic elite.

For the rural agricultural worker, migration to the city is frequently the only means of improving his status. This geographic mobility has contributed large numbers of unskilled and poorly educated people to the urban socioeconomic structure. Although many never achieve the success they hope for, their children have easier access to institutions which can improve their future.

Social mobility is especially great into and among the various groups of the urban middle class. The most important criteria for ascending the middle-class structure are those which are outwardly indicative of prosperity, including all types of conspicuous consumption. Many people in the middle class have attained quick economic success through industrial development. The psychological impact of sudden prosperity has had an effect on the conduct, goals and attitudes of people in all social classes but has probably been felt the most in the middle sector.

Although economic expansion has led to upward mobility, inflation and frequent political upheaval have contributed to a loss of social position for some people. The increased cost of living in the 1960's had a leveling effect on the way of life of many middle-class individuals, but the power of the industrial working class has been augmented by social and political change. The differences in life style between the middle and lower classes have become noticeably less as their economic levels have grown more similar.

Increased social mobility has contributed to greater class consciousness in all urban classes. Both the middle and the upper classes have feelings of superiority toward the working class, even though many of them were once members of lower-class immigrant families. Consciousness of social position influences individual conduct, depending on the prestige of one's occupation and on the length of class associations. The sentiment of class consciousness is strongest in individuals who have belonged to the middle class for a long period of time, usually for more than one generation.

The feeling of class consciousness persists in the middle-class individual even after the structural and functional basis of status has been lost. This was a fairly frequent phenomenon in the 1960's because of the diminishing effect of inflation on the economic status of many middleclass individuals. Loss of economic status and lowered standards of living, however, do not automatically result in reduced social position. The sentiment of class consciousness and the feeling of belonging were greater factors in class membership than the more structural elements of status.

The established middle-class individual who is conscious of his status fears the possible loss of distinctions which set him apart from the working class. Unlike the newer member of the middle class, he does not want to take part in any movement to transform the working class into another middle group of industrial employees. The person who only recently attained middle-class status still retains many working-class attitudes and associations. He is usually more willing to accept members of the working class as his equals and does not fear their ascendancy.

The middle-class individual is generally more independent and selfreliant than someone in the traditional upper class or the working class. He depends on himself and his own abilities to advance in the social and economic scale. As long as he can work he is sure of his and his children's futures.

The working-class person is perhaps less individualistic and tends to wait and hope for the organized action of his union or political party to raise his social level. This is part of the unique class consciousness and sociopolitical group strength which the urban working class evolved during the Perón era. Most recent rural migrants remain rural in orientation for many years after entering the urban environment. Gradually, however, they adapt to urban social patterns and develop horizontal class loyalties.

Class consciousness is apparent in the patterns of interaction and types of association at each social level. Personal relationships and associations to a great extent take place within a given social class, but interaction between social strata is largely restricted to impersonal, structured contact. Organizations, clubs, sports associations and interest groups are formally or informally segregated according to class membership.

Class restrictions are carefully observed in upper-class social circles and gradually lessen in each descending social level. The formality and the institutionalized nature of recreational and social organizations also become less. The most prominent names among the elite appear on the membership lists of the exclusive Jockey Club, Círculo Militar and Círculo de Armas. One of the oldest of the nation's prestigious organizations is the Rural Society, to which most of the wealthy estate owners belong and which had many of their ancestors as members.

On all social levels, clubs are considered important indicators of status and are a major part of the lives of most Argentines. In every town and city there are clubs where families go for entertainment and recreation, meeting others of similar social position. Rural people do not have the formal organizational structure, but they meet in groups at the neighborhood store, racetrack, railroad station or country dances.

Family-centered activities are extremely important throughout the society, and social organizations usually reflect a large number of family relationships. The Argentine is diffident about extending his trust and confidence to people outside the family, and he likes relatives around him in part for security reasons. This attitude is reflected in community relationships. Neighbors and acquaintances are rarely invited into the home, which is considered a sanctuary for the family and a place for the entertainment of close friends.

REGIONAL DIFFERENCES

In many ways the rural interior and the southern provinces have been bypassed by the changes which have affected the coastal region. In the relatively unpopulated provincial areas of the estates and sheep-raising regions, social structure and social relationships are quite different from those of the cities. Some segments of the rural population are only marginal participants in national life, although they are fully aware of the existence of a broader society and of their national heritage. Traditional local loyalties tend to surpass nationality in these areas.

There are both quantitative and qualitative differences between the social structures of urban and rural areas. The difference in population concentration is perpetuated and accentuated by the continuing migration of young rural people to the towns and cities. The major qualitative difference is the predominance of the middle class in urban areas and its relative absence in the rural provinces.

The city of Buenos Aires has the greatest concentration of the middle and upper classes because it is the center of business, industry and government. In contrast, Santiago del Estero, Río Negro and Catamarca, among the rural provinces, have a more traditional type of social structure and a predominance of the lower class. Many of the estate owners in the Pampa and other agricultural areas are more urban than rural and spend the greater part of their time in the city where they have other business interests.

The rural middle class is largest in the tenant-farming areas and in the wine-producing and fruit-growing regions, where small farms rather than large estates are the predominant landowning pattern. The tenant farmers, estate managers and small farmowners who comprise the largest part of the rural middle sector are assuming more of the characteristics of their urban counterparts as communications with other parts of the nation are improved. The rural group can still be differentiated, however, on the basis of its function in society and its values and attitudes.

Rural society has fewer of the institutions which characterize life in the highly developed urban areas. Rural life still tends to follow traditional patterns and to maintain the more leisurely pace of an agricultural society. There are fewer doctors, churches and schools, and fewer of the organizations and cultural institutions which city dwellers find essential.

The relatively isolated rural area may be predominantly *mestizo* or of European ancestry. The people have strong regional loyalties and tend to be wary of the *porteños* (people of the port) of Buenos Aires, who are considered very shrewd and worldly. National patterns and attitudes are still slow to affect their lives, but they do play a definite role. The rural neighborhood is tied to the rest of the nation by commercial transactions and the market medium, by the radio and, in some areas, by the managers and owners of the estates. The people vote in national elections and, in this sense, participate in politics. Their aspirations and values resemble those of the national society, but they are somewhat behind the times because of their isolation from the cultural centers.

The large cattle and sheep estates are almost autonomous, and the people who live on them have little occasion to leave. They are a contributing factor in the insularity and localism of much of rural society. The large estates are an isolating influence and are themselves socially isolated.

There is a relative absence of class mobility in rural society in comparison with that of the rest of the country. A cultural and social distance exists between the estate owners, tenant farmers and lower-class laborers. Persons in the lower or working class of the rural social structure are more passive than the urban industrial workers and usually do not expect or aspire to a higher status. If an individual has such aspirations, he does not hope to realize them in the rural environment but, instead, migrates to the city.

Traditional relationship patterns between the rural worker and the estate owner are still prevalent in much of rural society, where the social structure is divided into two main classes, the upper and the lower. Relationships of this type are characterized by a concentration of authority in a single individual to whom the *péon* owes complete loyalty. The system is built on vertical patronage loyalties rather than on horizontal class and group loyalties. The class consciousness and the pattern of loyalty to union and political party which characterize the urban working class have not penetrated to most of the rural working sectors.

There are many regional variations in rural social patterns. Large areas are characterized by the divisiveness of society, brought on by social and geographical distances between people. Others, particularly those in agricultural regions specializing in some type of fruit production, are connected by a network of villages and have closer personal social relationships. Such communities in Mendoza, Córdoba and other agricultural provinces are well-integrated, stable social entities. Most of the people own or rent land, and there is less social distance between them than in estate society. Many of these communities have developed from the homogeneous agricultural colonies established by immigrants and have retained the ideal of community solidarity.

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CHAPTER 7

FAMILY

Argentine families of the upper and middle classes conform in many ways to the pattern of a modern urban industrial culture, but in some other ways to that of the 18th century Spanish colonial society. Traditionally, the structure of the family has been patriarchal, but the household and its affairs have functioned under maternal direction. In most cases, the family takes precedence over all other groups and organizations to which the individual might belong.

Family ties continue to furnish important criteria for participation in social, political and business activities. These ties bind not only the immediate relatives, but the more distant ones as well. Most Argentines believe that the members of their families best understand their true value as persons and can be most completely trusted to help in time of need.

The strongly traditional family exists primarily in the upper-class household, outside the centers of population. This pattern has been altered, however, especially for the dynamic urban middle class, by the industrial revolution, mass European immigration, the liberalization of the woman's role and by urbanization itself. For the urban and rural lower classes, family relationships are important; marriage as an institution is not as stable, however, and the role of family head and chief authority frequently passes to the mother.

Argentine law, social mores and the Catholic Church provide strong reinforcement for family stability. The laws formalize family relationships, marriage and inheritance, and prohibit divorce. They also recognize the supremacy of the husband and father, although recent legislation and changes in the economic and social structure have extended the rights of women, permitting modification of their role in society.

HISTORICAL DEVELOPMENT

In the Spanish or *criollo* (native-born persons of Spanish descent) upper-class family of the past, close relations with a wide range of kinsmen resulted in the acknowledgment of a very large family unit. The household incorporated many servants who also became part of the family because of their complete dependence on it. Parents usually expected the eldest son to bring his wife into the family and to raise his children there. The father was the absolute authority, made all the decisions and held the responsibility for his family's economic and social well-being. The futures of his children and other dependents were planned by him so that the position of the family in society might be improved or at least maintained. In return, he expected love and affection from the members of his family and obedience and respect from the other dependents.

The wife had a certain amount of decisionmaking authority in household matters, but was otherwise subservient to her husband. Other members of the family often depended on her to represent them and to intercede for them with her husband, and sometimes she was able to influence his decisions. A childless marriage deprived both wife and husband of an important role in the society. The mother was responsible for the education and religious training of her children and was the chief agent in their socialization process.

Children were carefully supervised. The eldest son was conditioned from early childhood to assume his father's responsibilities. Girls were closely chaperoned and never permitted to be alone with men outside the family. When they reached marriageable age, they were given dowries and married to the best prospects the parents could find. The girl's parents arranged the match, but she was often able to influence the final choice.

The lower-class family of 17th- and 18th-century Argentina was often dependent upon the patronage of an upper-class family. Because the father was ultimately dependent on his *patrón* (see Glossary), he had only limited authority over his own family. He could not plan the lives of his children because they were more directly controlled by the *patrón*.

The wife was usually in a more secure and influential position than her husband because of her close relationship to the *patrón's* wife, whom she served. She often assumed the role of mediator between the *patrón* and her husband by appealing to her mistress, the *patrón's* wife. Because of her nearness to this center of power, she became a source of protection and security for her husband. He might exercise a semblance of authority within his family, but ultimately his position was one of subservience. The weakness and frustration inherent in the father's position led to instability in the lower-class family. Marriage was often a tenuous union, with husbands drifting away to another town or ranch, leaving their families and frustrations behind.

Children in the lower class were not supervised as closely as those in the upper class and were expected to take care of themselves at a much younger age. Their futures were limited, with few possibilities of changing or improving their position in society. Sons could either work on the same ranch as their father or go to another one; their alternative was to join the army. Daughters married laborers and usually succeeded their mothers in service to the *patrón's* wife.

After 1850 the beginning of mass European immigration brought new ideals of family life into the country, but these usually did not persist

after the first generation, except in the isolated agricultural colonies. As a major stimulus in the formation of an urban, industrial middle-class society, immigration contributed indirectly to the current trends of change in family patterns.

FAMILY STRUCTURE AND FUNCTION

The average family of the middle class has retained little of the traditional Hispanicized family pattern. The basic family unit of a married couple and their unmarried children living apart from other relatives has become the most common form of household in urban society. This immediate family group appears to be an independent unit, although in fact it does not consider itself this way but rather as an integral part of the larger family structure. Even in the middle class a large number and variety of persons are counted as members of the family group. Although the extended family in urban society is no longer capable of dominating the affairs of all its constituent members, it still functions as a unit in many circumstances.

The extended family household still exists in the rural upper and lower classes, with more than two generations, plus a number of cousins, often living under the same roof or in adjacent households. This type of extended family household is most cohesive in the relatively small circle of the elite, but family solidarity, loyalty and trust are emphasized on all social levels.

In the upper class, descent and family name are of great importance. The significance of family background increases with each step up the social ladder. Among the elite it is not uncommon for a family to trace its ancestry back several generations. A sense of family tradition is kept alive in stories about the lives and deeds of ancestors.

In accord with Hispano-Argentine tradition, the member of an upperclass family uses both his father's family name and his mother's maiden name. His wife uses her own maiden name following her husband's family name. The individual considers his name to be a source of pride and a significant part of his inheritance. It serves to identify him in the society, giving instant notice to others of his family history, political inclinations, and social and economic status.

The practice of using both the mother's and the father's family names is less prevalent in the middle-class and disappears altogether in the lower-class family system. Members of these classes are generally less concerned with preserving family traditions, although present family relationships are still considered extremely important.

The changing economic and social environment has contributed to a decline in the size and function of the extended family group in the urban middle class, and to some extent in the rest of urban society as well. The urban environment provides people with many opportunities for contacts and associations outside the sphere of family control. Along with urbanization and industrialization has come the involvement of individuals in nonfamilial, impersonal organizations.

Increased social and geographic mobility has given people greater freedom to form new independent relationships. Despite this, many still choose to stay within the family circle, tending to deal more with relatives than with persons outside the family. Young married couples show an increasing desire to depart from tradition and establish separate households, but few sever family ties completely. In the mid-1960's even those who wished to live in single-family households were often forced to live for a time with parents or other relatives because of a severe housing shortage.

Although the structure of the family is changing and its traditional functions are diminishing, it is generally a stable and healthy institution. The ideal of a permanent family unit is supported by cultural institutions and by tradition. The Argentine Civil Code upholds the authority of the family and defines the mutual responsibilities of its members, and social mores and the laws of the Church strongly defend the values of home, family and respect for parents.

Extended Family Relations

The father tends to be patriarchal, but his authority over the extended family group has been reduced by social change and legal reforms.

Although the majority of families no longer follow the traditional pattern of the multifamily household, all of the members of the extended family continue to cooperate for social, economic and political purposes. The extended family continues to gather on special occasions, such as a baptism, a wedding or a funeral, and for parties and holidays. In the middle and lower classes, relatives perform many reciprocal services, share tools and equipment, borrow and lend money, and cooperate in caring for the sick and tending each other's children.

Family particularism is common in the business world, with the selection of personnel often based on kinship ties rather than on impersonal qualifications. The pervasive feeling of family loyalty has led to a large number of family-controlled businesses, in which only a few positions are given to nonrelatives. In the family system an advantage given to a nonkinsman is sometimes felt to detract from the well-being of one's own family.

In the urban and rural lower classes the combined earning power of several extra relatives offers an advantage over the smaller immediate family group. The extension of close relationships to distant kinsmen helps the lower-class male by simplifying his search for employment and housing and by widening the circle of mutual assistance.

In the lower levels of society the husband and father may not be a permanent member of the household or the family unit. In such circumstances the role of family head and chief authority passes to the mother.

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It is not uncommon for her to become the matriarch of an extended family household which includes her married sons and daughters, with or without their wives and husbands and their children.

All members of the lower-class extended family household are expected to contribute to the family's subsistence, and even the most distant relatives may be counted as part of the family unit if they share in its support. The boundaries of extended family membership are not rigidly defined. Family ties appear to be secondary, and personal preference and needs come first in determining who shall be part of the family and household.

The lower class and most of the middle class show little interest in lineal family relationships beyond the second generation. There is no advantage to be gained by acknowledging such relationships or by emphasizing one's family name and tradition. There is greater interest and importance in having close relationships with a wide range of cousins, uncles and relatives by marriage.

The concustado (brother-in-law) relationship is of special significance to men in the rural working class, although comparable relationships among women are not. In common usage among the rural lower class and among some of the urban lower class, the term *concustado* is frequently applied to a man outside the family with whom the individual has a friendly and mutually beneficial relationship. In every respect the two individuals who are part of such a *concustado* relationship regard each other as brothers-in-law, worthy of the same trust and having the same obligations as real members of the family.

Concustados are often chosen to be godfathers of one's children. The institution of compadrazgo (extension of kin relationships through godparenthood) that is so important in other parts of Latin America seems to have little significance in Argentina, in comparison to ties with one's own distant relatives and with concustados.

Other distant family relationships are recognized by the term *parientes*. *Parientes* are relatives for whom the individual knows no definitive kinship term. They can also be persons who have no direct relationship to the individual, though they may be related to another distant member of his family. *Concuñados* and *parientes* are obligated to assist each other in time of need by reason of the kinship tie which has been brought into play where it otherwise might not have been important.

Rural families usually have relatives who live in town, and, unless they are too geographically distant, these urban relatives provide an important link in the family network. They temporarily house their rural kinsman when he comes to town to visit or to look for work. Often they provide his children with a place to stay while they attend the city school. The child's parents supply his food and clothing and perhaps pay a small sum of money for his room and board. The child is expected to help his city relatives with household chores and often with larger tasks.

One of the reasons for the decline of the extended family system in the

urban environment is attributable to urbanization itself. When some members of a rural extended family migrate to a city far from their origins, kinship ties frequently cannot survive the transition. Problems of communication and transportation make contacts infrequent and weaken emotional bonds with distant relatives. The relationship with the extended family grows tenuous, and the migrant family takes on the more isolated character of the small nuclear unit, including only the parents and children.

The security and social control which had been provided by the extended family are thus lost, with the immediate result often being a decline in the morale of the migrant family. Frequently some of its members turn to delinquency and sexual promiscuity. The impersonal urban society thus fails to substitute for the personal direction of relatives.

Inheritance

The laws governing inheritance are incorporated in the Argentine Civil Code. As of early 1968 the Code provided for the equitable division of estates among all the legitimate heirs, with primary distribution to the first descending generation (legitimate children). Subsequent heirs are all ascending kin (parents and grandparents), followed by brothers and sisters and other relatives. Illegitimate offspring may inherit if there are no legitimate heirs and if they can give proof of their descent. Inheritance taxes discourage the distribution of property among distant relatives and persons outside the family. Tax rates are comparatively low for members of the immediate family and rise progressively with each degree of removal from the person leaving the estate.

Because the law requires the division of estates among the heirs, family property eventually is split into increasingly smaller units. Wealthy Argentines employ two methods of circumventing the ultimate division of their estates into units which would be economically worthless and in so doing maintain the unity of family property. One method is to postpone probate of the parent's will, and all of the heirs share in the income of the undivided estate. This arrangement may continue for several generations. The other method is to legally incorporate the family property. One of the senior male relatives usually serves as chairman of the board, and other family members are the stockholders or board members. The few elite families have thus been able to perpetuate the concentration of very large estates within their own circle.

MARRIAGE AND FAMILY LIFE

Only civil marriages are recognized by Argentine law. A religious marriage ceremony has no legal status; it merely conforms with the religious beliefs of the participants. The majority of people are Catholics and choose to be married in the Church, in accordance with Church law. In order for their marriage to be valid, however, it must be preceded by a civil ceremony, which usually takes place the day before the religious marriage.

Marriages are recorded in the Office of the Civil Register, in the presence of two witnesses, who theoretically are not related to either of the engaged parties, although, in fact, they often are.

The Civil Code permits marriage at the age of 14 for boys and 12 for girls, if there is parental consent. Without consent, the minimum marriage age for both is 22 years, but this will be lowered to 21 under the revised Civil Code of July 1968. Early marriages are encouraged by the family and the Church and by the government, which is concerned by rapidly declining birth rates. Extremely young marriages were once fashionable, but changing social and economic conditions have made them impractical and outmoded.

Young people tend to remain unmarried until they are in their midtwenties. A man is expected to be financially secure before he assumes responsibility for a wife and a home. The average young middle-class male does not earn a sufficient salary as a beginning clerk, government employee or lawyer to support a family, but in recent years young women have also been working. Housing shortages and high rental costs make it difficult for an engaged couple to find a home. Sometimes they postpone marriage or establish residence with their parents until they are able to find a place to live and to support themselves.

In the lower classes both the civil and religious ceremonies are often foregone, and more informal unions are established. In some rural provinces such common law unions comprise a large proportion of the marriages. Many men and women, although not legally married, establish households which are stable social entities.

The rural lower-class community does not regard legal marriages as important or essential and does not censure those who live together without the sanction of the civil authorities. Distance from the civil register and the absence of a priest are often cited as reasons for common law marriage. In the urban lower class, marriage standards are generally in accord with those of the rest of urban society. Many common law marriages are eventually formalized when rural migrants move into the city.

Most middle- and upper-class families try to provide their sons and daughters with the most elaborate church wedding they can afford. In some families this means that the wedding must be postponed for as much as a year until enough money has been saved for the ceremony.

Family matchmaking is not unusual among the elite, but marriages are rarely forced. Intermarriage between families of the upper class is a traditional custom. Marriage is viewed as a bond between families of the same aristocratic status, rather than purely as a romantic match. There are increasing exceptions to traditional upper-class practice, however, as young people attain greater independence. In general, men prefer to marry women who are well-trained in the domestic skills of sewing, cooking and the management of household affairs. The average man is less concerned with a prospective bride's intellectual abilities than with the qualities he feels are necessary for a good wife and mother. A man expects his bride to be a virgin, and he would like to believe that he is the first man she has ever thought seriously about.

A legal marriage can be dissolved only by the death of either the husband or the wife or by annulment. There is no divorce in Argentina, and foreign divorces are not legally recognized. Married persons wishing to obtain a divorce sometimes go to Uruguay to get one, and they may remarry in Uruguay as well. Although Argentine law does not recognize either the divorce or the remarriage, persons involved in such relationships in the past have not been prosecuted for adultery.

Annulment may be allowed on a number of grounds; among them are a marriage which was forced by threat or coercion, one in which the husband is impotent, or one in which one of the parties is found to be underage. Marital separations are also possible, although they do not dissolve the marriage.

The conditions for a legal separation include adultery, mistreatment, incitation to delinquency and voluntary abandonment. The Church has steadfastly opposed any liberalization of the laws concerning divorce and separation. Nevertheless, reforms proposed by the Civil Code Review Commission, scheduled to be adopted in July 1968, will facilitate the separation of married couples by mutual consent. The new provision would grant a separation if the couple declares "the moral impossibility of maintaining cohabitation."

Marriage is regarded by the middle classes as one of the best ways to facilitate upward mobility. Argentines who have become prosperous hope that their daughters will marry young men with more economic and social status than they have. In the upper and upper-middle classes, however, there is considerable reluctance to marry someone of lower status. In the elite this is accompanied by a preference for first- and second-cousin marriages although this requires a special dispensation from the Church. The traditional marriage of cousins has facilitated the holding of wealth and property within the circle of related elite families.

Relationships Within the Immediate Family

Relationship patterns within the immediate family reflect tradition, class status, economic conditions and rural-urban differences. The Civil Code also has influenced family life by formalizing the duties, rights and obligations of husbands, wives and other family members.

According to civil law, the husband is the head of the family and administers family property. Under proposed revision of the Civil Code, the rule will be changed to give women equal rights to conjugal property and to property they have acquired themselves.

Within the household the wife usually has complete freedom in the performance of her duties and responsibilities. She is the chief administrator of domestic activities and is responsible for keeping the household running smoothly. It is considered the wife's duty to set a good example for her family, to provide her children with moral instruction and to teach them the social graces. She is expected always to defer to her husband and to think first of his wishes and needs before considering her own.

Men have always been patriarchal and protective toward their families and have tried to shelter wives and children from undesirable outside influences. Except among the lower classes, women were never permitted to work outside the home, unless the work was related to a religious charity organization. As recently as 30 years ago it was considered socially unacceptable for a woman to work for a salary; to do so would have brought disgrace to her husband and family. Within the home women did not perform the menial tasks of washing clothes, ironing and house cleaning but had several servants to do them. Most families of the middle and upper classes still feel that it is necessary for the women of the house to have one or more servants to help with household tasks.

In most sectors of urban society, the popular concept of the woman's role has changed greatly in the face of present-day economic and social conditions. A family of the middle class who wishes to live in a comfortable style must usually have more than one of its members contributing to its support. Generally, the head of the family cannot earn enough to keep pace with the rising cost of living so that it has become necessary for his wife to be employed.

Because of the increased importance of her economic role in the family, the wife has acquired a greater voice in decisionmaking and greater freedom from the restrictions which once bound her within the home. The roles of husband and wife are less clearly defined than they were in the traditional family, with greater overlap of responsibilities toward the children and household. A woman's relationship with her husband has become a more equitable one because of the independence and assurance she has gained in the outside world.

Children

One of the most noticeable changes in the family pattern has been the steady decline in the number of children per family. In 1869 the average family consisted of five or six children, although families of eight were fairly common. In 1963 the average number of children per family was less than two, at least in urban areas, and the average increased with distance from Buenos Aires. The provinces of Catamarca and Santiago del Estro have the highest number of children per family and also the highest rate of illegitimacy. In these predominantly rural provinces, families with six or eight children are not unusual.

Although, traditionally, children have been desired and considered a blessing, large families are neither fashionable nor practical in the urban environment. Unstable economic conditions, new cultural standards and the changed social position of women combine to lessen the number of children a family can effectively support. Despite efforts made by the government and the Church to encourage large families and to prevent the popularization of birth control, increasing numbers of married women use some means of preventing conception. Because of its illegality, the frequency of abortion is unknown, although some sources have indicated that a rise in the number of abortions is partially responsible for the declining birth rate.

The most important ritual observance in the child's life is his baptism, which takes place during the first months after birth. When he is baptized, he receives the name of one of the saints; thereafter, it is the saint's day which is celebrated rather than his birthday. A godmother and godfather are chosen to sponsor the child's baptism, in accordance with tradition and Church doctrine. The godparents are expected to take a special interest in the child's future. Their relationship with him and his parent is generally one of mutual affection, trust and respect.

Children look to their father for discipline and authority. The mother is his deputy, but often her relationship with her children is more sympathetic and intimate than that between father and children. Fathers are expected to be dominant and forceful and to exercise complete control over their families. In the crowded urban environment, however, it is frequently impossible for a father to have control over all the actions of his children, although he must always appear to have the upper hand.

In the laboring classes the father's discipline may often be inconsistent and arbitrary. Children may be left to themselves most of the time, and it is only when they cause annoyance that they are punished. If the father is not present in the home, discipline may be even less consistent. Juvenile delinquency and early promiscuity may be common among children of the lower classes. School nonattendance is frequent because children have small jobs to contribute money to the family's support.

Boys and girls learn to identify with their proper sex roles early in life. Traditionally, boys and girls were raised separately and had few contacts before they reached marriageable age. This is the case in the upper class of the present day, with girls and boys attending separate schools. Girls are taught to be feminine and modest and to defer to male authority, even to that of a much younger brother. Boys are raised to be like their fathers—manly, authoritative and of serious demeanor.

Children in the middle class remain under the control of parents longer than do those of comparable families in North America or Europe. Boys live at home until their mid-twenties because they cannot afford their own apartments. Middle-class standards disapprove of unmarried girls living alone, so they too stay with the parents or other relatives until they are married.

In 1968 young people in urban areas had much greater social freedom than they had 25 years before. Girls are more restricted than boys, but they are no longer required to have their own personal chaperones. Young couples may appear alone together, a custom which once would have brought disgrace to the families of both boys and girls. The rural areas of the interior provinces, still more conservative than Buenos Aires and the other urban centers, would consider disgraceful the activities of young people that are accepted in the cities.

Many girls now attend coeducational colleges, where they meet young men who are not known by their parents and form friendships without the restraints of parental control. It was once unusual for unmarried women to have male friends. Any man who was seen in a young woman's company was assumed to be a prospective bridegroom, rather than a casual friend or acquaintance.

Girls and boys are usually allowed to double-date when they reach marriageable age, but only with persons known to the parents. Teenagers go to parties, picnics, movies and other group activities, where the presence of several people serves as a substitute for the chaperone of the past.

Young people in the upper and middle classes are usually cautioned to avoid public actions that might bring disgrace upon themselves and their families. Among the families of the traditional elite, parents direct the relationships of their children and see that they meet only those of comparable wealth and status. In this group and in much of rural society, the ultimate selection of a marriage partner rests with the family or depends upon their approval.

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CHAPTER 8

LIVING CONDITIONS

Throughout its history, the country as a whole has enjoyed better living conditions than those experienced by most of its Latin American neighbors. In 1968, however, it was experiencing an economic stagnation and a progressive inflation which had been in progress for more than 20 years. These economic phenomena were exerting pressures on the community, and the circumstances under which people lived had not improved during recent years. Rising prices restricted not only the quantity and the variety of goods and services purchased by consumers but also the quantity of funds available for public, social and economic improvement programs and caused these programs to lag.

Conditions affecting the lives of city and of country people had little in common, and, in general, the urban population had much better living conditions. The nation's medical facilities and services compared favorably with those available in most of the developed countries of the world, and in the 1960's considerable progress had been made in preventive medicine. A disproportionately large share of the available facilities and services was concentrated in the larger urban centers, however, and the incidence of endemic disease was highest in parts of the countryside.

Public sanitation facilities were inadequate in the cities, and in rural localities they were virtually nonexistent. A serious housing shortage affected all parts of the country. It was more serious in urban centers, but about 40 percent of the people living on ranches and farms occupied antiquated or substandard housing. Because average per capita income was higher and variety of choice was greater in towns than in the country, city people owned somewhat better wardrobes and enjoyed a more substantial and varied diet than their rural counterparts. Although residents of Buenos Aires were well fed, diets were somewhat deficient in certain farming and pastoral localities.

The facilities available for the enjoyment of leisure time gave urban people a great advantage over those who lived in rural areas. In Buenos Aires and in the larger provincial cities, there was an extensive variety of cultural activities to enjoy, sports to participate in or to watch and clubs to serve as the principal focal point of the social lives of those who could afford them.

Recreational outlets grew progressively more restricted in places with smaller populations. The only diversion that rural people shared in common with city residents was the enjoyment of the country's favorite sport, soccer. They could not play it or watch it, but they could follow games through radio and press.

HEALTH AND SANITATION

The 1965 infant mortality rate of about 60 per thousand was substantially below the 1945–49 average of 74. It was moderate in comparison with that of many other Latin American states but was viewed by Argentine medical authorities as representing the country's most serious health problem. Regionally, the rate had varied in 1961 between a low of 40 per thousand in the city of Buenos Aires to over 130 in Jujuy Province. The principal causes of infant mortality were diarrhea, respiratory ailments and complications following contraction of measles and whooping cough.

The death rate in 1965 was 8.2 per thousand, a moderate decline from the 1945-49 average of 9.6. The small regional variations were without medical significance. Some economically depressed provinces with few medical facilities and a high incidence of endemic disease had low death rates. The death rate in the city of Buenos Aires was higher than the national average, apparently because of the extensive migration of people from the interior provinces to the Federal Capital. In 1965 the average life expectancy was 64 years for men and 70 years for women, and the number of people in the age group of 65 and over had risen from 39 per thousand as reported in the 1947 census to an estimated 64 per thousand in 1965.

The uneven distribution of the population and the variety of health conditions prevailing in different regions have resulted in a situation in which excellent facilities and services available in major urban areas contrast with serious shortages in portions of the countryside. In particular, health services are relatively less adequate in certain areas where the impure water supply leads to high rates of incapacity and mortality from such illnesses as infant diarrhea, typhoid and paratyphoid fever and illnesses caused by intestinal parasites.

In the early 1960's the principal causes of death were cancer and cardiovascular diseases, followed by vascular lesions affecting the nervous system, diseases of early infancy, including death from congenital malformations, and accidental and violent death. Other major causes of mortality were pneumonia and digestive maladies, including gastritis, duodenitis, enteritis and colitis, except diarrhea of the newborn.

Buenos Aires is the site of the headquarters office for the Pan American Sanitary Bureau zone which also includes Uruguay, Paraguay and Chile, and in 1955 an Argentine representative was first named to serve on the Executive Board of the World Health Organization (WHO). In 1968 the country was joined with nine other Latin American states in a 5-year

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program under WHO sponsorship aimed at strengthening national healthplanning machinery and procedures throughout the region.

An enforced isolation from Europe during World War II had the effect of weakening the previously dominant influence of France on medical practices. Since that time the United States has emerged as the principal source of inspiration in the medical field, but France, Great Britain, Germany and Sweden have continued to be of considerable importance. Most hospital, medical and dental instruments and supplies are locally manufactured, although some of the more complex and highly specialized items continue to be imported from the United States and Europe.

There are numerous voluntary or compulsory public and private health insurance programs; inoculations are free; and indigent persons are hospitalized without cost. Children in the general school system receive compulsory free dental and physical examinations. Many scholastic institutions have organized medical and dental clinics of their own, in collaboration with cooperative associations, which furnish services free of charge to the students.

Before 1966 the Ministry of Social Welfare and Public Health was responsible for the administration of national health services. During that year the Cabinet structure was reorganized, and most of the national public health responsibilities were assigned to the Secretariat of Public Health under the Ministry of Social Welfare. In addition, other ministries, provinces and municipalities exercised public health responsibilities. In the mid-1960's there was some criticism over the absence of clearly defined areas of responsibility among the administrative entities within the public sector or between them and the private sector.

Medical Personnel and Facilities

During 1964 the country's population to doctor ratio was about 685 to one. The ratio was the lowest in South America and represented a considerable increase over 1954 when the ratio had been 840 to one. On a regional basis, however, the distribution of physicians was extremely uneven. In 1964 there were about 250 persons per doctor in the city of Buenos Aires, but the ratio was 3,000 to one in Formosa Province, and only in the provinces of Buenos Aires, Córdoba and Santa Fe was the ratio lower than 1,000 to one. These three provinces and the capital city had more than three-fourths of the country's doctors.

The largest of the half-dozen medical training schools are the faculties of medical science at the University of Buenos Aires and the University of the Littoral. The undergraduate 6-year course of instruction is open to holders of *bachillerato* (baccalaureate) diplomas from secondary schools (see ch. 9, Education). New graduates training as general practitioners are required to pass through 1 year's internship, and prospective public health specialists must undergo an additional 2 or 3 years of training in their fields of specialization. The number of doctors is expected to increase. In 1967 there were over 35,000 students enrolled in the medical faculties of the country's universities, and at the University of Buenos Aires nearly 40 percent were women. Most members of the teaching staff also maintain their own practices and, as a consequence, medical students do not have sufficient opportunity for close association with their teachers.

More than two-thirds of the country's physicians are employed by national, provincial or municipal authorities. Doctors dependent solely on incomes from private practices sometimes find it difficult to make ends meet. There is an excellent Argentine medical press, and most physicians subscribe to foreign medical journals. Medical societies are active in many cities, and some societies of medical specialists have international affiliations.

In 1964 there were about 12,000 dentists as compared with slightly over 10,000 in 1956. About half of the total, however, were in practice in the city of Buenos Aires and its suburbs. Training was furnished in a 5-year university program, during the last 2 years of which some practical dentistry was included. In 1967 slightly more than half of the 5,500 dental students in the university system were at the University of Buenos Aires, where about half of the dental students were women.

Training for pharmacists is offered in 6-year courses by faculties of pharmacy and biochemistry at the national universities, where the 1967 enrollment totaled 9,251. Well over half of the pharmacy students at the University of Buenos Aires were women. Nurses and midwives scarcely outnumber physicians, and there is a shortage of auxiliary medical personnel. Statistics concerning nurses' training are not available, but the high proportion of women among the medical and dental student bodies in 1967 made it possible to expect a corresponding increase in the supply of nurses. In 1965 the National Development Council (Consejo Nacional de Desarrollo-CONADE) stated that the first educational need in the field of public health was an expanded program for training nurses, social workers, hospital assistants, dietitians, medical statisticians and laboratory technicians.

In 1964 there were 8,441 hospitals or clinics, of which 3,375 had inpatient facilities. There were 64 beds available in the country as a whole for each 10,000 inhabitants, but the distribution was uneven. The city of Buenos Aires enjoyed a bed to population ratio of 105 to 10,000, but only 2.4 beds per 10,000 people were available in Formosa Province. National, provincial and municipal government hospitals maintained 80 percent of the general hospital beds and 93 percent of the beds for chronic disease patients. Almost two-thirds of the beds for chronic cases were in mental institutions, and most of the rest were in tuberculosis hospitals.

The effect of the proportionally greater number of hospital beds in urban centers is modified somewhat by the fact that urban institutions serve many people coming from a distance. Hospitals in the city of Buenos Aires, for example, in 1965 drew slightly fewer than half of their patients from the city. Over 43 percent were from the city's suburbs, 8 percent from other parts of Buenos Aires Province and 2 percent from elsewhere in the country.

About 350 pharmaceutical laboratories were registered in the country in 1965; many of them confined their activities to the packaging of products. About half of the firms accounted for over 90 percent of the total output and sales, and most of the larger establishments were affiliated with United States and European companies. Drugstores sold only pharmaceutical and medicinal supplies, and stores in urban areas maintained a collective schedule for remaining open outside of regular business hours so that emergency medication would be available at night or on holidays. There were about 6,000 retail pharmaceis in the country.

Preventive Medicine

In 1965 officials of the CONADE stated that improved mother and child care, including prenatal assistance and care of children through the first 5 years of life, was a goal of first importance. More centers for preventive treatment in this field were needed. Educational work was also necessary in more remote rural areas where folk practitioners (*curanderos*) still attended some maternity cases.

Chagas' disease, transmitted by parasites, was endemic in rural areas, and in 1965 it was estimated that 1.8 million persons were infected. The CONADE reported that elimination of the fly which transmitted the disease by spraying with chemicals would require over 2 million man-days of labor.

An antituberculosis campaign had reduced the number of cases reported from 100 per 100,000 of population in 1957 to 73 in 1965. The program against this disease was focused on the search for new cases and the inoculation of persons exposed to it, particularly those whose unsanitary living conditions made them especially vulnerable.

In 1965 it was estimated that 1.7 million persons resided in actively or potentially malarial areas. The disease had been controlled in the provinces of Córdoba, La Rioja, Catamarca and Tucumán and was being brought under control in Santiago del Estero, Salta, Corrientes and Misiones Provinces. In Jujuy and Salta Provinces a full-scale campaign against the disease was in progress, whereas in Formosa and Chaco a campaign was still in the planning stage. It was anticipated that malaria in all parts of the country would be contained by 1971.

In 1964 immunization procedures were carried out against poliomyelitis, smallpox, diphtheria, whooping cough and tetanus (inoculations administered separately or as a combined inoculation), tuberculosis (BCG serum); and typhoid and paratyphoid fevers. The most extensive program involved poliomyelitis, against which efforts were being made in 1965 to inoculate all children under the age of 14 years. That year the Ministry of Social Welfare and Public Health planned to distribute 6 million doses of oral vaccine to provincial governments.

In September 1965 the government reported that *aëdes aegypti*, the urban vector of yellow fever, had been eliminated from all localities in which it had been found to be present since 1953 and its eradication was considered to be complete. Although vaccination against smallpox was continuing, only 13 cases for 1964 and 15 cases for 1965 were reported, and the disease appeared to be virtually under control. The last serious outbreak, 335 reported cases, had occurred in 1957.

Sanitation

Although an outbreak of yellow fever in Buenos Aires nearly a century ago led to the laying of the first sewerlines, the country has never enjoyed a satisfactory sanitation system. In 1967 the government had fallen behind in a sanitation program which was to cover the years 1965 through 1969. The Inter-American Development Bank, however, had allocated U.S. \$18.5 million for the improvement of services in five major cities and U.S. \$5 million for the first stage of a rural water supply program.

In rural areas the scanty population is so widely dispersed that installation of public water supply and sewage disposal systems is almost impossible. In addition, unsatisfactory natural drainage in some localities represents a health hazard. Particularly in the Northeast, the incidence of endemic disease, such as malaria, is related to pools of ground water left behind after seasonal flooding.

Sanitation facilities are better in town than in the country, but the rapid growth of urban areas since the end of World War II led to generally poor housing conditions and correspondingly poor sanitation. In some urban squatters' settlements, dwellings are so crowded and so badly constructed that it would be difficult to install water and sewerlines. In 1967 a visitor to Buenos Aires described clusters of shacks where single faucets served as the town pump for as many as 50 families and where, at best, the individual housing units were equipped with crude waste disposal facilities.

Public water supply and sewer services are provided on a countrywide basis by the Water and Sewerage Administration. In 1964 over half of the population served by the Administration resided in the city of Buenos Aires and its suburbs. It is theoretically autonomous, subject only to budgetary and broad policy limitations. Special laws, however, restrict its ability to furnish service to needy communities which are unable to pay their part of the costs involved. The Water and Sewerage Administration finances the full cost of civil works and principal water and sewerlines and 25 percent of the costs of distribution facilities. The rest must be paid for by the users and by municipalities.

In 1964 the Water and Sewerage Administration was supplying water

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and sewerage services to 3.5 million residents and water to only an additional 5.7 million. It also maintained 16 systems for the drainage of rainwater. In 1963 about 12.2 million urban and 246,000 rural residents were served by some kind of central water supply system, and 7 million urban residents had sewerage facilities. Only in the city of Buenos Aires and its suburbs, however, was tapwater considered safe for drinking without boiling or other treatment. Public garbage collection and street-cleaning services were provided in cities and towns.

Although sanitation facilities in Buenos Aires were superior to those in other localities, in 1967 some 2 million inhabitants of Greater Buenos Aires (see Glossary) were without piped water or had inadequate facilities and 4.5 million were without sewerage services.

DIET AND NUTRITION

The country's more than adequate food supply is varied in content and meets nutritional standards. In the early 1960's its consumption of meats, dairy products, sugar, fats and oils, fruits and green vegetables was among the highest in Latin America. Cereal and potato consumption was low, and consumption of such foods as pulses (legumes) and nuts was marginal. Fish was generally available in urban markets, but there was little demand for it.

The per capita consumption in calories dropped from an average of over 3,000 per day during the 1950's to about 2,640 in 1962, but that year the consumption in both calories and protein remained among the highest in Latin America. In the northern provinces rural people sometimes had diets deficient in protein, vitamins, riboflavin and iodine, but urban people remained among the best fed in the world.

The people eat more meat than residents of any other Latin American country with the possible exception of Uruguay, and the quality of Argentine beef is well known. Beef is often consumed twice a day. There was a general expression of outrage when the depletion of cattle herds during the administration of President Juan Domingo Perón made it necessary to place limitations on the consumption of beef to conserve supplies for export.

The per capita consumption of meat, in excess of 200 pounds annually, has far exceeded that of other Latin American countries, except Uruguay. In addition to beef, substantial quantities of mutton, pork and chicken are consumed. Among the best known beef dishes are the beefsteak (bife) and the beef barbecue (asado). Other favorites include a small meat pie (empanada), usually eaten with the fingers, and mixed grills (parilladas). A wide variety of meat soups and stews is also eaten.

Sweets are popular. Cream-filled crullers (churros) are frequently eaten between meals, and pastries and ice cream are standard dishes at teatime. Desserts are usually light; custard (*flan*), cream cheese and jelly, and fruit predominate.

A considerable variety of dishes is served at meals in the homes of wellto-do people, and menus in the better Buenos Aires restaurants offer an impressive number of choices. In general, however, the menu is built around meat dishes, and the diet as a whole is hearty rather than epicurean.

Yerba mate (Paraguayan tea) is the traditional beverage, associated with the gaucho (resident of the Pampa), who is seldom pictured without his mate cup and silver bombilla (drinking straw). Yerba mate is still available in all parts of the country, particularly in rural areas, where the people often drink it on arising and at intervals throughout the day. In country as well as town, however, the most common mealtime beverages are coffee, tea and local wine, which is often mixed with carbonated water.

The rural diet tends to be simpler than the urban because incomes are lower and because inadequate transportation makes it difficult for the rural housewife to set a varied table. Canned and packaged goods are often considered delicacies in the countryside. In all parts of the country the flood of Italian immigration which began soon after the middle of the 19th century had a profound effect on the national diet. Olive oil, garlic and onions are used extensively, and macaroni, noodles and other semolina products are inexpensive and important supplements to the basic diet of meat, potatoes and green vegetables. Semolina, corn and rice are of particular importance in the diets of lower income families.

Breakfast is customarily light and usually consists of rolls and coffee. which are sometimes supplemented by a piece of fruit. Countrypeople, who rise early to go to the fields for hard manual labor, often eat a heavier meal, including a serving of meat or an empanada. Lunch and dinner are both hearty meals, which for prosperous urban families may include a soup, an order of cold meat, a main course of meat with potatoes and green vegetables, a salad and a dessert. For the well-to-do urban families, lunch and dinner menus are approximately the same. For working-class people in the cities and for most countrypeople, both lunch and dinner have fewer courses. Lunch for the urban worker may consist of a pizza purchased at a company restaurant; the farmworker's lunch, served to him in the field, may be a single rice and meat dish. The typical meal of the small indigenous population near the Bolivian border consists of corn boiled with potatoes or beans and a few pieces of tripe or dried beef. In towns and, to a lesser extent, in the countryside, the waiting period between lunch and dinner is frequently broken by an afternoon tea so substantial that it assumes the proportions of a fourth meal.

Breakfast and lunch hours are generally within the range of hours which are customary in the United States. Because of the prevalence of the hearty afternoon tea, however, the dinner of the urban resident is usually deferred until 9 or 10 p.m.

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CLOTHING

The gaucho (Argentine cowboy) is so familiar a folk figure that the colorful attire ascribed to him is often thought of as the national costume. His dress actually was drab and often of dubious cleanliness, and his wife was usually dressed in a shapeless dress. A much-used form of rural dress which is still found in ranch country and in some other regions consists of any of several kinds of coats, jackets, sweaters or ponchos worn with *bombachas* (baggy trousers), tucked inside boots and ballooning halfway from knee to ankle. The poncho serves as the conventional overcoat of countrypeople north and west of Córdoba, and it frequently is seen farther to the south. Also worn frequently is the *bufanda* (large woven scarf), which virtually covers the shoulders. It is a colorful garment worn by both sexes and is seen often at rural social affairs. Although a country dweller is occasionally seen in rags, most of the working-class rural population are adequately clad.

Customary dress in the cities and holiday attire in the countryside are similar to that worn in Europe and the United States. The difference, if any, lies in conservatism of taste displayed in selection of apparel. Dark colors are preferred, and vivid casual wear is not popular. Until 1954 a police order prohibited men from appearing on the streets of Buenos Aires in their shirt sleeves. Within the limitations imposed by conventionality, however, clothing is well made, and most people have adequate wardrobes. A large portion of the budget is spent on clothing, and it is in part because of the chic appearance of its women that Buenos Aires has acquired a reputation as the Paris of the Americas.

The Argentine's acute consciousness of economic and social status is reflected in his clothing. Members of the urban middle class tend to copy the wardrobes of the wealthy and the elite. The urban salaried employee (*empleado*) makes a point of dressing in a manner different from that of the manual worker (*obrero*). The distinction between an *empleado* and an *obrero* is roughly the same as that between white-collar and blue-collar workers. It is not unusual to see frayed shirts, stringy neckties and threadbare but clean suits worn by people of obviously scanty means as symbols of their status as members of the middle class.

HOUSING

The country in 1968 was suffering from an acute housing shortage. In a detailed study of housing conditions as they existed at the end of 1963, the CONADE reported that there were about 4 million housing units in the country considered to be reasonably livable residences. In addition, there were approximately 570,000 marginal units considered obsolete or substandard, and about 2 million of the country's 6 million families had no regular place of lodging or lived in marginal units. The shortfall followed a clearly discernible pattern in that most of the marginal housing was in rural or economically depressed regions, but the shortage in absolute terms was most acute in urban or relatively prosperous localities.

During the decade ending in 1966, the rate of housing construction was moderate. The number of houses built annually averaged about 2 percent of the number of existing units. This was a little more than the rate of population growth, but during this period some houses were abandoned, were destroyed or fell into disrepair.

Cost of housing construction reached a high of 4.8 percent of the gross domestic product in 1957, declined steadily to a low of 3.0 percent in 1963 and recovered to 3.4 percent in 1966. Between 1962 and 1966 public funds represented about 23 percent of the total investment in housing construction. The principal participants were the National Mortgage Bank, with 56.8 percent, and the Bank of the Province of Buenos Aires, with 15.9 percent of the public contribution.

At the beginning of 1967 the Secretariat of Housing anticipated that 130,000 urban units and 5,000 rural units would be constructed during the year at a higher cost than in any year since 1957. Low-cost housing construction was encouraged by the issue of a decree conferring income tax concessions of up to 50 percent on the cost of construction of small houses. Under this plan a two-room house with a maximum floorspace of 430 square feet would qualify its builder for the full concession. The CONADE estimated the average size of houses in the country as a whole to be about 640 square feet. At the end of 1966 the government had used U.S.\$6.6 million of a U.S.\$30 million public housing loan from the Inter-American Development Bank, and in 1967 the use of an additional U.S. \$4.8 million was scheduled.

The rest was to be used in the construction of 3,700 public housing units at a unit cost of U.S.\$5,000. The Development Bank credit was being used in connection with a municipal building program for the construction of 50,000 dwellings in Almirante Brown Park in the city of Buenos Aires and in suburban Belgrano.

In 1960 about 60 percent of the urban and 50 percent of the rural houses were owner-occupied, and about 77 percent of all units were located in urban districts. The average rates of occupancy were 3.7 persons per house and 1.3 per room, excluding such utility rooms as baths and kitchens. About 40 percent of the housing, however, consisted of oneand two-room units that had a disproportionately high average occupancy rate of 2.3 persons per room. Houses were smaller and crowding was greater in country than in town; 50 percent of the rural and 36 percent of the urban houses consisted of one or two rooms.

Concrete, brick and tile are the materials most frequently used in building the more substantial houses in both urban and rural localities. Since lumber is in short supply, wood is used sparingly except in the timber-producing areas of the Northeast. The absence of stone for building virtually precludes its use in the Pampa. Houses of lower income groups are frequently of adobe with roofs of corrugated iron or thatch and floors

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of pounded earth. Prefabricated houses are increasing in number but are still infrequently seen, and the red-roofed and stucco-walled style of architecture often thought of as synonymous with Latin America is not popular.

Homes of middle-income groups are usually small structures consisting of one or two stories and are frequently built around small patios or gardens. Houses in cities usually have electricity, running water, some sewerage facilities and piped or bottled gas for cooking. Fireplaces are common, but central heating is rare, and houses are often chilly and damp in winter.

Apartment living is a fairly recent development, as the first apartment buildings were erected shortly before World War I. Building codes were ineffective, and the early structures were flimsy, without adequate light.

Apartments increased considerably in number during the administration of President Perón, who was responsible for the construction of many showy units for lower-middle-class and working-class families. Building continued at a slower pace during succeeding days, but by the mid-1960's high-rise apartments for the well-to-do fringed the parks and dotted the downtown section of Buenos Aires and other major cities, whereas many less elaborate apartment complexes for middle-income groups had appeared in the suburbs. Comparatively few apartments, however, were built for occupancy by lower-income families.

Suburban living has gained extensively in popularity during recent years, and by 1968 the population of the metropolitan area surrounding Buenos Aires had exceeded that of the city. The flight to the suburbs, however, had not attained a momentum comparable to that in the United States. Centrally located mansions built by families of the aristocracy a century or more earlier were sometimes still occupied by their descendants, and streets near the center of the city were flanked by lines of houses of the well-to-do. In Buenos Aires and the large provincial capitals, there was a discernible economic gradient with the value of real estate decreasing in direct proportion to its distance from the city's center.

In both urban and rural localities, houses of the poor were often constructed of inferior materials. Built of mud, wood or metal remnants, cardboard cartons or any other scrap substance available, many houses consisted only of a single room which lacked electricity and sanitary facilities. In Buenos Aires and in the other major industrial cities, such as Tucumán and Córdoba, many of these dwellings were clustered around the city outskirts in squatter settlements known popularly as *villas de miserías* (villages of misery). Houses of the rural poor, equally inadequate in construction and forlorn in appearance, were known as *ranchos* (huts). Although the farmworker in his *rancho* or the industrial laborer in his *villa de misería* usually represented the lowest income tier in the country's economic structure, poverty alone did not fully explain the squalidness of his housing. In many instances no other place of lodging was available. There was little outright shortage of housing in the countryside, but in 1963 nearly 247,000 rural homes were classified as obsolete or substandard. The reasons for this deficiency were varied. In many rural regions the lack of local availability of suitable building materials and the inadequacy of transportation facilities made necessary the use of inferior substitutes. Income was lower in rural than in urban localities, and less money was available for home construction or repair. Because 60 percent of the urban and only 50 percent of the rural dwellings were owner-occupied, there was relatively less incentive for the countryman to spend his limited funds on home maintenance.

Approximately half of the rural houses were occupied by laborers on the great estates or by tenants who leased their lands from the estate owners. The housing of regular or seasonal laborers had often been furnished by the estate owners at minimum cost, and maintenance had been minimal. Tenants had usually been required to build their own dwellings and, since they had enjoyed no assurance that leases for their lands would be renewed after the customary 5-year leasehold period, they had not been inclined to build sturdy structures or to invest in the maintenance of lodgings which they might have found necessary to abandon.

It was in urban localities, however, that the absolute housing shortage was most acute. The most heavily populated portions of the country the Federal Capital and the provinces of Buenos Aires, Córdoba and Santa Fe—in 1963 housed about 72 percent of the country's population; this included 24 percent of the families without satisfactory homes or with no regular places of lodging. In the remainder of the country, between 20 and 21 percent of the families were homeless or were lodged in marginal dwellings.

Although less common in cities than in the countryside, obsolete and substandard urban housing units were numerous. All dwellings in the *villas de misertas* were marginal. In addition, the obsolescence of urban housing had been accelerated by rent controls, imposed in 1943 and still in effect in 1968. The controls were not applicable to new housing construction or to new rental contracts, but the threat of extension of rent controls acted as a massive deterrent to home building, and existing ceilings made it unprofitable for landlords to execute improvements or repairs on the older properties. Many houses had become, in effect, ownerless and had fallen into extreme disrepair.

The economic stagnation that had afflicted the country since the 1930's had been accompanied by an attrition of savings and public credits for housing construction. In 1946 construction firms were prohibited from financing home construction, thus eliminating an important source of private funds. In 1957 anti-inflation legislation prohibited the Central Bank from making funds available to autonomous agencies and had the effect of denying its funds to the National Mortgage Bank. Between 1958 and 1962 the value of housing credits granted by the Mortgage Bank and by the social security system had declined from about 40 percent of the value of housing construction to about 12 percent (see ch. 24, Financial and Monetary System).

In the mid-1960's the housing shortage had become so acute that many young people were continuing to live with their parents after reaching maturity and taking jobs. The number who were deferring marriage because of the inability to find a suitable place to live had become so large that the shortage had been cited as a reason for a continued decline in the country's already low rate of population growth.

In 1965 it was possible for the CONADE to view the problems involved in the housing crisis as serious but not insurmountable. Since the collective installed capacity of the residential construction industry was considerably in excess of its current productivity, the physical means for increasing production were already at hand, and only financing was lacking. The shortage was most acute in urban areas, and the CONADE estimated that two-thirds of the urban population would be able to finance the building of their own dwellings if a 25-year financing at reasonable rates of interest could be arranged. In 1967 the administration of President Organía stated that incentives should be given to the private sector to attract more funds for home building, but that the state itself must find the resources for the construction of low income housing.

HOLIDAYS AND WORKING HOURS

There are seven national holidays on which business establishments must be closed, a total far lower than the average in other Latin American countries (see table 4). Public offices, including courts, banks, stock exchanges and insurance companies, are also closed on New Year's Day and major religious holidays, occasions on which closing is optional for industry and commerce. In addition, there are various regional patriotic or religious days observed by all or part of the local community. For example, November 11 is observed by some firms in Buenos Aires as the day of Saint Martin of Tours, patron saint of the Federal Capital, and between September 13 and 16 the Fiesta del Señor y la Virgen del Milagro is celebrated by the people of Salta who regard the Virgin Mary as having a special interest in their province.

Daylight saving time is observed; clocks are advanced 1 hour between March 1 and October 15, and throughout the country local time is 4 hours later than Greenwich Mean Time. Hours for commercial establishments are usually from 8 a.m. to 6:30 p.m. from April through September, and 9 a.m. to 7:30 p.m. from October through March. Saturday hours are from 8:30 a.m. to 12:30 p.m. None of these hours are unchangeable. Smaller stores close for 2 or 3 hours at noon, whereas larger establishments remain open throughout the day, and restaurants frequently do not close until 2 a.m. Government office hours are usually from noon to 7 p.m., but banking hours are from noon to 3:30 or 4 p.m. Public offices, banks and some commercial establishments are closed on Saturdays.

Holiday	Date	
Labor Day	May 1	
Revolution Day (against Spain when occupied by Napoleon, 1810)	May 25	
Flag Day	June 20	
Independence Day (1816)	July 9	
Death of General San Martín	August 16	
Columbus Day	October 12	
Christmas		

Source: Adapted from U.S. Department of Commerce, Basic Data on the Economy of Argentina, December 1966, p. 27.

In the mid-1960's some shopowners were still lowering their steel shutters, and office personnel were locking their offices at midday to enjoy the traditional 3-hour siesta. Many, however, lived too far away to go home at noon or were under too much economic pressure to observe the time-honored tradition. In Buenos Aires, in particular, the siesta was passing from the scene.

RECREATION

The variety of recreational activities available to people varies as much in proportion to the concentration of population in the localities in which they live as it does on the money and time they have to spend on recreation. Residents of Buenos Aires have an almost limitless number of diversions at their disposal, and the people of provincial capitals do not lack entertainment, either free or at a price. In the countryside the family of the estate owner may enjoy riding, hunting or games of tennis on its own courts, but the *peón* (rural workingman) often finds little to do with his spare time.

The residents of urban areas are devoted to sports, particularly team sports. Organized athletic competitions began to assume an important place in national life late in the 19th century under the influence of the Anglo-Argentine community, which was to play a part far larger than its numbers warranted in developing the national sports consciousness. After the immediate success of the Buenos Aires Cricket Club in the 1880's, rowing and sailing contests were initiated in new clubs along the waterways of the Tigre section of the Río Paraná delta to the north of the city. Swimming became popular, too, and before the end of the 19th century the first public swimming pool was opened in Buenos Aires. During the first decade of the 20th century a variety of other competitive sports had been introduced to the increasingly sports-minded people of Buenos Aires. The most important was soccer which was to become by far the most popular sport for participants and spectators. By 1930 fencing and gymnastics had acquired devotees; basketball had been accepted with enthusiasm; women had begun to engage seriously in competitive sports; and interest in athletic competitions began to spread to the provincial cities. In 1924 Argentina competed in its first Olympic games and won medals in marksmanship and polo. Argentine entrants performed well in the 1928 and 1932 games, and in 1936, for the first time, an Argentine woman was among the medal winners.

In the 1930's soccer, basketball and boxing had become very popular. Horseracing was attracting large numbers of spectators. Auto racing had been introduced, and the country's one important indigenous competitive sport, *pato*, was becoming urbanized. *Pato* is an exciting combination of basketball and polo in which opposing mounted teams wrestle for an inflated leather bag—originally, a duck—in an attempt to carry it down the playing field and toss it through a goal at the end. The British importation of Rugby had become popular with schoolboys. Prestige sports, such as golf, polo and yachting, were adopted by those who could afford them. New minor sports included shooting, skiing, volleyball, baseball and field hockey.

A pattern in the development of interest in sports was becoming evident. Games involving fast action and violent exertion were particularly esteemed, and sports as a whole were regarded with great seriousness. Large stadiums were built, and the establishment of the National Institute of Physical Education led to the development of groups of professional instructors. Athletic contests a few decades earlier had been casual affairs of concern only to participants, but spectators now became as deeply committed to their favorite event as the players. As the popularity of spectator sports increased, professional teams were formed, and evolution of leagues and of teams that represented some sponsoring entity became inevitable.

The sponsoring entity was the sporting club. Growing rapidly in number, these institutions at first were confined to Buenos Aires, but soon they became essential aspects of life in cities of the interior and in many of the smaller towns. There were clubs for various levels of society, and their clubhouses included meeting rooms, bars and restaurants. In the mid-century the Gymnastics and Fencing Club of Buenos Aires charged its 15,000 middle-class members a modest yearly fee which permitted the members to use its facilities in suburban Palermos Park. These included swimming pools, sports fields and a three-story clubhouse which had landscaped grounds and featured dancing on its terrace and dining at moderate prices. There was also a downtown headquarters with facilities comparable to those in its suburban headquarters plus an extensive library, ballrooms and a roofgarden.

Clubs that had a variety of sporting and other facilities also evolved under the direction of political organizations, business groups and labor unions. At the top of the social scale, the Jockey Club—the gathering place of the aristocracy of Buenos Aires—was among the world's most elegant and exclusive recreational organizations. It had a famous library and collection of paintings, and owned racetracks, golf courses, polo fields and a wide variety of other properties. The club building was destroyed by a mob in 1953, but the club survived, and in the mid-1960's membership included not only access to golf courses and swimming pools, but also social distinction and possible entry into inner political circles (see ch. 14, Political Dynamics). At the lower extremity of the urban social scale, people too poor to join a club could enjoy a kind of psychological club membership by their association with other loyal supporters of their favorite soccer team.

The institution of the club as it evolved before World War II filled an essential need of the urban people who could afford a membership. Beyond their original function of providing a place to engage in business or commercial discussions, clubs provided an answer to the question of leisure time. There was an aloofness in Argentines which made it difficult for them to participate in spontaneous games or in simpler diversions such as entertaining in their homes or visiting among friends and neighbors. Joining a club has been described as an act equivalent to acquiring a new extended family.

Athletic contests are far less important in the country than in the city as a means of enjoying leisure time. In the more scantily populated rural regions, the concentration of people is insufficient to permit fielding of teams for organized competition of any sort, and during a large part of the year the rancher or farmer is required to engage in too much hard physical labor in the fields to consider with enthusiasm the prospect of a weekend of the strenuous sports. Harvests, branding, and sheepshearing and dipping may be occasions for contests. Rural people, when a few gather together, also occasionally engage in such traditional country games as *brochas* and *pelota*. *Brochas* is similar to bowling on the green; *pelota* is a variant of handball.

The rural sector of the population, however, agrees with the urban in its enthusiasm for soccer. It is played by boys in every village, and the isolated rural population cluster that is too small to field its own team can still listen to the exploits of a favorite club reported over the transistor radio. When regional or international contests are broadcast, many activities are interrupted. It has been suggested that the universal interest in soccer may be the principal unifying factor among the many and diverse sectors of the national society.

Dining out is a metropolitan diversion for the urban well-to-do, and numerous nightclubs and discotheques are available. Retiro Park, located in suburban Buenos Aires, is reminiscent of Coney Island. People from all parts of the country who can afford to do so take summer vacations. Of the several vacation resorts, the most popular and best known is Mar del Plata, about 200 miles southeast of Buenos Aires on the Atlantic coast. It attracts over a million visitors during its season which extends from the opening "Spring Week" early in November to March. Mar del Plata is the principal gambling place as well as the main watering spot. There are also casinos at several other Atlantic resorts, but none in Buenos Aires. Racetrack betting exists in Buenos Aires, however, and the country has both national and provincial lotteries which are heavily patronized.

The city of Buenos Aires offers many cultural facilities. There are numerous museums and art galleries, and the city supports three symphonies and a variety of ballet troupes and opera companies. The ornate Colón Opera House has fine acoustics, the San Martín Theater—the country's largest—is located in an 11-story building that houses three separate stages. More than 40 legitimate theaters produce plays by Spanish and Argentine authors as well as Broadway and European offerings. Competent domestic companies include cooperative organizations which share expenses and profits among members and perform in basements, churches and even on the streets. Theatrical offerings are usually numerous in provincial cities and, in general, the urban population's fondness for the legitimate stage nearly equals its interest in sports (see ch. 10, Artistic and Intellectual Expression).

In 1960 the average Argentine attended about seven motion picture shows per year, and the country ranked high among Latin American countries in its attendance at performances. Between 1960 and 1967, however, attendance dropped more than 50 percent in Buenos Aires in a decline which was attributed principally to a corresponding rise in television viewing and a heavy increase in taxes on admission charges (see ch. 16, Public Information).

Members of the upper class devote considerable leisure time to voluntary charitable groups, economic and professional associations and leadership in religous organizations. Women who have servants to take care of shopping and housekeeping are particularly busy in these activities. Members of the middle class are often too concerned with earning a living to belong to many organizations; wives are frequently jobholders; and participation in religious activities tends to be limited to church attendance on Sundays. Lower class families seldom belong to voluntary activities and their churchgoing is usually limited to baptisms, weddings, funerals and occasional Sunday services.

The way and the extent to which people gather informally with relatives or friends to share meals, enjoy radio or television, play cards and other games or simply to visit varies with their social status and religion. Among the elite, leisure-time social intercourse is frequently with members of the extended family because of the high value placed on family relationship, and because members of this group are the most likely to know where their relatives are. For the more volatile and growing middle class, interfamily social activities are usually within the nuclear family. Interested in progress and change rather than in tradition, the middle class has little inclination to socialize with cousins. In addition, the everyday considerations of earning a living lead naturally to leisure-time activities with business and political associates. Among members of the working classes, at least in urban centers, family life is often unstable and, with the breakup of the family, the mother sometimes finds it necessary to depend on the extended family for refuge. Similarly, loss of employment can force people to appeal to relatives for aid. At the working level insecurity and need tend to draw members of the extended family together during periods of leisure time (see ch. 7, Family).

In the countryside leisure activity is fairly well diversified in the better populated areas. In the vineyard region centering in Mendoza Province, farm villages are close together; movie houses are plentiful; and the plaza furnishes a convenient place for social gatherings with friends. A high point of the year is the vendimia (annual grape festival) of the city of Mendoza, over which a girl grapepicker from the vicinity presides as queen.

A similar kind of unorganized but full social life is enjoyed by the proprietors of the small farms in the densely populated orchard region in the Río Negro lowlands, and some of the sugar estates in Tucumán Province maintain social clubs for the manual workers in the mills as well as for the skilled employees. Where the population is widely dispersed on farms and ranches, however, the nearest village is often too far away for easy access or too small to maintain a movie house or social center, and the farm family is left to its own devices for entertainment.

WELFARE

Traditionally, welfare programs have been the responsibility of the Catholic Church and private entities in which the leading roles have been assumed by upper-class women. Business and civic organizations, the YMCA and the YWCA have also engaged in numerous welfare activities.

Before World War II, the principal private welfare instrument was the century-old Society of Philanthropy administered by women of the aristocracy. During the regime of President Perón, however, the activities of that organization and of other private charities were overshadowed by those of the Eva Duarte de Perón Foundation. Begun in 1948 on a modest scale with the personal funds of Eva Perón, supplemented by voluntary contributions, the Foundation soon found other and richer sources of revenue. Business houses and labor unions contributed large sums. The government turned over a portion of the proceeds from the national lottery but chose to regard the organization as private and exercised no control over it.

Eva Perón played the role of lady bountiful for political ends, but her Foundation did accomplish much useful work in the building of hospitals, schools and playgrounds, and in direct charitable contributions. She was a tireless worker, spending long hours with the poor and giving them guidance and practical assistance while effectively propagandizing the cause of Peronism. Although it was limited in material accomplishments and high in cost, the Foundation's program was heartwarming to the poor people, many of whom, in the late 1960's, still remembered it with nostalgia.

The first public welfare legislation was enacted in 1904 to cover public employees. Among the most important basic laws governing the presentday social security system are acts of 1944 and 1946 covering commercial and industrial workers, respectively, and a 1956 statute extending the system's protection to rural workers and domestics. During the early 1960's about 4 million wage earners were covered by public old age, disability and survivors' insurance, the principal element in the social security program.

As it existed in the early 1960's, the pension program was administered under the general supervision of the Ministry of Labor and Social Security through its National Welfare Institute. The program consisted of separate pension funds for employees of industry, commerce and 10 (later, 11) other smaller categories of employment; the activities of each fund were governed by a tripartite board made up of representatives of employers, workers and of the Institute.

In early 1966 the General Confederation of Labor (Confederación General de Trabajadores—CGT) recommended that most of the funds be merged into a single entity to bring order to the tangled state of affairs resulting from conflicting regulations and different levels of employer and employee contributions prescribed by the different funds. It also recommended that the funds be governed by a Coordinating Council made up of the interested sectors which could function autonomously subject only to general supervision by the state.

The proposal had not been acted on when the change in administration of July 1966 took place; immediately thereafter the Ministry of Labor and Social Security was replaced by the Ministry of Social Welfare, and the Secretariat of Social Security was established. In June 1967 the government moved in the general direction of the recommendations of the CGT by promulgating Law No. 17,575, which reduced the number of national funds to three and called for the establishment of the Advisory Social Welfare Chamber in which employers, employees and beneficiaries—the pensioners themselves—were to be represented. Some complaint was voiced over the fact that the Chamber was to be only advisory in character and that its members were to be state appointees rather than elected delegates.

Until 1967 the old age, disability and morality system was funded by the contribution of 11 percent of their earnings by employees of commerce and industry and 15 percent by employers. No government contribution to the funds was made. During 1967 the employee contributions were reduced very substantially, to 5 percent in the case of workers in commerce and industry. The reduction was made as a conciliatory gesture to labor by the government, which at the same time imposed a freeze on wages.

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To qualify for old age pensions in commerce and industry, men must have reached the age of 55 following 30 years of work; women must have reached the age of 50 following 27 working years. For men and women, 5 years must have been in employment that was covered by the program. Retirement after 5 fewer years is granted if the work is determined to have been performed under unhealthy conditions or if reduced pension is accepted. Should the pensioner be residing abroad, administrative approval of the authorization is required. In all instances the pensioner must have terminated his gainful employment before payment begins.

In the case of pensions for invalids, it is necessary for the beneficiary to have had a reduction in earning capacity of $662\frac{3}{3}$ percent to qualify for total incapacity, and a reduction of $33\frac{1}{3}$ percent to qualify for partial incapacity. Beneficiaries must have been employed for at least 10 years, or 5 years if a medical examination was taken when work commenced.

The maximum old age pension is based on 82 percent of average earnings during the last 12 months of employment. The maximum percentage is paid only on earnings up to a periodically revised maximum in pesos; progressively lower percentages are paid for higher earnings up to a maximum. There is an increment of 5 percent of the pension per year if retirement is postponed. The maximum increment is 25 percent. Reduced pensions are computed on the basis of a 5 percent decrease for each year under the pensionable age. In addition, old age assistance is payable at age 60 to needy persons ineligible for pension.

Incapacity pensions are paid at the rate of 4 percent of the old age pension multiplied by the number of years of employment. A minimum amount is administratively fixed. Partial incapacity pension is paid on the full payment adjusted to the degree of loss of capacity. Survivor benefits are on the basis of 75 percent of pension paid or payable to the insured person, above an established minimum. Spouses receive half of the pension, and the remainder is equally divided among other survivors. Eligible survivors in order of priority are the window of any age, the dependent invalid or aged widower, sons under the age of 18 and daughters under the age of 22.

There are no sickness benefits. Maternity benefits are granted under 1934 legislation to female employees between the ages of 15 and 45 in industry, commerce, domestic service, public employment and fruit harvesting. Benefits are funded by the contribution of 1 day's earnings each quarter, according to pay class, and are applicable only to women covered by the social security legislation. Contributions in the same amount are made by government and employer. Beneficiaries must currently be engaged in covered employment and must either have had eight quarters of contribution during the last 3 years or have contributed consecutively during the 9 months preceding confinement. Maternity benefits amount to 100 percent of earnings according to wage category, payable for 30 days before and 45 days after confinement. A delivery grant and layette are also furnished. Work injuries, first covered by 1915 legislation, are currently administered under a law of 1957. Insurance is voluntary and obtained through private companies. Coverage is available in specified industries and in agricultural undertakings where power machinery is used. The entire cost is borne through direct provision of benefits by the employer or through payment by the employer of insurance premiums, and there is no minimum qualifying time for benefits. Benefits are up to 100 percent of average earnings during the preceding 12 months and are payable after a waiting period of 5 days. If permanent disability results, a lump sum is paid equivalent to 1,000 days' earnings. Work-injury medical payments include medical, surgical and hospital care, provision of prosthetic appliances and rehabilitation. Survivor grants made in connection with work injuries include costs of burial and a lump sum equal to 1,000 days of earnings.

There is no public unemployment insurance, but employers must pay a severance indemnity of 1 month's wages per year of service for employment up to a maximum of 10 years. A family allowance to married workers is considered an integral part of the salary and is funded by contributions by the employer only (see ch. 21, Labor Relations and Organization).

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CHAPTER 9

EDUCATION

The country's excellent educational system offers much variety. Some schools are operated by the national government, while others fall under the jurisdiction of provincial, municipal and private institutions. Educational facilities vary in size from the largest university in Latin America to a scattering of one-room primary schools in the remote areas of Patagonia.

There is a general oversupply of teachers—in itself an extreme rarity in the world of the 1960's—but, in certain specialized fields of instruction and in certain regions of the country, shortages remain. Highly competent instruction is offered in small classes in school buildings with inadequate and obsolete equipment. Because climatic and weather conditions vary so widely in different parts of the country, students in the north are commencing a school year while those in the south are completing theirs.

The basis of the present-day educational system was formulated around the middle of the 19th century. Since that time the system has experienced a qualitative and quantitative growth which has been broken at times, but in the late 1960's it was among the best in Latin America. It has the advantage of functioning in a community which has an inbred sense of national unity and is so free from exposure to controversial racial or linguistic issues that there is no discernible educational discrimination.

There is a small but diminishing discrimination by sex in the sense that boys and girls are still usually educated in separate schools, and the schools for boys tend to offer better education and practical training. Female enrollment in the system, however, is proportionally among the highest in Latin America, and during the 1960's girls actually outnumbered boys in secondary institutions. Public education is free at all levels, and many private primary and secondary schools offer tuition-free enrollment made possible by state subsidies.

International statistical summaries contain data measuring the progress and accomplishment of the educational system. During the century ending in 1960 the illiteracy rate dropped from nearly 80 percent to less than 10 percent. In the 1960's the country had a higher proportion of students of primary school age enrolled in schools than any other Latin American nation. The proportion of students in secondary schools was among the highest in the region, and the number of students enrolled in institutions of higher learning increased from an average of 196 per 100,000 of the population during the years 1930 through 1934 to 787 during the period of 1955 through 1959. The latter figure gave Argentina first rank in Latin America and fifth in the world, among 81 countries surveyed by an international organization. In the 1960's the student-teacher ratios at all levels of education were among the most favorable in the region.

Difficulties did exist, however. Despite the general adequacy of the teaching staff, a tendency to follow traditional methods and curricula resulted in a persistence of rote learning at all levels. In addition, educational authorities expressed concern over the tendency of students at the secondary and higher levels to concentrate on courses leading to the professions and to service occupations, while showing insufficient interest in those preparatory to industrial careers and virtually ignoring the essential fields of agronomy and veterinary medicine. Curricula were revised in 1965 to place greater emphasis on practical training, but in the 1960's the universities were still producing 5 times as many lawyers as agronomists and veterinarians.

The progress of urbanization has made Argentina a country of large cities and empty countryside dotted only occasionally with small towns. This pattern of development facilitated the spread of education during earlier years when the large numbers of people living close to one another in urban areas made it possible for a few large schools to reach a great many children. By the beginning of the 1960's, however, the goal of making at least a few years of schooling available to all town and city children had virtually been accomplished. There remained the untutored rural young people who lived in parts of the country where the population was too small and scattered to justify the establishment of schools of any sort.

The problem of rural education is doubly difficul because even where the population is sufficiently dense to support a primary school it may not be large enough to justify a secondary institution, and higher education is generally available only in the cities. Although most education is tuition-free, the rural dwellers are often unable to pay the cost of transportation, board and lodging entailed in going to the city for further study. In general, this problem is a pressing one with no easily discernible solution.

Although nearly all young people in the populated parts of the country receive some formal schooling, a great many of them receive very little. The drop-out rate is high at all educational levels, particularly during the first year of school and between each educational cycle. In addition, many students find it necessary to repeat grades, particularly in primary school.

The country's record of educational accomplishment does not seem to have prevented the administrators from recognizing shortcomings against which direct action was intended as part of the proposed 1965–69 National Development Plan. This program was overtaken by the revolutionary change in government in 1966, but its blueprint for educational reform showed a general awareness of problems and an intent to improve an already efficient system.

In 1968 most of the country's public school system was directly or indirectly supervised by the Secretariat of Culture and Education, an entity of the Ministry of the Interior which had been created by the government of President Juan Carlos Onganía shortly after it came into power in 1966. The new administration had also promptly withdrawn the autonomy previously enjoyed by the national universities, and early in 1968 it had ordered the closing of one of the numerous new private universities which had been established under authority of legislation enacted 10 years earlier.

The 1968 national budget included a larger allocation for education than for any other activity except economic development, but the funds were of an order comparable to those made available during immediately preceding years when it had been necessary to spend so much on salaries and other current expenses that very little had remained for capital expenditures. The occasional crowding of classrooms during 1968 was the result not of teacher shortage but of a lack of adequate classrooms and of demonstration and practice equipment in technical and vocational schools.

HISTORICAL BACKGROUND

The fourth university to be founded in the Western Hemisphere was the University of Córdoba, established in 1613 by the Jesuit order. The University of Buenos Aires was not established until after the turn of the 19th century, and until well into that century public education at all levels remained largely neglected. For example, in 1839 the annual salary of the governor of Jujuy Province was 1,500 pesos, while the provincial appropriation for public education was 480 pesos (see Glossary).

During the years before independence, the Church maintained convents, parish schools and seminaries as instruments for instruction of its own clergy and for teaching Christian doctrine to the Indians, as much as for education of the Spanish laity. The small educational system was tradition directed, and it was not until the middle years of the 19th century that the foundations of present-day education were laid.

Legislation enacted in 1844 established the principle of free and compulsory primary education, and the basis of the educational system was set down in the National Constitution adopted in 1853. It assigned to the National Congress responsibility for prescribing the curricula for general and university schooling and to the provincial governments the principal responsibility for administration of primary schools. Until 1850, however, the country had been under the domination of Juan Manuel Rosas, who had used the schools as instruments for spreading his authoritarian doctrine of "one faith, one language, one ceremonial, one style."

Modern-day education is usually regarded as having had its inception during the presidency of Domingo Faustino Sarmiento, the schoolteacher president who had become a disciple of Horace Mann during a period of exile in the United States and who later in his exile had established in Chile the first teacher-training school in Latin America. As president from 1868 to 1874 he was the architect of a system of public education which has become outstanding in Latin America.

Beginning in the 18th century and continuing through the 19th, there was a gradual decrease in the political, economic and social influence of the old conservative cities of the Piedmont and an increase in the influence of Buenos Aires, which had always been less conservative and which became the center of new ideas and more liberal education. It was therefore natural that, as the country's educational system expanded, the best and most extensive facilities should develop in this vicinity. By the late 1800's secondary and normal schools had been established in each of the provincial capitals, but most were poorly attended. It was well into the 20th century before children of less privileged families residing in more remote urban centers had more than 2 or 3 years of schooling.

Until the outbreak of World War I, the growth of schooling was concentrated in an area bounded by the cities of Buenos Aires, La Plata, Rosario, Santa Fe and Córdoba. In all regions secondary schools functioned principally as institutions preparing students for entrance to universities, a circumstance which tended to confine attendance to the children of the well-to-do. To remedy the shortage in secondary school facilities, the national government opened some rural schools at this level in agronomy, animal husbandry and viticulture. Lower-class families, however, did not have the resources to send their children away from home to attend these courses, and middle-class families were not interested in them. Middle-class parents looked to university training in the professions as the only path to success and status for their children.

The first public secondary school for boys came into being in 1863, a few years before the beginning of the Sarmiento administration, although its counterpart for girls was not to appear for almost another half-century. In 1869 a public teacher-training school was established. Public vocational training began with industrial and commercial schools for boys at the secondary level in 1891 and 1897, respectively, and a woman's vocational training institution was started in 1901. In 1909 the first special training establishment for teachers planning to teach in rural areas was added.

Anticlerical legislation of 1884 had deprived the Church of its teaching role in public schools, resulting in an increase in the degree of government control over the educational institutions. The following year, however, universities were given a measure of independence by passage of the so-called Avellaneda Law, which was substantially to remain in effect until universities were placed under strict government supervision during the administration of Juan Perón.

Late in the 19th century the population was increasing rapidly, and steps were taken by the government to ensure proper indoctrination of the growing flood of school children. An endeavor was made to enforce legislation calling for the teaching of prescribed curricula in private as well as in public schools, and teachers were required to give all instruction in the Spanish language. At the same time, the history curriculum was revised to emphasize the teaching of Argentine history in order to cultivate a sense of patriotism and to counter European domination of the economic and cultural life of the nation.

The year 1918 was the beginning of the university reform movement initiated by the students of Argentina's citadel of conservatism, the University of Córdoba. Aimed at rationalizing and modernizing the university curricula, raising educational standards and ridding the institutions of incompetent and conservative faculty influences, the idea of the Córdoba Manifesto spread throughout the country and to other Latin American states. The movement did not of itself bring about significant changes in legislation affecting the university establishments but, after it had run its course, there was a pronounced change in composition of student bodies from those with a predominance of children of the old aristocracy to those representing the increasingly numerous new middle class.

The students sometimes played a noisy role, but they were not seriously restrained until 1946 when the government, under President Perón, removed the measure of autonomy previously enjoyed by the universities. This action was followed promptly by a purge in which 70 percent of the faculty members were dismissed, and the following year new legislation formally terminated university autonomy. Immediately after Perón's fall in 1955, a series of decree laws gave the national institutions a very considerable measure of autonomy which they were to enjoy until late 1966 when, under the revolutionary administration of President Onganía, they were once more subjected to intervention by the government (see ch. 14, Political Dynamics). Previously, in 1958, legislation had been enacted authorizing the establishment of private universities, and the same year the first small provincial university had been opened in La Plata Province. By 1967 there were 13 private and 4 provincial institutions in operation.

A majority of the new private universities were operated by Catholic orders, and the 1958 law gave them, as well as the other approved private entities, authority to grant degrees equal in validity with those issued by the public institutions. The legislation had been presented as progressive but was opposed by a majority of liberals as inconsistent with the country's tradition of secular education. Not having been under an autonomous system of administration like that of the public universities, they were not subjected to intervention in 1966. Early in 1968, however, the small private Bartolomé Mitre University in Buenos Aires Province was closed by the government on the generally stated grounds of failure to comply with regulations.

The years between the two world wars contributed few events of significance to the evolution of the educational system in general, but the Perón regime plunged it into what teachers and administrators were later to consider a kind of educational dark age. After Perón's fall from power, the succeeding government reported to the Twentieth International Conference of Education that the country's educational authorities faced the task of reorganizing a system which for some years had been directed toward indoctrinating students with certain principles that were incompatible with the national traditions of democracy and love of freedom.

It added that desirable trends toward decentralization of primary education and making the kind of education offered at this level responsive to public demand had been reversed by legislation enacted in 1949; that since 1943 secondary schooling and teacher training had followed the principles of a general regulation which had become so modified as to have lost all significance; that universities had been denied academic freedom guaranteed them by the Constitution and subsequent legislation; and that the status of the teaching profession had been lowered. It would be necessary for educational authorities to eliminate the existing defects, to adopt emergency measures in order to ensure the continuation of education and to prepare new regulations and curricula for the system.

During the succeeding years courses of study have been extensively revised, generally with the intent of bringing more instruction of a practical nature into play and of initiating meaningful substitutes for rote instruction. The earlier trend toward decentralization of primary education has been resumed through transfers of certain national schools to provincial authorities; the National Council of Education, abolished by Perón, has been reinstituted, and the intricate hierarchy of administrative entities within the national education system has been somewhat simplified.

The most significant recent reform measure has been the enactment of the Teachers' Statute of September 11, 1956, since designated Teachers' Day in tribute to President Sarmiento. The measure has had the affect of conferring permanent civil service status on regular members of the teaching force. A significant administrative change in the educational system had taken place in connection with the complete reshuffling of national Cabinet alignments by the Onganía administration soon after its assumption of power in 1966. At that time the Ministry of Education and Justice was abolished, and national educational responsibilities were assigned to the Ministry of Interior through a subordinate Secretariat of Culture and Education (see ch. 13, The Governmental System).

EDUCATIONAL FINANCING

For the year 1968 about 14 percent of the national budget was allocated to the costs of education. This was greater than the amount budgeted for national defense and was second only to the allocation for economic development. Recent national education budgets have varied between a low of 10.5 percent of the total in 1959 and a high of 17 percent in 1961. During the years 1959-63, about 37 percent of the national expenditures for education were for primary schooling, 35 percent for secondary and 28 percent for higher education.

Most provinces and a few municipalities maintain and finance educational systems of their own. Many primary and secondary private schools receive subsidies from the national government for payment of all or part of the teachers' salaries. The state also makes grants toward construction of school buildings, acquisition of school buildings and equipment and provision of scholarships. Private institutions of higher learning do not receive subsidies. In order to qualify for financial assistance, the primary and secondary schools must have met the conditions stipulated by national authorities in order to establish parity for the students with those in the national establishments.

During the years 1959-63 national capital or operating expenditures represented less than 8 percent of the total national budget and, in the case of primary school expenditures, they represented 3 percent. The 1968 budget allocated 16 percent of the total to capital items, but for many years so little money had been available for school buildings and equipment and for their maintenance and repair that in 1965 the National Planning Council reported the physical facilities of the educational system to be undergoing rapid decapitalization.

Public schooling is free at all levels and is funded from public revenues of the state and the provinces and the municipalities. Construction of school buildings is financed in part by special taxes on admission charges at race tracks and at exhibitions of foreign films. Schools under the National Council of Education have various special sources of income, such as school bonds, fines for non-attendance at classes, sales of certain public lands, and donations from private individuals. Technical schools benefit from a special technical education tax levied on certain industrial and commercial establishments and from proceeds derived from the sale of products made in school workshops.

THE EDUCATIONAL SYSTEM

Administration

Most of the elements in the national public educational system are directed by the Secretariat of Culture and Education of the Ministry of Interior through a variety of subordinate organizations. Several other ministries and secretariats, however, have their own specialized schools which are considered parts of the national public system, and public schools are also operated by most provinces which have administrative structures paralleling those of the national system. There are also a few municipally controlled schools, and private education at all levels is authorized (see table 5).

Education of all kinds is under direct or indirect control of the state because it controls examination standards and plans of study. The law admits equality between state schools and those operated by provincial governments, although the latter are required to follow the national curricula. Private schools must follow the standard curricula in order to receive recognition of the certificates and diplomas awarded by them and, sometimes, to receive public financial support.

Although Article 5 of the Constitution assigns responsibility for the public primary system to provincial governments, Paragraph 16 of Article 67 makes the Congress responsible for general and university education. Whether or not the word "general" should be interpreted to include the primary schools assigned by Article 5 to the provinces has been the cause of a continuing controversy. In practice, however, the state supports a considerable, although recently diminishing, portion of the primary system throughout the country. State primary schools are those in the city of Buenos Aires and in the provinces where local resources are insufficient to support provincial primary systems. Most are supervised by the National Council of Education which is responsible to the Secretariat of Culture and Education. During the early 1960's many primary schools were transferred from national to provincial jurisdiction.

Private schools at both the primary and secondary levels which

	National	Provincial	Municipal	Private	Total	Number of Teachers
Preprimary	45,552	63,864	1,159	47,813	158,388	8,001
Primary	1,261,482	1.721,908	14,181	467,586	3,465,157	176,836
Secondary	424,125	132,425	10,553	280,793	847,896	118,103
Higher	230,561	8,332	1,348	26,412	266,653	17,225
University	(219,282)	(1,852)		(16,122)	(237, 256)	(11, 449)
Nonuniversity	(11,279)	(6, 480)	(1,348)	(10,290)	(29, 397)	(5,776)
Other*	59,637	19,705	2,670	245,683	327,695	9,749
TOTAL.	2,021,357	1,946,234	29,911	1,068,287	5,065,789	329,914

Table 5. Argentine School Enrollment by Jurisdiction, Level of Instruction and Number of Teachers, 1967

* Includes courses of study not considered to fall in regular school system.

Source: Adapted from Argentina, Secretaría de Estado de Cultura y Educación, Estadística Educativa, 1967; and Argentina, Consejo Nacional de Desarrollo, Plan Nacional de Desarrollo, 1965.

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have adopted the curriculum and standards prescribed by the national authorities are referred to as "recognized" or "incorporated." In 1967 nearly all of the private institutions were in this category, although there were still a few small autonomous schools. Most of these were supervised by the National Service of Private Education, an entity of the Secretariat of Culture and Education, but some were responsible to provincial governments.

Secondary education is conducted principally in schools under the jurisdiction of the Secretariat of Culture and Education. The remainder, in decreasing order, fall under private entities, provincial governments, other national ministries and secretariats and governments of municipalities.

Administration of the establishment under the Secretariat of Culture and Education is the immediate responsibility of so many different entities that a need for simplification has frequently been acknowledged by educational authorities. Most of the schools are under the National Service of Secondary, Normal, Special and Higher Education, an entity subordinate to the Secretariat. Most vocational training at the secondary level, however, is a responsibility of the National Council of Technical Education, while training in the fine and performing arts is furnished under the Directorate General for Artistic Training. Schooling is also furnished under the National Directorate of School Health and the National Directorate of Physical Education, Sports and Recreation. In addition, the Secretariat of Culture and Education has jurisdiction over a considerable number of secondary schools operated in conjunction with national universities.

Compliance of primary and secondary schools with applicable laws and regulations and assurance that performance will meet educational standards are monitored by school inspectors assigned to inspectorates general under the various administrative entities. For example, one inspectorate general is responsible for schools under the National Council of Technical Education while another oversees operations of private schools. Inspectors operate out of regional centers and are assigned specific areas and regular schedules of visits.

Legislation enacted in 1956 conferred on the universities the right to conduct their own affairs through a tripartite (*tercio*) system of administration by faculty councils and a superior council in each university. These councils adopted statutes for the university, defined procedures for recruitment of professors and determined content of the curriculum. When the legislation was enacted, all of the country's universities were national institutions, funded directly by the state. The legislation was not applicable to the provincial and private universities, which were founded subsequent to enactment of the legislation.

The faculty, the student body and the graduates were represented on these councils. Faculty representatives outnumbered each of the other two groups, but since graduates tended to vote with students, a studentgraduate coalition usually had veto power if not outright control of council decisions. State intervention in 1966 terminated this studentdominated autonomy and remanded the universities to government safekeeping (see ch. 14, Political Dynamics).

Private universities are governed by 1958 legislation and subsequent decrees. They are authorized to grant academic degrees equal in validity to those issued by public institutions, but permission to practice any profession subject to federal regulation must be secured from the state following an examination. Private universities must obtain recognition by the state which also approves their status and curricula.

Non-university institutions of higher education operating under the Secretariat of Culture and Education are under immediate jurisdiction of the same administrative entities which are responsible for secondary schools under the Secretariat. In addition, the Directorate General of Museums and Libraries operates a small higher school for librarians. Higher institutions in specialized fields are also operated by other ministries and secretariats which have jurisdiction over them.

Pre-Primary and Primary Education

Kindergarten (*jardin de infantes*) is part of the primary school system which involves 1-, 2- or 3-year courses beginning at a minimum age of 3. A majority of these pre-primary units are associated with special primary schools designed to enable teachers in training to gain practical experience. In these instances the principal of the primary school also serves as principal of its pre-primary associate. Kindergarten, which is not a required part of the educational process, is available only in larger urban areas. In the mid-1960's only a small fraction of the students entering the first grade had pre-primary experience. Enrollments were growing rapidly, however, and the 1967 enrollment of 158,000 was about double that of 1960. In addition, many small children of working mothers attended nursery schools operated by industrial establishments.

Primary school consists of seven grades but, because the first two grades are designated as lower and upper first, the sixth grade is the last in the 7-year primary cycle. School authorities see primary education for 95 percent of all children between the ages of 6 and 12 as an attainable goal. The remaining 5 percent is considered non-educable for psychological, physical or social reasons. This target has not been reached, but primary school attendance is high. During the early 1960's about 87 percent of the population in this age group was or had been enrolled in the regular primary system. In addition to students in the regular schools, some have received instruction through a visiting teacher service for sick children at home. There are also hospital primary schools, open-air units for delicate children, and special schools for the handicapped, retarded and mentally defective.

In 1967 about half of the 3.5 million primary school children were

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enrolled in provincial establishments. During recent years the enrollment by grade level has been very uneven. In 1962 about two-fifths of the student body were in the lower and upper first grades while less than one-twelfth was graduated from the sixth. To some extent the larger enrollments in the lower grades reflected increasing school attendance, but repetition of grades and dropping out of school were more significant causes. An average of one student in eight was repeating his grade in the primary system as a whole, and the repetition rate in the lower first was one in four. About one student in six left school during the lower first, and in subsequent years the rate of departure varied between one in 12 and one in 16 during each year.

Repetitions and dropouts varied sharply by region, the lowest proportions in both kinds of academic casualties having occurred in the Pampa schools and the highest in the schools of the Northeast. Comparative data on an urban-rural basis regarding promotion and retention are not available, but the superior record of city schools in the past is suggested by the fact that in 1960 over half of the urban population over the age of 15 had completed primary school as compared with only slightly more than one-fifth of the rural people.

Girls have tended to be better students than boys. In 1962 the ratio between males and females both in dropouts and in grade repetitions was 54 to 46. During that year about 53 percent of the enrollment in the two first grades were male, but the margin narrowed progressively in the higher grades, and in the sixth females emerged as a small majority.

In most of the country the primary and secondary academic year is approximately the reverse of that in the United States, with studies commencing in March and running through November. In the southern region, however, climatic and weather conditions dictate the opening of schools in October for a shorter academic year extending through March. In both regions classes are held Monday through Friday with hours totaling a maximum of four each in both morning and afternoon sessions with an hour for lunch.

The primary curriculum is prescribed by the National Council of Education. Private as well as public school students must follow it, although the practice has been to grant some latitude to the private institutions. Instruction must be in Spanish except in the private schools for foreign children. Even these, however, are required to devote at least half the school day to courses in the Spanish language.

Since the end of the Perón era in 1955, there have been frequent curriculum changes. A continuing principle, however, has been to provide a broad basis for the student's education during the first primary years and to teach specific subjects in upper grades. Particular emphasis has been placed on preparation for living as a member of a community through instruction in such subjects as courtesy, cooperation, mutual help, civics, thrift and budgeting. Special upper-primary instruction is available for children planning to specialize in music, dancing and the teaching of foreign languages. In general, however, the same course of study is followed by all students through the 7 years of primary school.

Grades are based on class performance during the school year, and there are no final examinations for promotion or for graduation at the end of the sixth grade. In most cases, before secondary school can be entered it is necessary for the student to pass an entrance examination on the courses studied plus a variable element based on the type of secondary school to which matriculation is planned.

Although classes are usually small and most textbooks are loaned to students without cost, a principal criticism directed at primary education in the past has been that learning has been by rote with insufficient real comprehension by the student. During the 1960's efforts have been made to correct this situation by introducing more teaching by demonstration and practical training.

The small schools in remote rural areas have constituted a particular problem. Representing less than 10 percent of the total enrollment, they serve a large portion of the national territory. Because of the distances students must travel in order to attend school, it is usually necessary to serve noon-day meals at the school, and the scholastic timetable is flexible in accordance with the needs of the area. These institutions are sometimes crowded and the courses offered and years of study vary with student demand and the capabilities of the teaching staff. Dropout rates are high, and schools may offer only a four- or five-year curriculum consisting principally of reading, writing and the rudiments of Argentine history and geography. The ideal staff of the small rural school has been a married couple, both of them teachers qualified to give instruction in several subjects.

Secondary Education

Public secondary or middle (*medio*) education is free but not compulsory. During the 1960's total public and private enrollment at this level increased sharply. rising from 618,000 in 1961 to 848,000 in 1967. In 1961 over one-fourth of the population of secondary school age was actually enrolled in the schools, and slightly over half of the students were girls. These data, released by the Secretariat of Culture and Education, include totals considerably lower than those compiled by statisticians of certain international organizations who include in the secondary roster a substantial enrollment in adult education classes reported separately by the Argentine Government.

A majority of the secondary institutions offer a 5-year curriculum divided into a 3-year basic cycle, during which students are given approximately the same courses, and a 2-year upper cycle of instruction in a vocation or preparation for further education at the university level in a particular field. Duration of the course of study varies from as few as two years in night vocational classes to as many as 8 years, while some schools offer only the 3-year basic cycle. In general, completion of the 7 years of primary schooling is a prerequisite to matriculation at the secondary level.

Supplementing the regular secondary education program in rural areas are some technical and cultural extension schools. They are itinerant entities which move about the more sparsely settled rural areas and are available only to boys. Entrants must have reached the age of 14 and must have completed 4 years of primary schooling. The course covers 2 years, and graduates are awarded an elementary certificate in industrial or agricultural fields of specialization. There are also itinerant rural cultural and domestic training schools for girls which have comparable requirements and curricula and which lead to elementary certificates in rural homecrafts.

The generally high rates of attrition and of grade repetition observed in primary schools are found also at the secondary level. In 1961 about 40 percent of the enrolled student body was in the first year, while only a little more than 8 percent was in the fifth. This precipitous drop, however, is in part a reflection of the substantial number of students in establishments with curricula of less than 5 years. During 1961 girls slightly outnumbered boys in all of the five regular grades of school, but the margin narrowed considerably during the upper secondary years. In establishments offering courses of study in excess of 5 years, enrollment was almost entirely male. Secondary education is largely segregated by sex, and many of the courses for females are of short duration.

During the 1960's there has been considerable revision of the several secondary school curricula. In particular, there was an extensive change in the courses offered by schools under the direction of the National Council for Technical Education in order to give young people practical skills in fields growing in importance in the country's increasingly industry-oriented economy. In general, planners also were attempting to divide the secondary curricula into groups of courses to which universal standards should be applied in all schools, and groups of courses where standards should remain flexible in order to reflect the economic and cultural differences of the several regions.

General Secondary Schools

In 1967 about 165,000 secondary school students were enrolled in schools offering a generalized curriculum consisting principally of a broad range of studies in the liberal arts. Boys considerably outnumbered girls in schools of this type, and about one-third of the total enrollment was private.

It is in the general school that most young people planning to continue their education at the university level receive their preparatory training. Many come from the families of the well-to-do and tend to be better oriented than students in technical secondary establishments toward appreciation of the goal of an extensive and well-rounded education. It is probably for this reason that the attrition rate during the mid-1960's was considerably lower in general schools than in schools for vocational training. In 1967 only about one-fifth of the total secondary enrollment was in general schools, by far the lowest proportion in Latin America.

The course of study offered in these general institutions is usually referred to as the baccalaureate (*bachillerate*) after the diploma awarded on its successful completion. The schools include *colegios*, coeducational or for boys, and *liceos* for girls. Both offer the standard two cycles of study and approximately the same curriculum.

During the basic 3-year cycle, instruction is given in such subjects as Spanish, a foreign language, mathematics, physics and chemistry, biology, history, geography, drawing, music, democratic principles and physical education. In the second cycle of 2 (or sometimes more) years, some of the subjects introduced earlier are examined in greater detail, and some choice is permitted in selection of particular fields of concentration. Literature, philosophy, civics and a second foreign language may be added. During the mid-1960's consideration was being given to ways of reducing the excessively broad scope of the curriculum and placing greater emphasis on practical instruction.

In addition to the regular bachillerato program there is the bachillerato especial which requires 7 years to complete and offers specialized preparatory education leading to university entrance. In 1967 about 25,000 of the general school students were enrolled in bachillerato especial courses in agronomy, fine arts, commerce, humanities (bachillerato especial humanista), science and letters and bilingual in science and letters.

Normal Schools

Teacher training at the secondary level is furnished by normal schools which had an enrollment of over 200,000 in 1967 and represented a striking increase over the 75,000 taking normal courses in 1953. At least since the 1950's, the enrollment has been made up principally of girls who represented 86 percent of the total in 1967. A developing phenomenon during recent years has been the relative increase in importance of private institutions as teacher training centers. Private normal schools, with less than one-third of the student body in 1955, had slightly over half of the total in 1967. This circumstance, coupled with a corresponding proportional rise in enrollment in private schools for teacher training at the post-secondary level, has led Argentine educational authorities to comment that the public educational system is rapidly losing control of teacher education.

Like the general school curriculum, the normal school course of study consists of 5 years in two cycles, the 3-year basic cycle differing in course content only to the extent that it permits some early concentration on the subjects of intended specialization. In the 2-year upper cycle such subjects as philosophy and psychology are introduced, and training is stressed in teaching techniques. A demonstration section (departamento de aplicación), customarily attached to the normal schools, offers a complete primary education while providing practical experience to more advanced student teachers.

At the secondary level there are also a few national schools training young people to become teachers in rural areas. These establishments offer the two standard cycles, but course content is modified to stress practical subjects applicable to the region in which the school is located. In 1967 about 6,300 students were enrolled in establishments of this nature.

In addition, there are special schools for language teachers. The curriculum differs from that of the standard normal school in that the number of hours assigned to standard studies is reduced in order to make possible more intensive study of the language in which specialization is proposed. Students in these establishments usually have already completed 4 years of language study in special courses offered to prospective language teachers during the last 4 years of primary school. Moreover, since foreign languages are not ordinarily offered in the primary establishments where normal school graduates are qualified to teach, the foreign language normal schools are regarded as preparatory to still further teacher training at the post-secondary level.

Vocational Schools

Over 450,000 students, more than half of the total secondary-school student body, were enrolled in vocational schools during 1967. In most of the vocational categories male students outnumbered female and public enrollment outnumbered private.

The largest and fastest growing category in vocational secondary education is the commercial type of institution where the 1967 enrollment of over 200,000 was almost double that of 1960. Slightly fewer than half of the students were girls. Although specialized commercial training at the secondary level is considered vocational in most countries, statisticians for the Secretariat of Culture and Education classify it outside the vocational sector and associate it with general and normal school secondary institutions. In 1967 about 70 percent of all secondary students were enrolled in these three kinds of schools which were devoted principally to training young people for service-type occupations.

The regular commercial 5-year curriculum covers 3-year basic and 2-year upper cycles. In the basic cycle business subjects such as bookkeeping, typewriting and calligraphy are stressed, while general law, legal practice and business administration are taught in the upper cycle. A night school program has the same course content, but a sixth year is added to the curriculum. A diploma of merchandising expert is awarded upon completion either of day or night courses and qualifies holders for direct matriculation in post-secondary institutions. Industrial training at the secondary level is furnished by schools in two broad categories. Schools of industrial technology train boys in modern industrial techniques, while schools of professional technology offer training for girls in home crafts. The two categories, however, are not entirely segregated by sex. Several thousand girls were included in the 1967 enrollment of 123,000 in industrial establishments, while boys made up about one-fifth of the 100,000 students in the professional schools. A majority of the boys enrolled in the professional schools were in schools of the home and manual arts (escuelas profesionales del hogar y manualidades). Most of the schools of industrial technology were nationally run, while most of those teaching professional technology were under provincial jurisdiction.

The schools of industrial technology offer 6-year courses leading to certification as technical auxiliary after 4 years and as technicians upon completion of the full 6 years. The same awards are made in night schools after 5 and 8 years respectively. These establishments prepare for direct entrance into industry, but completion either of day or night courses carries with it qualification for further study at the post-secondary level. After half of the instruction time is devoted to general subjects and about half to specialized training in a wide range of industrial skills. In addition to the regular schools, there are 2-year night industrial courses furnishing training in specific skills for machine and equipment operators and certificates of professional aptitude upon completion of the course of study.

A frequently stated criticism of the industrial training program is the inadequacy of equipment. Budget allocations during the 1960's have left little room for the capital expenditure necessary to replace outworn items or acquire new ones. In addition, many boys take only short training courses or drop out of school at the age of 15 or 16, an age too young to make them of much interest to employers. A wait of several years is often entailed and, at the end of that period, the value of the training received tends to diminish. The problem of government authorities seems to lie less in persuading boys to enroll in industrial secondary schools than in keeping them in school for a sufficient length of time.

The schools of professional technology, designed for girls but attended also by a few boys, include the national schools with about 29,000 students in 1967 and the provincially directed professional schools with 63,000. There is also a small scattering of municipal and privately operated home and manual arts establishments.

The national schools offer a certificate of competence after 3 years of study and the diploma of technical auxiliary after completing the full 4-year course. The same awards are made after 4 and 5 years to night school students. A 2-year night course in practical studies is rewarded by a certificate of qualification. None of these qualifies the recipient for post-secondary education. The provincial schools have curricula designed particularly to meet the needs of farm women. In both duration and content of courses they vary substantially.

Some 35 small secondary-level agricultural schools had a combined 1967 enrollment of approximately 3,200, almost exclusively male. About 1,000 were in schools under jurisdiction of the Secretariat of Agriculture and Stock-Raising. The courses varied between 2 and 4 years and were devoted to specialities, such as that of the vineyards school in Mendoza. An additional 800 students were in national schools offering 5 years of training in the standard two cycles with a certificate granted after the basic cycle and a diploma of agricultural expert after the full 5 years. There were also a few small municipal and private schools of agronomy.

Fine and performing arts were taught during 1967 to about 16,000 students at many small specialized secondary schools located in the city of Buenos Aires and in 14 of the provinces. The national system is made up of national schools of fine arts, dramatic arts and music with 4-year curricula and national schools of the dance and ceramics with curricula of 5 years. All lead directly to post-secondary training except the school of the theater which requires a qualifying examination. In addition, secondary training in these fields is given in courses offered by several of the national universities and in provincial and privately operated schools.

Other vocational-type schools considered by Argentine statisticians to be part of the country's regular secondary system had a combined enrollment in 1967 of about 11,000. This miscellaneous category includes schools for nurses and hospital assistants, schools for physical education instructors, special language schools, a school maintained by the Hydrographic Service of the navy, an aviation school and a fisheries school. They are operated by various agencies of the national government, by provincial governments and by national universities.

Higher Education

The enrollment in institutions of higher education increased from an average of 24,000 during the years 1930 through 1934 to over 266,000 in 1967. Students have tended to be old by United States standards. In 1961 about one-third of the student body was 25 years of age or older, while only one-fifth was under the age of 20 years. Most of the students, accordingly, were young adults. Female enrollment, only a little more than one out of four in 1955, rose to about two out of five in 1967.

Universities

During 1967 about 90 percent of the students at the post-secondary level were in the country's universities. There were 26 of these institutions in all and the total enrollment of over 266,000 was divided into more than 200 faculties and institutes and schools not connected with the faculties. In the Argentine definition the faculty is not the teaching staff of the university but the basic operating unit within it. It frequently is responsible for teaching several related disciplines and may have jurisdiction over several subordinate schools and institutes. Comparable to the college units which exist in some of the larger universities of the United States, it is so complete and self-contained a unit that the universities frequently are made up of faculties in separate localities. The University of the Littoral, for example, has faculties in four different cities.

Applicants for admission to universities must have completed secondary school and in some instances must pass entrance examinations in particular subjects. Faculties sometimes offer preparatory courses. Within the university, class tests are held in certain subjects, and students are usually required to pass examinations in each subject. There are, however, no final examinations for degrees.

Students in public universities must pay their own costs of maintenance but they are not charged tuition fees. Private institutions charge moderate fees, and some scholarships are available. The teaching staffs of public universities are recruited on the basis of academic records or competitive examinations. They may be employed either on a full-time or on a part-time basis, and their salary schedules are prescribed by law. Chairs are occupied by full professors who are assisted by associate professors, lecturers, demonstrators and leaders of seminars.

In 1967 the national university system offered courses of study which differed in variety and in individual course composition but which generally included studies leading to degrees in philosophy and letters, legal and social sciences, natural sciences, economics, agronomy and veterinary surgery, medicine, dentistry, pharmacy and biochemistry, engineering and architecture.

Programs of study in the Faculty of Philosophy and Letters at the National University of Buenos Aires are typical of those available in the system as a whole. The faculty offers undergraduate courses in such studies as philosophy, literature, history, sociology and psychology leading to the licentiate (*licenciatura*) degree after 5 years and to the doctor's degree after further study and submission of a thesis. In addition, it offers a 4-year course for museum technicians and a 3-year course for university librarians. Upon receiving the licentiate, graduates are qualified to teach in secondary schools if papers on educational subjects have been submitted and if the study of teaching practices have been included in the curriculum.

The university system includes national, provincial and private institutions, but the more than 219,000 students in the country's nine national universities during 1967 represented over nine-tenths of the total enrollment in the system. By far the largest of the national establishments was the National University of Buenos Aires with over 97,000 students in 13 faculties and schools. The largest university in Latin America and the center of Argentine intellectual life, it was founded in 1821 by the

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merging of several existing post-secondary schools. It is the country's second oldest university.

Next in size are the nearby National University of La Plata with a 1967 enrollment of 36,000 and the National University of the Littoral with most of its faculties located in Rosario and a student body of almost 25,000. Both institutions maintain close academic ties with the University of Buenos aires.

The National University of Córdoba has about 23,600 students. By far the oldest university in the country, it is the traditional center of conservatism, but it was here that the liberal university reform movement of 1918 had its inception.

The National University of Cuyo, with a 1967 student body of 6,000, maintains most of its faculties in Mendoza although the faculties of education and engineering are located in other provinces. Its agronomy and medical faculties are considered outstanding. It has little intellectual interchange with Buenos Aires, and in this sense it is both the most selfsufficient and isolated of the national universities. The National University of Tucumán in the Northwest has faculties of natural science and the humanities in Salta, and its 1967 enrollment was about 10,000. The newest and smallest of the regional national universities are the University of the Northeast with faculties in Corrientes and Resistencia and the University of the South in Bahía Blanca. The 1967 enrollments in these institutions were about 9,300 and 4,000, respectively.

The last of the nine national universities is a technical rather than a multidisciplinary institution. It is the National Technical University, founded in 1948 as the National Workers' University, with a 1967 student body of about 7,700 scattered among 11 regional faculties. With over 3,000 students, the regional faculty in Buenos Aires was the only one with enrollment in excess of 1,000. The National Technical University offers courses of up to 6 years to secondary school graduates in such fields as chemical industries, telecommunications, automotive technology and machine construction.

Four small public universities under the jurisdiction of provincial governments had a collective 1967 student body of about 1,850 and a total of 13 faculties and schools. They are the provincial universities of Buenos Aires (located at Mar del Plata), La Pampa, Neuquén and San Juan. All are of recent origin, the oldest having been founded in 1958.

The country's 13 officially recognized private universities are also small in size and recently established. Most are Catholic institutions. In 1967 they had an aggregate student body of some 16,000 and were made up of a total of 79 faculties and schools.

Establishment of the private universities was authorized by 1958 legislation which made possible the recognition of several which had already been brought into being and which encouraged the establishment of others. The first was the Catholic University of Córdoba, founded by the Jesuit Order. Next in precedence was the University of El Salvador in Buenos Aires, also a Jesuit institution. At about the same time the Pontifical Catholic University of Argentina was founded with headquarters in Buenos Aires and several faculties in the interior. In 1967 these three institutions represented over half of the total enrollment in all 13 private universities. In the late 1960's the institutions were still too young to have established themselves as significant elements in the country's university system.

Composition of the university faculties by specific disciplines varies somewhat between institutions. For statistical purposes, however, enrollments are reported in terms of 10 faculties plus the enrollments in those schools of performing and fine arts which are integral parts of universities (see table 6).

The proportion of young people of college age matriculated in universities and the rate of increase in enrollments during the mid-1960's were regarded as easily sufficient to meet the country's needs. The number of students failing to complete their courses of study, however, was considered far too high. The figure of 8,153 students graduated from national universities in 1962, for example, compared unfavorably with that of 162,355 enrolled in the national system in 1963. The proportion of one student graduated for each 20 enrolled was approximately the same as the average which had been recorded for the years 1954 through 1962. Because university courses of study vary between 3 and 6 years in duration, this comparison between numbers of students and numbers of graduates does not indicate precisely the rate of attrition. It is evident, however, that a substantial number of students were failing to complete their studies.

There was also concern over the fields of specialization which students

Discipline	Number
	35, 4 05
Dentistry	5,448
Pharmacy	9,261
Agronomy and Veterinary Surgery	7,918
Engineering	29,754
Architecture	9,603
Exact and Natural Sciences	10,407
Law and Social Sciences	43,005
Economic Sciences	57,393
Humanities (Philosophy, Letters and Education)	27,195
Performing and Fine Arts	1,867*
TOTAL	237,256

Table 6. Enrollment in Universities by Field of Specialization in Argentina, 1967

* Institutes and schools within universities.

Source: Adapted from Argentina, Secretaría de Estado de Cultura y Educación, Estadística Educativa, 1967. were selecting. In 1967 about one-third of the university enrollment was in the traditional fields of law and medicine. At the same time, fewer than 13 percent were enrolled in the faculties of engineering, and only slightly more than three percent were studying agronomy and veterinary surgery.

Considerably greater emphasis on career education in scientific and technical fields as a whole was believed to be indicated, but it was the neglect of higher education in the field of agriculture which caused the most concern. At the beginning of 1968 the country was estimated to have about 3,500 university-trained agricultural experts and to need 20,000. The principal reason for this deficiency is presumably a lack of interest on the part of young people, but there are also technical reasons of which the most important is the location of the schools.

As parts of the universities the agricultural schools are located in the major cities, and urban young people have little desire to prepare themselve at the university level for a career practiced only in the countryside. In addition, while city-bred university students tend to live at home, students from rural homes who are anxious to become agricultural experts must pay for room and board which they may be unable to afford. Also, they are in less favored positions than their urban peers to find part-time jobs to help defray the costs of education. One suggested solution to this problem would be the transformation of the faculties of agronomy into detached residential units in rural areas where they might be associated with university farms.

Non-University Higher Studies

A miscellany of about 140 school units in 1967 provided post-secondary education outside the universities to almost 30,000 students, more than three-quarters of whom were women. The schools were under the jurisdiction of various authorities responsible to the Secretariat of Culture and Education, other ministries and secretariats of the national government, provincial and municipal authorities and private entities.

Most of the students in these institutions were training to become teachers in the secondary school system or in special schools. The curriculum varies substantially in length and in content, but the regular official secondary program consists of 4-year courses for general and technical teachers. The National Institute of Modern Languages course is for 5 years and offers training in French, English, Italian and German.

Smaller numbers of students receive post-secondary training for teaching careers in special categories. Courses are for 2 or 3 years and are furnished to prospective teachers in the fields of kindergarten, home economics, physical education and instruction for retarded and physically afflicted children. In higher teacher-training institutions of all kinds, students are graduates of the normal school system.

In post-secondary schools of fine and performing arts, students are prepared for careers either as teachers or as practitioners of the arts. Duration of the courses of study varies from a single year in the school of plastics to 5 years in the schools of dramatic art. Students in these artistic (*artisticos*) institutions are customarily graduates of secondary schools in the same field of specialization.

Other non-university higher education is offered in 2- and 4-year courses to prospective teachers in vocational schools and in 3-year courses for nurses and hospital assistants. Schools of varying course lengths offer training in social service, and there is a scattering of small schools in various technical fields.

Foreign Affiliations

The country's higher educational system has an international flavor, in large part because about half of its collective student body is located in the cosmopolitan city of Buenos Aires. Many professors have received training abroad, and in 1961 a native of India, only 2 years resident in Argentina, was elected rector of the University of the South in Bahía Blanca. The founding of the University of La Plata in 1906 along what were at the time ultra-modern lines and with stress on training in the sciences was made possible by drawing on the assistance of experts from Europe and the United States. In 1962 the 8,477 foreign students in the country's institutions of higher learning represented about 5 percent of their total enrollment. Many universities and other higher educational establishments have special facilities for the reception and accommodation of these foreign scholars.

Most of the national universities belong to the Union of Latin Universities, an association of Latin American institutions, while the private Catholic schools belong to the Organization of Latin American Catholic Universities. Both of these regional entities hold periodic conferences attended by representatives of their Argentine affiliates.

The universities also maintain a few cooperative and exchange programs with American counterparts. In 1965, for example, Columbia University and the National University of Buenos Aires maintained an exchange arrangement, and the University of Chicago, working in collaboration with the Catholic University of Chile, was attempting to develop a modern economics curriculum at the University of Cuyo. Argentina's general leadership in Latin American education, however, is not reflected in the extent of the interchange between its universities and those abroad. In 1965 the universities had 11 continuing programs in cooperation with sister institutions in the United States. This placed the country sixth for that year among Latin American countries in number of commitments and far behind Mexico which ranked first with 74.

LITERACY AND ADULT EDUCATION

With a literacy rate of 91.4 percent of persons over 14 years of age, according to the 1960 census, Argentina was the most literate country

in Latin America. Next in order was Uruguay with 90.3 percent in 1963, the only other country in the region with a rating of over 90 percent in the early 1960's. In contrast, the census taken in 1869 had shown 78 percent of the Argentine population to be illiterate.

The 1947 census indicated that 91 percent of the urban population could read and write but that the rate for rural people was about 79 percent. The 1960 census apparently did not include corresponding data, but indicated that 42 percent of the rural people were illiterate or had completed no more than 2 years of schooling, while only 16 percent of the urban population were in this category

The percentage of illiterates as taken from the numbers of people so inscribed in electoral registers on December 31, 1965 showed a still more striking regional variance. The city of Buenos Aires, with only 1.21 percent rated illiterate, was lowest, while Corrientes Province was highest with 29 percent or higher.

The principal thrust of adult education is directed not at giving the rudiments of academic education but at improving practical skills, particularly in industry and agriculture, and in developing middle-grade managerial cadres. The typical adult student is a young, employed person studying at night. The student is as likely to be female as male because of the increasing number of employed women and the fact that the regular school system in the past has afforded women relatively few opportunities to obtain useful practical training.

Courses are conducted by national, provincial and private authorities. They are held in regular schools under the direction of members of the regular teaching staffs during evening hours, in schools devoted exclusively to adult education which hold three sessions daily and in schools attached to the armed forces, hospitals and prisons. There are also company schools conducted in factories for the benefit of employees, although there is no systematic apprenticeship program to complement technical school education.

In 1961 there were over 340,000 students enrolled in adult classes. Two-thirds of the teachers and half of the students were women. Since 1961 adult education has not been reported as such, some adult classes having been included with figures for regular primary and secondary courses. In 1967, however, certain practical courses for adults were reported by the Secretariat of Culture and Education under the classification of "parasystematic" (*parasistemático*), a term defined as training which does not form part of the regular educational system. About 328,000 persons, almost two-thirds of them women, were receiving training in this category. Most were enrolled in privately operated classes, over 127,000 having been in schools listed as private academies. Some international organizations reporting statistically on Argentine education include data concerning these private academies in figures concerning regular secondary education.

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In 1967 the country's 325,000 teachers in all kinds of schools represented approximately one for every 70 in the country's population, a ratio unmatched in Latin America. Of the total, 72 percent were in the primary system, 17 percent were in the secondary system and 5 percent taught at higher institutions. The remaining 6 percent were in schools not classified by educational authorities as part of the regular school system. At all levels the student-teacher ratio was low. In both preprimary and primary schools it was about 20 to one; at the secondary level it was less than eight to one; in institutions of higher learning it was less than 16 to one; and in other schools it was about 33 to one. In the educational system as a whole, there was one teacher for every 16 students (see table 5). Although this ratio has dropped slightly during recent years, the country has long enjoyed a low teacher-student ratio. In 1955 it was about 20 students per teacher. Consistently, and at all levels, the ratio had been slightly lower in public than in private schools.

Despite the large size of the teaching corps, it is still not always easy to find qualified teachers. For example, during the mid-1960's an occasional shortage was reported in smaller towns of the interior for secondary level specialists of all kinds, particularly in foreign languages. The Argentines are an urban-oriented people, and the better equipped schools are in urban areas. There are special schools for training rural primary teachers, but collectively there is some reluctance to accept teaching assignments in remote farming and ranching areas.

In general, however, the supply of teachers is more than adequate to meet the demand, and there is some chronic teacher unemployment which does not seem likely to abate in the immediate future. In 1967 the collective teaching staff in schools at the primary level was about 300,000, while at the same time over 200,000 students were enrolled in normal schools preparing for careers as primary teachers or, with further education at the post-secondary level, for teaching in secondary schools or kindergartens.

In 1965 about 75 percent of the teachers at institutions of higher learning were men. At all other levels, however, instruction was given principally by women. Fewer than one-tenth of the teachers in kindergarten and primary schools and about two-fifths at the secondary level were male. These proportions had not undergone any significant change during the course of the preceding decade.

The basic requirement in preparing for a teaching career is completion of a 5-year normal school course at the secondary educational level. Persons satisfactorily completing it receive the normal school teacher's certificate and are qualified to teach in any of the public primary schools operating under the National Council of Education or under those provincial authorities who accept their qualifications. In practice, the national credentials are almost always accepted. An additional 2 years are

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necessary for teaching in kindergarten, and 4 years at secondary teachertraining schools qualify for teaching at the secondary level. Professorial appointments at universities and other post-secondary level educational institutions are made by direct appointment or on the basis of records achieved in competitive examinations. In the universities many of the faculty members are otherwise employed professionals who devote varying numbers of hours to teaching. As a consequence the nominal higher education ratio of one teacher to 20 students becomes as high as one to 60 in some university faculties, in terms of hours actually spent in teaching by professors as set against class attendance by students.

Teaching is an endeavor generally respected by Argentine society, and the overflow supply of teachers is indicative of its popularity. The profession's attractiveness to young people looking for future careers during the 1960's was in great measure based on the Teachers' Statute of 1956 which granted what amounted to civil service status to teachers. Its various provisions include guarantees of tenure and seniority; entitlement to prescribed holidays; payment of salary at fixed intervals; freedom of assembly; right of appeal against inequitable administrative actions; progressive transfers from undesirable to more desirable areas ultimately leading to assurance of town appointments; medical care; and pension rights of up to 82 percent of serving salary after 25 or 30 years of service. The law also states that only persons possessing teachers' diplomas should be permitted to teach, but this does not constitute a serious problem in Argentina where 99 percent of the primary teachers in 1961 had the requisite certification, a record of qualification not matched by any other Latin American country.

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CHAPTER 10

ARTISTIC AND INTELLECTUAL EXPRESSION

The description or definition of a national tradition has consistently been the theme of controversy among men of letters since the establishment of the nation. The history of artistic and intellectual expression is more precisely a history of personalities than of movements, for although creative activity is vigorously pursued and applauded, one of its most outstanding characteristics is its heterogeneity. Within that broad spectrum, however, two divergent trends—one European-oriented, one uniquely Argentine—have become increasingly pronounced over the last century.

Nineteenth century romantic liberals, such as Domingo Faustino Sarmiento and Juan Bautista Alberdi, sought intellectual emancipation from the Hispanic heritage. They rejected as barbarous the influences of the Pampa and adopted French and Anglo-American trends as the model for the nation. In the same period José Hernandez wrote an epic poem, which was to focus attention upon the gaucho as the symbol of national culture.

By the end of the century, though some intellectuals continued the 19th-century liberal trend of rejecting that which was native and looking to Europe for cultural inspiration, a new movement was under way to revive spiritual values asserted to have been lost through immigration and materialism. This "nativism," or search for a national aesthetic based on Spanish and indigenous traditions, found expression in Ricardo Rojas' book, *Eurindia*.

Although Argentinidad (Argentineness)—as expressed in gauchoesque literature and folklore—has gained increasing popularity with the general public since the 1950's, the intellectual elite, cultural descendants of the 19th-century liberals, have continued their cosmopolitan outlook and have dealt with universal themes. European recognition remains the aspiration of writers, musicians and artists who feel that cultural nationalism is obsolete; contemporary emphasis, however, is on partnership or participation in the European cultural tradition rather than on imitation. The younger intellectuals are placing increasing emphasis on social relevance and rejecting the work of many of the well-known older writers, including the internationally acclaimed stylist Jorge Luis Borges.

In the academic disciplines Argentina's greatest contributions traditionally have been in education, jurisprudence and medicine. Sarmiento inspired educators elsewhere in the hemisphere, and the movement for university autonomy initiated at the University of Córdoba in 1918 was extended to most of the other Latin American countries. Alberdi's Bases y puntos de partida para la organización política de la república Argentina (Bases and Points of Departure for the Political Organization of the Argentine Republic) was widely studied by nation-builders in Latin America, and the "Drago Doctrine" of Argentine diplomat Luis Maria Drago, is one of Latin America's most outstanding contributions to international law. The work of physiologist Bernardo Houssay has won a Nobel Prize; the faculty that he assembled at the University of Buenos Aires has made Argentina a center of physiological studies.

The field of jurisprudence has suffered since 1930 from compromise with authoritarian governments, and scientific investigation has been slowed by the emigration of trained talent. The study of history has long been inhibited by the lack of a sense of national history. The current trend in this discipline is toward revising earlier concepts. Philosophical currents have generally been imported with little modification, but the study of sociology gained momentum in the 1960's through a reorientation toward national problems.

In addition to the fact that numerous individuals have achieved international fame through their contributions to science, literature and the performing and plastic arts, Argentines have been even more remarkable for their appreciation of creative works. Per capita purchases of books and circulation of newspapers and cultural magazines are extremely high, and the many theaters, concert halls, art galleries and museums in Buenos Aires and some provincial capitals are well attended. Radio and television have gained popularity in recent years in their competition with other media and have done much to expose the more isolated provinces to cultural activities.

The attitude of the government toward free expression in literature and the arts has varied, as has the response of the intellectual community to government intervention in intellectual activities. The rule of Juan Manuel de Rosas stimulated some of the most brilliant political and social criticism in the nation's history, but the tactics of Juan Domingo Peron caused a stagnation of cultural activity (see ch. 3, Historical Setting). A great exodus of intellectuals took place under Rosas and Perón, but nothing comparable has happened since. Between 1966 and 1968 some periodicals were closed down because of critical treatment of the government, but censorship is based primarily on traditional moral rather than political or social considerations.

Citizens have accommodated themselves in various ways. Writers present their social criticism in symbolic rather than specific terms. Alberto Ginastera, in response to the banning of his opera "Bomarzo," has refused to allow the municipally owned Colón Opera House to present any of his works. Many theatergoers now attend initial performances or travel to Montevideo, Uruguay, to see uncut works. In the cultural sphere institutions have proved more durable than individual administrations. The Office of Cultural Relations in the Ministry of Foreign Affairs and Religion under the direction of Hernan La Valle Cobo successfully promotes a variety of cultural exchanges. The Cultural Division of the Secretariat of Culture and Education works with provincial cultural commissions in sending performers and works of art on tours of the interior. Of the many private institutions engaged in the promotion of intellectual and creative activity, the most prestigious is the Torcuato Di Tella Institute. Founded in 1960, the Institute provides instruction, scholarship and awards in the visual arts, audiovisual experimentation, advanced musical studies, economics, social studies, neurological studies and public administration.

PRE-COLUMBIAN CULTURAL MANIFESTATIONS

Little remains of the arts and crafts of the pre-Columbian peoples of Argentina, partly because of climatic conditions and partly because certain durable materials were absent from areas populated before Spanish colonization. Basket weaving, the most ancient of the home industries, is estimated to have extended to South America some 5,000 years ago. Remains of this prehistoric work in the present territory of Argentina, however, have been preserved only in very dry areas, such as La Puna and other high regions of the Northwest Andes. Many prehistoric peoples left remains of simple, undecorated ceramics throughout the country, and there is evidence that weaving was widely practiced, but only among the Indians of the Northwest Andes was a high level of technical skill and artistry developed.

The indigenous population of the country consisted largely of peoples peripheral to ethnic groups that had their greatest centers of concentration and civilization elsewhere. The Indians of the Northwest Andes, for example, belonged predominantly to the Quechua and Aymara groupings of the Andean highlands and participated to some extent in the Inca civilization. The ruins of roads and of stone buildings similar to those of the Incas remain. Weaving implements and techniques also indicate Inca influence. The practice of weaving is estimated to have extended to this area around A.D. 500. Fibers were made of the wool of the llama, alpaca and vicuña and brilliantly colored with natural dyes.

Ethnic groupings of Santiago del Estero, Tucumán, Salta and Jujuy Provinces have been distinguished by ceramics of varied and complex forms, but the area of the Northwest Andes is the site of the most unusual ceramics. The Diaguitas (Calchaquians) who inhabited this area produced plates, pitchers and burial urns, painted or engraved with anthropomorphic and zoomorphic designs as well as geometric figures.

Next to the Diaguitas, the Araucanians, who migrated over the Andes from Chile and eventually occupied the eastern plains, were the most civilized aborigines that lived in the area of present-day Argentina. They produced or treated cloth, hides, simple ceramics and ostrich plumes, which they traded for the products of neighboring peoples.

The aborigines of the Chaco forests and the littoral, who belonged generally to ethnic groupings found in greater concentration in Paraguay, Uruguay and southern Brazil, were nomadic peoples, and with the exception of some woven products and the ceramics of the Chacosantiaguina group, little evidence remains of their pre-Columbian culture. The various indigenous tribes of Patagonia and Tierra del Fuego were also nomads who left few artifacts other than simple ceramics and primitive weapons. Since colonial times traditional arts and crafts have predominantly reflected the early Spanish influence.

THE COLONIAL PERIOD

Long neglected by Spain, the colony of La Plata (present-day Argentina, Uruguay and Paraguay) did not experience the early development of aesthetic and intellectual activity that took place in Mexico, Peru and other centers of settlement and colonial administration.

Among the Roman Catholic religious orders that transplanted Spanish cultural traditions in Latin America, the Society of Jesus was by far the most influential in the colony of La Plata. The Jesuit influence was particularly notable in the music, art and architecture of the colonial period. Most of the churches constructed during that period which are still standing include those of San Ignacio, San Francisco, San Telmo and La Merced, and were designed by the Jesuit architects Juan Bautista Primoli and Andres Bianchi.

Arts and Crafts

Because it proved expensive to transport Church furnishings and religious works of art, the Jesuits, particularly in the littoral, northwestern and central regions, taught the Indians the fundamentals of painting, woodcarving, stonecarving and pottery making. One of the most widespread art forms, cultivated particularly in the Paraguayan missions, was the carving of small wooden figures of the saints. In these figures, collectively referred to as imagery, the influence of Roman and classical Andalusian sculpture is combined with indigenous forms.

The colonists used the abundant and varied native woods in the construction of houses, furniture and chests. Baroque decorative styles may be seen in some pieces of furniture from this period, particularly the chests.

After the introduction of horses and cattle in the 16th and 17th centuries, *criollo* (native-born persons of Spanish descent) craftsmen began to employ leather and horn in supplying the needs of the gaucho. Using silver from Peru and Bolivia the colonists made plates, *yerba mate* (Paraguayan tea) cups, candlesticks and various objects. By the end of the 18th century there were some 50 master silversmiths in Buenos Aires working in baroque, rococo and European neoclassical styles.

Cloth and basket weaving continued to flourish after colonization, but the pre-Hispanic ceramic tradition suffered deterioration in the quality and texture of the clay as well as in form and decoration in the Indo-Hispanic hybridization. The production of traditional Spanish ceramics was not developed in the colony.

INTELLECTUAL DEVELOPMENT

The Academy of Maximo, established in 1613 in the city of Chile by the Society of Jesus, was transferred in 1614 to Córdoba; where it became the foundation of the University of Córdoba. This university, long the only center of higher learning in the colony of La Plata, comprised a college of theology and a college of arts.

The University of Chuquisaca, founded a century after the University of Córdoba, became especially noted during the colonial period for its juridical and literary curricula. After the middle of the 18th century, the study of Spanish law, especially the Law of the Indies, was promoted to counter the prevailing stress on Roman and canon law. A number of those who later became spokesmen for the revolution were serious students of the legislation governing the Indies and of its criticisms. Mariano Moreno, for example, who received his doctorate in law at the University of Chuquisaca, had a profound knowledge of Spanish legal codes and a familiarity with the works of European philosophers.

In general, however, the newer disciplines of linguistics, geography and history fared better than those of politics and philosophy, for the Church confined intellectual pursuits largely to Scholasticism or to disciplines other than those to which social and political critics generally were attracted.

The Jesuits imported La Plata's first printing press, and in the early 18th century they published educational books at the University of Córdoba and theological works, catechisms and dictionaries in Spanish and Guarani in the Paraguayan missions. The Law of the Indies prohibited the printing or sale of books dealing with the affairs of the Indies without the authorization of the Spanish Department of Colonial Affairs, the Council of the Indies (Consejo de la Indias), but there is evidence that many prohibited books were circulated in the colony.

An era of intellectual renovation and liberalism was inaugurated in 1778 when Juan José de Vertiz y Salcedo became viceroy. He energetically promoted education, journalism, the theater and the practice of medicine. The Foundling Hospital was established in Buenos Aires, and the disused printing press at the University of Córdoba was transferred to it to provide revenue for the hospital. Another source of income was a theater that Vertiz y Salcedo founded despite protests from the Church; he again clashed with the Church in his permissiveness toward the practice of indigenous dances, such as the fandango, but he was overruled by the king.

The cultural activity in the last three decades of the colonial period (1780-1810) was marked by the emergence of a number of renowned poets. The most outstanding was Manuel José de Labarden, author of "Siripo," a tragedy, and "Oda al Paraná" (Ode to the Parana). Vicente Lopez y Planes and Pantaleon Rivarola gave poetic expression to the successful *criollo* resistance to the English invaders (see ch. 3, Historical Setting). Other literary figures of the period included Domingo Azcuenaga, author of numerous fables, and Joaquin Araujo, who described administrative, political and economic conditions in La Plata in *Guía de forasteros* (Guide for Foreigners).

THE REVOLUTIONARY PERIOD

Although the revolutionary surge which swept all of Latin America was largely response to ideas of the Enlightenment, it was also inspired by the liberal philosophies of the Spanish clergymen, Saurez and Vitório. Furthermore, the liberalization of colonial administration which had taken place during the latter half of the 18th century had given the colonists a craving for greater freedom of thought and action.

In La Plata, Spain's strongest links with the colony—the viceroyalty and the Catholic Church—helped to set the stage for revolution. During the last three decades of Spanish domination, the viceroyalty founded educational institutions in which the ecclesiastically oriented scholastic philosophy came under attack; it also established the press and the tribunal of commerce, through which arguments for the liberalization of trade were presented. Members of the clergy, too, were slowly moved by the new philosophical approaches and pursuits, and gave qualified acceptance to the principles of natural law. Many of the foreign books which made their way into the colony illegally were circulated within the monasteries. When the revolution of 1810 took place, the great majority of the clergy embraced the revolutionary cause.

In this atmosphere of intellectual ferment the ideas of the French and North American revolutions met wide acceptance. The leaders of the independence movement, however, were pragmatic men; they did not accept uncritically the themes of the Enlightenment. They embraced the principles of natural law in the political and social realms, but their theoretical liberalism was tempered by their aristocratic heritage and by their evaluation of the American situation. They feared that the rupture with the Spanish Crown might prove too abrupt to a people inexperienced in the exercise of liberty. Thus, José de San Martín preferred liberal monarchy to republicanism, believing that Hispano-American leadership, unsupported by the tradition of the Crown, would be overcome by popular anarchy. In fact, the 28 delegates (including San Martín and Manuel Belgrano) who signed the declaration of independence at the Congress of Tucumán in 1816 demonstrated their monarchist sentiments by naming the royalist Juan Martín Pueyrredón as supreme director and continuing the futile search for a king which had been under way since 1810.

Although there was substantial contraband trade with England, La Plata's legal trade was limited to Spain. Because the colonists felt themselves seriously disadvantaged by the restrictions, the desire for liberalization of trade was a prime motivation for the revolution. Thus, the principles of laissez-faire economics enunciated in Adam Smith's Wealth of Nations had great appeal.

The outstanding proponent of economic liberalism during the revolutionary period was Mariano Moreno. A follower of Belgrano, Moreno adopted his campaign for freedom of thought, freedom of commerce and encouragement of agriculture. The most influential of his works was *Representación de los hacendados* (Memorial of the Landowners), in which he applied the principles of Anglo-French political economy to the plight of landowners and merchants of La Plata and attempted to gain support for the cause of agriculture from other segments of the society. Less than a year after the appearance of this treatise the triumphant revolutionists established free trade.

The themes of Americanism and anticlericalism that became so prominent in later years had no significant role in the thought of the revolutionary period. In fact, in the prologue to his Spanish translation of *Social Contract*, Moreno spoke apologetically of Rousseau's rejection of religion.

EVOLUTION OF A NATIONAL CULTURE

Intellectual Expression

After independence was established, President Bernardino Rivadavia attempted to bring about a cultural renaissance, in part by reorganizing free public instruction and university studies, but his endeavors were largely nullified by a bitter struggle for predominance between two irreconcilable cultures, the rugged self-sufficient conservatism of the rural caudillos (regional political strong men) and the gauchos who served them, and the more liberal European-oriented culture of the *porteños* (people of the port) of Buenos Aires.

The Era of Romantic Liberalism

The cycle of anarchy and tyranny that developed led the spokesmen of romantic liberalism to a profound questioning of the foundations and manifestations of national life. They concluded that political independence had not freed the society from the pernicious Hispanic influences that inhibited the realization of civilization as they conceived it. They proposed to reject their Hispanic past rather than to build upon it and to base their nation on adaptations of European and Anglo-American political models.

The long dictatorship (1832-52) of Juan Manuel de Rosas, which represented the victory of the *caudillos* over the *porteños*, became the target of some of the most brilliant political and social criticism in the nation's history. The goal of overthrowing the regime was the cause that united the most outstanding literary figures of the period in the Association of May. Most of these writers spent long periods in exile in Europe, the United States and other Latin American countries where they encountered the ideas of utopian and revolutionary socialism and the manifestations of the industrial revolution.

Esteban Echeverría, founder of the Association, spent many years in France, where he was strongly influenced by the utopian Christian socialism of St. Simon. This influence is exemplified in Echeverría's *Dogma socialista* (Socialist Creed), the creed of the Association of May. Less a man of action than Alberdi and Sarmiento, whom he inspired, Echeverría rejected the application of St. Simon's socialism to Argentina on the grounds that his countrymen were not prepared for it. Basically a romantic poet, he is best known for his long poem *La cautiva* (The Captive) and his short story "El matadero" (The Slaughterhouse).

In contrast with the somewhat unstructured idealism of Echeverría are the highly systematized writings of Alberdi, the greatest of Argentine legal philosophers and an original member of the Association of May. Less influenced by romanticism, he preferred the social and economic utilitarianism of Jeremy Bentham and James Mill. Though Alberdi traveled extensively, and at times asserted that Argentina was only a dismembered part of Europe, he developed a profoundly Hispanic American historical interpretation of political realities and a clear analysis of the central problems of Argentina. His *Bases y puntos de partida*, written in haste after he received news of the impending overthrow of Rosas, served as the basis for the federal Constitution of 1853 which, with some modifications, remained in effect in 1968. One of his most noted principles was embodied in the motto, "To govern is to populate," meaning that the open spaces of the country could only be developed in an orderly way with an influx of European immigrants.

Although the thought of Sarmiento identifies him with the "generation of 1837," his humble background in San Juan and his failure to receive a scholarship to study in Buenos Aires denied him direct contact with the Association of May. In exile in Chile, he wrote the classic *Facundo* (Civilization and Barbarism, The Life of Juan Facundo Quiroga), in which he condemned the influences of the Pampa and the *caudillo* system that Rosas represented.

After the downfall of Rosas, Sarmiento was appointed the Argentine Minister to the United States; while holding that post he met Longfellow, Emerson and the noted educator, Horace Mann, by whose ideas he was strongly influenced. His insatiable thirst for knowledge and his

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own early difficulties in securing an education directed the great thrust of Sarmiento's career toward expanding educational opportunities. As president from 1868 to 1874, he built and opened schools at such a rate that by the end of the century illiteracy had been almost eliminated (see ch. 9, Education). He spoke of education as a force for equalizing races and classes. In later years, however, he adopted a racial theory of social evolution and diagnosed the decadent state of his society as resulting from its racial components of Spanish, *mestizo*, Indian and Negro.

Positivism and Its Interpreters

Many disillusioned Argentine intellectuals of the second half of the 19th century rejected utopianism in favor of Comte's and Spencer's positivism, a philosophical system based on a belief that social evolution is governed by laws analogous to the laws of physics and that these laws can be integrated into systems of scientific knowledge rooted firmly in empiricism. Comte posited social evolution as a series of stages: militarytheological, critical-metaphysical and scientific-industrial. These ideas became popular among European and American intellectuals. Positivists looked to the United States for inspiration for material advancement, continued the trend toward secularization of society, explained the subjugation of the indigenous races of the New World as survival of the fittest and provided a rationalization for the status quo, since progress was assumed to be evolutionary and inevitable. The focal point of Comtian positivism in Argentina was the Paraná School, founded by Sarmiento in 1870. The adaptation of the philosophy which developed in the school may be considered in its emphasis upon the individual as a continuation of Sarmiento's teachings. The definition and application of positivism was to depend ultimately upon the interpreter.

J. Alfredo Ferriera, who studied and taught at the Paraná School, was among the first Argentine interpreters of positivism. He saw it as an approach to discarding the intellectual restrictions of the Spanish heritage, a task that Echeverría, Alberdi and Sarmiento had advocated but had not accomplished. One of the means to this end, set forth in his *Bases para un plande de estudios de educación primaria* (Bases for a Plan of Study for Primary Education), was the substitution of observation and induction for the theoretical acquisition of knowledge.

Agustín Alvarez reflected the positivist influence in his confidence in scientific method and advocacy of moderate policies. The influence of Darwin's theory of biological evolution and of the social evolutionary theories of Comte and Spencer are evident in his book *Sud America, la historia natural de la razón* (South America, Natural History of Reason). He wrote numerous books on social ethics, politics and education and, as founding vice president of the National University of La Plata and one of its most popular professors, he was a source of inspiration for the youth of his time.

José Ingenieros, a prodigious reader and prolific writer, had more than

500 titles to his credit when he died at the age of 47. His most widely read book, *El hombre mediocre* (The Mediocre Man), influenced the thought of a whole generation. Ingenieros' idealistic appeal to university youth greatly influenced the student movement for university reform in 1918. He achieved a modification of social evolutionary thought by incorporating into it the new disciplines of psychology and psychiatry.

Among the many other spokesmen of positivism and its variations were Carlos Octavio Bunge, who made important contributions to the fields of sociology and social psychology, and Alejandro Korn, most noted for his positivistic treatment of the history of philosophy.

The social philosophers, including Drago, Ernesto Quesada and José María Ramos Mejía, who became known as the "generation of 1880," leaned more and more toward political and social conservatism. Like many of their predecessors, they welcomed European immigrants and capital. They identified with the oligarchy, for they regarded civilization as the end product of personal effort and wealth as the manifestation of effort.

Gauchoesque Literature

The positivists, like the romantic liberals before them, were looking to European philosophies and European culture for their inspiration, but other literary figures were early exponents of a trend that was to gain significance in several Latin American countries during the first half of the 20th century. They turned to a reevaluation of their own society, of elements which were uniquely Argentine, and found a basis for national pride and values through which a regeneration might be inspired.

The most outstanding writer to take this approach was José Hernandez. He lived for many years among the gauchos and gained great insight into their way of life and thought. He treated sympathetically their heroic struggle to preserve the land on which they worked. His epic poem of the Pampa, *Martin Fierro*, is the most widely read example of the literature which has become known as gauchoesque.

Among the writers who followed the lead of Hernandez in adopting the gauchoesque theme was Ricardo Güiraldes. In his novel *Don Segundo Sombra* he described the life of a boy reaching manhood through the rigors of gaucho life. After the death of Güiraldes, Benito Lynch became the most outstanding of the gauchoesque writers; his novels, particularly *El romance de un gaucho* (The Romance of a Gaucho), reflect tragic and comic aspects of gaucho life in the colloquial language of the Pampa.

Synthesis and Divergence

The early 20th century witnessed the continuation or parallel development of a great variety of literary trends. Neoclassic and neoromantic poets and novelists, adopting both European and national themes, continued to be popular. Leopoldo Lugones, a follower of the Nicaraguan

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poet Rubén Darío, an Argentine resident for several years, introduced to his country the literary movement known as modernism, marked by simplicity of style. Other literary figures synthesized various styles. Rafael Alberto Arrieta merged modernistic simplicity with a classical conception of poetry. Arturo Capdevila combined romantic and modern styles in his poetry, and Alfonsina Storni united romanticism and symbolism.

While the positivists of the "generation of 1880" were justifying the privileged status of the oligarchy, others, such as Ingenieros and Bunge, became concerned about the plight of the newly emerging proletariat and found in the evolutionary theories of Comte and Spencer a basis for a qualified acceptance of Marxist socialism. Juan Bautista Justo, founder of the Socialist Party in Argentina, took the ideals and aspirations of his doctrine from Marx, but in his book *Teoría y práctica de la historia* (Theory and Practice of History) he interpreted social inequality in terms of biological rather than economic causes.

Nativism and Nationalism

Another trend which developed in this period was a vigorous call to nationalism. This sentiment found expression in the criticism of what Argentina had become and an appeal to a reorientation toward the elements that the original advocates of intellectual emancipation had rejected. Thus, Manuel Galvez, in condemning the denationalizing effect of immigration and the materialistic Anglo-American influence, looked for a spiritual rebirth through a return to Spanish values and to the traditionalism which had survived only in the provinces.

Ricardo Rojas maintained that native and foreign forces rather than civilization and barbarism were contending, and that the white man's prejudice against the Indian and the patriot's mistaken view of Spanish character were responsible for the lack of continuity in national history. In his most famous work, *Eurindia*, Rojas urged the development of national self-consciousness through the cultivation of music, painting and drama, a national aesthetic based on the fusion of gaucho and *porteño* cultures.

This early 20th century resurgence of nationalism, permeated with antiforeignism, heralded the emergence of a new era of intensive nationalism and culminated in the novels of Gustavo Martinez Zuviría, apologist of the military regime which seized power in 1943 and preceded Perón. Under the pen name of Hugo West, he wrote vitriolic attacks on democracy, communism, foreigners and Jews. This trend paved the way for public acceptance of Perón's national doctrine of "justicialismo." In an effort to develop intellectual support for his programs and practices, Perón prevailed upon a team of university men, under the leadership of Father Benitez, to provide his regime's ideological content. This flexible, vague doctrine sought a middle ground between collectivism and individualism and promised social justice for all. Although most historians have dismissed justicialismo as simply an exercise in self-justification of the Perón regime, it enjoyed a popular appeal that survived the period of Perón's power and was accompanied by a resurgence of popular enthusiasm for folklore that was still in vogue in 1968.

The development of most forms of artistic and intellectual expression was hindered under the military regime which seized power in 1943 and under the subsequent Perón administration. Intellectuals who joined professional and business leaders in October 1943 in issuing a manifesto calling for freedom of the press and effective democracy were dismissed from their positions and often exiled. Among the first people to go were Alfredo Palacios, socialist leader, author of some 42 books and rector of the National University of La Plata, and Houssay, the renowned physiologist.

The exodus of intellectual leaders continued throughout the Perón regime as all newspapers except *La Nación*, which was effectively controlled, and all universities were brought under government control, and 70 percent of the university professors were dismissed, retired or otherwise eliminated (see ch. 16, Public Information). A notable exception was Ricardo Levene, who retained his postion as rector of the law school of the University of Buenos Aires and evolved a concept of national history in which the determining role of indiviuals was subordinated to that of institutions. The teaching of history in the law school continues to follow this concept.

Contemporary Trends

Among the most significant trends in contemporary intellectual life are specialization and professionalism. Academicians tend to confine themselves to a single discipline. Literary activity, once mainly the avocation of the aristocracy, became a profession in its own right after the middle class expanded.

In academic circles the study of sociology has been invigorated by a movement toward an introspective reappraisal of Argentine social phenomena. The academic discipline has been complemented by the work of a number of outstanding novelists who have turned their attention to the frustrations of urban life and the character of Argentine society.

The emphasis among academic historians has been on political revisionism; conflicting interpretations have developed to the right and to the left of earlier political and ideological interpretation and from European and provincial points of view. José Luis Romero approaches La historia de los partidos políticos (History of Political Parties) from the Marxist viewpoint, whereas Ibar Goren seeks to alter the derogatory interpretation of Rosas. Jesuit Guillermo Furlong, in his La historia de las ideas (History of Ideas), reevaluates the independence movement, emphasizing the influence of the Spanish clergymen Suarez and Vitório on revolutionary thought. Philosophical speculation continues to follow the currents of European thought. Phenomenology and existentialism have been gaining adherents through the works of Carlos Astrada, Francisco Romero and Macedonio Fernandez. Opposed to this trend has been a resurgence of neo-Thomism, expressed in the works of Nimio de Anguin, Octavio N. Derisi and others.

Literary life continues to follow a variety of old and new trends in both style and content. Borges, a member of the older generation of contemporary writers, is considered by many critics to be the most outstanding living literary figure in the Spanish-speaking world. Seeking the Argentine reality in the European tradition, Borges has developed a uniquely subtle and simple style, in both poetry and prose, that many vounger writers have attempted to follow. Like Borges, most of his contemporaries within the intellectual elite, have been concerned primarily with perfection of form. Another writer of that generation, however, the humanist Leopoldo Marichal, has had greater influence on the two most noted novelists of the succeeding generation. Ernest Sabato and Julio Cortazar. Although the influence of Borges' style may be discerned in the works of these writers, they have been far more concerned with social issues. This reorientation toward contemporary issues has become even more pronounced among younger writers. One of the social themes which have been adopted by this generation is revolutionary Marxism, especially the Latin variety advocated by Che Guevara, who was Argentine by birth. Christian socialism, however, is gaining adherents, and a smaller group is seeking a new humanism based on the Latin American experience.

The humanist group finds some inspiration in Rojas' Eurindia, but its orientation is more closely aligned with the writing of the Mexican José Vasconcelos in La raza cosmica (The Cosmic Race) or that of the Peruvian Antenos Orrego in Hacia un humanismo americano (Toward an American Humanism). One of the members of the vanguard of this movement is Rafael Squirru, former director of the Buenos Aires Museum of Modern Art and of the Cultural Division of the Ministry of Foreign Affairs and Religion and, since 1963, director of the Department of Cultural Affairs of the Pan American Union.

The stress on Argentinidad, which is particularly characteristic of the middle classes, continues to be evident in the great appeal of the gauchoesque literature, but a new dimension has been added with the appearance of a number of fictional and nonfictional works dealing with Argentine social and psychological themes. Among the most outstanding of these have been Eduardo Mallea's *La historia de una pasión argentina* (History of an Argentine Passion), in which character is analyzed in terms of the national experience, and *El hombre que esta solo y espera* (The Man Who is Alone and Waits), in which Raul Scalabrini Ortíz depicts the loneliness of urban life.

More recent bestsellers in this category have been Los que mandan (Those Who Lead) by José Luis Imaz, which analyzes the influence of modern caudillos on the contemporary power structure, and El medio pelo (The Fake) by Arturo Juaretche, which ridicules the Argentine pseudoaristocrat.

The Performing Arts

Theater and Motion Pictures

The most vigorous period of the native drama is generally considered to have been the early years of the 20th century. The first important figures in dramatic expression, Gregorio de Laferrere and Roberto Payro, had gained prominence. The author who had the greatest impact on the theater in Argentina, and perhaps in all of Latin America, was Florencio Sanchez. Although he was born in Uruguay, he is claimed by Argentine critics as a native playwright since he wrote the majority of his plays in Buenos Aires. Sanchez was responsible for introducing realism to the theater of Argentina and Uruguay, which until that time had been rdmantic or gauchoesque in nature. Basically a dramatist of social concern, he vividly portrayed the social ills which beset the rapidly growing cities of Buenos Aires and Montevideo. His themes were poverty of circumstances and spirit; his subjects, alcoholism, marriage, illegitimacy, racial intolerance and the degeneration of the gaucho.

Sanchez had experienced poverty in his own life and considered it the source of all moral ills. His *M'hijo el dotor* (My Son, the Doctor), presented in Buenos Aires in 1902, and his two most popular plays, *Barranca abajo* (The Gorge Below) and *La gringa* (The Foreigner), deal with the tragic inability of the gaucho to adapt to a changing society.

This flourishing of the theater was short lived, as actors, producers and dramatists came under commercial influence. The intellectual response to this led in the 1930's to the founding of amateur theaters and of the Argentores, an organization designed to protect the rights of playwrights. The Theater of the People, the National Theater of Comedy and the Municipal Theater were promising institutions during the 1930's. Among the outstanding playwrights of the period were Samuel Eichelbaum, Roberto Arlt and Armando Discepolo.

Under the state protection of the Perón regime, many professional theater groups ceased to function. The amateur theater continued to flourish, but the results of the stage in its development were not fully appreciated until later.

The termination of Peronist protection in 1955 brought renewed vitality to the theater. The amateur theater continued to grow in importance, and an interchange of actors between amateur and professional groups proved beneficial to both. The works of aspiring playwrights generally have been presented first by amateur groups, as professional companies have been less willing to take the risk. Some of the outstanding contemporary playwrights, including Carlos Gorostiza, Augustín Cuzzani and Osvaldo Dragún, started in the amateur theater.

Since 1955 a number of theatrical companies have toured the interior.

In Greator Buenos Aires there are 20 major theaters, some 30 lesser ones and a variety of smaller companies that perform in churches, open courtyards or in the street.

In the 1960's theatrical activity has felt increasing competition from motion pictures, television and other forms of entertainment. The legitimate theater has been dominated by experimental groups, which have attempted both stylistic and thematic innovation.

After a slow start in the 1930's, motion picture production has become both prolific and highly sophisticated. The works of director Leopoldo Torre Nilsson, generally based on the novels of Beatriz Guido, have been acclaimed at film festivals all over the world. Hugo del Carril, Lautaro Murua and David Kohn are also widely known in the field. Argentine films have not yet been widely distributed abroad, however.

Music

There is a considerable body of popular and folk music that is uniquely Argentine, but national characteristics are more difficult to distinguish in the serious music of the country. The outstanding composers of the first quarter of the century, Julian Aguirre and Alberto Williams, in accordance with the revival of nationalistic sentiment which was taking place, attempted to give musical expression to Argentine realities. Although an entire generation of composers, including Carlos Lopez Buchardo, Felipe Boero, Gilardo Gilardi and Luis Gianneo, followed the lead of Aguirre and Williams, no definite Argentine school emerged, and in the mid-1960's Argentine composers were participants in international currents of musical life.

Individualism was the aspiration of the generation, including Juan José Castro and Juan Carlos Paz, that rose to prominence in the 1930's. This disassociation of composers was maintained in the decades that followed, and it continued to be the rule in the 1960's. The only common trends to be noted in the works of contemporary composers, including Alberto Ginastera, Carlos Suffern, Roberto García Morillo, Washington Castro and Roberto Caamano, resulted from coincidental influence from the same sources. Disunity was equally notable in the most recent generation of composers, including Mario Davidovsky, Mauricio Kagel and Hilda Dianda, who were moving into the field of electronic music.

The trend in 1968 was toward modernism, but all international currents were reflected by Argentine composers. Classical music continued to follow predominantly European trends. Although there was no movement to establish a school of traditional music, some contemporary composers had successfully combined classic and folkloric expression. Among these were Eduardo Falu, Latin America's most noted contemporary performer and composer of guitar music, and Ariel Ramirez, whose "Misa Criolla" (Creole Mass), synthesizing ecclesiastical and indigenous influences, has had great popular appeal at home and abroad.

The lack of an Argentine school of composers has not hindered the

intrinsic quality of individual production. Juan José Castro won a coveted international award with the presentation of his opera "Proserpina y el extranjero" (Proserpina and the Stranger) in La Scala Opera House of Milan. Alberto Ginastera gained international fame with the foreign premiere of his opera "Bomarzo" in Washington. The guitar music of Eduardo Falu was received enthusiastically by audiences in Europe, the United States and Japan in 1967 and 1968.

Argentina is also noted for its enthusiasm for foreign music. Buenos Aires is one of the greatest international markets for music in the world. The city's famed Colón Opera House has presented such internationally known figures as Richard Strauss, Arturo Toscanini and Pablo Casals. The Colón Opera House, which has a seating capacity of 2,487, was inaugurated in 1908, and since 1931 it has been owned and operated by the Municipality of Buenos Aires. It maintains four permanent groups—two orchestras, a chorus and a dance troupe—and each season presents some 200 performances of operas, concerts, solo recitals and ballet.

In addition to the Colón Opera House, musical activities have been sponsored primarily by private entities, such as Amigos de la Musica (Friends of Music), Argentine Mozarteum and the Wagnerian Association of Buenos Aires. The Mozarteum, in addition to its many other activities, sponsors the Mid-day Concerts, which are presented free of charge in a centrally located theater in Buenos Aires. More than 180 of these short, instructive presentations of national and foreign artists have been offered since the program was founded in 1959.

Among the several permanent symphonic orchestras in Buenos Aires, the most prominent are the Philharmonic Orchestra of Buenos Aires, the Permanent Orchestra of the Colón Opera House and the National Symphonic Orchestra. In addition, the Symphonic Orchestra of Radio Nacional, the official cultural radio station, presents free concerts, which must include at least one composition by an Argentine.

Provincial and municipal governments, national universities and various private entities in the provinces sponsor symphonic orchestras, quartets, quintets and choruses, and the provinces of Santa Fe and Tucumán have their own annual music festivals.

The Plastic Arts

Painting and Sculpture

Trends in the technique and subject matter of painting and sculpture have generally been derived from France and Italy and, more recently, from Mexico and the United States. Argentine artists have typically studied in Rome or Paris and, upon their return to Argentina, have applied to their work their acquired European framework. Like the country's musicians, artists have shown little inclination to associate themselves in schools.

In general, painters and sculptors have been less oriented toward local

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themes than toward international ones. In the 1960's a number of Argentine artists had been prominent in the vanguard of international trends, and Buenos Aires had drawn aspiring artists from all parts of Latin America.

Academic styles, generally of Italian inspiration, marked the work of painters throughout the 19th century. Carlos Morel was the first native painter of significance; Prilidiano Pueyrredón, who recorded the pastoral scenes of the Pampa, was generally considered the most outstanding 19th century Argentine painter.

Martin A. Malharro was the first Argentine impressionist; he returned from Paris early in the 20th century deeply engaged in the movement, which gained numerous adherents, such as Walter de Navazio, Ramon Silva and Faustino Grughetti, who combined it with other techniques.

The first period of vanguard painting was initiated in the 1920's and 1930's by a number of Argentines returning from Paris. Among them were Emilio Pettoruti, who introduced cubism and futurism to his country; Xul Solar, whose fantastic imagery showed the influence of Paul Klee; and Juan del Prete. From Prete's abstract work came the most notable antecedents of the next period of Argentine painting. Although the work of the first vanguard period did not appeal to public taste, it was supported by the Association of the Friends of Art during that organization's existence from 1924 to 1937 and by the periodical *Martin Fierro* and its contributors.

The second vanguard period, beginning in the 1940's was characterized by abstraction, both geometric and concrete. The initiators encountered resistance or indifference from the artists of the earlier vanguard and intense criticism from the public. It was not until 1954, some 10 years after this group's beginning, that the artists Tomás Maldonado, Arden Quin, Alfred Hlito and others received favorable recognition.

By 1959 geometric abstractionism had been overtaken in popularity by lyrical abstractionism or informalism. The geometric form had been executed according to rational or scientific principles of spatial relationships, but later informalism represented a return to subjectivity or emotionalism. Outstanding among the informalists were two winners of the Torcuato Di Tella prize, the noted collagist Mario Pucciarelli and Clorindo Testa, who achieved extraordinary subtlety in his use of color.

The third and most recent vanguard period, which began in the early 1960's, was characterized by a rupture of the distinction between painting and sculpture and an overwhelming interest in aesthetic experimentation. Creative movements in the United States became a major source of influence for the new vanguard. Romulo Macció, influenced by De Kooning, won the first international prize of the Torcuato Di Tella Institute in 1963 for his action painting, which was characterized by audacious and spontaneous use of pigment technique and brush stroke. Pop art found adherents in Martha Minujín and Carlos Squirru, who have staged a number of "happenings." Exploration of the aesthetic functions of light and movement has been undertaken by the Argentine group in Paris known as the "Recherche d'art visuel." Julio le Parc, one of the founding members of this group, won the first prize for painting in the 1966 Venice Biennale for his three-dimensional kinetic constructions.

In addition to the various vanguard movements which are encountering wide acceptance, the contemporary scene embraces a variety of stillvigorous older movements. Surrealistic elements, introduced to Argentina from Paris in the 1930's by Antonio Berni, Raquel Forner and others, are notable in the works of a number of contemporary painters, such as Roberto Aizenberg, Osvaldo Borda and Víctor Chab. The Mexican muralist tradition, which became significant in Argentina in the 1940's, is being continued by Ricardo Carpani, Mario Mollari, Juan Manuel Sanchez, and other members of the Espartaco (Spartan) group.

Nineteenth-century sculpture was inhibited by the imposition of the traditional tastes of public authorities. Outstanding work in classical forms has been done in this century by Rogelio Yrurtia and Pedro Zonza Briano. Among the contemporary sculptors, Sesostris Vitullo and Alicia Penalba have influenced European and Latin American sculpture with their use of pre-Columbian forms. The simple geometric forms of Libero Badii and the hydraulic sculpture of Gyula Kosice and Martha Boto have also gained considerable recognition at home and abroad.

The accelerated pace of current creative activity and experimentation in the plastic arts owes much to the many activities, including instruction, expositions and the granting of scholarships and awards, of the Torcuato Di Tella Institute's Center of Visual Arts. This Center, founded in 1960, in 1968 was under the able direction of Jorge Romero Brest. The National Museum of Fine Arts, under the direction of Brest (1954–64) and Samuel Oliver (1964), and the Buenos Aires Museum of Modern Art, under the direction of Rafael Squirru (1956–63) and Jugo Parpagnoli (1963), have been particularly active in promoting vanguard movements. There are more than 70 other galleries in Buenos Aires.

Architecture

The turning point in architectural trends from the traditional or academic to the modern rationalist-functionalist may be traced to the early 1930's when the needs of accelerated urbanization, the development of new techniques and new materials of construction and the diffusion of foreign ideas created a climate favorable to fundamental change. The initial impetus for this transformation was provided by Le Corbusier, who visited Argentina in 1929, presenting a series of lectures and drawing up the first proposals for city planning for Buenos Aires.

In 1945 architects Eduardo Sacriste, Horacio Caminos and Jorge Vivanco established in Tucumán the first South American school of architecture to emphasize contemporary trends. By the 1950's instruction in traditional design had given way to the modern in the Faculty of Architecture of the University of Buenos Aires as well as in most other schools in the country.

Folk Expression

Arts and Crafts

The steady immigration, urbanization and industrialization which took place during the century after the consolidation of the Argentine Republic brought about a sharp decline in folk or traditional art. Difficult living conditions, the competition of industrial products and the needs of commercialization have led most artisans either to abandon their art entirely or to discard the designs and techniques that are traceable to aboriginal and Spanish models. Not until the mid-20th century did interest revive in the aesthetic and practical values of traditional products; the government, in conjunction with some private citizens, initiated programs designed to make these products accessible to the general public and to offer incentives to the artisans to continue their work.

The pre-Hispanic ceramic tradition was totally lost with colonization; that which subsisted did not approach the previous level of artistic perfection. The *criollo* pottery industry, never highly developed, has also declined in this century. Except for the black ceramics of the province of Córdoba and the *rojiza* (reddish) pottery of Corrientes Province, contemporary pottery is simple in form and generally devoid of decoration. In 1968 a movement was under way to reestablish the ceramic tradition through the study of ancient remains, to be undertaken in workshops and craft schools.

Weaving is an example of surviving cultural hybridization. Sheep's wool has been added to the wool of the llama, alpaca and vicuña originally used by the aborigines. Artificial dyes are gradually replacing the natural ones, but of the various types of looms still in use, the majority are indigenous. Ponchos, *chuspas* (woven purses), blankets, bedspreads, rugs, skirts, belts and other articles, decorated with floral and geometric designs, are produced in various rural areas. Traditional weaving, however, has declined because of the high cost of raw materials and the difficulties of marketing.

Basket weaving is still practiced throughout the country, except in the southernmost reaches where fibrous plants do not grow readily. In addition to baskets and other containers, hats, canoes, fences and many other useful items are woven for use at home or in the community or for sale to collectors or tourists. Techniques and decorative elements vary considerably from one region to another. In some cases the craftsmen have simply adopted and carried on the traditions of the indigenous peoples. The materials and techniques of the Kaaingua tribe, for example, are still employed with little modification by the *criollos* of the Northeast region. In other cases the Spanish tradition has been transplanted, such as the braiding of palm fronds which is practiced by isolated artisans in Entre Ríos and Santiago del Estero Provinces. The more common practices, however, incorporate both indigenous and Spanish technique and design.

Colonial craftsmanship in furniture succumbed to industrialization, but in some areas wooden bowls, trays, plates, spoons and yerba mate cups are still made by hand. The most outstanding contemporary craftsmanship in wood is the making of stirrups, richly ornamented with engravings, and of musical instruments, such as guitars, harps and tambourines.

Silversmithing, which had flourished in the latter years of the colonial period, declined until the mid-19th century when it experienced another upsurge of demand. Activity in this art diminished again, however, after the turn of the century, and in Buenos Aires only a few master silversmiths remained in 1968. Traditional techniques have survived in the making of *yerba mate* cups, spurs and rings in a few isolated areas of the Northwest Andes region.

Skillful leathercraftsmen are still to be found in cattle zones. Leather goods are generally decorated with geometric designs, and the products of each province or region have their own characteristics. Horn is still used by artisans in the making of flasks, vases and musical instruments, which are decorated with relief drawings or adorned with silver.

Wood carving of religious figures continued to be practiced in the northern part of the country throughout the 19th century, but in this century the handmade figures have been replaced by mass-produced images in plaster. In the 1960's ecclesiastical authorities have indicated some interest in reviving this art.

In June 1963 the Cultural Division of the Secretariat of Culture and Education, with the technical assistance of the National Institute of Anthropology, organized a symposium on traditional arts and crafts. Few of the resolutions formulated at the symposium have been implemented, but the Associates of the National Institute of Anthropology, which has been active in investigative work, in 1967 sponsored the National Exposition of the Traditional Arts in which more than 1,000 works were exhibited.

As a result of these efforts and of the general revival of interest in uniquely Argentine cultural manifestations, traditional art objects and designs are beginning to appear in commerce and in the decorative art of metropolitan areas.

Music and Dance

Folk expression has had a stronger influence in music than in traditional arts and crafts. After the establishment of nationhood, traditional music, like traditional art, gradually came to exist only in the more isolated rural areas, but since the nationalistic fervor of the 1930's and 1940's the country has shown sustained and enthusiastic interest in folklore. In spite of the considerable appreciation of serious music, folkloric music was more popular in 1968, even in metropolitan areas.

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The only Indian dance that has survived more or less intact from the pre-Columbian period is the *carnavalito*, which is danced by all the social classes in the northwestern provinces. Other dances originating with the Calchaquian culture of that region and revealing a mixture of Spanish and other influences include the *zamba*, *vidala*, *bailecito*, *huaynito*, *gato*, *cueca* and *bagnola*. The *chacarera*, dating from after the arrival of the Spaniards, and the gaucho dance *escondido* were once danced throughout the country but are now common only in the North.

The tango, a late arrival on the scene, drew its melancholy themes from the life of the slums of Buenos Aires where it originated. African influences, which arrived by way of Cuba, combined with French and Spanish folk music in the tango. It attained universal popularity through the works of composer and singer Carlos Gardel, and for several decades it has been generally considered the "national dance."

In addition to the many social clubs which feature folk music, the National Commission of Culture and the various provincial cultural commissions have been active in preserving and promoting it. Juan Draghi Lucero, who has published various studies and collections of folklore, including *Cancionero popular cuvano* (Popular Musician of Cuyo) and *Las mil y una noches argentinas* (A Thousand and One Argentine Nights), has contributed to the revival of interest in this aspect of the national aesthetic tradition.

CHAPTER 11

RELIGION

Throughout the history of the country, the Roman Catholic Church has exercised a great influence, not only in the spiritual realm, but in all areas of secular society as well. Under the concept of church-state union, inherited from the colonial Spanish, Catholicism is the official state religion, although non-Catholics are guaranteed complete freedom of worship in the Constitution. The Church receives part of its support from the government, and the President and Vice President must be Catholics.

The government has relinquished most of its traditional control over the Church, although it has retained certain rights with respect to ecclesiastical appointments. In 1968 the activities of religious bodies and lay religious organizations were supervised by the minister of foreign affairs and religion, one of the five members of President Onganía's Cabinet.

In 1965 more than 93 percent of the people were Catholics, approximately 2 percent were Protestants of various denominations, and the Jewish community numbered about 450,000. The remainder of the population belonged either to some other religious group or had no declared religion (see ch. 5, Ethnic Groups and Languages).

The colors of the national flag symbolize the place of religion in the country's past. According to historical accounts, Manuel Belgrano, the Argentine independence hero, insisted that blue and white, the colors of the Virgin Mary, be adopted for the flag. This traditionally close relationship among religious, social and political institutions has not always been harmonious. Many times in the past political leaders have sought the favor of the Church only to reverse their position later if it appeared that the Church might undermine their influence.

The Church in Argentina has many of the same problems confronting it throughout Latin America. It is troubled by internal factionalism, a severe shortage of priests and parishes, and by religious indifference among the laity.

Today Argentine Catholicism lacks the vital force which inspired its beginning in the 16th century. The burden of tradition and inertia hinders its effectiveness in modern society, where its teachings are often out of touch with the problems of the people. Yet, with all of its weaknesses, Catholicism has the inner strength of a powerful cultural tradition which continues to cast its shadow over all parts of society.

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The great influx of immigrants after the middle of the 19th century had little influence on the religious balance. The majority of the immigrants were Italian and Spanish and shared Argentina's Catholic beliefs and practices. Protestantism first appeared with the arrival of immigrants from Northern Europe but gained almost no followers among the native Argentines. Most of these immigrants were not especially concerned with religion and did not urge others to accept their beliefs.

Within the past 20 years, Protestant missionaries have begun working in Argentina. They have aroused the concern of the Church, although they have had only minimal success in gaining converts.

HISTORICAL BACKGROUND

Argentina was colonized during a time of extreme religious fervor in Spain. The messianic impulse dominated the Catholic Church, causing the Catholic rulers of Spain to direct their energies and interests toward converting the Indians in the New World. To pursue this mission, the Spanish monarchy needed large amounts of money which they obtained through the rights of the royal patronage (*real patronato*). Granted by Pope Alexander VI, the royal patronage gave the monarchs the right to collect the revenues from all tithes which had been traditionally paid to the Church. The money was then to be used to establish and maintain Catholic churches in the New World.

The royal patronage fulfilled its purpose and facilitated the expansion of the Catholic faith into the Spanish colonies. It also left the bishops of the Church without control over their own finances. Subsequently, the kings received additional grants from the Pope, including the right to appoint all archbishops and bishops in their colonial dominion, and with these powers became the true ecclesiastical authorities of the New World. All activities of the Catholic missions were controlled by the Spanish Department of Colonial Affairs, the Council of the Indies, (Consejo de la Indias).

This secular control of the Church eventually bred dissension between government authorities and the religious hierarchy, particularly after the Church became well established and Spanish power began to wane. The system of patronage provided the colonial government with a political instrument which could be used to reward or punish the Church.

The clergy in the New World were divided into two main ranks. The first rank was comprised of the highest ecclesiastical dignitaries, the archbishops, bishops and deans, and the second rank included the parish priests, teachers of Church doctrine and missionaries. The doctrinal teachers worked in the villages of the Indians who had been completely subjugated, and the missionaries served in the pacification and conversion of the tribal Indians.

Aside from the secular clergy, a number of religious orders were active in the La Plata region, including the Franciscans, Jesuits, Dominicans and Augustinians. They were often more distinguished, better educated and more sincerely motivated than the secular clergy. A special dispensation from the Pope allowed them to attain some of the highests posts in the secular Church hierarchy. The religious orders devoted most of their efforts to missionary work and to the education of the Indians and *criollos* (persons of pure Spanish blood who were born in the New World). The Franciscans and Dominicans dominated the sphere of primary instruction and continued to be virtually the sole educators until well into the 18th century.

The Jesuits established most of the missions in Latin America and were unsurpassed in their efforts to organize and civilize the Indians. Like the Dominicans and Franciscans they were teachers, but they tended to concentrate their activities in higher education. Under the Jesuits, the University of Córdoba became one of the finest institutions of learning in Latin America (see ch. 9, Education). In the cities they earned the respect of the governing authorities and often had considerable influence over them.

In 1570 the town of Santiago del Estero became the seat of the bishopric of Tucumán, the first in the territory of what is now Argentina. It was later moved to the city of Córdoba, which is frequently named as the spiritual center of the nation.

The bishopric of Buenos Aires was created in 1620, in the region that had previously been included in the Paraguayan episcopate. Almost from the outset, quarrels and disputes arose between the bishops of Buenos Aires and the Spanish governors either because of the supposed revolutionary activities of the clergy or because of their attempts to reform public customs and morality. Severe criticism was also directed at the clergy for its relaxation of monastic standards.

The Church lost a great deal of its prestige during the colonial period because of corruption in the clergy and because of the great wealth it had accumulated. By the end of the 18th century, the town council of Buenos Aires raised the objection that the priests and nuns were not properly performing their duties, that prisoners were not instructed, that the sick were uncared for, that friars did not preach and that no limits were set on the charge for funeral ceremonies and services.

During the crisis of the Argentine independence movement, the Church experienced difficulties stemming from the confused political situation and from dissension within its own ranks. The higher levels of the Church hierarchy in general were not sympathetic to the revolutionary cause and allied themselves with Spain. Most highly placed members of the hierarchy were of Spanish birth or education and, from the perspective of colonial cooperation and the royal patronage, gave their support to the mother country.

Consequently, most of the higher clergy returned to Spain, but the

majority of the parish priests and curates remained and actively supported the liberation movement. They were invited to participate in the first meeting of the new government and responded in large numbers. Eleven of the 29 representatives who signed the Declaration of Independence were priests.

The history of the Church since Argentina's independence involves three major phases. Immediately after independence there was a period of confusion and chaos, characterized by demoralization within the Church and feelings of anti-clericalism among the laity. There were frequent conflicts between the Church and the new government, as they vied for dominance. Because the bishops had returned to Spain, the Church was left without direction, and the internal problems of corruption which had plagued it before independence were intensified.

The government under President Bernardino Rivadavia successfully instituted various reforms aimed at restoring the vitality of the Church. The reform movement ended the practice of ecclesiastical courts which had reserved to the Church the right to try clergy accused of crime, and discontinued the state collection of tithes. Many clergymen and Catholic laymen saw these reforms as an attempt by the liberal Rivadavia to weaken the force of religion in the new country.

The second phase began in the second half of the 19th century and continued until the 1930's. During this period there was a consolidation and regrouping of Catholics who attempted to conserve the faith and protect it against the forces of liberalism. Argentine Catholicism emphasized the past and the traditional position of the Church as the representative of unchanging values and culture. The outward signs of prestige became a preoccupation, as if imposing cathedrals and respect for the religious hierarchy would ensure the continued supremacy of the Church. In reality the Church grew increasingly tradition-bound and out of step with the needs and demands of the people it served.

It was also during this period that the traditional concept of religious unity impelled the authors of the 1853 Constitution to recognize the Catholic faith as the state religion. The decision to allow freedom of worship for non-Catholics was influenced by the idea of religious tolerance but probably even more by the desire to strengthen relations with Great Britain and America, and to encourage European immigration.

The Church remained a dominant element in government until near the end of the Perón regime. Being dependent on the state for support, the highly placed members of the religious hierarchy consistently allied themselves with the government, and the government, in turn, was dependent on the Church to ensure popular support for its policies.

The third phase is characterized by the Church's encounter with forces of social and economic change. Since the 1930's there has been a reawakening among some Catholic clergy and laymen who believe that the Church has been caught in the midst of great social change in which it plays no positive role. Events which occurred during the Perón regime

shocked many Catholics and forced the involvement of the Church in the political arena.

The leaders of the religious hierarchy supported Perón throughout most of his presidency. He actively sought the support of Catholics by instituting mandatory religious education in the schools and by flattering the clergy. Although individual members of the clergy and some Catholic lay groups began to oppose Perón early in his regime, general Catholic opinion did not turn against him until much later.

In 1954 Perón initiated a number of policies apparently aimed at the complete separation of Church and state which constituted a direct affront to the Catholic Church. He began by legalizing prostitution and divorce, granting equal rights to both illegitimate and legitimate children and taking a number of religious celebrations from the list of nationa holidays.

When Catholics objected to his actions he banned outdoor Masses and religious processions and arrested a number of priests. This was followed by his excommunication and by the subsequent burning and looting of several Catholic churches by Peronist mobs. Such unprecedented conduct elicited a response from Argentine Catholics, and from the general populace as well, that had much to do with Perón's downfall (see ch. 14, Political Dynamics).

Since 1955 some members of the clergy and the religious hierarchy have begun to reassess their positions with respect to the traditional role of the Church in the affairs of state and in social and economic change. During the 1960's strong liberal factions have grown within the Church in conflict with the still powerful conservatives.

THE PRESENT-DAY ROMAN CATHOLIC CHURCH

Organization

The country is divided ecclesiastically into 12 archdioceses and 38 dioceses, the oldest of which was established in 1570 and the most recent in 1963. The highest post in the religious hierarchy is held by Antonio Cardinal Caggiano, Archbishop of Buenos Aires and primate of the Church in Argentina.

The archbishops and bishops are assisted in their respective dioceses by one or more vicars general, appointed from among the clergy. These appointments are made by the bishop and terminate upon his retirement or death. Auxiliary bishops are occasionally assigned to assist the archbishop of a large urban diocese. Most of the positions in the Catholic hierarchy by tradition are occupied by members of the upper social classes. Many of the top posts in the hierarchy have been given to the sons and grandsons of Italian immigrants who became wealthy in Argentina.

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Until 1966 key appointments in the religious hierarchy required the approval of the Argentine Government. In an agreement with the Vatican, the system of government appointment to ecclesiastical positions was terminated, and the right to fill such vacancies returned to the Holy See. The government continues to provide some support to the bishops and higher clergy. Under the agreement with the Vatican, the government reserves the right to inform the Holy See of objections on political grounds to appointments of priests or of the creation of new dioceses. The activities of various religious bodies are supervised by the secretary of foreign affairs and religion, one of the five Cabinet members (see ch. 13, The Governmental System).

In addition to the Argentine Church hierarchy, an apostolic administrator was appointed by the Pope in 1967 to fill a temporary vacancy in the Diocese of Avellaneda. The administrator is directly responsible to the Pope rather than to the Argentine primate. A Papal Nuncio, who serves as the diplomatic emissary of the Pope, is in residence in Buenos Aires.

The Clergy

The influence of the Catholic religion in the lives of the people is limited by a serious shortage of priests, as it has been for 200 years. Recently, however, the Holy See and the Argentine hierarchy began to take steps to correct this shortage. In 1963 there were only 5,000 priests for about 18 million Catholics, or an average of one priest per 4,000 Catholics.

The lack of priests is most apparent in the rural areas of the interior provinces where geographical factors contribute to the ineffectiveness of the clergy. A typical rural parish may cover a territory much too large for the priest effectively to reach all of the people in it. Most Catholics in these areas receive baptism and are able to attend Mass occasionally, but they may receive no religious instruction because there is no one there to provide it.

In the cities the problems of the clergy are different. Urbanization has brought thousands of rural migrants into urban areas, especially Buenos Aires, in the decades since 1910. Reflecting the effects of this rapid expansion, the average number of Catholics per parish in Buenos Aires in 1960 was 27,000. The priest is frequently overburdened with administrative duties and ritual functions and so has little contact with the people he serves.

Religious personnel include both secular or diocesan clergy under the supervision of a bishop and regular clergy who belong to one of the religious orders. Salesians, Passionists, Jesuits and members of other religious orders comprise slightly more than half of all the clergy. In 1963 there were 605 monasteries and male religious houses belonging to the various orders.

In general, the regular clergy are better educated and, thus, are better prepared to perform pastoral duties than are the secular priests. The quality of the secular priesthood has been of some concern to the Catholic hierarchy, especially because they most often become the pastors of Catholic parishes. Regular priests are primarily educators and missionaries.

In addition to the male clergy, there are over 13,000 nuns belonging to a large number of orders, including the Sisters of Charity and the Notre Dame School Sisters. Nuns are in charge of most primary and secondary education in private Catholic schools for upper class children, and they operate various kinds of charitable institutions.

There is a seminary in each diocese which receives part of its financial support from the government. Many of the dioceses also maintain minor or preparatory seminaries for boys who plan to enter the major seminary when they are of age. The dropout rate in the minor seminaries is extremely high, perhaps because the seminaries are often located in an isolated area, where boys of 11 or 12 are completely cut off from the normal social environment. Various experiments in modifying the system are being introduced. Some of the seminaries have been moved to less isolated locations in the suburbs of Buenos Aires, and others may be transformed into secondary schools.

Since World War II, the Church has begun a number of programs to improve the clergy and religious institutions and to increase their numbers throughout Latin America. Foremost among the changes affecting the Argentine clergy are the creation of several new dioceses, the addition of new parishes in urban areas and a small but steady increase in the number of priests. A significant part of the increase in the clergy has resulted from an influx of European priests, especially from Spain and Italy, and a large number from North America. Church leaders believe that these changes, combined with improved religious instruction, may restore the effectiveness of the clergy and of the Catholic religion in Argentine society.

Activities of the Clergy

The majority of the clergy are parish priests or educators. Occasionally, however, they also provide guidance in social, economic and political affairs and have worked as labor organizers. In 1967 progressive priests were criticized for their support of rural labor groups in Salta and Tucumán Provinces (see ch. 14, Political Dynamics).

Some religious orders, such as the Divine Word Fathers and the Jesuits, have been active among the Indians in Misiones Province and among a few other remote Indian groups. Members of these orders, as well as the Betharran Fathers, Christian Brothers, Brothers of the Pious, Salesians and others have established a number of secondary schools since the 1930's.

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In 1958 there were 998 schools operated by the Church, with over 54,000 male and 192,600 female students. The Church also supported and directed 577 charitable institutions, including hospitals, orphanages and mental institutions with nearly 75,000 residents.

The Argentine Church is a member of the Latin American Bishops' Council (Consejo Episcopal Latino Americano—CELAM), established in 1958 to promote cooperation of Latin American hierarchies in solving their common problems. The activities of the Council are supervised by the Pontifical Commission for Latin America.

Activities of the Laity

Catholic laymen operate a large number and variety of charitable organizations. The annual directory of Catholic social welfare organizations in the city of Buenos Aires comprises over 400 pages of listings. Many upper-class Catholic women are involved in volunteer charity work under the sponsorship of the Church.

Lay missionaries are active in rural areas and in lower class and slum neighborhoods in the cities. Many, such as those working for the Cardinal Ferrari Foundation and the Protectorate of Minors, are concerned with juvenile delinquency and the problems of the poor.

Other organizations have been formed for the training of lay religious teachers. One of these programs, called religious circuit instruction, attempts to reach isolated rural communities with a team of trained religious teachers. Its general purpose is to improve the amount and the quality of religious training in rural areas.

The Argentine branch of the worldwide Catholic Action movement has been particularly active in the area of social reform. The Argentine Movement was organized in 1931, and its growth since that year has been a sign of a change in the atmosphere of religious indifference. It has a strong organization, especially among students and some middleclass professional groups, but less than 1 percent of Argentine Catholics participate in it.

CONFLICTS WITHIN THE CHURCH

The Spanish religious heritage has lost much of its vitality in the last three centuries. It has been further weakened by poor leadership. Some members of the clergy and the hierarchy have attempted to adapt the Church to a changing society, but their efforts have been met by a conservative, centralized leadership. Those who have encouraged modernization have been strongly criticized by the traditionalists.

In general, the Church is oriented toward traditional policies and practices. Its position and role in society have changed little since the early days of independence, although several bishops have recently shown their willingness to adopt new policies. Most of the bishops and archbishops opposed the reforms suggested by the Second Vatican Council and have resisted changes in the religious liturgy, the improvement of ties with other faiths and increased lay involvement in religious services. Their opposition is based on the belief that the Church's role is not to modify or change society or to participate in or to aid social reform.

Several dissident groups have risen within the Church in opposition to the conservatives. One of the groups holds a militant Catholic view, citing as its major objective the renewal of Church influence among the middle and lower classes. They have avoided the traditional ties with the upper class and with government and political factions and advocate the development of a Church dependent on its own resources and authority. The group is fairly strong and has supporters among the hierarchy, as well as the clergy and laity.

Another faction within the Church advocates liturgical reform and has encouraged innovations in the rites and services of the Church in order to create more effective worship. Among its goals are the participation of laymen in the liturgy, reduction in the size of parishes and the development of a close social bond among parishioners based on religion.

The most liberal faction is actively involved in social reform. Its major objective is to develop programs that will give the Church a positive role in the advancement of social change. The programs of this liberal progressive faction include the development of close relationships between priests and their parishioners and the participation of clergy in community projects aimed at the social and economic development of the lower classes. It advocates ecumenical ties with other faiths and cooperation with lay organizations working for social change. The ultimate goal is to make the Church the guiding moral and spiritual force in the social reform movements of the lower socioeconomic groups.

The liberal progressive movement has emerged with considerable strength as a reaction to the traditionalists. In the mid-1960's progressive leadership appeared in several dioceses in connection with labor demonstrations. In 1968 there was no sign of compromise between liberals and traditionalists, and they were more at odds than ever, finding no common ground.

THE CHURCH IN SOCIETY

The parish church and its religious rites traditionally tend to be formal, impersonal and aloof from the secular concerns of the laity. The Church is authoritarian and benevolent. In the provinces of the interior, where society is the most conservative and the people more devout than those of Buenos Aires, the Church is still a monolithic, influential and wealthy organization. In the cities and towns all important events—military, governmental, social and familial—are marked by the presence of a member of the clergy.

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Throughout the country the Church retains its influence in varying degrees, depending upon the region and the segment of the population. In many ways it has been unaffected by changes in government, society and economy.

Religious Belief and Practice

Many Argentines are devout practicing Catholics. The great majority, however, do not regularly practice their religion. It has been estimated that less than 20 percent of the Catholic population regularly attend Sunday services, and in some dioceses as few as 10 percent do so. By custom people are baptized, married and buried in the Church, but their religious feelings are passive. Many tend to disagree with certain Church doctrines and some with the policy toward divorce.

The Catholic religion is felt to be a part of the individual's cultural heritage. It is passed on to him like the language he speaks, and it becomes a part of his being. He is a Catholic by virtue of his birth as an Argentine.

The primary rites of the Church—Baptism, First Communion, marriage and burial—mark the main turning points in the life cycle and identify the individual in his society.

One of the major characteristics of religious life is that Catholicism is generally practiced to satisfy a specific need or to secure a definite goal. The individual participates in the ritual to assure the health of some member of the family, the success of a business venture or for protection against enemies or hostile forces.

The act of participating in the ritual is in itself thought to have an intrinsic power, and its performance is expected to elicit a result that would be unattainable by personal effort alone. If God does not provide assistance, it is believed that individual initiative and ability will be of little use.

The average Catholic has a confident faith in the Blessed Virgin and the saints, and particularly in the benevolence of his own patron saint. Saints are believed to be more accessible and more willing to intervene in man's temporal endeavors. They also have the ability to intercede between man and God. Many people view the saints almost as real people with personalities and human characteristics.

Religious belief and practice vary with social class membership. The upper class and a significant part of the middle class are devout Catholics. Members of the upper class frequently have close personal relationships with the religious hierarchy. They tend to participate actively in the Church, regularly attending services and contributing money and time to support Catholic charities.

Members of the middle class have less personal contact with the hierarchy and tend to participate in religious associations less frequently than do members of the upper class. The religious activities of the middle class include important family occasions, such as baptisms, weddings, funerals and frequent Sunday services. The religious beliefs of the lower class are frequently emotional and personal, involving little contact with formal Catholic practice. Occasionally, they attend important religious events, particularly festivals and processions, but only very rarely do they participate in formal Church activities. The most regularly observed Catholic rite is that of Baptism.

Religious practices and attitudes in the rural areas are often affected by geographical isolation and the lack of formal religious training. People in these areas are frequently more devout than those in the cities, but their Catholicism is often very different from that practiced in Buenos Aires. Religion among the rural lower class is often a mixture of Catholic and indigenous non-Christian customs. Remnants of the traditional Indian religion, incorporated into rural Catholic practices in Spanish colonial days, have persisted to become integral features of lower class religious life.

Rural religious festivals help to satisfy the spiritual needs of the people. They attract people from all social levels who come to enjoy the magnificence of a giant spectacle and the deep emotionalism of the occasion. The central feature of the festival is a procession bearing images of the Virgin and Christ, accompanied by chanting priests. The effect of the ceremony is to inspire the people with religious fervor and to renew their reverence for the Church.

Throughout the society women tend to participate more actively than men in Church activities. The mother of the family is considered responsible for religious training and is the leader in observing religious duties. Men generally feel that religion is the responsibility of women and do not become involved in it unless their wives insist they do so.

Despite anticlericalism and religious indifference, most Argentines have a genuine deep regard for the Church and respect for the religious hierarchy. The Church is no longer a monolithic power but it continues to have great influence in shaping public opinion. Political leaders still seek to win the favor of the Church in order to consolidate support among the Catholic population.

OTHER RELIGIONS

Minority religions include the Orthodox and Eastern Churches, various Protestant denominations and Judaism (see ch. 5, Ethnic Groups and Languages). Other religions are represented, but their numbers are too small to be significant. In 1962 the Protestant population numbered over 400,000, belonging to 33 denominations. The Jewish population numbered about 450,000, and the Orthodox and Eastern Churches, slightly more than 66,000.

The European colonists of the 19th century were not notably religious and were unwilling to contribute hard-earned money to support churches. Ministers, therefore, often found it necessary to leave their churches or starve. The Argentine *criollos* at first were somewhat hostile to Protestants in their midst, but the weakness of this early Protestantism soon made it appear less of a threat. The Catholic Argentines who had the most frequent contact with rural immigrants were gauchos, unconcerned with religion and usually entirely tolerant of others.

Argentines often make a distinction between the Protestant immigrants who have their own churches and are little concerned with proselytizing and the foreign missionary groups who actively seek converts. The immigrants constitute less of a threat to the Church and consequently have earned respect rather than criticism.

About one-half of the Protestant population is comprised of the German Evangelical Synod with 100,000 members, the Danish Church with 60,000 and the Southern Baptist Convention with 40,000 members. The remainder belong to the Anglican, Congregationalist, Seventh-day Adventist, Lutheran, Methodist or one of the many other small churches. There are a number of small Evangelical and Pentecostal Churches, many of them characterized by fundamentalist doctrines and missionary purposes.

The Danish Church, the German Church and the many other Protestant churches established by immigrants are usually regarded by their members as the centers of community life. Many are losing their distinctive ethnic quality, however, with the increasing use of Spanish in the church and the frequent marriages between immigrants and Argentines. The influence of these churches is usually restricted to the immigrant community and does not extend into the general Argentine population.

Protestants operate missions in remote rural areas and in the urban slums, where their major activities are social work and rehabilitation. Some of the churches have schools for the training of clergy and lay workers. In 1962 there were four theological schools and colleges and seven Bible and training schools.

Foreign missionaries have been proselytizing in Argentina for the past 20 years with some success, although many converts eventually return to the Catholic faith. The Argentine who becomes a member of a Protestant church finds himself divorced from his cultural heritage, unable to participate in the Catholic rites which are an inherent part of the social activity in his community.

Any success which Protestant missionaries have had has resulted from the lack of religious conviction among many Argentines, the greater economic resources at the disposal of the missionaries and their freedom to work with smaller numbers of people than does the Catholic priest.

The members of the Orthodox and Eastern Churches are Russian, Syrian, Lebanese and Turkish immigrants and their descendants.

The majority of the Jewish population are the children and grandchildren of Russian immigrants who settled in rural farming colonies during the second half of the 19th century. Buenos Aires has the largest concentration of Jews, but many have remained in the rural colonies. Each colony has its own synagogue and holds regular religious services, similar to those of the urban populace (see ch. 5, Ethnic Groups and Languages).

In the past there have been numerous anti-Semitic incidents, but these have been the work of radical fringe groups and not expressions of Argentine sentiment or of government policy. For the most part, relations between Catholics and minority religious groups have not been outwardly hostile. Religious tension is most strongly felt in Buenos Aires, with its large Protestant and Jewish minorities.

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CHAPTER 12

SOCIAL VALUES

The social values held by the large majority of the population are derived in part from the Roman Catholic religious tradition and in part from other elements of the Hispanic cultural heritage. Massive Italian and other European immigration after the middle of the 19th century appears to have had relatively little effect on the traditional system of values. The high degree of cultural assimilation resulted in the replacement of immigrant values with those of the Hispano-Argentine society. The impact of rapid social and economic development since the beginning of the 20th century, however, has introduced new values and patterns of living, affecting primarily the urban population. The participation of women in the labor force has caused a liberalization of their accepted role in society and the relaxation of traditional standards of conduct between the sexes. The younger generation is generally less concerned than its elders with the maintenance of dignity and a serious demeanor in public.

The Hispanic influence in the value system appears in the emphasis on individuality, personal dignity, pride, family loyalty and personalism close personal relationships as the basis of trust between people. Disdain for manual labor and the practical application of skills is also a remnant of the Spanish colonial value system. These traditional values are much stronger in the aristocratic landowning elite and in the rural sectors than in the urban middle and lower classes. Nevertheless, most of the people recognize the same basic ideals, differing only in emphasis or on specific points of value.

The thread of individualism runs throughout the society and affects all types of activities. The individual is valued primarily for his personal, supposedly innate qualities. Ideally, the inner personal worth of every human being should be recognized and respected. Closely tied to the concept of individualism is an idea of personal dignity, which is essentially the recognition of one's own inner qualities. Every person is entitled to dignity and pride, regardless of his status in society.

The family is still the institution in which the individual feels the most complete confidence. In relations outside the family, Argentines prefer intimate personal relationships based on the family model. They may hesitate to become involved in any community effort with people whom they do not know well.

Urban society exhibits the values and ideals produced by its own rapid

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growth. Traditional loyalties to a *patrón* (see Glossary) have been replaced among the working class by loyalties to their own socioeconomic group, union or political party. Especially in the middle class, interest centers on material goals and economic aspects of life. Many people are new to middle-class life and are extremely conscious of their higher social status and improved material well-being. Despite the presence of this dynamic middle sector, most of the society continue to model their values and desired life goals after those of the elite.

THE INDIVIDUAL

The concept of individuality—the inner worth of each person and respect for his special unique qualities—forms the core of a close-knit complex of values. It is behind the Argentine's view of himself and others. Ideally, the individual has profound confidence in himself and his own ideas and manifests it through *dignidad* (personal dignity) and self-confidence. This consciousness of his own personal worth is matched by an awareness of and respect for the personal characteristics, thought to be innate, of others.

Dignity is of great importance to Argentines of every social level. To criticize a man in the presence of his friends or to downgrade some aspect of his personality would be a grave affront to his dignity and a severe blow to his pride. Awareness of personal dignity is apparent in the serious demeanor of most men, in the pride they usually exhibit in their personal appearance and in their concern for their public image. Urban residents, especially, value elegance and distinction in dress. The elegant use of language is greatly valued by the educated middle and upper classes.

The average person thinks of himself as an Argentine rather than as a Latin American. The population as a whole has a very small admixture of Indian blood, a circumstance that Argentines feel sets them apart from the rest of Latin America.

Because of his profound sense of pride, an individual may be quick to take offense or to retaliate for what he regards as an insult. Many people assert themselves in group situations to demonstrate their self-respect, but they greatly value *tranquilidad* (peacefulness) and abhor violence. Violent behavior is considered an affront to common sense and is avoided if possible.

Many writers have commented on the inherent melancholy of the Argentine. Throughout the history of the country, descriptions of the Pampa and the gaucho (see Glossary), as well as the melody and lyrics of the tango and other Argentine music and poetry, have consistently expressed a mood of melancholy, sadness and loneliness. In the history of the country the Pampa has been an isolating factor, with great distances sepparating people, and has contributed to a feeling of spiritual solitude.

The youths of the country are reacting against the traditional sobriety of their elders. The atmosphere of Buenos Aires is becoming less serious

and melancholy. There is new freedom between the sexes and great enthusiasm for sports. Younger Argentines are less concerned with maintaining a dignified exterior.

The Ideal Man

The ideal man must exhibit a number of physical and psychological traits valued as the essence of *machismo* (masculinity). Among these characteristics are physical strength, dignity, bravery, self-confidence, the ability to speak well and forcefully, and readiness to defend one's honor and that of one's family.

Demonstrations of sexual provess gratify a man's self-esteem and also give evidence to society of his virility. The characteristics of personal dynamism, self-confidence and readiness for action, both verbal and physical, which are expressions of masculinity, are also essential qualities of leadership. The *caudillo* (see Glossary), a type of popular political leader frequently prominent in Argentine history, is an expression of the ideal male personality. Because he demonstrates the qualities which they admire, the *caudillo* attracts many followers, who identify with his qualities and are motivated by his personal magnetism rather than by the content of his ideas or program. He is respected as an individual more than for his office or position.

The Ideal Woman

Popular concepts of the ideal woman were changing in the late 1960's because of the increasing involvement of women in the country's economic and business life since World War II. In the traditional view the image of the ideal woman was the opposite of the stereotyped ideal male image. A woman was expected to display gentleness, modesty, passivity and deference to the males in her family. Her accepted social role involved raising a large family and maintaining a comfortable home for her husband; in addition, she was expected to be skilled in the social graces and domestic skills and to attend Church services regularly as the family's representative (see ch. 7, Family).

As the accepted roles of men and women draw closer together, influenced by social, political and economic forces, women have begun to assert their independence from domesticity and male dominance. The extension of political rights, educational advantages and employment opportunities to women have given them new areas of activity and responsibility. Because many are economically productive and well-educated members of the family, they are less dependent on their husbands than they once were. They are still expected to respect their husband's final authority in most family matters.

Despite the increased freedom now allowed, a woman is still expected to adhere to socially determined guidelines of feminine attitudes and behavior. Argentines believe that a woman maintains self-respect by recognizing accepted moral codes, specifically the double standard of sexual morality.

The ideal woman also is expected to take great care in her personal appearance and to have an awareness of style and elegance in clothing. Girls are taught to be conscious of their femininity. Femininity and personal attractiveness are generally considered more important in a woman than intellectual ability or advanced education. Most people believe that the personality and role of women should complement that of men to produce a truly harmonious society (see ch. 7, Family).

HUMAN RELATIONSHIPS

The family and its maintenance are of the greatest importance and serve as the prototype for most other social relationships. Family loyalty is the focus of trust, dependence and responsibility.

Argentines may feel uncomfortable in impersonal and functional relationships, such as those that exist in a big corporation. The large number of family dominated companies, the frequent choice of relatives and close family friends for positions in business and government, result from the emphasis on personalism.

Emphasis on family and friends and mistrust of outsiders have tended to inhibit the development of a strong notion of the society as a whole and of the interdependence of various groups in matters of joint concern. Highly personal orientation recurs in the thinking of political parties and other socioeconomic groups.

People are sometimes reluctant to take part in any group or community effort unless it is beneficial to their own interests or those of their family. They tend to feel that others who join such organizations and projects do so to gain something for themselves. Consequently, there are few local or community organizations and little community spirit.

Among the urban working class the traditional values of loyalty and personalism coexist with specialized occupations and strong class consciousness. Under former President Juan Domingo Perón, traditional loyalties to personal relationships were translated into class loyalties. His working class followers had a sense of unity based largely on Perón's forceful personal leadership. This essentially personal relationship was the type most familiar to Argentines, but its class basis soon brought into play distrust and disharmony between the working class and the members of the middle and upper classes.

In some rural areas the traditional relationship of loyalty and responsibility between a *patrón* and his workers continues to function. These loyalties are a part of the Hispanic heritage and have not made the transition to the modern urban industrial society.

In the cities the highly personalized relationship between the *patrón* and the *peón* (rural workingman) is replaced by loyalties to a particular socio-

economic group, a union or a political party. The members of a group defend their own interests and position. They are loyal to each other, wary of outsiders and tend to blame other interest groups or factions for political, social and economic problems. Most personal relationships bear the stamp of individualism.

The individual usually is courteous and generous to his friends but not necessarily in public contexts. Assertion of self and protection of pride may lead to clashes over differences of opinion, even slight ones.

The Argentine is usually a ready conversationalist; he values wit, erudition and a good command of language. Argument is considered a sport and a vital part of daily life by many people. Words and the ability to use them well in a stimulating verbal encounter lend status to the individual and drama to his personal relationships. The individual tends to enjoy contradicting, usually with a quick and witty retort.

People are often believed to be subject to outside influences that may lead them astray. Women and children are thought to be weak and naive, although basically good; members of their family must protect their virtue.

Mass immigration and the subsequent rapid changes in the social and economic organization of the country modified existing concepts of social status and prestige. Present-day determinants of status in the social system are still traceable to the Hispanic tradition, but they have become more flexible as the complex industrial society and egalitarian ideals have influenced older ways.

In colonial times the values of the social system were based on contemporary European ideas of behavior, human relationships and social stratification. One of the most important ideas still existing in Argentine society in 1968 was that manual labor was a criterion of low social status. The Spanish aristocrats thought manual labor distasteful and carefully guarded the power over land and people that enabled them to avoid it. Manual work, commerce and industry, and the wealth acquired from them were viewed as inferior (see ch. 6. Social Structure).

Members of the lower and middle classes have generally given high prestige to the values and life patterns of the upper class. A member of a lower class who seeks to move up in the social hierarchy tends to follow the same choice of occupation or career as the upper-class individual. Most people who have not become resigned to lower-class status avoid manual labor because of the low esteem attached to it. The Argentine who seeks to advance develops his verbal and intellectual skills rather than his technical abilities; he enters the university to pursue a career in law, medicine, philosophy or the social sciences and gains an academic degree which entitles him to deference (see ch. 9, Education). Relatively few people have entered the physical sciences or fields which involve the technical application of skills.

This orientation toward traditional goals began to diminish somewhat because of the mass immigration of Europeans who had different values and goals, the growth of the urban middle class and the expansion of an industrial economy. The government is working to enhance the prestige and attractiveness of technological studies in order to promote continued economic progress.

In the cities traditional ideas of prestige and appropriate life goals are being supplanted by a trend toward materialism. The standard of living is generally high, and all wish to share in it. Money in itself does not bring prestige, nor does it have any positive or negative moral value, yet it is eagerly sought because if it is used in socially desirable ways it can enhance prestige and social recognition. Many Argentines also feel that wealth will enable them to live free of the burden of daily work.

One of the morally and socially esteemed uses of wealth has traditionally been the paternalistic responsibility of a *patrón* for his workers. A wealthy person who spends a part of his money for charity and donations to his dependents is often praised for doing so.

Especially within the urban middle class, the traditional criteria of status have been supplanted by material standards. The individual may be much concerned with the price of things and with the outward symbols of economic well-being. The member of the traditional elite who continues to feel that family background and landownership are the essential factors in status determination sees the middle-class concern with money as detrimental to the country's traditional ethic. The members of the middle class aspire to the prestige of the elite, but they criticize the elite's emphasis on family background as an outmoded and meaningless determinant of status.

Argentines have become much more class conscious since the Perón era, and they are increasingly aware of relative social positions and of the possibilities for mobility. Most of the European immigrants who entered the country after the middle of the 19th century were inspired with a desire to succeed and to improve the quality of their lives. Before this time, the general Argentine attitude toward the social order was one of acceptance in a hierarchical system of positions more or less fixed by birth. The entrepreneurial spirit of the immigrants and the increased opportunities provided by rapid economic development greatly modified the traditional concept of social stratification (see ch. 6, Social Structure).

FATE AND THE FUTURE

Argentines have great respect for the cultural traditions of their country. The gaucho and the *criollo* (native-born persons of Spanish descent) are symbols of these cultural ideals, representing Argentinidad (Argentineness). The image of the gaucho appeals primarily to the urban middle or lower class, many of them descendants of the immigrants.

Although he sets great store by the past and its heroes, the Argentine also dreams of the future and considers it already assured. Argentines have faith in their own destiny and that of their country, and they expect to attain these through the aid of divine grace and a beneficial fate. The average individual feels that his efforts are largely meaningless if God does not help.

Fate and forces which determine daily events are generally considered unpredictable and without order. A love of gambling and games of chance manifests the belief in fate. Many members of all social classes follow the races and the lottery and play cards and *quiniela* (illegal numbers game). The gambling casinos draw huge crowds who come for the excitement of betting and for the remote possibility of attaining sudden wealth.

The optimistic view of the future has diminished somewhat in recent years because of the country's apparent inability to hold a steady course in economic development and because of frequent political upheaval. The fatalism which has always lain beneath the surface of the Argentine character sometimes emerges in the apathy and resignation, that are felt by some sectors of the population. The traditional ideals of Argentinidad self sufficiency, independence and stoic courage in the face of deprivation have, however, usually been paramount.

SECTION II. POLITICAL

CHAPTER 13

THE GOVERNMENTAL SYSTEM

Argentina has traditionally been governed by a strong man, placed in office by a powerful national group, after elections that usually were dominated by the group. From 1860 through 1916 this group was the landowning oligarchy; from 1930 through 1967 it was the armed forces. The only deviations from this pattern were in the election of four Radical Party candidates in the 20th century. Three of these four were deposed by military coups; the most recent was ousted in June 1966.

The military leaders who executed the 1966 coup named retired lieutenant general and former commander in chief of the army Juan Carlos Onganía as president. The President was granted all executive and legislative power as well as the right to appoint judges. His government, which termed itself revolutionary, pledged that it would rule in accordance with the Constitution except when its provisions conflicted with the goals of the government. President Onganía further stated that his government would remain in office until the achievement of its goals of economic growth and political stability permitted the return of a more representative form of government.

The principles stated in 1966 remained in effect through mid-1968. All government, national and provincial, centered on the office of the President. The armed forces decided that the country's politics were chaotic, divisive and detrimental to the interest and security of the nation. Political conflict, therefore, would be reduced as much as possible, and the government would resemble a command structure. Differences would be adjudicated by the appropriate authority within the command structure, and the President would be the ultimate arbiter.

Centralization of power in the President is in keeping with Argentine tradition. The chief executive has always dominated the legislative and judicial branches of government, and major issues usually have been resolved through his office.

HISTORICAL BACKGROUND

Governmental history derived from settlement patterns and centered on the issue of whether authority was to be distributed in a federal system or centralized in a unitary system. Power was widely dispersed before independence; there was no dominant center of political, social or economic influence. The *caudillos* (regional political strong men) ruled the Pampa; the *criollos* (native-born persons of Spanish descent) formed an elite in the provincial towns of the interior; and the citizens of Buenos Aires felt the importance of their direct contact and trade with Europeans.

Independence was declared in 1816 at the Congress of Tucumán, and the United Provinces of Argentina was created, to be governed by a supreme director and a congress. In 1819 the congress drafted a centralist, royalist-oriented constitution which led to the unseating of the supreme director by the provincial *caudillos*, known as *federalistas*. The autonomy of the provinces was confirmed the following year when the congress was dissolved, and the army of the province of Buenos Aires was defeated by the *federalistas* at the Battle of Cepeda (see ch. 3, Historical Setting). For the next half century the creation of a unified nation was disputed between the *unitarios* of Buenos Aires who sought preponderant influence and the *caudillos* of the provinces who did not want to relinquish their power to a strong central government.

From 1820 until 1829 Buenos Aires elected its own government, which handled only the foreign relations of the other provinces. In 1826 a congress wrote a new constitution, which again was centralist but which granted some powers to the provinces. The provinces refused to accept the constitution, but they functioned briefly as the United Provinces in a war against Brazil (see ch. 26, The Armed Forces).

In 1852 the *caudillo* governor of Entre Ríos Province, Justo de Urquiza, became the provisional director of the United Provinces and called for a constituent congress. The new government was to finance itself from a specific proportion of the customs duties of each province, a provision which soon led to the secession of the province of Buenos Aires.

The constituent assembly met in late 1852 without a representative from Buenos Aires Province. The new constitution called for a strong central government but protected certain rights of the provinces. All of the provinces except Buenos Aires adopted the Constitution in May 1853; Justo de Urquiza set up his capital in Paraná and began the effort to persuade Buenos Aires to enter the union.

In 1860 a modified version of the Constitution of 1853 was accepted by Buenos Aires. Seeking new advantages, however, Buenos Aires provoked hostilities with the forces of the United Provinces and defeated them at the Battle of Pavon in 1861. Bartolomé Mitre, the governor of Buenos Aires who led the victorious forces, assumed the position of provisional president. The following year a congress elected him as the first constitutional president of a united Argentina (see ch. 3, Historical Setting).

THE CONSTITUTION

The Constitution of 1853, modified in 1860, 1866 and 1898, was the basic document of the country until 1949, when a new constitution

initiated by Juan Perón went into effect. In 1957, after Perón was deposed, the modified Constitution of 1853 was reinstated. In 1968 it remained in effect except when its provisions conflicted with the statutes of the Revolutionary Government.

The ideas of the Argentine intellectual Juan Bautista Alberdi and the Constitution of the United States greatly influenced the constitution makers of 1853. Alberdi was concerned with building a great nation. His ideas of attracting immigrants and foreign capital, of developing the interior and populating the Pampas, of building schools and universities and of educating the people were written into the Constitution. The influence of the United States document was on the structure of institutions. Power was divided among a strong executive, a legislature and a judiciary, and specific areas of authority were reserved for the provinces.

The preamble states that the source of the Constitution consists of "representatives of the people of the Argentine nation, in General Constituent Congress assembled by the will and election of the provinces which compose it."

The first part of the Constitution, containing 35 articles, is entitled "Declarations, Rights and Guarantees." The nation is declared to be federal, republican and representative, and each province is required to adopt its own constitution in conformity with the republican system and the principles of the national constitution. The federal government supports the Roman Catholic Church, but freedom of religion is guaranteed.

Freedom of the press is guaranteed; property is declared inviolable; and slavery is prohibited. The gathering of persons to petition for the rights of the people constitutes the crime of sedition on the grounds that the people govern only through their duly elected representatives. Punishments may be delivered only after a trial based on law. Labor unions are guaranteed the right to organize, strike and carry out necessary activities. European immigration is encouraged. Aliens enjoy the civil rights of all citizens and automatically become citizens after 5 years' residence if they make no statement to the contrary. The Constitution may be amended only by a convention summoned for that purpose by a two-thirds vote of the members of the National Congress.

The Executive

As a result of the 1966 coup, constitutional provisions relating to the executive and legislature have been suspended. Executive power was vested in an elected president who must have been born on Argentine soil, be a Roman Catholic and possess the qualifications required of a senator. In case of the President's incapacity the elected Vice President assumed office. If he were incapacitated those next eligible would be the provisional president of the Chamber of Senators, the president of the Chamber of Deputies and the president of the Supreme Court, in that

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order. The President was elected by a direct vote for a 6-year term and could not be reelected to succeed himself.

According to the Constitution the President is the supreme head of the nation and is charged with the general administration of the country. He is commander in chief of the armed forces, has the right to declare a state of siege if the Chamber of Senators is not in session and concludes and signs treaties. He may declare war with the authorization of the National Congress. He appoints high-ranking military officers, federal judges and ambassadors with the consent of the Senate.

The President appoints his Cabinet ministers, who must countersign his acts. Ministers may not make decisions, other than administrative ones, and they are responsible in law for their actions. Ministers may not be senators or deputies.

In practice, the President has always exercised great power; Congress seldom has challenged him; and he appoints the five justices of the Supreme Court. The practice of "intervention" in the provinces by the central government, authorized by the Constitution, has given authority in provincial governments to the President's adherents, and the use of the decree-law, although extraconstitutional, has been frequent.

The Legislature

Federal legislative authority (suspended in 1966) is divided between the Chamber of Deputies, whose members represent the nation, and the Chamber of Senators, whose members represent the provinces and the capital. The two chambers form the National Congress.

Deputies are elected directly, one for each 85,000 inhabitants of the provinces and of the Federal District of Buenos Aires. Minimum eligibility requirements are that a person be 25 years of age, have 4 years' active citizenship and be a native of the province or a resident 2 years before the election. Deputies are elected for 4 years; half are chosen every 2 years.

Deputies, with the senators sitting in judgment, have the exclusive right to impeach the President, Vice President, ministers or members of the Supreme Court. Two-thirds of the members present must vote that there are grounds to proceed with impeachment proceedings after a preliminary investigation has been made. Initiative for laws relating to taxes or recruitment of troops is reserved for the Chamber of Deputies.

Two senators are elected from each province by a plurality of votes of the legislature and from the Federal District by popular vote. Senators must have attained the age of 30, must have been a citizen for 6 years and must be a native of the province from which elected or a resident the 2 preceding years. They serve for 9 years; one-third are elected every 3 years. The Vice President is president of the Chamber of Senators and votes only in case of a tie. In public trial the senate judges persons who have been impeached by the Chamber of Deputies. If the President is impeached the president of the Supreme Court presides.

Both chambers meet from September 30 until May 1 each year. The President may call special sessions, which may deal only with matters specified in the call. Each chamber makes its own rules. Parliamentary immunity for opinions and speeches is granted. Each chamber may require information necessary to deal with matters within its competence.

Bills may originate in either chamber but must be approved by both. Bills not returned by the executive are considered passed after the expiration of 10 working days. Before a changed bill can be passed, any changes made by the chamber which did not originate the bill must be approved by an absolute majority in the originating chamber. Rejected bills may not be discussed again in the same session.

STRUCTURE AND FUNCTION OF GOVERNMENT

The military group which ousted the incumbent government in 1966 dissolved the National Congress and the provincial assemblies. It dismissed the provincial governors and the five justices of the Supreme Court. Political parties were banned; their property was confiscated; and meetings and manifestations of a political nature were prohibited (see ch. 3, Historical Setting).

At the swearing in ceremony of the new President, the Statute of the Argentine Revolution was read. It stated that the government represented all the people. The President was given legislative and executive powers. If the President were absent the minister of the interior would exercise his authority, and if the President died the commanders in chief of the armed forces would name a new one. The office of vice president was abolished. Provincial governors were to have legislative and executive functions and the power to remove high court judges in their provinces.

A reorganization of top-level leadership, carried out under the Law of Ministries and the Development and Security Law, was executed to improve administrative coordination. The number of ministries was reduced to five; the Interior; Foreign Affairs and Religion; Economy and Labor; National Defense; and Social Welfare. The ministers and the President constitute the Cabinet.

Fifteen state secretaries were placed under the ministers of the interior, economy and labor, and social welfare. Responsible to the minister of the interior were the secretaries of government, culture and education, justice, and communications. Those responsible to the minister of economy and labor included the secretaries of agriculture, treasury, industry and commerce, energy and mining, labor, public works, and transport. The secretaries of community development, social security, public health, and housing reported to the minister of social welfare. There were no secretaries under the minister of foreign affairs and religion. The commanders in chief of the army, navy and air force were directly responsible to the President.

The Cabinet deals directly with development planning and state security. The National Development Council (Consejo Nacional de Desarrollo—CONADE) became a council of state, and the President and ministers were members. The National System of Planning and Action for Development was created to coordinate sectional and territorial schemes at all levels. The basic idea was an attempt to change the decisionmaking process by centralizing policy decisions and decentralizing execution of policy.

National defense and security are the direct responsibility of the President and the commanders in chief of the armed services. The National Security Council, (Consejo Nacional de Seguridad—CONASE) was established, comprised of the ministers and the commanders in chief of the armed services. CONASE and the other two agencies dealing with defense matters, the Military Committee and the National Intelligence Center, were to report directly to the President.

In July 1967 the eight national universities were placed under the secretary of culture and education. The universities were closed for a fortnight for reorganization, and an advisory council on university legislation was created.

Labor, formerly an independent ministry, was included with economy because of their related nature. Initially, the labor unions appeared to support the new government. Strikes were called in early 1968, but they were unsuccessful. The advisory Technical Commission of Wages and Policy was created in the Ministry of Economy and Labor, and the Law of Professional Associations was issued. Its purpose was to determine the legality of action of labor unions and other organized groups (see ch. 21, Labor Relations and Organization).

Many semi-independent agencies function within the government. The Central Bank, the State Railways Administration, the Bureau of National Parks, the Postal Savings Administration and the state oil agency are examples. Some are extremely important; railroads, financial policy and oil have been recurrent political issues.

In October 1966 the Revolutionary Government and the Vatican signed an agreement which granted the Church "full and free exercise of spiritual power." The right of the Holy See to appoint bishops and archbishops was restored. Under the Constitution of 1853 the Argentine Government had nominated bishops. The Church was also given the right to designate new ecclesiastical districts, but the government reserved the right to protest appointments or the creation of new districts.

THE JUDICIAL SYSTEM

The Constitution vests judicial power in the Supreme Court and lower courts established by the National Congress. Only Argentines who are 30 years of age or more and lawyers graduated from a national university may be members of the Supreme Court. Judges are removable only by

impeachment for violation of good behavior. All tribunals in the Federal District of Buenos Aires are national tribunals.

Federal courts have jurisdiction in three types of cases: those dealing with particular subjects, such as the Constitution, laws, treaties, bankruptcy and admiralty or maritime jurisdictions; cases dealing with legal entities, such as the nation and provinces, such persons as ambassadors or foreign consuls and citizens versus foreign states or citizens of different provinces; and cases determined by place, that is, criminal acts in territories administered by the nation.

There are three levels of federal courts. The lowest are courts of first instance; one is located in each province and in each major city. They are also responsible for the administration of the election laws. Federal courts of appeal, created in 1902, are located in Buenos Aires, Bahía Blanca, Córdoba, La Plata, Mendoza, Tucumán and Resistencia. The Supreme Court, located in Buenos Aires, is the chief federal court. Its seven members, the president and six associate justices, are appointed by the President with the approval of the senate. The Supreme Court, at its own discretion, may declare a provincial law unconstitutional upon the request of a citizen of the province.

Each province has its own judicial system, consisting of courts of first instance, appellate courts and, usually, a delegated supreme court (see ch. 5, Public Order and Safety).

Procedure

In civil cases the plaintiff prepares a written brief and presents it to the court. The defendant is given time to prepare a reply. The trial is presided over by a secretary who is responsible for recording all information. The full record of the case is then given to the judge to read. Although he may have attended the hearings, he usually forms his decision solely on the basis of the record.

In criminal cases the police try to obtain as much evidence as possible. The record is presented to an instruction judge, and the trial follows. The record of this proceeding then is presented to a trial judge for a decision. Trial by jury was established by the Constitution for criminal cases, but this practice seldom occurs and then only in the courts of Buenos Aires and Córdoba.

PROVINCIAL AND LOCAL GOVERNMENT

The Constitution states that the provinces will adopt their own constitutions, which must be republican in nature. The 22 provinces "retain all power not delegated by the national constitution to the federal government." They elect their own legislatures and their own governors, who are "agents of the federal government for the execution of the constitution and law of the nation." The provinces may form economic, but not political, agreements with each other. The provincial constitutions are similar to, but more detailed than, the federal. A bill of rights usually exists, and amendments are made in the same manner as in the national government. The governors make major appointments and prepare the budget. They have the right of veto, which may be overridden by a two-thirds vote.

There are few administrative departments; the most prominent is the department of government which handles relations with the cities of the province. The governor appoints the mayor (*intendente*); in Buenos Aires the mayor is appointed by the President. Below the mayor is an elected council, a system which often creates conflict between the electees, who feel they represent the people of the city, and the mayor, who is considered a representative of the governor's office. In small towns a commission of from three to five persons is appointed by the governor.

In practice, provincial government often has been an extension of the federal government. When cooperation did not exist through party or personal friendship, the federal government was able legally to supplant the elected provincial governments. Article 6 of the Constitution states:

... the Federal Government intervenes in the territory of the Provinces to guarantee the republican form of government ... and, on request of their constituted authorities, to support or reestablish such authorities, if they have been overthrown.

Intervention is initiated by the federal government and does not have to be approved by the provincial government. The National Congress, or the President when Congress is not in session, may remove the governor, legislature, provincial judges and all municipal officers and appoint a federal representative.

Article 6 has proved to be one of the most significant articles of the Constitution—approximately 200 interventions have occurred since 1860. Intervention was used extensively in 1916 when the Radicals, for the first time, came into power and then were forcibly removed by the Conservatives. Intervention also was employed in 1930, when, after the Conservatives had been in power for 1 week, they intervened in the 12 provinces controlled by the Radicals. The other two provinces were already controlled by the Conservatives.

Under the Onganía government the chain of command structure from national to provincial to local government is clear; the President appoints the governors, who appoint the mayors. Issues are resolved within the administrative structure rather than by independent groups openly competing for their own positions.

THE ELECTORAL PROCESS

All offices filled by elected persons before 1966 were occupied by appointees in 1968. The Onganía government has given no timetable for a return to the electoral process, but it has stated its intention to return the nation to a form of representative democracy. The Constitution provides for the election of a president and vice president by electors chosen by direct vote. An absolute majority is required for election; in the event that no candidate obtains a majority, the National Congress chooses from among the leading candidates. If a majority is not obtained the second time, the number of candidates would be reduced to two. In case of a tie the president of the Chamber of Senators would cast the deciding ballot.

Until 1902 deputies from each province were elected at large. Single member constituencies were introduced in the 1902 elections, but the at large method was reverted to in 1904. The Saenz Peña law (named for the President who was elected in 1910), under which each person voted for two-thirds of the positions allowed each province, was introduced in 1912 and used until 1963. Voting was accomplished by stuffing a party ballot in an envelope, and voters were allowed to write in names of candidates. The party with the greatest number of votes placed twothirds of its candidates in office, and the party with the second highest number of votes placed one-third of its candidates in office. In practice, because of the large number of parties, this has meant that parties that gain approximately 30 percent of the vote have gained two-thirds of the seats from their province.

The Saenz Peña law was replaced in 1963 by a combination of previous electoral practices, decrees of the Guido government and a system of proportional representation. Proportional representation was provided for with the condition that a party had to gain at least 3 percent of the votes to obtain a seat. The presidential candidates were required to obtain an absolute majority of votes from the electoral college to gain office. Failure to obtain a majority would send the voting into the National Congress, where the President would be chosen in basically the same manner as described in the Constitution.

All 18-year-olds must obtain a registration card which is their license to vote. Voting is compulsory, but there are exceptions based on age, distance from polling place, insanity and so forth. Eighty-five to 90 percent of those eligible vote in most elections.

The Electoral Department of the Ministry of the Interior appoints a federal judge, termed an electoral judge, and an electoral board to administer the elections. The electoral judge is responsible for the registration list, adjudicating electoral crimes and determining the eligibility and actions of political parties. The electoral board names polling place officials and determines any irregularities that arise regarding the voting.

Polling places are open from 8 a.m. to 6 p.m. on a Sunday. Men and women vote at different polling places, which serve from 50 to 300 voters. The president of the polling place checks the registration card of each voter; party representatives also check if they wish. The voter is then given an envelope, and he goes to a private room. He places ballots that he has brought with him into the envelope. At 6 p.m. the president of the polling place checks the ballots for any irregularities and gives them to the electoral board for counting. Officials and party representatives may be present. The results are telegraphed to the National Electoral Chamber, and the ballots are sent to the District Electoral Board. The National Electoral Court adjudicates any charges concerning the elections. The verdict may be appealed to the National Electoral Chamber.

THE CIVIL SERVICE

The Central Bank has used civil service examinations for some years. After 1 year in office the Onganía government announced a plan to rationalize management or to reduce the number of workers employed by the government. In 1961 there were 900,000 civil servants. In 1967 this number had only dropped to 840,000, but the government hoped to eliminate another 100,000 shortly. Of these 840,000 employees, 200,000 were employed by provincial and local governments and 312,000 by state enterprises. The other 328,000 were employees of the federal bureaucracy.

CHAPTER 14

POLITICAL DYNAMICS

In mid-1968 Argentina was governed by a militarily appointed president who held all executive and legislative powers. He functioned by authority of the Statute of the Argentine Revolution, promulgated by the leaders of the 1966 coup, and those articles of the Constitution not in conflict with the Statutes.

The basic political goal of the government was stated to be the elimination of political conflict. Political parties and activities were banned; national and provincial legislatures were disbanded; and criticism of the President and the government was prohibited. Government was conceived of as a command structure in which political differences were not to be resolved by bargaining but were to be adjudicated by the proper authority within that structure.

Theoretically, political dynamics, or the competition for power and office, was annulled. The Onganía government had placed a moratorium on political activity while it set about creating a revolution which would make possible the return of representative government. No plan, no stated process and no date were given for the return of legal political activity, other than that the government expected to stay in power for at least 10 years.

In fact there was opposition, although it was severely limited. Peronism remained an important ideological force, and individual political, military, labor and church leaders occasionally voiced their opposition to the government. No activity of sufficient magnitude to threaten the government was reported, however.

There are three other major interest groups which have exercised power, and each retains the potential for influence in any government. These groups are widely recognized and referred to locally as factors of power (*factores de poder*). They are: the traditional elite, whose notions of society are similar to those of the church hierarchy; the middle-class, which seeks a return to democratic party politics; and labor, which identified itself as Peronist (follower of Juan Domingo Perón) (see ch. 3, Historical Setting).

There is a marked lack of trust between these groups. The history of the middle-class Radical Party, which governed from 1916 to 1930, disillusioned many persons with politicians. The laborers, as Peronists, are not readily accepted either socially or politically. Descendants of the old oligarchic families bemoan the recent political history of the nation

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in which the Radicals and Peronists played a prominent part. Members of the military consider such mutual mistrust as detrimental to the nation's interest and have sought to restore order and discipline to the society.

THE POLITICAL SETTING

The dynamics of politics derive from changing socioeconomic patterns, historically conditioned attitudes and the timing and manner of entry of social groups into political life. The landed oligarchy ruled until 1916; the urban-based, middle-class Radical Party was dominant from 1916 until 1930; the military intervened in 1930; and Perón gave the laboring class a favored political position in the 1940's. After Perón's overthrow in 1955 the military intervened as a political arbiter in the name of preserving the Constitution.

From its founding until 1916 the country was governed by an oligarchy that monopolized all political and economic power and was the preserve of the socially elite. The oligarchy owned the land and its produce; its members governed the country; and it rigidly maintained the social traditions on its estates and in exclusive clubs.

Their policy denied popular participation in government and created a dual division in society. There was a division between the mass and the elite and also between the European-oriented *porteños* (people of the port) of Buenos Aires and the rural masses who populated the interior and gave allegiance to *caudillos* (regional political strong men).

The holding of political office, which was transferred from the oligarchy to a rising middle class in 1916, did not reflect either the rural-urban or the mass-elite division. The strength of the middle class grew out of the migration from Europe, numbering in the millions, which began in the 1850's. Because of greater opportunity in Buenos Aires and a land tenure system which made colonization difficult, the migrants remained in or near the capital. The magnitude of this migration is best demonstrated by the fact that for 50 years four out of five persons living in Buenos Aires were immigrants (see ch. 5, Ethnic Groups and Languages).

The predominance of foreigners in the capital contributed to the development of a unique Argentine personality and a close identification with the nation which was their new home. They were the people who founded the Radical Party in 1890, an urban-based, middle-class party of merchants, clerks and shopkeepers who challenged the rule of the oligarchy and its European orientation in commerce and culture. In 1916, benefiting from the institution of universal suffrage, they elected a president and a majority congress.

The Radical Party, which ruled for 14 years, failed to make any significant change in the political and economic structure of the country. Its accession to power, however, represented the end of limited democracy, the beginning of mass democracy and the incorporation of the immigrants into the political process. They remained in power during a period of economic growth and prosperity but were forcibly removed from office in 1930 after Argentina felt the effects of worldwide depression.

The military coup of 1930 led to the Concordancia, an alliance formed in 1932 between the military and the traditional elite. The military executed the coup because they were dissatisfied with the personalism, lack of leadership and factionalism which prevailed from 1916 to 1930. The traditional elite agreed to the Concordancia because of a change in attitude. While they were enjoying a period of rapid economic growth, they had been willing to permit a degree of democracy in accordance with European democratic traditions to which they publicly subscribed. When the depression checked economic growth, however, and after their experience with democratic government, they changed their attitude.

The Concordancia governed until 1943. It was somewhat repressive, but more important for the nation was the sharp increase in industrialization, mass internal migration to Buenos Aires and skepticism about government in general. These factors created the conditions which permitted the rise to power of Perón.

Perón evolved as the leader of a secret military organization, the United Officers' Group (Grupo de Oficiales Unidos—GOU), which executed a military coup in 1943. The GOU was composed of middle-class army officers who feared degeneration within the society and wanted to make their nation great. Thus, one base of Perón's power was the army.

The other base and the key factor in his rise to the presidency, however, was labor. Between 1930 and 1943 depressed economic conditions caused the migration of 40 percent of the rural population to the capital. Before 1936 approximately 8,000 people migrated to Buenos Aires every year; between 1936 and 1943, 72,000 migrated annually; and from 1943 to 1947, the figure jumped to 117,000 a year. The migrants represented 16 percent of the population of Buenos Aires in 1936 and 37 percent in 1947. They exhibited the characteristics of a rootless group without any strong allegiances or ties.

The white-collar orientation of the labor unions and the absence of a political party articulating the desires of the migrants left them available for a spokesman; Perón filled this role. Between 1943 and 1946 he courted labor leaders and helped to organize and increase the size of their movement. In 1945, when an army group arrested Perón, a mass demonstration by his followers so cowed the group that he was released. After this event the army announced that it would guarantee free elections and that political parties would be permitted to operate.

Perón was announced as a presidential candidate. Two coalitions were formed: an alliance of the traditional parties—Radicals, Socialists, Communists and Progressive Democrats—who opposed him; and his supporters—"collaborationist" Radicals, nationalists, several conservative groups, nascent labor organizations, the armed forces and the Church, united under the newly formed Labor Party (Partido Laborista) ticket. Perón gained 54 percent of the vote in an election considered to be relatively free, and his party gained two-thirds of the seats in the National Congress.

Perón pursued a policy of economic and social reform designed to make Argentina a modern nation-state. He nationalized the Central Bank and most of the insurance industry. Foreign-owned railroads and utilities were purchased. Wages were increased, and the real income of laborers rose almost 35 percent. The Argentine Trade Promotion Institute (Instituto Argentino de Promoción del Intercambio—IAPI) was created. It set standard prices for farm produce, bought at low prices and sold at high prices to a Europe suffering from the destruction of World War II.

Politically Perón's administration enjoyed popular support in its first years. The workers felt that they had gained, with Perón's aid, rights which gave them a sense of pride and identification with the nation that they had not previously enjoyed. Perón's activities were, in the main, legal. The 1947 Constitution, ratified by a freely elected constituent assembly, gave extensive powers to the President. His acts also were approved by the freely elected Peronist Congress. Nevertheless, Perón's tactics placed him in disfavor with increasing segments of the population. In 1947 he had the Supreme Court justices impeached and replaced with his own men. The lower courts were purged, and the offices were filled by Peronists. Newspapers and radio stations were purchased or taken over by the state. The armed services were brought into line under the government, dissident officers imprisoned or ousted and Peronists promoted. Labor leaders who failed to cooperate with the government were voted out of office or removed by other means.

Perón's economic nationalism proved successful during his first administration, but during the 1950's the imbalances it created led to economic bankruptcy. Agriculture declined because of the low prices offered by the IAPI; nothing was accomplished for rural labor; commerce and small industry were hurt; and capital became scarce. The economic decline caused Perón to sign contracts with United States firms, something he had publicly opposed for 10 years. Corruption in government was flagrant; laws legalizing prostitution and divorce resulted in his excommunication by the Church; many workers, although loyal, had become resentful; and non-Peronist officers in the armed services were outraged at the way they had been humiliated and arbitrarily dealt with.

In 1955 the armed services ousted Perón, but Peronism remained—an outcast movement, however. Under Perón the workers had been integrated into the political system, but when he was overthrown they not only lost their privileged position in government, but were also identified with a man who had earned the hatred of the most powerful sectors of the society.

The principal political issue of post-Perón Argentina became the reintegration of labor into the political system. General Eduardo Lonardi; who assumed office after Perón's removal, was ousted after 8 weeks because of his conciliatory attitude toward the Peronists. The military dictatorship which followed enacted the first minimum wage law in the history of the country and returned the government to civilian rule, but it continued to repress the Peronists. The armed services permitted two elected governments to hold office during the next 8 years but intervened against both. By their standards the two civilian governments (1958–62 and 1963–66) were judged undesirable—principally because their attitudes against Peronism and communism were not sufficiently pronounced (see ch. 3, Historical Setting).

In mid-1968 political power, in the form of interest groups, remained fragmented and subordinate to military authority. The middle class, through its political parties, had failed to govern successfully. The laborers, or Peronists, were mistrusted. The traditional elite, descendants of the oligarchy, retained great economic power but not enough to exercise its former influence on authoritative decisionmaking.

The dominant power of the military and its willingness to intervene in politics made it the arbiter in government. This exercise of power, however, prevented the possibility of political groups' effecting the compromises and adjustments necessary to achieve a working relationship which would allow their constructive participation in the political process.

FACTORS OF POWER

The Traditional Elite

Land policies adopted throughout the 19th century favored the growth of a small group of landholders with vast holdings who, because wealth in Argentina during this period was derived from agriculture, controlled not only the economics but also the politics of the country. Until the end of the century no group challenged their wealth, power or status.

In 1886 they founded the Rural Society, the most influential class organization in the nation. Its institutional status was outranked only by the Roman Catholic Church. Its members belonged to the oldest and richest families and were the most powerful social and economic personages in the nation. They lived in the city of Buenos Aires; most belonged to the Jockey Club and many to the more exclusive Círculo de Armas within that club. The Rural Society was not a political group, but its members, because of their status, exercised widespread influence as individuals.

In 1892, when one group within the oligarchy opposed the nomination of an individual for president, it nominated his father. As a gentleman of the oligarchy the son withdrew his candidacy in favor of his father. Politics did not concern most citizens, but for all practical purposes it was the fiefdom of a limited number of powerful families that were in basic agreement on their government's form and objectives. Until 1916 the oligarchy determined who would be president by agreeing on a candidate and then having him elected.

The election of the middle-class Radical Party candidate for president cost the oligarchy the prime political office, but its hold on economic power and social status remained. Radical Party politicians held office, but they did little to alter the manner in which the landowners conducted what was basically an agricultural economy. Perón has been the only president whose policies clearly opposed the interests of the landowners. Since Perón the elite has maintained its wealth and social status, but its influence in politics has greatly declined.

Notions of society held by the elite are similar to those held by the Church hierarchy, and the two are the principal groups attempting to preserve Spanish Catholic traditions (see ch. 11, Religion).

In the 20th century the landowning families have become increasingly involved in industry and commerce. They have formed organizations that espouse the preservation of economic and social freedom, which they define as capitalism. Their organizations invite speakers, distribute propaganda, withhold advertising from media they dislike, infiltrate labor unions and workers' groups, bring pressure on the government and organize students. Some of these organizations are The Center for Studies of Liberty (Centro de Estudios Sobre la Libertad), Alliance for Liberty and Progress (Aliansa para la Libertad y Progreso) and Coordinated Action of Free Enterprise Institutions (Acción Coordinadora de las Instituciones Empresarias Libres).

Political Parties

The Radical Civic Union (Unión Cívica Radical—UCR) was founded in 1890 as the Civic Union. It soon added the word "Radical" to its name, and the UCR (sometimes called the Radical Party), or its factions, has been the dominant political party since.

The UCR was the first party to challenge the oligarchy. It was a middle-class, urban party which had some union support. It advocated government control of oil and mining, government ownership of the railroads and tariff protection. It was resentful of the European control of Argentine commerce and the European orientation of the oligarchy. One of its favorite slogans has been "God is indigenous and Radical" (Dios es criollo y Radical).

For much of its existence the UCR has been an opposition party. From 1892 through 1910 it instructed its followers to abstain from voting, charging that the elections were fraudulent and stating that it would not participate under such conditions. During the Perón era UCR members provided the only opposition, speaking freely in Congress, opposing the Constitution of 1947 and walking out when they felt fraudulent practices were adopted.

The Radicals have often split into factions. In 1922, reacting against

the strong personalist rule of President Hipólito Irigoyen, an antipersonalist faction was created. This faction elected Marcelo de Alvear in 1922, but Irigoyen returned to office in 1928. The Irigoyen radicals were in favor of neutrality during World War I, were opposed to the League of Nations and were economic nationalists. The Antipersonalists were pro-Allies and favored a conservative economic policy. After the 1930 coup against Irigoyen the Antipersonalists rejoined the UCR (see ch. 3, Historical Setting).

In 1945 the leftists in the UCR formed the Intransigent Renovation Movement (Movimiento de Intransigencia y Renovación—MIR). They advocated nationalization of industries and ownership of land for those who worked it. From 1948 until 1957 the MIR faction controlled the UCR.

In 1957 the UCR nominated Arturo Frondizi as its presidential candidate. Those who opposed Frondizi united against him to form the People's Radical Civic Union (Unión Cívica Radical del Pueblo—UCRP). Frondizi's faction then adopted the name of Intransigent Radical Civic Union (Unión Cívica Radical Intransigente—UCRI). The split involved a battle for personal power; there was little difference in program between the two factions.

During the campaign Frondisi adopted a program of agrarian reform, nationalization, industrialization and an independent foreign policy. Supported by the Peronists, Communists and splinter parties, he was elected president. The UCRP, which advanced no real program, fared poorly during the elections.

In 1962 elections for provincial governorships and half the National Congress were held, in which the UCRI permitted the Peronists to run. The magnitude of Peronist victories led the military to intervene.

Elections were permitted in 1963. The UCRI again gained the support of the Peronists, this time through a coalition with the Popular Union (Unión Popular) Party. The coalition, which included four minor parties, split before the elections, and the Peronists were instructed to cast blank ballots. The shifting strategy of the UCRI and the Peronists contributed to a UCRP victory.

The UCRP began its campaign early, stated it would make no deals, formed no alliances and presented an explicit program. It was a heterogeneous, middle-class party with a strong grassroots organization which identified with the traditional UCRP program of economic nationalism, state intervention and an independent foreign policy. In addition, it advocated annulment of foreign petroleum contracts, credit expansion without inflation, examination of agreements with the International Monetary Fund, political amnesty and subordination of military to political authority. It received 25 percent of the vote, a plurality which gained the presidency for the UCRP.

The 1965 elections for half of the Chamber of Deputies weakened the UCRP. Its candidates gained 2.6 million votes, but the Peronist Popular

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Union Party gained 2.8 million votes, an important factor in the decision by the military to intervene and name Juan Carlos Onganía president the following year. During the campaign the UCRI split again. Frondizi formed the Movement of Integration and Development (Movimiento de Integración y Desarrollo—MID), which gained 588,000 votes, while the anti-Frondizi UCRI won 412,000.

In 1966 the Onganía government banned all political parties. The UCRP made no statement until the end of 1966 when its national directory declared its opposition to President Onganía, and a former deputy stated that the country was militarily occupied. The deputy was immediately jailed.

The following year the Supreme Court, in a formal decision, accepted the validity of the party ban. Its decision was based on the conformity of the act with the goals of the Revolutionary Government. The government's attorney stated that the prohibition was not permanent and that political parties would be allowed to operate in the future.

In 1968 the UCRP published a manifesto stating that institutional methods of fighting the 1966 military coup were blocked. In mid-1968 radicalism was still alive, even though its party structure had been outlawed. Frondizi was criticizing the government from abroad, and the UCRP leaders maintained contact among themselves. There was little harassment of Radical leaders, but their activities were limited.

Other Parties

Neo-Peronist parties have provided the Radicals with their greatest opposition at the polls since 1955. In the 1962 elections they gained 34 percent of the vote; in 1963, 21 percent of the electorate cast blank ballots on instructions from Perón; and in 1965, 37 percent of the people voted Peronist or neo-Peronist. The Peronists are guided by the directives of their leader, who is in exile in Madrid. They still hope for his return and vote for the party he designates or, more often, cast blank ballots in protest. Their vote hovers between 20 and 30 percent and causes concern. The neo-Peronists are principally labor union officials who advocate Peronism without Perón. They tend to follow his directives but are more independent than the Peronists.

At the end of the 19th century the traditional elite formed the National Democratic Party (Partido Demócrata Nacional—PDN). Allied with the military they won the 1932 and 1937 elections. In the 1963 elections the former adherents of the PDN tended to vote for either the Progressive Democratic Party (Partido Demócrata Progresista—PDP) or the Union of the Argentine People (Unión del Pueblo Argentino—UDELPA).

Support for the PDP came from the more cultured and idealistic elite of the interior represented principally by the cattlemen of Córdoba and Sante Fe Provinces, and the residents of Rosario, who competed economically with the city and province of Buenos Aires. UDELPA was formed by the admirers of General Pedro Aramburu, whose military

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identification and association with tradition and order as president from 1955 to 1958 gained him the support of the wealthier urban residents of Buenos Aires. In 1963 the two parties formed a coalition and gained 14 percent of the votes. After the 1965 election to the Chamber of Deputies the PDP had nine legislators and UDELPA had five.

The Socialist Party, founded in 1896, gained less than 3 percent of the vote in the 1963 election. The party was modeled on the European Socialist movement. During the 1930's and 1940's its support came from *portetios* who favored the status quo, and it failed to solicit the support of the immigrants from the interior. The Socialist leaders identified with the elite and looked down upon the lower socioeconomic groups. Their political influence has been lacking.

The Christian Democratic Party was founded in 1955. Most of its strength comes from the more recently created provinces in the interior. Its program is to the left of the Radical and Conservative parties. It advocates annulment of foreign petroleum contracts, agrarian reform and nationalization of the public services and large industry. It gained almost 5 percent of the vote in the 1963 election.

The Communist Party

The Argentine Communist Party was founded in 1918 as a division of the Socialist Party. In 1919 it had 33 branches, claimed a membership of 1,400 and published a newspaper, *The International*. In 1920 it won 3,114 votes in a provincial election. After the 1930 coup the party was declared illegal and its members jailed (see ch. 25, Public Order and Safety).

The Party was made legal in 1945, shortly before Perón established diplomatic relations with the Soviet Union. Perón sought the Party's support, which it at first denied. Recognizing his strength, it began to cooperate covertly with him and infiltrate his labor unions. Officially, it continued its opposition.

Military influence in government since 1955 meant further suppression of Communist activity. In 1958 its activities were banned, and in 1963 it was declared illegal. Along with other political parties the Communist Party lost its legal standing in 1966. It was further fettered by a decreelaw fixing penalties for subversion and excluding Communists from public office. The state intelligence secretariat was given the task of determining individual or legal bodies considered Communist. Such determination could result in expulsion from occupations of public interest, such as teaching and writing. A ban on agitation in the universities weakened the effectiveness of the Party's youth wing, which previously had lost some of its members to the group following the Cuba-Communist China line.

In 1968 the membership of the Party was estimated at 100,000, of which approximately one-third were so-called party workers. It has followed the orthodox Communist line of the Soviet Union since its inception. Through the Union Unification and Coordination Movement (Movimiento de Unificación y Coordinación Sindicalista—MUCS), a Communist-oriented union, it appealed to workers to break with government-influenced unions. *Nuestra Palabra* (Our Word), the official party organ, took an anti-Perón line in 1967 and rejected the activities of Castro-Communist revolutionaries, such as Regis Debray and Che Guevara.

The Military

Military involvement in politics has been an intrinsic aspect of government since 1930. Its roots lie in the paternalism of Spanish colonial society, which extended to the newly independent government. Leaders from Buenos Aires and the other provinces developed their own armies on a paternalistic scale. By mid-19th century the country was united, and by the end of the century a professional army had been developed. The armed forces are a representative group of the society. A compulsory service law was passed in 1895, and the army has become increasingly middle class as the nation has developed a middle-class society. A large number of recruits are from immigrant families, reflecting the huge immigrant population. This large foreign-born sector came principally from countries with nondemocratic political traditions.

Most military coups have been initiated by career officers of the three services who were members of relatively secret societies. The first military organization was the Lodge Lautaro, an organization founded in 1812 to support the republican form of government.

The first involvement in politics by a military society was induced by the UCR, which felt it needed army support to govern. It helped initiate the military society to instill officers with the ideas of radicalism. The result was a more political military which participated in minor revolts in 1890, 1893 and 1905.

The San Martín Lodge was founded in 1921 to counteract militarism, but its members were major participants in the 1930 coup. The United Officers' Group (Grupo de Oficiales Unidos—GOU), founded in 1942, executed the coup which led to Perón's takeover of the nation. The May Sun Lodge, founded in the early 1950's, was made up principally of retired army and naval officers who were anti-Peronist. They plotted to overthrow Perón in 1952 and were subsequently disbanded. The Green Dragon Lodge, the successor to the May Sun Lodge, supported President Frondizi against the numerous attempts by the military to overthrow him.

The first successful military intervention occurred in 1930. It was prompted by the adverse effects of the worldwide depression on the country's economy and dissatisfaction with President Irigoyen. In addition, General José F. Uriburu, who led the coup, was impressed with the Italian system of the corporate state. Unable to convince the traditional elite and some sectors of the military of the desirability of the corporate state, an agreement was reached to hold elections in 1932. General Augustín P. Justo, former minister of war, a member of a powerful family, easily won the election. He represented the alhance between the elite and the army known as the Concordancia.

In 1943 the GOU executed its coup. It was a middle-class army movement inspired by Italian and German systems and determined to regenerate Argentine values and lead the nation toward greatness. The GOU leader, Perón, became de facto president in 1946 and instituted a vigorously nationalistic program. He remained in power until the army, this time with strong navy support, overthrew him. Since 1955 the country has had as presidents two civilians and four military officers.

Labor and Peronism

The Socialists, anarchists and Communists who initiated the labor movement at the beginning of the 20th century derived their ideology from Europe and their membership from recently arrived immigrants. Early efforts at gaining favorable legislation were rebuffed, and labor leaders were deported. The Socialist Party and later the Radicals supported labor, but labor legislation was practically nonexistent.

The labor movement consisted principally of white-collar and skilled labor. Its orientation was liberal and democratic, and it placed its trust in the Radical government between 1916 and 1930. In 1930, after the military coup, labor leaders founded the General Confederation of Labor (Confederación General de Trabajadores—CGT). During the 1930's the Socialists held positions of leadership in the CGT and used their position to defend labor and condemn fascism.

In the 1930's the Communists had some success organizing construction and lower-class workers. They collaborated with the Socialist-led CGT in its anti-fascist campaign, for the first time identifying the working class with Argentine society. Previously, organized labor had been considered an outcast group made up of radical foreigners.

By 1943 there were approximately 547,000 organized laborers, 331,000 of whom were members of CGT unions. In March the CGT split into the CGT-1 and CGT-2. The CGT-1 adherents belonged to the Railway Workers Union, Transportation Union, the Brotherhood—a Communistled railroad union—and the Beer Plant Workers Syndicate. Their first loyalty was to labor. CGT-2, whose first loyalty was to the Socialist and Communist parties, was supported by the commercial, municipal and state workers. The two factions were of approximately equal strength. Four months after the split, CGT-1 was disbanded as an extremist organization. Its affiliates joined CGT-2, but soon the Railway Workers Union and the Brotherhood were forced to withdraw.

During this period Perón became involved with labor leaders, hoping to gain support from the huge influx of rural migrants into Buenos Aires. The migrants distrusted the oligarchy, the middle class *porteños* and the foreign capitalists. Poor and rootless, they lacked protection and association with larger groups when they arrived in the city. They were looked down on by the *porteños* socially, and as an economic group their needs were not sufficiently met by the Socialist-led CGT.

This indigenous labor group came first under the influence of Perón and subsequently was controlled by him. Perón undermined Socialist and Communist influence on this group and exploited its *criollo* (native-born persons of Spanish descent) nationalism. He had himself appointed secretary of labor and social security and enforced laws for paid vacations, protection against arbitrary dismissal and a pension system. He won increased salaries for labor, appointed labor leaders to government office and helped in labor's organizational efforts. In 2 years labor gained more under Perón that it had from a half-century of association with the Radical and Socialist parties.

Perón's influence in the CGT alienated the Socialist and Communist leaders. They identified him with government intervention in labor disputes and limitations on the right to strike. They felt the CGT was too closely allied with the government and that labor should represent the worker, not the government. Moreover, they opposed Perón as a fascist who used unscrupulous methods to make his adherents CGT officials.

The CGT split again, the Socialist and Communist unions breaking off into open opposition against Perón. This faction participated in the September 1945 March of Constitution and Liberty, a demonstration of 250,000 people against the influence of Perón. The next month, however, when it seemed that growing resentment against Perón from many sectors of society would lead to his ouster, the CGT filled the principal plaza of Buenos Aires with his supporters. This demonstration gave the *criollo* CGT members a new sense of power, a strengthened sense of identification with Perón and an implacable hostility toward his enemies.

A few days after the labor demonstration the Labor Party was founded as an independent political counterpart of the CGT. Its leaders supported Perón and nominated him as their presidential candidate, but they wanted an independent party which would be free to negotiate for their unions.

Perón, as president, destroyed their hopes. Many labor leaders who led strikes for workers' benefits and independent unionism considered themselves loyal to Perón, his social revolution and the nation, but he did not conceive of them as a loyal opposition. He eliminated the democratic independent labor leaders by having them killed or exiled, and discredited their followers by associating them with foreign agitators.

The mass of organized labor continued to support Perón, however. Union membership, recruited mostly from the recently arrived *criollo* nationalist migrants who looked upon Perón as the *patrón* (see Glossary), increased to over 3 million. Loyal labor leaders were made members of the Cabinet. Eva Duarte Perón, his wife, seemed to have a magic effect on the workers and the poor (see ch. 12, Social Values).

Perón was overthrown by the military in 1955, but in mid-1968 Peronism remained an important ideological force in the nation. He had given the laborers a dignity they had not known, placing labor leaders in high public office and making them feel that they were respected members of society. Also, labor's real income had increased during the Perón era from 30 percent to 53 percent of the gross national product. These factors, plus the attitude of subsequent military administrations, intensified labor's efforts to maintain the position it had won as a respected and powerful sector of society.

In mid-1968 the Peronists incorporated three factions: syndicalists, or diehard Peronists, who suffered most after 1955; some lawyers and intellectuals from Buenos Aires and other cities; and the neo-Peronists who tended to be provincial, moderate nationalists. They favored nationalization of the banks, freezing of rents and price, land reform, urban renewal and universal political amnesty. The Peronists were not as class conscious as they had been, and they continually disputed among themselves over the degree of opposition or collaboration they should employ vis-à-vis the government.

THE ONGANÍA GOVERNMENT

The Onganía government, which assumed office after the 1966 coup, set for itself the goals of economic development and internal security. Its formula for economic growth was control of inflation, encouragement of savings and stimulation of investment in the productive sectors; and its formula for internal security was a ban on Communist activity, a reorganization of security and the purchase of new military equipment.

Implementation of policy was carried out by a new team of administrators. The requirements for appointment to ministerial positions seemed to be noninvolvement in politics or government in recent years, technical expertness and an anti-Communist attitude. Retired military officers fill most of the provincial governor's offices. A reorganization of planning and management took place, designed to centralize policymaking and decentralize policy implementation (see ch. 13, The Governmental System).

President Onganía called 180 senior administrators to a meeting in March 1968, 20 months after the coup, at which he stated that the pace of administrative achievement was inadequate and ineffective and lacked the spirit necessary to complete the revolution. He urged faster implementation of the development plan and emphasized the need for more participation by community and private sectors.

UCRP leaders accepted their ouster quietly, and although they met informally no political rallies or public meetings were attempted. Former president Frondizi criticized the government, particularly for its economic policies, but he did not openly oppose its existence. Retired army general Candido Lopez made a number of antigovernment statements and called for elections in early 1968. He subsequently was arrested.

Opposition came from a few priests, unemployed sugar workers in the province of Tucumán and Peronist sectors of labor. In January 1968, when sugar workers were discharged in Tucumán, they marched in protest, accompanied by parish priests. The governor and the chief of police protested to the vicar general of the diocese, but he rejected their protest, stating that the Church's presence was a "sacred right and not interference." The majority of priests accept the government of President Onganía, who is a devout Catholic, but signs of resentment by priests against the conditions of the workers continue to appear.

Labor represented the principal opposition to the government. In March 1967 the CGT called a 24-hour general strike for better salaries and work codes. The strike was partially successful, but the government ordered demotions and the suspension of 16,000 railroad workers. Another strike was called later in the month, but the union's strength vis-à-vis the government was broken by a suspension of their rights. The entire CGT executive committee resigned in protest after the rights suspension. The government set up a 20-man caretaker committee to administer the CGT. Only 176,000 man-days were lost in 1967 as compared to 1.5 million in 1966.

In March 1968 the CGT was permitted new elections. A minority group of hard-line Peronists were able to elect their candidate as secretary general. They were opposed by the soft-line Peronists who try to cooperate with the government. They sought to have the CGT Congress declared illegal, but the secretary of labor stated that he would not intervene. The Peronist faction of the CGT advocated an all-out struggle against all administration policies, but through mid-1968 this had not been implemented,

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CHAPTER 15

FOREIGN RELATIONS

The aspirations of the men who made foreign policy during the latter part of the 19th century and the early 20th were primarily nationalistic and isolationist and were directed toward the building of an independent and powerful nation. This isolationist-nationalist orientation was manifest in an emphasis on national issues, and in the pronounced independence the country displayed in its external affairs. A system of bilateral agreements rather than multilateral cooperation was the preferred method of dealing with other states, economic independence was increasingly stressed and neutralism was the official policy during World War I. Early attempts by the United States to exert influence in Latin America were strongly resisted.

These attitudes were feasible for a nation geographically remote from major international conflicts and primarily concerned with its own internal development. They persisted relatively unchanged, however, as the nation experienced the shock of world depression in the 1930's, the subsequent military intervention in its internal political affairs, and the problems engendered by World War II in which the country was again neutral until the very end of the conflict. Under Juan Domingo Perón, who ruled from 1946 to 1955, the drive for economic independence, anti-Americanism and the distrust of international organizations continued although isolationism gave way to an intense desire to dominate Latin America and to make Argentine power felt in world politics.

In recent years Argentina has pursued a foreign policy which has attempted to combine its traditionally nationalistic policy with an attitude of greater cooperation with other nations and with international organizations. President Onganía, who came to the office in 1966, expressed the view that greater integration with the international community was essential for both development and security. He warned, however, that "... Argentine development is an Argentine problem for the Argentines..." and stated that international commitments, however well intentioned toward integration, could not be allowed to interfere with this principle.

THE EVOLUTION OF POLICY

In the 19th century Argentina faced the problem of creating an identifiable, united and secure nation. First, Brazilian influence in the Río de la Plata estuary was limited by the creation of Uruguay as a buffer state. Unity of the nation was emphasized during the regime of Juan Manuel de Rosas who dominated Argentine politics from 1829 to 1852 and relied on force to weld the nation together and eliminate threats of territorial loss. When the Argentine Republic became united in 1862, the basic identity of the nation was established, although minor territorial adjustments were made thereafter.

After 1862 the principal concerns of the leadership were economic growth which was tied to European immigration, trade and capital, and the peaceful evolution of democratic political institutions. Progress in these areas gave the country reason for pride and optimism for many years. During the second half of the 19th century England invested in and traded with Argentina to such an extent that the Argentine economy became tied to that of Great Britain. British capital built the railroads and communications systems, its purebred livestock contributed to the growth of one of the world's great agricultural industries and its exports filled the shops of Buenos Aires. Nevertheless, trade was extensive with France, Germany and other European countries although with the United States it was practically nonexistent.

In 1933 Argentina abandoned its policy of free trade and signed a bilateral trading pact—the Roca-Runciman Agreement—with Britain. The agreement, by establishing normal quotas for exports, was designed to regulate foreign commerce and set up an automatic exchange system to pay for the imports of each country. This attempt to make Argentine agriculture and British industry complementary had important political overtones. The decision favoring government intervention in trade had its source in the world depression and the subsequent freezing of credits, import quotas and unemployment. There was, however, a strong public reaction against the treaty as a form of imperialism and an infringement on Argentine sovereignty.

Foreign policy was altered by the election in 1946 of Juan Perón, who dreamed of making Argentina a great nation and a first-ranked world power. His policy, proclaimed as the "Third Position," purportedly proposed an alternative between capitalism and communism and incorporated strong feelings of anti-Americanism. Internationalism, in his view, involved not cooperation with, but domination of, neighboring states.

Perón saw the future as an era not of states but of continents, and followed a policy designed to make South America predominant among world powers and Argentina the leader of South America. Foreign economic influence was to be eliminated, neighboring countries brought into Argentina's orbit and pressure applied to Brazil which Perón believed his country could control.

For 8 years Peronist thought became Argentine practice. Foreignowned utilities and railroads were purchased. An international news agency, Agencia Latina (Latin Agency), was established and the Latin American Trade Union and Workers Association (Agrupación de Trabajadores Latino-Americanos Sindicalizados—ATLAS), a regional labor confederation led by Argentines, gained the support of labor unions in Bolivia, Columbia, Mexico, Nicaragua, Panama and Paraguay. The armed forces were strengthened, and an attempt was made to build atomic weapons. In 1953 the Acts of Santiago, a bilateral trade agreement, was signed with Chile. Within the next year Bolivia, Ecuador, Nicaragua and Paraguay became signatories to similar agreements. Participation in international economic organizations was rejected on the grounds that it constituted a form of imperialism.

Perón's regime and his policies came to an abrupt end in 1955 when an armed revolt forced him to resign unconditionally and leave the country. Since that time foreign policy has maintained its nationalist orientation but has tended increasingly to incorporate an element of international cooperation. Participation in the activities of international agencies has grown, and the country has begun to play a far more active role in inter-American affairs. Perhaps most symbolic of the new hemispheric and global outlook was the decision in 1967 to create a policy-planning staff responsible for long-range planning within the Ministry of Foreign Affairs.

Efforts have been made to divorce economic from political matters in foreign affairs. For example, although communism is outlawed domestically, trade with the Communist bloc has not been affected. In 1968 an altercation with Great Britain over a ban on Argentine beef elicited a statement from the Minister of Foreign Affairs that Argentina had no intention of allowing economic differences to interfere with traditional friendship. For example, the dispute with Britain over ownership of the Falkland Islands (Islas Malvinas), which has been going on since 1833, has not been allowed to hinder trade relations.

In the 1960's anti-communism became a major policy principle. Diplomatic relations with Cuba were broken off, the anti-Communist resolutions of the Organization of American States (OAS) were endorsed and, in 1967, Argentina cooperated in the creation of an inter-American police force. One of the stated goals of the Onganía government was internal security, and the emphasis on this stems directly from strong anti-Communist attitudes.

POLICY IMPLEMENTATION

The Constitution gives the President the power to appoint the minister of foreign affairs, senior officials in the Ministry, and consular agents. The President appoints and removes ministers plenipotentiary and chargés d'affaires with the consent of the Senate. He concludes and signs treaties of peace, alliance and neutrality. He is commander in chief of the armed forces and declares war with the authorization and approval of Congress. Traditionally, the Ministry of Foreign Affairs has been held in high esteem. Ministers and ambassadors have been leading figures in the nation's history and have often combined political activity with scholarly roles. Argentines have played important roles in international organizations, both as representatives of their own nation and as international civil servants. The Argentine representative played an effective role in the United Nations Security Council debates during the 1948 Berlin blockade, in the activities of the Economic Commission for Latin America and in the conferences of the United Nations Committee for Trade and Development.

INTER-AMERICAN RELATIONS

Argentina's European orientation caused it to minimize its relations with other Latin American countries during the 19th century except insofar as they concerned boundary disputes. In Brazil, the largest of the neighboring states, Argentines saw the greatest potential challenger to their aspirations for leadership on the South American continent.

These attitudes led them to ignore or to oppose the Pan-American treaties proposed by Latin American nations. In 1823 it signed a treaty of friendship and defense with Colombia, but it refused to extend the treaty to other South American countries. In 1826 and in 1847 Latin American congresses were held, but Argentina did not send delegates and, in 1856, it did not sign the Continental Treaty whereby the signatories agreed to respect each other's sovereignty.

The 1888 South American Congress of International Private Law, initiated by Argentina and Uruguay, was one of the first steps the country took toward inter-American cooperation. This conference produced treaties on international law and copyrights. The following year Argentina sent delegates to the first Pan-American conference, held in Washington, which lasted 6 months. Throughout this time the Argentine delegation was continually at odds with the United States delegation over procedures and detail.

The second Pan-American conference, held in 1901, had more limited goals but accomplished more. The Columbus Memorial Library was created; conferees agreed to meet every 5 years; and a draft protocol for the adherence to The Hague Convention for the pacific settlement of international disputes was signed.

At a third conference, held in 1906, no important issues were discussed, but an Argentine position of wanting a weak Pan-America based on voluntary cooperation began to evolve. In 1910 a fourth conference was held in Buenos Aires at which a number of delegates, including the Argentines, succeeded in having only noncontroversial subjects discussed.

The fifth, sixth and seventh conferences reflected the general feeling of the Latin American countries that United States dominance should be lessened. In 1928 at the sixth conference the Argentine delegates

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argued against United States intervention in Latin-American affairs, and, at the seventh, the Argentine foreign minister had an antiwar treaty adopted which included provisions prohibiting intervention.

In 1936 at the Inter-American Conference for the Maintenance of Peace held in Buenos Aires, a contest developed between the foreign ministers of the United States and Argentina. The United States wanted a convention ratified for the maintenance of peace, solidarity and nonintervention among the American states. Argentina objected to this continental approach and urged that the convention be open to all nations and that any act of aggression—even that of one American state against another—be subject to the treaty. The convention eventually adopted the provision for inter-American solidarity as well as the provision that any act of aggression be subject to the treaty.

In 1938 the eighth inter-American conference considered the relations of the Americas to Europe and the possibility of penetration of Latin America by European fascist governments. The conference produced the Declaration of the Principles of the Solidarity of America which the Argentine delegation accepted. Argentina specifically stated, however, that it refused to renounce its strong intellectual and cultural ties with Europe.

Further problems were created by World War II. In 1939 the first of three meetings of Consultation of the Ministers of Foreign Affairs took place at which a general declaration of neutrality was adopted. At the second meeting in 1940, the Declaration of Reciprocal Assistance and Cooperation for the Defense of the American Nations was signed. At both meetings Argentina was in accord with the policies of neutrality adopted and, at the second, even agreed to an inter-American suppression of Axis activities. During a third meeting in 1942, the United States wanted the other nations of the Americas to break off relations with the Axis. Argentina refused (as did Chile) and was successful in having a number of other anti-Axis proposals weakened.

From 1942 until 1945 Argentina was at odds with the inter-American system. The United States put pressure on Argentina to sever relations with Germany. In 1944 it withdrew recognition of Argentina, declared that it was in the hands of a fascist government and threatened to reveal evidence of extensive Axis activity in the country.

In 1945 all the American nations, with the exception of Argentina, met to discuss problems of war and peace. The final resolution dealt with the threats or acts of aggression and measures to meet them. Argentina was not directly represented at the conference, but in earlier secret negotiations Perón had agreed to accept the final resolution, declare war on the Axis and renew relations with the other American republics. This agreement resulted in Argentina's reentering the inter-American system and its admittance to the United Nations conferences in San Francisco.

In 1947 the inter-American system was strengthened by the adoption of the Inter-American Treaty of Reciprocal Assistance (Rio Treaty). This was a treaty of collective self-defense, in conformity with Article 51 of the United Nations Charter, in which each of the signatories voluntarily resolved to come to the defense of any other signatory in case of aggression against it.

The following year the Charter of the OAS was signed at Bogota. The OAS treaty provided the permanent organizational framework within which political, economic and social questions relating to the Americas were to be resolved. Argentina did not formally ratify the treaty until 1956, the last South American nation to do so. At this conference Argentina was critical of inter-American policies, refusing to let supranational interests dominate national interests and opposing collective action.

At the tenth inter-American conference in 1954, a resolution rejecting communism and calling for application of the Rio Treaty to Communist governments was adopted. Argentina did not support the resolution, stating that it made international policy of what should be internal policy.

The country's reluctance to intervene in another country for the purpose of opposing communism was evident in 1959 when, at the fifth meeting of Consultation of Foreign Ministers, the Argentine president supported Fidel Castro in his position that poor economic conditions create problems in Latin America. The next year, at an OAS meeting, Argentina broke off relations with the Dominican Republic after it had been censured because of complicity in a plot to kill the president of Venezuela. Opposition to intervention was fading.

In 1962 at the eighth OAS meeting, the Communist government of Cuba was expelled from the organization by a 14 to 1 vote. Argentina and five other countries abstained on the final vote. The Argentine president defended his country's vote by saying that the OAS charter did not provide for expulsion. At the same meeting, however, Argentina voted with the majority in a 20 to 1 (Cuba), vote to exclude the Cuban Government from the Inter-American Defense Board.

In the 1960's Argentina has adopted a more positive attitude toward regarding inter-American cooperation. In 1961 it helped found the Latin American Free Trade Association (LAFTA), which provided for the creation of a common market, free conversion of currencies and harmonious export-import policies. At the 1967 LAFTA meeting agreement was reached on procedures for the peaceful settlement of disputes. An attempt was also made to attain greater uniformity in the laws of the different Latin American nations.

In 1966, with the accession to power of the Onganía military government, traditional reluctance to champion multilateral organizations was waived. At the third special inter-American conference, held in Buenos Aires in 1967, an amendment to the OAS charter was adopted, giving the organization more scope in promoting economic, social and cultural development, and accelerating economic integration. New articles ranging from human rights to reduced tariffs were included. When the amendment was signed, Argentina stated its agreement with the basic provisions of the treaty but expressed regret that it had not gone further in adopting stronger security measures. In 1968 Argentina, with other members of the OAS, signed the Treaty of Tlateleco, which prohibits the acquisition or use of nuclear weapons in Latin America.

RELATIONS WITH THE UNITED STATES

In the first half of the 19th century, the country's attempts to establish itself as an independent nation were threatened by the intervention of the British and French, both in its territory and in the territory of its neighbors. The United States remained officially neutral during these conflicts, but it did not restrict the activities of Argentines purchasing weapons in the United States or of Argentine ships using its ports. It recognized the country in 1823, the first non-South American nation to do so.

In 1831 Argentina took three United States ships into custody, charging that they had violated its authority in the Falkland Islands. The United States retaliated by sending warships to take punitive action against the Argentine settlement in the Falklands. Diplomatic relations were severed over these acts and were not restored until 1843.

In 1878 the President of the United States, Rutherford B. Hayes, arbitrated a dispute over land between Argentina and Paraguay to the satisfaction of both. In 1880 American ambassadors played an important role in negotiating an Argentinian-Chilean boundary treaty and, in 1899, the United States ambassador played a decisive part in arbitrating the boundary of the Atacama plateau between the same two countries.

In the late 19th century the United States became interested in promoting trade with Latin America, and the first Pan-American conference was organized because of this interest. Early attempts at inter-American organization were viewed with skepticism by Argentina. It did not trust United States motives, believed in traditional bilateral diplomacy and felt that attempts toward organization were directed against Europe, with which it had strong economic and cultural ties. After 1900, however, trade relations between the United States and Argentina became increasingly important.

In 1902 Argentina announced the Drago Doctrine which stated that foreign nations could not intervene in South America in order to collect debts. Foreign Minister Drago wrote the United States to this effect, implying that his doctrine was in accord with the Monroe Doctrine. In 1903 the state of Panama was created, and in 1904 Argentina granted it diplomatic recognition.

Argentina's neutrality during World War I created no conflict with the United States. In 1914 Argentina and the United States approved an arbitration treaty. Trade increased after the war, principally as a result of better communications, United States investment and Argentine borrowing. Obstacles to trade were the 1927 sanitary embargo against beef imports imposed by the United States and various subsequent tariff restrictions.

When Argentina tried to limit United States influence in the southern continent by presenting an antiwar pact at the seventh inter-American conference which would prohibit intervention, President Franklin D. Roosevelt, initiating his "Good Neighbor" policy toward Latin America, accepted the proposals of the pact. In turn, Argentina accepted certain United States economic proposals. Relations between Argentina and the United States were so good after this conference that Brazil showed concern.

Relations deteriorated sharply, however, after the United States entered World War II. The Argentines failed to restrict Nazi propaganda and subversion and opposed and weakened anti-fascist resolutions taken during inter-American meetings. The United States retaliated by denying military aid, applying restrictive economic sanctions, intervening diplomatically by threatening to expose Argentine collaboration with the Axis and finally breaking relations. Argentina severed its relations with the Axis shortly before the close of the war.

After Argentina's reintegration into the inter-American organizations, the fascist tendencies of the Perón government caused strained relations with the United States, particularly when the ambassador, Spruille Braden, gave pointedly prodemocratic speeches. Two weeks before the 1946 election the State Department issued a book which was highly critical of Perón. Perón made this his principal campaign issue, and for the next 8 years of his administration, anti-Americanism was a significant aspect of his political program. Unofficially, relations were much better, since the United States sent a series of businessmen-diplomats to Argentina who were successful in winning friendship and restoring amicable, if not overly cooperative, relations.

In 1946–47 the country refrained from joining international economic organizations championed by the United States, arguing that they involved a loss of sovereignty since political and economic sovereignty go together. United States funds were frozen because of an adverse exportimport balance, and Great Britain was sought as an ally against the United States in economic matters. The two signed the Mirando-Eady Agreement for Argentine investment in British-owned railroads and export of a minimum quota of beef to Commonwealth countries equal to any deficit in pounds sterling. The export system violated an Anglo-American agreement.

Relations improved with the 1953 visit of Milton Eisenhower, brother of the United States President, who promised to assist Perón in meeting pressing economic problems. Thereafter, Perón spoke more favorably of the United States, borrowed from it and negotiated contracts with American firms. After Perón, the country continued to look to the United States for credit. Successor governments have both signed and rescinded contracts with United States oil firms, but relations have been basically amicable. The United States withheld recognition from the government created by a coup in 1966, but it granted recognition within 15 days noting that 40 other countries had already done so.

By mid-1968 the United States and Argentina seemed to be in accord on basic political issues facing the Western Hemisphere. A 1964 bilateral military pact calling for coordination in planning and military assistance was in force, and both supported an inter-American defense force, a strengthened OAS and Latin American economic integration. A rejection of communism and an endorsement of measures necessary to implement this attitude are accepted by both nations. Differences over issues, such as import restrictions and guaranteed investments, remain, but they have not altered a basically friendly relationship.

RELATIONS WITH BRAZIL

Argentina and Brazil, the two largest countries on the South American continent, have inevitably been competitors for leadership but have sought—generally successfully—to maintain harmony. They engaged in one war, which lasted from 1826 to 1828 and resulted in the creation of Uruguay to serve as a buffer state between them. The status of Uruguay was maintained although the two nations continued to fight over it until 1852.

From 1883 until 1924 there was general agreement among Argentina, Brazil and Chile that the three would maintain equal strength in southern South America. In 1915 the three signed the Argentina-Brazil-Chile Treaty which called for peaceful settlement of disputes.

In the 20th century Brazil has cooperated closely with the United States, a matter which has concerned Argentina who fears that from it Brazil will gain a more powerful position on the southern continent. In the 1930's the United States leased warships to Brazil, which elicited a protest from Argentina. The United States then explained that it leased the ships only for training purposes. A United States proposal to sell wheat to Brazil brought another protest from Argentina, itself a large exporter of wheat, and the shipment was canceled.

In 1933 Brazil and Argentina signed the Pact of Conciliation and Non-Aggression. Furthermore, when Brazil declared war on the Axis in 1942, Argentina stated that, despite its own neutral status, it would not consider Brazil a belligerent and would accord it all facilities necessary for its defense. Argentine military officers, however, were concerned about United States arms shipments to Brazil and expressed an interest in receiving the same.

Since the election of President Frondizi in 1958, relations between the two countries have been particularly close. In 1959 they signed cultural exchange, economic and mutual defense agreements. The next year, with Uruguay, they signed an agreement on the use of the waters of the Río Uruguay and reaffirmed each other's rights to free navigation.

In 1961 the presidents of the two nations met and decided to collaborate on common problems and to take a joint position on international issues, independent of the United States. The Treaty of Friendship and Conciliation which they signed also called for the defense of representative democracy and of the liberties known to the Western World, and the coordination of activities and exchange of relevant information regarding international affairs. This treaty was never ratified.

In late 1967 the foreign ministers of Brazil and Argentina met and issued a joint communiqué in which they stated that both favored peace, sought Latin American integration, supported a plan for the development of the Río de la Plata basin and believed in the nonproliferation of nuclear weapons, without prejudice to the peaceful uses of atomic energy. It was further stated that there were no political disputes between them.

RELATIONS WITH BOLIVIA

When Bolivia gained its independence in 1825, the Argentine Constituent Congress sent an invitation asking Bolivia to send delegates to the Congress and to join the United Provinces. Bolivia declined, but its subsequent relations with Argentina have been basically friendly. Minor border disputes have been solved by arbitration; belligerent attitudes have been short lived; and mutual problems have been resolved through cooperative action.

During the Chaco War (1932-35) between Bolivia and Paraguay, the United States and five Latin American countries formed a Commission of Neutrals which tried to impose a peace. Argentina, with Brazil, Chile and Peru, feeling that their own interests were more directly involved, tried to counter the work of the Commission of Neutrals by forming their own group. After much negotiating a cooperative effort by the Argentine foreign minister and the United States secretary of state succeeded in getting Bolivia and Paraguay to sign an agreement ending hostilities, arranging for an exchange of prisoners and reestablishing diplomatic relations.

In the 1940's and early 1950's, the Perón government gave assistance to the Revolutionary National Movement of Paz Estenssoro in Bolivia. In the mid-1960's cooperation continued as changes in government in both countries brought more conservative leaders to power. During the attempt by the revolutionary Che Guevara to overthrow the Bolivian Government in 1967, the Argentine Government assisted by shipping them weapons and medical supplies. Through mid-1968 political and economic relations between the two countries continued to be harmonious.

Bolivia is attracted more toward Argentina than toward any other Latin American republic. It has long been a consumer of Argentine wheat and, in turn, sells oil and natural gas to Argentina. In 1963 Argentina offered Bolivia a free shipping zone from Barranqueras on the Río Paraná, which was the terminal point of two railroads running from Bolivia. The seasonal migration of Bolivian workers to Mendoza and Córdoba, which has caused temporary immigration problems, is looked upon with equanimity by both governments. Well-to-do Bolivians who live near Argentina often send their children to Argentine schools.

RELATIONS WITH PARAGUAY, URUGUAY AND CHILE

Paraguay, formerly a part of the viceroyalty of La Plata, declared its independence from Spain in 1811 and, though regarded by Argentine leaders until 1852 as a part of their country, it successfully managed to maintain its independence. In 1865 Brazil, Uruguay and Argentina formed a triple alliance to resist the bellicose acts of the Paraguayan president. A war followed which lasted 5 years and left the manpower of Paraguay so depleted that the allied victors had to form a provisional government for Paraguay. In 1878 the President of the United States arbitrated a boundary dispute between Paraguay and Argentina to the satisfaction of both countries. In 1911 diplomatic relations between them were broken when Paraguay accused Argentina of assisting Paraguayan revolutionaries. Since the beginning of the 20th century relations between the two countries have been generally peaceful.

Since Uruguay was created as a buffer state between Argentina and Brazil in 1828, it has managed to maintain its independence despite Argentina's attempts to regain control. During the 1930's diplomatic relations were suspended for a short time because of the issue created when Argentine political exiles crossed the Río de la Plata into Uruguay. The most serious problems between the two countries arose during the era of Perón, who attempted to dominate Uruguay through political and economic measures. Uruguay defended its interests and its institutions and, since Perón's overthrow, has maintained harmonious relations with its larger neighbor.

Argentina's first diplomatic relations were established with Chile in 1810. The two cooperated in the wars of independence, signed the first naval parity agreement in the Western Hemisphere, were parties to the Argentina-Brazil-Chile Treaty in 1915, and pursued similar policies of neutrality during World War I and most of World War II. Despite general agreement on the broader foreign policy issues facing governments in the 20th century, there has been a nagging recurrence of border disputes and a feeling of animosity between the peoples of the two countries.

RELATIONS WITH GREAT BRITAIN

In 1833 England occupied the Falkland Islands which Argentina felt it owned because of the Islands' proximity to the Argentine coast and their former ownership by Spain. The issue has never been resolved, and in 1968 the British continued to hold them, and Argentina continued to contest this status. The dispute had never been allowed, however, to interfere with the normally amicable relations between the two nations which were based primarily on mutually profitable economic ties.

In 1845 both Great Britain and France intervened militarily when Argentine President Rosas attempted to bring Uruguay under his control and threatened the freedom of navigation on the Río de la Plata. With this help, anti-Rosas elements defeated Rosas and forced him to flee the country in 1851.

Despite Argentina's neutrality and England's involvement in World War II, relations between the two remained formally cordial. In 1942 the United States tried to persuade Great Britain to put pressure on Argentina to break with the Axis, but Great Britain refused because it did not want to jeopardize the imports of Argentine beef which it needed at the time.

Diplomatic relations between the two nations remained good through mid-1968. In 1967 an outbreak of hoof-and-mouth disease in England led to a ban on Argentine beef. The Argentines felt this was unjustified, but the issue was not allowed to jeopardize diplomatic relations.

RELATIONS WITH WESTERN EUROPE

Relations with France were close and harmonious in the 19th century. French trade was substantial; its cultural influence was important; and French military missions were employed to assist in the training of the armed forces. These activities and influences declined in the 20th century.

In 1963 the Argentine Atomic Energy Commission signed a 10-year agreement with France for cooperation in the peaceful uses of atomic energy and for exchanges of researchers and information. In 1965 President de Gaulle visited Argentina and delivered an address emphasizing national independence. In the same year a Cultural and Technical Cooperation Agreement was signed which provided for teacher exchange and the teaching of French in Argentine schools. In 1968 Argentina agreed to import 30 French tanks and to build 30 tanks of the same type with French technical assistance.

During the 20th century the German business community has been influential. After World War I, German military missions arrived and many Argentine military officers—some of whom later became government leaders—served tours of duty in Germany. Many Nazis were in Argentina during World War II, and others went there for safety after the war. Adolf Eichmann was abducted from the country, causing a break in diplomatic relations with Israel for 4 months in 1960.

West Germany was created in 1949, and the following year an Argentine-West German Chamber of Commerce was established in Buenos Aires. In 1951 Argentina established an embassy in Bonn and signed a trade agreement, valued at \$308 million, primarily concerned with the exchange of wool and hides for West German industrial equipment. In 1968 a West German firm was given a contract (valued at \$70 million) to build the first Latin-American nuclear power plant in Argentina.

There are strong ties between Argentina and Spain and Italy because of the large immigration to Argentina from both countries, the cultural heritage they share and the predominance of Catholics in the populations. In 1968, Argentina awarded an Italian firm a contract for a communication system linking Argentina with other parts of the world by a communications satellite system, and another firm received a contract for the sale of howitzers (see ch. 23, Foreign Economic Relations).

Contracts signed by the Onganía government with German, French and Italian firms are all bilateral. They reflected the Argentine desire not to become overly dependent on United States products and to balance the export-import situation by buying more from countries with which it has a favorable trade balance. They also serve as an inducement for obtaining capital from the European money market.

RELATIONS WITH COMMUNIST COUNTRIES

In 1946 diplomatic relations were established with the Soviet Union, and the Communist Party was permitted to operate legally for the first time. Diplomatic relations are also maintained with Poland, Czechoslovakia, Hungary, Bulgaria and Rumania, but not with Communist China, Cuba or East Germany. Trade with the Communist bloc has not been hurt by the strong anti-Communist attitude of the Onganía government. In 1966 the country sold a large amount of its wheat crop to Communist China and negotiated a similar contract in 1968.

In 1962 the Frondizi government abstained in the vote to have the Castro government expelled from the OAS. President Frondizi also received the Cuban Minister of Industry, Che Guevara, in a private conference. The Onganía government has taken a different attitude, supporting a hard line against Communist governments and their activities in the hemisphere. In 1965 Argentine military leaders wanted to send troops to the Dominican Republic during the hostilities there. In 1967 the country assisted Bolivia with weapons and medical supplies in its campaign against Che Guevara's guerrillas.

INTERNATIONAL ORGANIZATIONS

Traditionally, the country has preferred bilateral to multilateral relations. It has participated in most regional and international organizations, however, usually advocating juridical rather than political solutions for points of conflict.

Argentina was a member of the League of Nations and it participated in the 1945 San Francisco Conference which created the United Nations. At San Francisco the Latin Americans sought permanent representation on the Security Council, a broader role for the General Assembly, enlargement of the jurisdiction of the international court and the adoption of measures to strengthen a hemispheric regional defense system. The charter accepted did not include permanent representation on the Security Council but did contain acceptance of a regional defense system which would be free from United Nations interference. This was embodied in Article 51 of the Charter which states that collective self-defense arrangements may be employed against aggression pending action by the Security Council.

After Perón's overthrow in 1955 Argentina ratified the charter of the OAS, the Bretton Woods Agreement allowing it to join the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD) and the Acts of Paris, an agreement between the central banks of Europe and America. This was a significant change after 23 years of bilateralism, as exemplified in the Roca-Runciman Agreement.

In the 1960's Argentina identified itself with both the developing countries and the Latin American bloc in the United Nations and its specialized agencies.

CHAPTER 16

PUBLIC INFORMATION

The people of Argentina were in 1968 among the most well-read and best-informed in the Western Hemisphere. The journalistic excellence of its leading newspapers received worldwide recognition. Although millions of Argentines lived in urban areas where dailies, periodicals and telecasts were easily available and where they could pick up the latest gossip—informational or ideological—at their favorite cafés or clubs, the great majority of rural dwellers also followed developments through the press, radio broadcasts and television programs. In recent years the portable transistor set has played an important role in bringing Buenos Aires and the outside world to listeners in the most remote regions of the land. The significance of radio as a channel of public information cannot be overemphasized.

Buenos Aires is one of the leading publishing centers of the Western Hemisphere. Popular magazines compare in quality with important North American and Western European periodicals. Supported by a strong literary tradition, the publishing houses of Buenos Aires produce not only the works of Argentine writers but translations of many foreign authors.

Journalism, literature, the theater and other media are influenced by the legacy of imperial Spain; the fact that some 90 percent of the population are Roman Catholics; the impact of Western and Southern European cultures and political philosophies; concern over North American intentions toward Latin America; and ideologies, such as German National Socialism and Communism in its several manifestations. Opinionmolders are aware of the ideals of republicanism and freedom of speech, and they are conscious of their nation's difficulties in evolving from past monarchical absolutism to representative government. They are also aware of the jealousies and misunderstandings which have plagued relations between urbanites and rural dwellers.

During the last 100 years important publications have shown remarkable durability in surviving periods of political violence and authoritarian rule. Censorship—direct or indirect—has at times been effective, but devotion to principles of constitutionalism and a free press has resulted in the survival of publications adhering to an independent editorial policy. Editors and publishers recognize, and are part of, the dynamic political activity which from time to time has led to turbulence.

With a well-developed public school system and literacy officially rated

at better than 90 percent, the great majority of the people—from banker to bootblack—take an interest in the printed word. Scores of newspapers and periodicals are published in the provinces. University students follow current events closely, and important groups such as labor and the armed services strive to win the hearts and minds of the people through a variety of publicity channels.

The principle of freedom of expression guaranteed in Article 14 of the Constitution has sometimes been honored more in the breach than in the observance. An important instance was Perón's seizure of *La Prensa*, a leading Buenos Aires daily, which brought protests from newspapers in other parts of the world. In 1968 the Onganía government had the power to close publications when, in the opinion of the President, they acted against the best interests of the government. At the same time the government did not interfere noticeably with the publication and distribution of material by the outlawed Argentine Communist Party, nor did it interfere with reception of broadcasts from Communist countries.

Large segments of the reading and listening public are shrewd, perceptive and often skeptical observers of the local and national scenes. Awareness of this sophistication may well serve to temper the actions of government leaders, whether elected or established as the result of a coup. Channels of public information play a vital part in the political life of the country.

CULTURAL AND POLITICAL FACTORS

The great majority of the people are able to read. The country maintains more public libraries than any other Latin American nation—over 1,600—along with some 24,000 school libraries. The universities, where students and faculty take a lively interest in cultural and political developments, serve as important channels for dissemination of information and as centers for the exchange of ideas. A young man who has had little or no schooling may learn to read during his required military service. Although the importance of the country store as a discussion center has diminished with the advent of electronic dissemination, the typical city dweller, at day's end, goes to a café to exchange information and ideas. Another channel for the expression of social aspirations is the theater.

For the better part of a century the public has been remarkably wellinformed. The history of publishing may be traced back as far as the latter part of the 18th century when the first printing press used in Buenos Aires was brought in from a former Jesuit college at Córdoba. One of the earliest periodicals printed in Buenos Aires (1801) was called *Telegrafo mercantil*, *rural*, *politico-economico e historiografo del Rio de la Plata* (The Commercial, Rural, Politico-Economic Telegraph and Historiographer of the River Plate).

Buenos Aires is probably the largest publishing center in South America. Thousands of new titles are published every year, and the industry thrives on a literary and journalistic tradition generated in the 1870's and 1880's (see ch. 10, Artistic and Intellectual Expression). The formation of the Socialist Party in the 1890's stimulated increasing interest in the printed word among workers, and the introduction of primary education for most urban children made it possible for more and more members of the working classes to read newspapers and other publications.

At the turn of the century there were several foreign-language newspapers in Buenos Aires. During the early part of the 20th century, citizens of Buenos Aires took their place among the best-read people in the world with publications from North America and Europe and an impressive flow of literature from domestic publishing houses.

Many newspapers and periodicals have long records of publication despite political difficulties. Article 14 of the Constitution reads:

All inhabitants of the nation enjoy the following rights, in accordance with the laws that regulate their exercise, namely: . . of petitioning the authorities; . . . of publishing their ideas through the press without previous censorship; . . . of associating for useful purposes; of freely professing their religion; of teaching and learning . . .

Article 18 declares that "... the residence is inviolable as are letters, correspondence and private papers"

The Perón regime provides dramatic examples of the problems faced by publishers, writers and editors when Article 14 of the Constitution is ignored. Repressive measures had a far-reaching effect on all categories of publications and other media, including university reviews, which were no longer available for unfettered expression of ideas when universities were placed under government-appointed administrators. The editor of *Sur*, an outstanding journal in the field of the humanities, was imprisoned. *La Fraternidad*, an organ of the railroad workers which opposed Perón, was closed down, and *CGT*, publication of the General Confederation of Labor (Confederación General de Trajabadores), was taken over and used as a propaganda organ for the regime.

La Nación, La Prensa and Crítica, all leading newspapers, continued to criticize the regime after a number of opposition newspapers had been suppressed, but they were eventually brought under control by arbitrary means of one sort or another. Methods employed by Perón against La Prensa included mob attacks, bribery, withholding of newsprint, a government-inspired strike and, ultimately, expropriation.

The Perón regime's success in mobilizing public opinion demonstrates the great importance of mass media in the lives of the people. Government control of the press, the educational system, radio and, after 1951, television networks enabled Perón to influence large segments of the population which had been neglected by preceding regimes. Labor unions in particular were molded into a force which continued to play an important political role after the collapse of the Perón regime.

Under the Onganía regime there was no open censorship of the press

in 1967, but some publications considered offensive to the government were banned. In 1966 *Tia Vicenta*, the country's leading humorous magazine, was closed for caricaturing the President and ridiculing his administration. Other newspapers closed by the Onganía government were *Azul y Blanca*, regarded as "rightist," and *Prensa Libre* and *Prensa Confidencial*, considered as libelous and slanderous.

Argentines are influenced by the theater, the extensive use of telephones and commercial advertising. Buenos Aires boasts more than 40 functioning theaters—more than New York or London (see ch. 10, Artistic and Intellectual Expression). In 1968 the Onganía administration kept a watchful eye on theatrical productions and let artists, writers and directors know what it regarded as culturally permissible for Argentine audiences. As a result of the efforts of a large advertising industry, the public is subjected to commercial advertising appeals and pressures similar to those directed at consumers in Western Europe and North America (see ch. 22, Domestic Trade).

NEWSPAPERS

In 1968 there were well over 200 significant dailies with an estimated circulation of more than 3 million—roughly one copy to every three people over the age of 20. Circulation figures for leading Spanish-language dailies in Buenos Aires in 1968 ranged from 107,000 (*El Mundo*, afternoon edition) to 500,000 (*La Razón*) whereas important dailies in the provinces reported circulations running from 40,000 to more than 90,000. Scores of smaller dailies were published in the provinces.

The leading dailies of Buenos Aires, where there are more than a dozen popular newspapers, enjoy an international reputation for journalistic quality and for adherence to the principle of freedom of the press. Seven of these newspapers have had a combined circulation of about 2 million.

La Prensa, a full-sized daily founded in 1869 by Domingo F. Sarmiento, has a daily circulation of over 263,000. Its editorial policy may be described as independent and relatively conservative. During the Perón regime La Prensa criticized the government until 1951 when the paper was seized by Perón and turned over to the Confederación General de Trabajadores (see ch. 21, Labor Relations and Organization). It was returned to the original owners after the fall of Perón and since then, as might be expected, has followed an anti-Peronist line.

La Nación is a full-sized daily with a circulation of over 285,000 and a weekly airmail edition. like La Prensa it may be characterized as independent and conservative. Founded by Bartolomé Mitre, President of Argentina between 1862 and 1868, the newspaper managed to maintain a position of relative independence during the Perón regime but understandably had to limit its editorial comments.

Another independent Buenos Aires daily is the tabloid Clarin with a

combined morning and afternoon circulation of approximately 343,000 and a Sunday circulation of about 411,000. *Clarin* has supported ex-President Frondizi. *Crónica*, an afternoon tabloid, has a circulation of about 140,000 and has been regarded as pro-Peronist.

El Mundo, a third Buenos Aires tabloid, has followed a less conservative line than some of the other leading newspapers. Its morning circulation has been estimated at 173,000, and its afternoon circulation at 107,000.

An afternoon paper which claims the largest circulation in the Spanishspeaking world is *La Razón*, a full-sized journal with a circulation of approximately 500,000. Its editorial policy is independent, and much of its content is colorful. In its advertising *La Razón* describes itself as "young, modern, and agile." *El Cronista Comercial*, with a circulation of more than 35,000, serves the business and financial community.

The combined circulation of 29 leading provincial newspapers has been estimated at 700,000. Among the more important dailies in the interior are *La Capital* of Rosario (estimated circulation in 1968 of over 91,000); *La Nueva Provincia*, published in Bahía Blanca (40,000); *Los Principios*, a Catholic organ published in Córdoba (41,000); *La Voz del Interior* of Córdoba, a Radical Party publication (over 62,000); *El Dia*, La Plata (over 74,000); *Los Andes* of Mendoza (over 76,000); *El Litoral* of Santa Fe (over 39,000); and *La Gaceta* of Tucumán (80,000).

The most important foreign-language dailies in Buenos Aires are published in English and in German. The *Buenos Aires Herald*, produced primarily for the Anglo-Argentine community, has a circulation of about 20,000. Important German-language dailies are the *Argentinisches Tageblatt* (approximately 20,000) and the *Freie Presse* (about 20,000). Other foreign-language or minority group newspapers—some of them dailies are published in Italian, French, Yiddish and Syrian-Lebanese.

Major newspapers give full coverage to foreign news. The oldest national news agency is the Saporti News Agency (Agencia Noticiosa Saporti—ANS)—which maintains some 26 bureaus throughout the country and provides its services to approximately 150 newspapers and 7 radio stations. Another agency (Telenoticiosa Americana—TELAM) has some 13 bureaus in Argentina and 1 in Montevideo. It serves about 20 newspapers, 15 radio stations and 3 television stations. Other Argentine news agencies are Argenpress, Asociación Periodistas Argentines and Telpress. Three news agencies in Argentina, Brazil and Chile have exchange agreements, and Uruguay's National Information Agency (Agencia Nacional de Informaciones—ANI) receives Telpress service from Buenos Aires.

Wire services used by the Argentine press in 1968 included the Associated Press and United Press International of the United States, Reuters of Great Britain, Agence France Presse of France and ANSA of Italy. DAN, a local distributing agency, served as a channel for Telegrafnoe Agentsvo Sovietskovo Soyuza (TASS) and Novosti (Soviet), Amtliche Deutsche Nachrichten (ADN) (East German) and CTK (Czech) materials. Operating covertly was the New China News Agency (Communist Chinese).

The availability of newspapers from overseas is comparable to that found in large cities in the United States. Thus the flow of information and propaganda from abroad is both extensive and varied.

Buenos Aires is used by foreign news agencies as a retransmission point to other Latin American countries. Buenos Aires is also a collection point for news from Paraguay and Uruguay, transmitted to New York by the Associated Press-by-cable, Telex and radio teletype.

The people appear to place more confidence in the printed word than in other channels of public information. The tangibility of printed matter seems to combine with the readers' awareness of traditional freedom of the press to give newspapers and periodicals greater credibility than that enjoyed by other media.

In spite of restraints on the press—direct or indirect—newspapers have openly criticized the Onganía administration. In March 1968 La Nación declared that the government was "notorious for excessive vagueness in specifying basic objectives." One widely read commentator suggested it was "folly to talk of ten years being required to obtain grandeur, development, and justice." La Prensa was severely critical of the government's handling of "political guidance, education, and public justice." Thus the press continued to play an active role in the political life of the country (see table 7).

PERIODICALS

Hundreds of periodicals cover a great variety of subjects. In 1966 the estimated circulation of 52 of the largest totaled 6.7 million. One of the most important feature magazines in 1968 was *Siete Dias* (estimated circulation 135,000); another was *Atlantida* (65,000), a monthly which had recently changed from rather "highbrow" content to material with greater popular appeal. The best known women's magazine was *Claudia*, a sophisticated monthly publication with a circulation of about 165,000 which carried both fiction and features. *Leoplan*, an independent weekly with a circulation of approximately 35,000, featured articles on science, politics, international affairs and entertainment. Another independent periodical, with a monthly circulation of about 70,000, was *Panorama*, a joint publication of Time, Inc. and Editorial Abril. *Panorama* carried material adapted from *Time* and *Life* magazines, along with stories originating in Argentina, and was profusely illustrated.

Todo, a news magazine with a circulation of about 30,000, tended to reflect the policies and economic views of former President Frondizi. *Para Ti*, circulation approximately 115,000, was a magazine for women with articles on fashion, beauty, medicine and cooking, along with novelettes. Three weekly magazines similar to North American news magazines were *Primera Plana* (45,000), *Confirmado* (25,000) and *Andlisis* (30,000).

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City	Province	Name	Circulation	Remarks
Buenos Aires		La Razón	500,000	Independent.
		Crónica	230,000	Do.
			(a.m.)	
			220,000	
		<u> </u>	(p.m.)	
		Clarín	343,204	Pro-Frondizi.
			(daily)	
			411,158 (Sun.)	
		El Mundo	173,000	Independent;
			(a.m.)	general appeal.
			107,000	Bouerer abbeer
			(p.m.)	
			238,746	
			(Sun.)	
		La Nación	285,240	Independent;
			(daily)	long-established
			300,282	
			(Sun.)	
		La Prensa	263,000	Do.
			(daily)	
			300,000	
		a	(Sun.)	
		Crítica	100,000	• 1
		El Siglo	50,000	Independent.
		Die Presse El Cronista	35,000	Yiddish language.
		Comercial	35,000	General appeal.
		Diario Israelite	30,000	Yiddish language.
		Giornali d'Italia	25,000	Italian language.
		Argentinisches	20,000	German language.
		Tageblatt	20,000	
		Buenos Aires Herald	20,000	English language.
		El Diario Sirio	16,000	Spanish and
		Libanes	,	Arabic
				languages.
		Le Quotidien	12,000	French language.
		Corriere degli Italiani	11,900	Italian language.
		France Journal	10,500	French language.
Bahía Blanca	Buenos Aires	La Nueva Provincia	40,000	Independent.
La Plata	do		74,246	Do.
		La Plata	12,500	General appeal.
		La Graceta de la Tarde	10,000	Do.
Lomas de Zamora.	do	La Union	12,000	Do.
Mar del Plata	do	La Capital	21,700	Do.
		El Atlantico	13,500	Do.
		Ultime Hora	11,000	Do.

City	Province	Name	Circulation	Remarks
Quilmes	do	La Sol	12,000	
	do		10,000	
Tres Arroyes	do	La Voz del Pueblo	10,644	Do.
Resistencia	Chaco	El Territorio	17,246	
Córdoba	Córdoba	La Voz del Interior	62,000	Radical Party organ.
		Córdoba	45,000	General appeal
		Los Principios	41,000	Catholic organ.
		Ultimas Noticias	10,000	General appeal
Paraná	Entre Ríos	El Diario	15,000	
General Pico	La Pampa	La Reforma	10,000	General appeal
		Zona Norte	10,000	Do.
Mendoza	Mendoza	Los Andes	76,178	Do.
		El Tiempo de Cuyo	32,000	Do.
Posadas	Misiones	El Territorio	23,000	
Salta	Salta	El Tribuno	22,619	General appeal
San Juan	San Juan	Diario de Cuvo	25,403	
Rosario	Sante Fe	La Capital	91, 46 5	General appeal
		El Litoral	39,124	Do.
		Cronica	25,000	Do.
		Rosario	17,653	Do.
		La Tribuna	13,763	Do.
Santiago del Esta	ero_Santiago del Estero	El Liberal	18,533	
Tucumán	Tucumán	La Gaceta	80,000	Independent.
		Noticias	10,000	-

Table 7. Argentine Dailies with	Circulation of 10	,000 or Over-Continued
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Source: Adapted from Walter Mallory (ed.), Political Handbook and Atlas of the World, 1967; and Editor and Publisher International Yearbook, 1967.

Primera Plana had an arrangement with Newsweek of the United States for use and distribution of material. Andlisis featured economic reporting and analysis.

Vea y Lea was an independent news magazine published once every 2 weeks. It had a circulation of around 61,000 which regularly carried one or two full-length stories on subjects of national interest. Before 1966 the most popular humor magazine was *Tia Vicenta*, circulation 370,000, published monthly as a supplement to *El Mundo*. It was closed by the government for publishing material offensive to President Onganía and his administration.

The reading public's interest in the outside world is reflected by the fact that the Spanish-language edition of the *Reader's Digest* of the United States has the largest circulation of any magazine in the country.

A substantial proportion of the leading periodicals carry articles dealing with economic developments. Prominent among the economic journals in 1968 was *Suma*, published twice a month by the Instituto de Cultura

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Economica. Others, all published in Buenos Aires, were El Economista. a weekly; Información, a monthly carrying fiscal and corporation data; Comments on Argentine Trade, issued by the United States Chamber of Commerce in Argentina; Farol, a quarterly published by Esso Oil; Economic Survey, a weekly; Anales de la Sociedad Rural Argentina (monthly); Boletin de la Bolsa de Comercio (weekly); Mirador: Panorama de la Civilización Industrial (quarterly); Revista del Rio de la Plata, the leading British shipping and trade journal published in Buenos Aires three times a month in both English and Spanish. The Situation in Argentina, published monthly by the First National Bank of Boston; Business Conditions in Argentina, issued quarterly by Ernesto Tornquist y Cia, bankers; Boletin Mensual, issued by the Dirección national de estadistica; Boletin estadístico, published monthly by the Banco Central.

Among the scholarly journals dealing with economics and economic theory were the following: Revista de la facultad de ciencias economicas, published quarterly by the University of Cuyo, Mendoza; Revista del instituto de investigaciones economicas, issued quarterly by the University of the Littoral, Rosario; Revista de economia y estadistica, University of Córdoba, quarterly; and the University of the South's Estudios económicos published at Bahía Blanca. The National University of La Plata published Revista del instituto de estudios cooperativos and Económica. A journal established in recent years was Desarrollo Económica published by the Instituto de Desarrollo Económica y Social, Buenos Aires, with financial support from the Instituto Torcuato di Tella.

Examples of government publications dealing with economic matters, issued by the Dirección Nacional de Estadistica y Censos, Secretaria de Estado de Hacienda, Buenos Aires, were: Boletín de Estadistica, monthly; Comercia Exterior Argentino: Tomo I, Exportación: Tomo II, Importación, annual; Comercio Minorista; Precios al por Mayor, and Costo de Vida; Precios Minoristas; Salarios Industriales, monthly.

A wide variety of scholarly journals deal with the several academic disciplines. Examples are *Revista del Instituto del Antropología*, published by the National University of Tucumán at San Miguel de Tucumán; *Boletín de Estudios Geográficos* issued by the National University of Cuyo at Mendoza; *La Ley*, *Suplemento diario: Revista Jurídica Argentina*, a government publication; and *Revista Argentina de Ciencia Politica* published by the Asociación Argentina de Ciencia Politica in Buenos Aires.

The universities support a number of historical journals which deal, for the most part, with early national and colonial studies. One nonpolitical historical nonofficial journal known to maintain high standards in its articles and reviews is *Historia*, published quarterly in Buenos Aires. Among the magazines with intellectual appeal are *Diogenes*, which deals with philosophy and carries translations from foreign journals; *Dinámica Social*, of interest to political scientists and economists; and *Sur*, the leading literary review, published twice a month.

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The Boletín de la Biblioteca del Congreso de la Nación, published at irregular intervals in Buenos Aires, has carried articles on political and legal matters and information regarding legislation, as has the *Revista de legislación ordenada*, which has also been published in Buenos Aires. The Ministry of Education publishes an important educational journal, *La Plata*, founded in 1858 by Sarmiento. Another government publication is *Revista de Educación*.

The infinite variety of periodicals caters to the interests and tastes of every segment of the reading public.

RADIO

In 1968 the great bulk of the population—an estimated 18.75 million listened to some 97 radiobroadcasting stations on 7.5 million or more receiving sets. Radio stations were established throughout the country, from close to the Bolivian border to Río Gallegos, near the Strait of Magellan. The government operated 48 stations; 36 were operated commercially under government control, and others were run by municipalities, provincial administrations and universities. There was no license fee on receiving sets. Most of the broadcasting stations were mediumwave only, but some were shortwave, and others used both shortwave and longwave.

Broadcasting was authorized and regulated by the Secretariat of Communications (Secretaria Communicaciones) and the National Radio and Television Council (Consejo Nacional de Radiofusión Televisión—CON-ART). During peak listening times many stations tied in with one or another of the national networks operated by government-owned stations in Buenos Aires.

Radio Nacional (Servicio Oficial de Radiodifusión) operated home services—both shortwave and mediumwave, and international services (Radiodifusión Argentina al Exterior). One of the home service shortwave stations in 1967 was LRA 31 in Buenos Aires, with a frequency of 6060, wavelength, 49.50 and 50 kilowatts. Another was LRA 34 at Mendoza—frequency 6180, wavelength 48.54, with 10 kilowatts. The most powerful station in the government-operated mediumwave home service was LRA Buenos Aires—frequency 870, wavelength 344.80, power 100 kilowatts. One of several smaller stations in this service was LRA 15 at Tucumán—frequency 1030, wavelength 291.30, power 5 to 25 kilowatts. The three stations in the government's international service, all located in Buenos Aires, were LRY 1, with a wavelength of 49.26; LRA 32, wavelength 30.96; and LRA 35, with a wavelength of 25.62.

One of the most powerful stations in the country was Radio El Mundo in Buenos Aires—call letters LR 1, power 110 kilowatts, wavelength 280.40 and frequency 1070. Examples of small stations with 250 watts each were Radio Municipal de Córdoba (LV 17), wavelength 220.60, frequency 1360; and Radio Oran (LW 4) with a wavelength of 198.70 and a frequency of 1470 (see table 8).

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City	Station name and owner	Symbol call letters	Wave length (in meters)	Frequency (in kilocycles)
Azul				
	nce) - Radio Azul ⁴	LU3	250	1200
Bahía Blanca				
(Buenos Aires Provi	nce) - Radio Bahía Blanca (SRA. Diana Julio de Massot)	LU2	365.90	820
	Radio General San Martín (Fernandez Presas Cannigia)	LU7	267.90	1120
	Radio del Sur	LU10	241.90	1 24 0
	(La Nueva Provincia)			
Buenos Aires	Radio Porteña	LS4	508.50	590
	Speroni) Radio Rivadavia ^s (Sociedad Radioemisors Cultural, S.A.)	L85	476.20	630
	Radio Municipal ⁶	LS1	422.50	7 10
	Radio Mitre ⁴	LR6	379.70	790
	Government) Radio Splendid ⁴ —Relayed	LRA	344.80	870
		LR4	329.7 0	910
	by SW	LR3	315.80	950
	Radio Excelsior ⁴ (Alberto Boaudraz Dougall)		303.00	990
	(S.R.L. Huella)	LS10	291.30	1030
	Radio el Mundo [‡]	LR1	280.40	1070
	Radio America ⁴ Radio Nacional ^a Relavs		222.20	1350
	MW	LRA31	49. 50	6060
	Radio Belgrano ⁸	LRY1	49.26	6090
	Radio el Mundo-Relays MW	LRX1	49.02	6120
	Radiofusion Argentina al Exterior'	LRA32	30.96	9690
	Radio el Mundo (Varies			
See footnotes at and of table.	9708/9720 kilocycles)	LRX2	30.90	9708

Table 8. Argentine AM Radio Stations (10,000 watts and over)

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City	Station name and owner	Symbol call letters	Wave length (in meters)	Frequency (in kilocycles)
Buenos Aires—continued.	-Radio Splendid	LRS1	30.80	974 0
	Radio Belgrano ⁵ Radiodifucion Argentina al	LRY1	30.74	976 0
	Exterior ⁷	LRA35	25.62	11710
	Radio Belgrano ^s Radio Splendid ^a Relays	LRY2	25.47	11780
	(Radio Splendid, S.A.) Radio El Mundo—Relays	LRS	25.25	11880
	MW	LRU	19.62	15290
	Radio Nacional ^e (Government)	LRA33	19.55	15345
Cómodoro Rivadavia				
(Chubut Province)	- Radio Cómodoro			
	Rivadavia ⁴ (Radio Cómodoro Rivadavia)	LU4	468.80	64 0
	Radio Universidad de			
	Córdoba (Universidad de Córdoba)		51 7.20	580
	Radio Nacional ^e		400.00	750
	La Voz de la Libertad ¹	LV2	309.30	970
	Radio Ranquel	LV16	297.00	1010
	Radio Córdoba	LV3	247.90	1210
Corrientes (Corrientes Province) La Plata	.Radio General Madariaga	LT12	357.10	840
(Buenos Aires Province)	- Radio Provincia de Buenos			
	Aires (Provincial Government)	LS 11	236.20	1270
Lomas de Zamora (Buenos Aires Province)	Radio Argentina ³	LR2	270.30	1110
Mar del Plata				
(Buenos Aires Province)	Radio Mar del Plata ⁷ (Transmar, S.A.)	LU9	447.80	67 0
	Radio Atlantica ⁴	LU6	261.00	1150
Mandoza	Radio Nihuil	LV6	441.20	680
(Mendosa Province)				
(Mendoza Province)	(Radio Nihuil, S.A.) Radio de Cuyo ⁵	LV10	416.7 0	720
(Mendosa Province)	(Radio Nihuil, S.A.) Radio de Cuyo ⁵ (Jaime Stilerman)			
(Mendosa Province)	(Radio Nihuil, S.A.) Radio de Cuyo ⁵	LV8	416.70 384.60 312.50	720 780 960

See footnotes at end of table.

City	Station name and owner	Symbol call letters	Wave length (in meters)	Frequency (in kilocycles)
Mendoza-continued	Radio Nacional	LRA34	48.54	6180
Neuquén	(Government) Radio Splendid [*]	LU5	265.50	1130
Paraná				
(Entre Ríos Province) Posadas	Radio General Urquiza	LT14	225.60	1330
(Misiones Province)	Radio Misiones (Carlos Madelaire)	LT4	297.00	1010
Pres. Roque Saenz Peña				
(Chaco Province)	Radio Splendid ^a	LT16	365.90	820
Resistencia				
(Chaco Province) Río Gallegos	Radio Chaco	LT5	277.80	1080
.	Radio Río Gallegos (Raul Alberto Segovia)	LU12	441.20	680
Rosario				
(Santa Fe Province)	Radio Rosario	LT8	361.4 0	830
	Radio Cerealista	LT3	258.60	1160
	Radio Splendid ¹	LT2	243.90	1230
Salta	Radio Nacional	LRA4	434.80	690
	Radio General Guemes (Radiodifusora General Guemes, S.A.)	LV9	361.4 0	830
San Juan	Guemes, S.A.)			
	Radio Colon	LV1	535.70	560
	Radio Sarmiento ¹	LV5	275.20	1090
Santa Fe		2.00	2.0.20	1000
	Radio Universidad Nacional del Litoral	LT 10	294. 10	1020
	(Universidad Nacional del Litoral-Government)			
Santa Rosa				
	Radio Nacional ^a (Government)	LRA3	411.00	730
Santiago del Estero (Santiago del Estero				
	Radio del Norte	LV11	265.50	1130
	Redio Independencie	LV12	509 50	590
(I ucuman FTOVINCE)	Radio Independencia Radio Tucumán (Radiodifusora de		508.50 333.30	900 990
See footnotes at end of table.	Tucumán, S.A.)			

Table 8. Argentine AM Radio Stations—Continued (10,000 watts and over)

See footnotes at end of table.

City	Station name and owner	Symbol call letters	Wave length (in meters)	Frequency (in kilocycles)
Tucumán—continued	Radio Nacional ⁴ (Government)	LRA15	291.30	1030
	Radio Splendid	LW3	252.10	1190
* Stations with mo	re than 10,000 watts are identified	by foot	notes as fo	llows:
¹ 15,000	4 25,000	7 100,00	0	
* 16,000	40,000	• 110,00	0	
^a 20,000	* 50.000			

Table 8. Argentine AM Radio Stations—Continued (10,000 watts and over)

Source: Adapted from U.S. Foreign Broadcast Information Service, Broadcasting Stations of the World, Part I, 1967.

In 1968 the Onganía regime had announced that privately owned stations operated under government control would eventually be returned to private hands. Radio programs were not precensored, but it was understood that content would be nonpolitical. Broadcasting of Protestant church services was forbidden; otherwise, types of radio programs were similar to those broadcasted in the United States and Western Europe. Educational programs, financed by the Ministry of Education, were broadcast to several hundred schools daily.

Use of the transistor radio has brought programs to virtually everyone, including the small number of illiterates, and has greatly increased the importance of radiobroadcasting. The great majority of listeners probably hear only the home service programs. Among those who do listen to foreign stations, the percentage of rural dwellers is higher than that of urban residents. Foreign broadcasts, including those from Havana and Moscow, have little influence on the political thinking of the people. Apparently the Voice of America and the British Broadcasting Corporation (BBC) enjoy greater credibility than other foreign stations.

The people have less confidence in radio than in newspapers as a source of news. This is particularly true of those at the higher socioeconomic levels. Nevertheless radio is the most useful medium through which the masses are reached. The highly successful exploitation of radiobroadcasting by the Perón regime, even before the introduction of the transistor set, underlines radio's tremendous effectiveness as an instrument of politics.

BOOK PUBLISHING

Buenos Aires is one of the leading publishing centers of the Western Hemisphere. In recent years book publishers have produced more than 3.3 million copies annually. The most popular categories have been litera-

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ture, the social sciences and the fine arts. The number of translations published reflects the country's close ties with Western Europe and its growing interest in North American culture.

In 1964 more than 500 translations were published, of which over 250 were from English and about 140 from French. There were also 48 translations of German books, 29 of Italian works and 3 Russian volumes. It is of interest to note that of the 512 translations printed in 1964 there were 154 in the field of arts and letters, 293 in social sciences and 65 in pure and applied sciences—more than twice as many in sociological and scientific fields as in arts and letters.

Bookshops abound in Buenos Aires. One of these, seven stories high, is said to be the largest in the world. The total number of firms engaged in bookselling exceeds 80. More than 50 firms are importers and exporters of books. Most of these are in Buenos Aires, but importers and exporters are also established in Tucumán, Mendoza, Rosario, Santa Fe and Córdoba. Book industry associations include Camára Argentina de Editoriales Técnicas (publishers) and Cámara Argentina Del Libro (booksellers) both with headquarters in Buenos Aires.

The magnitude of the book industry is underlined by the total number of publishers, close to 250, which also includes certain universities. The great majority of the publishing houses are located in Buenos Aires. Titles span all fields of human knowledge and interests, and production includes many United States authors published in Spanish.

The influence of books on the highly literate Argentine public plays a major role in the field of public information (see ch. 10, Artistic and Intellectual Expression).

TELEVISION

In 1968 there were 29 television programing stations and almost 2 million receiving sets. Many viewers, especially in the provinces, watched television on closed circuit sets. There were several government-owned commercial stations operated under the Administración General Emisoras Comerciales de Radio Televisión. The government's Channel 7 had three satellite stations. Among the stations established outside of Buenos Aires were those at Bahía Blanca, Comodoro Rivadavia, Córdoba, Corrientes, Neuquén, Resistencia, Rosario, Salta, San Juan, Santa Fe, Santiago del Estero and Tucumán. Programs were transmitted on a 625-line definition. Construction of a satellite telecommunication station with a 29-meter saucer was under way in Balcarce. This installation was designed to bring radio and television broadcasts direct from North America and Europe.

Commercial television first came to Buenos Aires in 1951. A considerable number of telecasts are live studio shows. Dubbed film series and local recordings on video tape are shown along with imported programs, such as "El show de Dean Martin" and "El show de Dick Van Dyke." One Argentine television producer has been filming shows in Spain for use

City	Station name and owner	Channel	Power* video (audio) (in watte)	Frequency video (audio) (kilocycles per second)
Bachía Blanca	····			
(Buenos Aires Province)	_LU81	A7	60000*	175250
	(Teledifusora Bahíense,			
	S.A.)		(30000*)	(179750)
	LU80	A9	45000*	187250
	(La Nueva Provincia,			
	S.R.L.)		(22500*)	(191750)
Buenos Aires	_LS82	A7	40000*	175250
	(Primera Televisora			
	Argentina-			
	Government)		(20000*)	(179750)
	LS83 Cadete TV	A9	40000*	187250
	(Cia. Argentina de Tele-			
	visión, S.A.)			(191750)
	LS84	A11	110000*	199250
	(Dicon Difusora Con-			
	temporanea, S.A.)			
	LS85	A13	115000*	211250
	(Río de la Plata TV,			
	S.A.)			(215750)
Chivilcoy				
(Buenos Aires Province)		A7		175250
a	(Government)			(179750)
Comodoro Rivadavia		A9		187250
	(Com. Rivadavia TV Soc.			(101800)
<i></i>	Comercial Colectiva)			(191750)
Córdoba	_LV80	A10		193250
	(Universidad Nacional			(10.000.00)
	de Córdoba)		0000	(197750)
	LV81	A12	2000	205250
	(Telecolor, S.A.)			(209750)
Corrientes		A13	6000*	211250
T!	(Río Paraná TV, S.R.L.)		3000*	(215750)
Jujuy	LW80	A7	5000*	175250
	(Radio Visión Jujuy,		(05004)	(170750)
La Plata	S.A .)		(2500*)	(179750)
(Buenos Aires Province)	T SOR	A2	100000*	55250
(Duenos Aires Filovince)	- 12300	A2		
Mar del Plata	TTIOR	A 8	(50000*) 5000*	(59750) 181250
	(Difusora Marplatense,	no	9000	101200
				(185750)
	S.A.) LU82	A10	5000*	193250
	(TV Mar del Plata, S.A.)	AIU	(2500*)	(197750)
Mendoza	(IV Mai del I lata, S.A.)		(2000)	(10/100)
(Mendoza Province)	T.V84	A6		83250
	(Televisora Mendoza,	AU		00200
	(1elevisora Mendoza, S.A.)			(97750)
	LV89	A7	2000	(87750) 175250
	(Juan Gomez)	Л	2000	(179750)
	(+ uair (ivilie2)			(119130)

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City	Station name and owner	Channel	Power [*] video (audio) (in watta)	Frequency video (audio) (kilocycles per second)
Mendo za			· · · · · ·	
(Mendoza Province)	LV83	A9	50000*	187250
continued	(Cuyo TV, S.A.)		(25000*)	(191750)
Neuquén			• •	• •
(Neuquén Province)	LU84	A7	120000*	175250
	(Neuquén TV, S.A.)		(60000*)	(179750)
Resistencia			. ,	. ,
(Chaco Province)	LT81	A 9	500	187250
(,,,,,,	(TV Resistencia, S.A.)			(191750)
Rosario	(,,,,			(,
(Santa Fe Province)	LT83	A3	90000*	61250
(,			(45000*)	(65750)
	LT84	A5	(10000)	77250
	(Rader Radif. de Rosario			
	de Radio y TV, S.A.)			(81750)
Santa Fe	uo 100000 y 1 () () () () () ()			(01100)
(Santa Fe Province)	Relays LS82 TV	A7		175250
	(Government)			(179750)
	LT82	A13	95000*	211250
	1102	A13	(47500*)	(215750)
Salta		NIO	(1000)	(210700)
(Salta Province)	T.Weo	A11	10000*	199250
	(Tele Norte, S.A.)	AII	(5000*)	(203750)
San Juan	(Tele Norve, S.A.)		(5000)	(200100)
(San Juan Province)	T Voo	A 8		181250
(San Juan Province)	(Jorge Enrique Estornell)	no		(185750)
Santiago del Estero	(Jorge Enrique Estorneii)			(189790)
(Santiago del Estero				
(Santiago del Estero Prov.)	TWO1	A7	4000*	175250
FIUV.)		A1	4000* 2000*	
Tucumán	(CAS TV, S.A.)		2000*	(179750)
	T Woo	410		109050
(Tucumán Province)		A10		193250
	(Universidad de			(107750)
	Tucumán)			(197750)

* Under both video power and audio power; represent effective radiated power because of stations' antenna systems. Figures without asterisks represent actual rated power to transmitters.

Source: Adapted from U.S. Foreign Broadcast Information Service, Broadcasting Stations of the World, Part IV, 1967.

in Argentina and for export to other Latin American countries. Thus the television viewer can watch theater productions, family shows, crime stories, westerns, variety shows, operettas, operas and quiz shows. There is also a strong interest in educational television.

Television sets are produced in Argentina, and the number of viewers has been increasing steadily. Television is thus taking its place among the most important channels of public information (see table 9). In 1967 more than 2,000 theaters showed almost 500 new films, of which 161 were from the United States and 27 were local productions. Between 1960 and 1967 attendance in Buenos Aires, previously as high as 79 million declined from about 45.1 million to approximately 21.5 million. This drop is attributable to a combination of factors, such as competition from television, a general change in leisure-time activities, official labeling of many films as inappropriate for certain age groups and increased admission charges.

The Onganía administration's censors kept a close watch on motion pictures in 1968. After the first screening of a feature film they ordered elimination of any footage which they regarded as inappropriate for public showing. As a result film premieres were extremely popular, but those who missed the premieres had to take the half-hour flight from Buenos Aires to Montevideo if they wished to see the uncut version.

All matters pertaining to the film industry have been supervised by the Instituto Nacional de Cinematografía which is under the direct control of the executive branch. The Institute has granted loans to film producers (up to 50 percent of total production costs) and awards for the best films of the year. By government decree first-run film houses have been required to show Argentine films for 1 week out of 13, whereas second-run theaters have been required to show these for 1 week out of 4.

Decree Law 2974 has required distributors to distribute one domestic film for every six imported films. Enforcement of these regulations has not been entirely successful, but Decree Law 676, requiring that all black and white film, domestic and imported, be printed and copied in Argentina, has been enforced.

The government has established a quota system for importation of features and newsreels which can be screened in proportion to domestic films. The Motion Picture Export Association of America (MPEAA) has had an informal agreement with the Argentine Government allowing the importation of 180 films made in the United States, and independent Argentine distributors have imported additional films from the United States. The tariff on films imported under the MPEAA agreement has risen from 5 percent to 30 percent, and a 20-percent sales tax has been imposed on all prints brought into the country. Importers have also been required to make a 40-percent deposit for 6 months with the Central Bank on all prints brought into the country. As a result the cost of a 1 hour and 40 minute picture has virtually doubled by the time it has entered the country.

Argentina has had the second largest motion picture industry in the Spanish-speaking world. After Mexico and Brazil it has been the third largest producer of feature films in Latin America, and has released 30 or more annually. These films do not appear to have been as popular as many foreign films, but the government requires exhibitors to screen them.

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Coproductions, made with Mexican, Spanish, British, Italian and United States companies, have had some success.

The radio and film division of the Ministry of Education and a number of universities have produced documentary, educational and scientific films which have been regularly exhibited in schools and other public institutions.

A single firm has processed about 95 percent of the films made in Argentina or brought to Argentina for processing. This company has facilities for developing, printing and copying 16-mm. black and white and color films. It also has the capability of handling all phases of the laboratory process required in film-making, including dubbing and subtitling.

Argentine films have been exported to other Latin American countries, to Spain and to the United States, but they have not competed strongly with films of other countries. The largest number of imported films has continued to come from the United States (131 in 1966). Other countries from which films were imported in 1966 included Great Britain, 40; Italy, 33; France, 28; Mexico, 21; Spain, 19; the Soviet Union, 5; Sweden, 5; Yugoslavia, 4; Czechoslovakia, 3; and Greece, 2.

Motion pictures have continued to play an important part in the recreational activities of the urban population. They have not, however, appeared to have an impact as great as that of radio, television and newspapers.

ACTIVITIES OF FOREIGN GOVERNMENTS

Materials emanating from Soviet, Czechoslovakian and East German news services were, in 1967, distributed by a local agency, and the New China News Agency (NCNA) operated covertly; a TASS correspondent was stationed in Buenos Aires; the Soviet Embassy published a magazine; Radio Havana and Moscow and other Soviet-bloc radio stations were clearly heard; a limited number of theaters showed Soviet newsreels, and films from the Soviet bloc, most of them old, were shown commercially.

In 1968 Argentina had no cultural agreements with Communist governments, but as many as 100 Argentine students were in Communist countries, possibly half of them at the Patrice Lumumba Friendship University in Moscow. There was an Argentine-Russian Cultural Society reading room in Buenos Aires which offered Russian lessons.

The Communist Party's weekly, Nuestra Palabra, continued publication along with a number of periodicals. The best known of these were Orientación and a new magazine aimed at middle-class intellectuals called Meridiano 70.

A number of foreign governments maintained cultural centers in Buenos Aires. Most active were those of Brazil and the United States. The Anglo-Argentine community continued to exercise considerable influence in established business and landowning groups. This influence showed in the generally accepted standards of the privileged classes as well as in the cultural elements in English-language courses in the schools. Ties with Italy, stemming from the great influx of immigrants early in the century and during the Perón regime, were kept alive by ethnic organizations and numerous branches of the Dante Alighieri Society. The United Kingdom maintained binational centers in most of the large cities and conducted an information program. There were more than 100 branches of the Alliance Française. An institute of French studies was maintained in Buenos Aires, and the revival of pre-World War II schools helped to spread the influence of the German community.

Exchange program activities included the following grants in 1968: Great Britain, 87 scholarships and 69 British visitors; Belgium, 70 grants France, 63 grants; Germany, 36 full scholarships and 200 short-term student travel scholarships; Israel, an exchange program, including some 78 scholarships at the Weizman Technical Institute; Italy, 65 student grants; Spain, 30 educational travel grants, 25 full university study grants, 139 half grants for university study, 3 full grants for architects, 1 full grant for advanced study and 100 grants for sons and daughters of Spanish immigrants to Argentina; Japan, 8 scholarships. The Philippine Republic and Switzerland also conducted exchange programs.

United States Information Service (USIS) posts were maintained at Buenos Aires, Córdoba, Rosario and Mendoza. The more important binational centers were established in Buenos Aires, Córdoba, Rosario, Mendoza and Tucumán. The USIS program included distribution of printed material, motion pictures, package programs for radio stations, films for television stations, press materials and books for libraries and individuals.

USIS had discontinued distribution of 35-mm. films to commercial theaters because of a ruling by the National Institute of Cinematography that films which had not passed through customs or paid duty could not be shown in theaters which charged admission. Otherwise there were no government restrictions on USIS activities. The public appeared to show a lively interest in United States government affairs, technology, culture and social institutions. USIS devoted special effort to promoting interest in the Alliance for Progress through exhibits, multimedia presentations at civic celebrations and rural fairs, and press, radio and television materials. Features of a program for university students were seminars dealing with economics and various aspects of contemporary culture. A labor information program reached both independent and Peronist labor unions. Interest in space exploration created a demand for USIS materials on this subject.

USIS cooperated with more than 60 radio stations, of which 17 carried "Correspondent's Report," and as many as 7 carried relays of Voice of America programs. USIS also provided 56 package programs to some 62 radio stations, along with press conferences and roundtable discussions. English-language lessons and cultural programs furnished by binational centers were broadcast over local outlets. Among approximately 1,000 films furnished to television stations every month were "Let's Learn English," "Science Report" and "Washington Correspondent."

Argentine newspapers used a considerable amount of USIS press material, including feature articles, background pieces and the Wireless File. USIS published 44 pamphlets in 1967, and large quantities of posters, leaflets and periodicals were distributed.

USIS used 7 mobile units and 115 projectors to show films to schools, labor unions, armed forces units, universities and professional organizations. The Information Center in Buenos Aires had almost 40,000 books and a large music library. Cultural activities included lectures, exhibits, book presentations and promotion of interest in North American music through local orchestras and radio and television stations.

Educational exchange activity in 1967 provided 133 grants under the Department of State and Fulbright programs, 112 being given to Argentines and 21 to United States citizens. Several groups of student leaders visited the United States on education travel grants.

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CHAPTER 17

POLITICAL VALUES AND ATTITUDES

In 1968, political values and attitudes were undergoing a period of pronounced change that could be linked to the political uncertainty which has existed since 1930. Before that year there had been a general acceptance of a republican, federal form of government which allowed participation by increasingly large sections of the population.

Political strife and economic stagnation caused the military to intervene a number of times between 1930 and 1966 for the professed purpose of preserving the Constitution and maintaining order. The frequency with which this has occurred, coupled with the recurring politicoeconomic crises which induced the interventions, has been a major contributor to widespread political disorientation.

ATTITUDES TOWARD THE NATION

From the country's carliest years, its leaders have believed that their nation would become great and powerful. Nationalism was most pronounced under President Perón, who exploited the nostalgic tendency of those who looked to the past and the federal form of government and who referred to the nation as the "Union of the Cross and the Sword." His programs called for economic independence, industrialization, rearmament and emphasis on social justice.

Nationalism has served as a powerful unifier, but some appeals to nationalist sentiment have been divisive. The group in power tends to reject the right of other groups to participate in government, believing that only its own brand of nationalism is correct. Advocates of other policies are referred to as *vendepatrias* (country sellers).

In their leaders Argentines look for the qualities of ambition, energy and intelligence as well as for a sense of duty, reasonableness and truthfulness.

Argentines also consider their country the most modern in Latin America. This attitude supports those who believe that Argentina as a modern, industrial nation should not only develop its own resources but, should exert itself as the leader of South America.

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ATTITUDES TOWARD THE GOVERNMENT

The Evolution of Political Values

Two sets of attitudes can be traced through Argentine history—one tends to be liberal and favors decentralized authority, and the other is conservative and favors centralized authority. Rather than being diametrically opposed, they represent differences of degree; this attitude led to violent encounters during the first years of independence.

During the colonial period conservative thought tended to be authoritarian, individualistic and exploitative. The conservatives were the colonial officials, merchants and priests, who had a monopoly on power and authority. The liberals, principally *criollos* (native-born persons of Spanish descent), wanted to be free from the authority of the colonial power. They wanted liberty, security and property rights, which they translated into policy as free trade, representative government and the sovereignty of the people, under the leadership of the citizens of Buenos Aires. The liberals were supported by *caudillos* (regional political strong men), who resisted the monopoly of power held by the colonial officials of Buenos Aires.

Independence, which was declared in 1816 at the Congress of Tucumán, eliminated the colonialists' position, but the liberals split into two groups, the *criollos* and the *caudillos*. The *criollos*, who vacillated on the point of actually declaring independence, did not participate in the Congress. They were instrumental, however, in achieving the adoption of a centralist constitution in 1819. The *caudillos* rejected the constitution and fought and gained their independence from Buenos Aires at the Battle of Cepeda (see ch. 3, Historical Setting).

From 1819 until the founding of the Argentine Republic in 1862 the conflict between centralized and decentralized authority was fought, often violently, between two groups identified as the *unitarios* and the *federalistas*. The *unitarios* of Buenos Aires favored a strong central government and sought the leadership of that government. The *federalistas* were principally *caudillos* who had won their positions through force and who had no intention of giving their power to a central authority. Only the strong nationalism of the people kept the nation from splitting apart, and central authority was imposed only through the force of a 17year dictatorship (see ch. 3, Historical Setting).

The nation was unified under the Constitution of 1853, which went into effect throughout the country in 1862. The extensive powers granted the President under the Constitution have tended to centralize authority, even though a federal form of government is explicitly called for.

Argentina enjoyed rapid economic growth and a democratic form of government from 1862 until 1930. The nation was ruled, in fact, by an oligarchy which permitted increased participation in government and, in 1916, accepted as officeholders a political party which officially opposed

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it. During these years the Constitution of 1853 and the federal, republican form of government gained general acceptance, and a belief evolved that Argentina would develop into a great nation through free enterprise (see ch. 14, Political Dynamics).

The Government in 1968

The 1966 coup was accepted with tranquillity by the people. No one was shot; there were no political arrests; and business, like government, continued as usual. Public apathy was the dominant mood.

The goals of the new government were economic growth and national security. It has checked the rate of inflation and its style has been austere and businesslike. The goals, the actions and the style of the government appear to be accepted by a majority of the citizens. The President is regarded as an astute individual who has a strong sense of duty, a trait greatly admired.

In 1968 a fundamental dispute within the government was revealed. The controversy concerned the political future of the nation. The issue tended to polarize toward two groups, one of which was liberal and the other, corporatist. The liberals included politicians and businessmen. Many of them favored the 1966 coup, but they advocated a swift return to federal and republican government. In the economic sphere they favored free enterprise, capitalism and industrialization, but they did not object to state-run enterprises related to the economic infrastructure, such as the transportation system and credit institutions.

In mid-1968 the governor of Córdoba Province announced that a corporate form of government would be installed there. A consultative assembly, called the Socioeconomic Council, was to be formed to take the place of the legislature. Members of the Council were to be picked from representatives of industry, commerce, labor, bar and professional associations and sporting associations.

Many students were embittered by the government's closing of the universities and the prohibition of student activity in 1966. Others have welcomed the elimination of student politics and the opportunity to concentrate on their studies. The majority of labor groups have chosen to work with the government, but the hard-line Peronist faction pledged itself to complete opposition to the government in 1968.

PERONISM

Peronism has been an important political issue since the overthrow of Perón in 1955. The Peronists are principally labor union members some of whose leaders respond to the directives of the exiled ex-president. They have voted for the candidate of Perón or cast blank ballots, whichever he requested. In 1968 the threat of Perón's return was virtually ruled out but labor maintained some identification with him because of the significant gains they made under his government (see ch. 14, Political Dynamics). In the discussion of a new form of government during 1968 there was no public mention of a Peronist program or policy.

COMMUNISM

The government is strongly anti-Communist. One of its primary goals was stated to be national security, which it closely associated with anticommunism. These attitudes, however, have not prevented trade with the Soviet Union and Communist China or diplomatic recognition of Communist countries although China and Cuba have not been recognized. Most sectors of society, except for some students and laborers, were strongly opposed to communism.

ATTITUDES TOWARD OTHER COUNTRIES

The United States

The United States is admired for its economic and political achievements. English classes are popular, and English has replaced French as the dominant foreign language. United States activities in the arts, entertainment and industry are particularly admired by the younger people, and many Argentine professionals emigrate to the United States each year. However some Argentine nationalists distrust the cultural and economic influence of the United States and the Catholic Church is wary of the work of Protestant missionaries.

Great Britain

The British exerted the primary foreign influence on Argentine life during the 19th century. Theirs was the dominant force for economic development, and their sporting clubs, housing styles and speech remain important in the life of the capital. *Palabra ingles* (English word) retains its positive connotation that a man intends to do what he says. Because of a ban on Argentine beef in 1967 and 1968, the importance of Great Britain as a market has declined, but mutual respect between the two countries remains high.

France

France has always been respected for its culture and the influence its revolution had on the leaders of the Argentine independence movement. Until World War II French was the language most often heard in the upper social circles. Artists and writers often go to Paris to study and work, and Frenchmen have commented on the similarities between Buenos Aires and Paris. French President Charles de Gaulle was received warmly during a visit in 1965.

Other Latin American Countries

Argentines consider their country in the first rank of Latin American States, an attitude which has in the past sometimes gained them the animosity of their neighbors. Concern over minor border disputes with Chile recurs periodically. Diplomatically, the country's relations with its neighbors are quite proper, and in recent years it has sought more cooperation with them.

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SECTION III. ECONOMIC

CHAPTER 18

CHARACTER AND STRUCTURE OF THE ECONOMY

In 1968 private enterprise accounted for the great bulk of the gross national product. The government owned or managed certain industries particularly in the fields of utilities and natural resources—but had divested itself of direct control of most of the other businesses acquired during the Perón regime.

President Arturo Frondizi (1958-62) had introduced a program designed to generate speedy economic development based on attracting foreign capital and accelerated industrialization, regardless of cost, but presumed sacrifices were unacceptable to important segments of the business community and the people at large. Although virtual selfsufficiency in petroleum was achieved and large amounts of foreign capital were invested, the Frondizi program failed to pay sufficient attention to agriculture and its earnings of foreign exchange. The program also failed to provide visible social benefits, such as improved housing, and failed to halt the rapid increase in the cost of living.

The government of President Arturo Illía (1963-66) inherited an unbalanced budget, a sizable foreign debt and serious fiscal problems. During this administration there was a moderate increase in industrial and commercial activity and reduction in unemployment, when compared to the deterioration of the economy during the provisional government of José Guido (1962-62). There were favorable balances of trade, progress in repayment of foreign debts and the accumulation of larger central bank reserves. The gross national product increased by approximately 7 percent in calendar years 1964 and 1965. Nevertheless, the budget deficit remained heavy in fiscal years 1964 and 1965 (fiscal year begins on November 1). One of the notable steps taken in the economic field by President Illía was the annulment of all petroleum contracts negotiated by President Frondizi. In July 1967 the government of President Juan Carlos Onganía enacted an amendment to the petroleum, or hydrocarbons law, to authorize the exploration and exploitation in largely unproven areas under specified conditions of national and foreign private companies. Bids were subsequently tendered both internationally and domestically for exploration, and in March 1968 the government awarded inland and off-shore drilling concessions to nine foreign companies, including three American producers.

When President Onganía assumed office in June 1966, the government undertook to reduce its expenditures and to cut its budget deficit, principally through larger revenues resulting from tax reforms. At that time about half the deficit represented losses incurred by state enterprises notably the railroads, which had been purchased from their foreign owners during the Perón regime.

Appreciable progress had been made toward reducing the government deficit in 1967–68, and toward more efficient operation of administration and state enterprises. There was public speculation as to whether budget deficit reduction and relative price stability had been achieved at the expense of capital formation by domestic firms some of which were being acquired by foreign companies. Some economists feared that private Argentine companies might be in danger of being smothered between foreign companies and state enterprises.

Nevertheless, an increase in the gross internal product during the first quarter of 1968, compared with the same period of 1967, showed signs of a reversal of the recessionary trend noted during the second half of 1967. The great majority of industrial and commercial firms were in private hands, but government measures were also exerting a far-reaching effect on the economy.

Although the country's importance as a temperate-zone agricultural exporter had fallen somewhat in preceding years, exports of grain and livestock products still provided a predominant proportion of foreign exchange earnings. Agricultural exports, however, were caught between rising production costs and stable or falling world prices, and more hampered by restrictions on imports of agricultural products impaired by the European Economic Community Countries, and in other foreign markets. Agricultural productivity had risen only slowly, and increased domestic consumption of food had reduced surpluses available for export.

A failure to develop domestic fuel resources rapidly enough had handicapped the economy. Hydroelectric production of power was greatly below the country's potential; coal resources were meager; and political differences over development of mineral resources had hindered production of petroleum. An over-protected industry had been severely hampered by the frequent changes in economic policies prompted by the country's balance of payments difficulties.

For 20 years the general level of prices had risen by approximately 25 percent per year. In the same period the country's gross national product had increased by an average of only about 3 percent annually. The failure of food production, particularly meat, to keep pace with the growth of purchasing power resulting from industrialization and the redistribution of income has been a meaningful factor in the inflation. The immediate source of the cumulative rise in the general level of prices has been the repeated budget deficits financed largely by the Central Bank of the

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Argentine Republic (Banco Central de la República Argentina). About half of the deficits were traceable to the state-owned railroads.

Major changes in governmental economic policies in the first half of 1967, particularly a 40-percent devaluation of the currency, induced a return of capital which had moved abroad and also encouraged an inflow of foreign public and private credits which considerably increased the country's foreign exchange reserves.

As a founder member of the Latin American Free Trade Association, the country actively sought increased markets for its exports among other member countries. In mid-1968, however, further progress in this direction was restricted by differences among member countries regarding the pace of trade barrier reductions.

New economic policies introduced in 1966 and 1967 had considerably freed the economy, although the government retained controls on wages, prices and production, as well as a large measure of direct participation in the economy in the fields of natural resource development, utilities, transportation and communications. The dominant theme of the new economic policies was monetary stabilization as the first and essential step toward laying a basis for reform, modernization and long-term economic development.

INDUSTRY AND COMMERCE

In 1968 the foundations of the economic structure were set in the private sector. Important industries and businesses in this area, along with agricultural and pastoral production, were the processing of primary products; most of the country's manufacturing; wholesaling and retailing; some 70 percent of banking; publishing and most information media; fishing; construction; about one-third of steel production; some ocean shipping; and several domestic airlines. The great majority of people in the business community and in the government seemed to favor free enterprise.

Among the government-controlled or -owned industries and services were the state-owned oil fields and the state-owned coal fields; a stateowned ocean and river fleet; the state-owned railroads; the nationalized telephone service; and a state-owned airline. The fishing industry was receiving assistance from the Bank of the Argentine Nation (Banco de la Nación Argentina).

The lucrative agricultural industry was the most important factor in the country's foreign trade. Although agricultural and pastoral products contributed only about 17 percent of the gross national product and involved approximately 20 percent of the labor force, these products earned as much as 90 percent or more of the total value of exports.

Manufacturing accounted for approximately 36 percent of the gross national product and employed about one-fourth of the labor force.

Major components of the manufacturing area were meatpacking, food processing and the production of textiles, cement, petroleum, chemicals, iron and steel, automobiles and machinery.

United States investments in manufacturing amounted to about \$700 million. Numerous United States firms had subsidiaries in Argentina, and many had entered licensing agreements. Total United States direct investment exceeded \$1 billion in 1967.

Wheat and other cereals, linseed and meat were the most important commodities grown for export. Wool, oil and vegetable fats, hides, dairy products and forestry products comprised the rest. Some three-quarters of agricultural production was consumed domestically, and the country satisfied almost all its domestic food production and food-processing demands.

In mid-1968 the 1967-68 wheat crop was estimated at 7.4 million tons, about 15 percent higher than the 1966-67 yield, but the 1967-68 corn crop was expected to amount to 6.6 million tons, about 22 percent below the 1966-67 yield.

In the first 3 months of 1968, livestock sales were about 5 percent below the number for the same period of 1967. Imports of mutton into Great Britain from countries where hoof-and-mouth disease was endemic were still banned in mid-1968. Although a ban on imports of beef into Great Britain, imposed for the same reason, had been lifted on April 15, 1968, shipments of chilled beef to that country had not been resumed by mid-1968. Some sources reported that the government was considering replacing the traditional consignment basis of sales of chilled beef carcasses to Great Britain by a system of prices determined before shipment, rather than awaiting sale after arrival in London. In mid-1968 this intention was believed to be a major cause for the failure to resume shipments of chilled beef carcasses to Great Britain.

Another major depressant to livestock sales was the difficulty in fulfilling Argentina's agreement to supply Spain with 60,000 tons of carcass beef in 1968. After 4 months of shipments, Spain reduced its imports of beef, and in mid-1968 it appeared unlikely that the planned total of 60,000 tons would be reached.

Exports of beef had also been hurt by rising import levies imposed by the countries of the European Economic Community (EEC). The volume of imports by EEC countries of meat from Argentina fell from 206,249 tons in 1964 to 146,287 tons in 1967, and in mid-1968 it appeared that the reduction was likely to continue.

In the extractive industries the major private operations were in petroleum, although the State Oil Fields directly accounted for 73 percent of total production in 1968. Output of crude oil rose by nearly 16 percent in the first quarter of 1968. The State Oil Fields increased their own production, but a part of the rise in output of crude oil occurred in areas exploited by the private oil companies.

The government's encouraging attitude toward the participation of

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national and foreign private companies in petroleum exploration and operations and the award in the first part of 1968 of new inland and offshore exploration permits to nine foreign companies may hold promise of proving reserves and subsequent production concessions.

In the manufacturing industries the private sector controlled food processing (including meatpacking), textiles and clothing, chemicals and pharmaceuticals, machinery, motor vehicles, consumer durables, pulp and paper, cement and about one-third of steel production (see ch. 20, Industry).

An official report on the economy during the first quarter of 1968 showed that industrial production was 3.9 percent higher than in the first quarter of 1967. The largest percentage increases were in the production of chemicals, 11.6; metal products excluding machinery, 9.5; nonelectrical machinery, 9.4; and glass and ceramics, 8.2. Production of cement increased by over 12 percent in response to the sustained upward trend in construction. In the automotive field production of commercial vehicles was notably more than in the first quarter of 1967; however, output of motorcars in the first 3 months of 1968 was almost 15 percent below the total for the same period of 1967. The rising production of commercial vehicles appeared to have been a response to the 12-percent rise in domestic investment in the first quarter of 1968 over the same period in 1967. The fall in output of motorcars suggested a decline in the incentive to purchase consumer durables, such as automobiles, as a hedge against anticipated inflation.

In mid-1968 the government had embarked upon a policy which included strong incentives to private domestic and foreign investment, encouragement of private enterprise and ample bank credit for business and consumer loans. Loans from abroad indicated that the country had the confidence and support of international financial agencies and of private foreign investment for its investment programs. In the private sector it seemed likely that in 1968 there would be substantial investments in petroleum, petrochemicals, steel, nonferrous metals, automobiles and trucks, synthetic fibers and materials, and paper and woodpulp.

Thus, in mid-1968, the dominant features of the economic situation were the rise in nonfarm output, the fall in farm output and the relatively low rate of price increases. In the first 5 months of 1968 seasonally adjusted prices rose about 3 percent; in the same period of 1967 prices had increased by 9 percent.

Manufacturing output in the first quarter of 1968 was 3.9 percent greater than output in the first quarter of 1967. Production rose in all sectors except food processing and electrical equipment. The rise in manufacturing output reflected increased demand and the need to replenish inventories of semifinished goods which had been steadily drawn down since the stabilization program went into effect in March 1967. Exports of manufactured goods in the first quarter of 1968 were about \$19 million and had been rising steadily from the \$13 million registered in the first quarter of 1967.

Another major contributor to the growth of nonfarm output was the public construction program, which was scheduled to reach \$900 million in 1968. In the first quarter of 1968 the index of public construction was 34 percent higher than in 1967.

NATIONAL ECONOMIC POLICIES

In January 1967 the government submitted to the Inter-American Committee on the Alliance for Progress (Comité Interamericano de la Alianza para el Progreso—CIAP) and simultaneously released in Buenos Aires a document outlining its economic policy aims. The strategy outlined in this statement remained through mid-1968 the basis for governmental economic policy and actions.

The proposed national economic policy had two objectives: to attain monetary stability and to secure long-term economic development. These objectives were to be achieved by the simultaneous application of measures on all fronts to avoid the unfavorable prospects usually associated with a gradual process and by the promotion of the transfer of human and financial resources from low-productivity activities to high-productivity employment.

In the agricultural sector the principal objective was an increase in production, together with more intensive farming methods and a solution of the land tenancy problem (see ch. 19, Agriculture). Considering the low efficiency of certain branches of industry which had been able to operate only because of the previous high tariff protection, the government aimed for a customs policy which would remove the cover for continued inefficiency but would continue to grant proper protection in justifiable cases. To absorb temporarily the labor force discharged from low-productivity sectors, the construction sector of the economy was to be expanded. For 1967 a goal was set for construction of 130,000 dwelling units at a cost of nearly P193 billion (U.S. \$1 equals 350 Argentine pesos), of which 23 percent was to be paid from the public sector.

Public investment was to be channeled basically to housing and to new highways, powerplants and port construction works. The government planned to assist the financing of private investment by reviving the stock market, which had been dormant because of the prevailing inflation. Foreign investment would be promoted, particularly in sectors which the government considered most appropriate for providing a spur to economic progress.

The government planned to stimulate the expansion and diversification of exports through an exchange rate policy which would provide adequate incentives by eliminating the overvaluation of the currency. Imports would be liberalized by revising the customs tariff structure; discriminating use of tariff reductions would be the principal means used to encourage the rationalization of industry. The government would also attempt to increase the nation's foreign exchange reserves, but it would attempt to avoid short-term borrowing.

In the public sector the government planned to increase efficiency and productivity and to reduce and eventually eliminate its budgetary deficit. Reforms in taxation designed to provide an incentive to production and to discourage excessive consumption would be introduced. Public expenditure was to be reduced and rationalized. Excess public sector personnel were to be transferred gradually to the private sector, on the principle of movement of surplus manpower to high-productivity employment. Prices of public services would be raised to a level sufficient to provide funds for the renovation of plants and equipment. The social security system was to be reorganized to lighten the burden it imposed on production costs and to ensure the fulfillment of its purpose. The government further proposed to bring into effect the National System of Planning and Action for Development envisaged in Law No. 16,964 of September 30, 1966.

During the first 6 months of 1967 a number of measures were taken to implement these announced policies. They included: devaluation of the national currency within a free exchange market; virtual elimination of all restrictions on external payments, foreign exchange movements and transfers of capital and services; drastic reduction of the budget deficit; strict control of the growth of wage rates; limitation of the expansion of internal credit; modifications in the tax system; general reduction in the level of import charges; and an almost total elimination of prohibitions on imports.

Through mid-1968 the government adhered to its general economic policy line of achieving monetary stabilization as a basis for sound longterm economic development. The measures taken in 1967 had a salutary effect; the gross national product for 1967 was estimated to have grown by 2 percent, compared with a 1.7-percent decline in 1966. Taking into account the estimated growth of population in 1967, however, gross national product by individuals was calculated to have grown by only 0.4 percent.

The problem of reorganizing the railroads to reduce their deficit was still unresolved in mid-1968. The railroads' drain of P9.9 billion on the finances of the national government was greater in the first quarter of 1968 than the drain of P9.3 billion in the same period of 1967.

ROLE OF GOVERNMENT

The government was concentrating on reform and modernization of the economy in mid-1968. It had been engaged in this process since assuming power in June 1966, but the basic program and concrete measures were not announced until the first half of 1967. Throughout 1967 and the first half of 1968 the government concentrated on introducing and applying new measures considered necessary to implement the philosophy. The announced basic program of the government in economic matters favored individual enterprise and the free enterprise system ". . . when not opposed to justice and competition, and which encourages social change and progress."

Corrections of inequalities in salaries and in the administration of personnel in the public sector were made the task of the Technical Commission of Wages and Policy, to function in the Ministry of Economy and Labor, as announced in January 1967. The railroads, which had been operating at a heavy deficit (nearly P109 billion in 1966 and over half of the fiscal budget deficit that year), were reorganized, including the elimination of unprofitable branch lines and the closing of unnecessary stations. For the fiscal year ending November 1, 1968, substantial reduction in the operating deficit was being sought. The port of Buenos Aires was successfully reorganized, which led to the elimination of freight rate surcharges previously imposed by shipowners on cargoes destined for or loading in Buenos Aires.

Salaries in the private sector were made subject to control by Law No. 17,224 of March 31, 1967, which ordered a system of salary adjustments subject to official approval and synchronized for almost all of private enterprise, with the objective of progressive slackening of the rate of salary expansion. As a first step, wages were increased in all private enterprises, primarily during April 1967, by an average of slightly over 17 percent; simultaneously, the newly increased wages were frozen, together with collective contracts, until the end of 1968.

To revive the stock market and to finance the treasury deficit by noninflationary means, in the second quarter of 1967 treasury bills (public short-term bonds) amounting to P12 billion were issued.

Law No. 17,343 of July 11, 1967, and the regulation issued under it, Decree No. 4,920, established a system of indemnities that allowed the transfer of surplus personnel in the public sector to more productive activities. This step was taken simultaneously with the rationalization of the structure of state enterprises, the provision of steps to transfer such enterprises to private ownership if feasible and the adoption of performance norms to increase productivity and efficiency in state enterprises.

Late in 1966 Law No. 16,936 was introduced, which enforced compulsory arbitration in collective labor disputes. The authority of state enterprises over their employees was further strengthened by Law No. 17,183, which authorized state enterprises to warn their employees "to cease arbitrary measures."

Law No. 17,318 of July 19, 1967, authorized the formation of joint public-private corporations in which the state would hold a majority of the shares. This legislation was used in many cases to establish new management and ownership of enterprises formerly controlled by the National Administration of State Industries.

In the industrial, mining and construction fields, enterprises operated

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directly by the government included the State Oil Fields, the State Coal Fields, the National Directorate of Aeronautical Manufactures and Research, and the State Shipyards and Naval Factories.

In the transportation sector the government operated the State Railways Administration, the Buenos Aires Subways, the most important state-owned airline (Aerolineas Argentinas), the State Maritime Enterprise, the State River Fleet, the Water Transport Administration and the General Port Administration. In the communications field the government operated the National Telephone Corporation, and in the utilities area it operated the State Gas Corporation and the State Water and Energy Company.

By Decree No. 1,712 of March 16, 1967, the government created the National Service for Construction of Public Works, which was to initiate the toll system for construction of approaches to the major cities, bridges and roads between important urban centers. Planned works included a bridge over the Río Paraná between Barranqueras and Corrientes, to link Chaco and Corrientes Provinces, and a proposed complex estimated to cost P53 billion and to comprise a bridge over the Paraná de las Palmas river and another bridge over the Paraná Guazu river, connections between the two bridges, access roads and complementary projects in the highway and railroad networks.

The National Highways Board planned to carry out in 1967 over 1,780 miles of basic works and paving throughout the country and construction of bridges for a total investment of more than P17 billion. For Greater Buenos Aires (see Glossary) an access network of 90 miles of highways was planned; of this, about 70 miles had been finished and opened for traffic by the end of 1967. The government intended to invite bids for the construction of an additional approximately 8 miles of subways to add to the Greater Buenos Aires network, estimated to cost about P20 billion.

NATIONAL ECONOMIC PLANNING

The government created the National Planning System, comprising two subsystems which are to work in a coordinated manner. They are the National System of Planning and Action for Development and the National System for Security Planning and Action. Each of these subsystems has a basic agency organized as a council, the National Development Council (Consejo Nacional de Desarrollo—CONADE) and the National Security Council (Consejo Nacional de Seguridad—CONASE), and a secretariat (see ch. 13, The Governmental System).

The purpose of the National System of Planning and Action for Development is to determine policy and strategy directly relating to national development; to coordinate its activities with the National System for Security Planning and Action toward achievement of the dual goals of development and security; and to formulate the national long- and medium-term plans and the regional and sectoral plans and to reconcile them, coordinate their execution and evaluate and control the national development effort. It was also to direct the short-term programing and the preparation of the corresponding budgets, programs and projects; to issue the rules by which the national, provincial and municipal public sectors must abide in their development activities; to orient private activities toward the attainment of the goals of development; and to determine the manner in which the benefits obtained from achievement of the goals of development may be translated into the social well-being of the national community and enhance the international influence of the country.

The system includes the CONADE (comprising the 5 government ministers and the 15 secretaries of state) and its secretariat; it also includes 8 development regions, with a board of governors and a regional delegate in each, and 8 regional bureaus. In addition, there are 14 sectoral development offices in the appropriate secretariats.

The decisions emanating from the authorities of the system are mandatory for the national, provincial and municipal public sectors. All the national centralized and decentralized agencies and state enterprises must institute programming techniques which conform to the rules and procedures established by CONADE. For the private sector, those decisions serve as guideposts.

The CONADE consists of all the ministers as permanent members and all the secretaries of state as nonpermanent members. It is chaired by the President, and its secretary, who heads an advisory and working agency, is an official on the secretary of state level.

There are eight regional planning bureaus, each with a board of governors who are jointly responsible for the formulation of the development policies and strategies for the region and are singly responsible for the execution of the development plans and programs in their respective jurisdictions. They are answerable, through the CONADE Secretariat, to the President, but they work out of headquarters in their respective development regions. In addition, the Secretary of State for Government maintains a regional delegate on each board of governors to ensure the continuity of its operations, convoke and coordinate its meetings, represent it before the national government, its agencies and third parties, and control the execution of the decisions of the board, in coordination with the Ministry of the Interior. Also, each regional office of development has a director who has technical and administrative functions and who must act in accordance with the directives of CONADE and the board of governors and must organize and administer his activities by the rules of the CONADE Secretariat.

In 1968 there were 14 sectoral development offices attached to state secretariats. The CONADE Secretariat, whose chief ranks as one of the secretaries of state, is a permanent agency that has professional, technical and administrative functions in the implementation of the National Planning System.

The National Planning System is governed by a directive that establishes which plans and programs are to be drafted, states their basic features and determines the requirements for their preparation and execution. There are to be three plans: the General Development and Security Plan of 1968-77, the National Development and Security Plan of 1968-72 and the Yearly Plan of Operations, which is to begin in 1969.

The Yearly Plan is to include the National Economic Budget, the Financial Plan, the Yearly Plan of the Public Sector, the Yearly Regional and Provincial Plans, the Instrumental Policies and the Projects.

The minimum structural framework of the General Development and Security Plan of 1968–77 is to be devised in the following stages: methodological rearrangement of tasks, preparation of alternatives, selection of alternatives, preparation of the Plan and approval of the minimum structural framework.

The tasks for the National Development and Security Plan of 1968–72 were: the preparation of macroeconomic alternatives, selection of alternatives, formulation of the Plan and approval of the Plan. The Yearly Plan of Operations will involve the preparation of alternatives, selection of alternatives, final preparation, and consideration and approval.

DISTRIBUTION OF ECONOMICALLY ACTIVE POPULATION

In 1960 the economically active population was about 7.5 million. Of these, 36 percent were employed in manufacturing, mining and construction; 21 percent, in agriculture; and 43 percent, in transport, commerce, government and other services.

The economic and industrial census taken in 1964 showed that a falling proportion of the total population is being employed in industry; the percentage was 7 percent in 1964, compared with 8.1 percent in 1954. On the other hand, a rising proportion of the population was being employed in commerce and services—6.7 percent in 1964, as compared with 6.1 percent in 1954.

Surveys conducted in April and October 1967 in the major industrialized areas of the country showed unemployment rates of 6.4 and 6.3 percent, respectively, of the economically active population. These figures relate to five predominantly urban areas of the country, including the entire metropolitan area of Buenos Aires, which contains more than 30 percent of the country's total population. These areas represent 40 percent of the total population and 45 percent of the economically active population.

Rural unemployment has continued to be low during recent crop years, and there has been a shortage of labor in some rural areas. The continued migration to the urban areas has probably contributed to this shortage, although apparently the migration has been slower in recent years than in previous periods.

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TREND OF THE GROSS NATIONAL PRODUCT

In 1965 the primary sector, consisting of agriculture, forestry, fishing, mining and quarrying, contributed almost 18 percent of the gross national product. The secondary sector, including manufacturing and construction, accounted for 39 percent of the gross national product, and the services sector represented slightly over 43 percent.

Of the gross national product in 1965, 80.6 percent was devoted to consumption. Gross national fixed investment absorbed 17.9 percent, of which 8.7 percent represented construction (private sector—5.8 percent, public sector—2.9 percent), and expenditure on durable production equipment, 9.2 percent. The net difference between exports and imports of goods and services absorbed 1.5 percent of the gross national product.

For 20 years the country's gross national product increased by an average of only about 3 percent annually, equivalent to an annual increase in per capita income of just over 1 percent. Over this same period the general price level increased by approximately 25 percent per year.

In the 1930's the country had attained the highest level of income and the highest volume of deployment of manpower and capital in Latin America, and was at that time at a stage of economic development comparable with that of a number of European countries.

The country's capacity to import has been insufficient to support a quicker rate of development. Until 1961 the annual volume of exports was significantly lower than the average for the 1925–29 period. In addition, the terms on which the nation exchanged its exports for its imports were unfavorable during this period because of low or falling prices for its farm and livestock products and the rising prices of the raw materials and semifinished goods required for its growing industrialization.

The shortage of foreign exchange forced the country to incur heavy foreign debts, largely in short-term and medium-term obligations. The payment of principal and interest on these debts has seriously impaired the country's capacity to import, particularly in recent years (see ch. 23, Foreign Economic Relations).

Because of the decline in earnings of foreign exchange from traditional farm and livestock exports, economic development efforts from about 1930 to the early 1950's were concentrated on the replacement of industrial imports and the intensification of activities, such as services and construction, directed to supplying the domestic market. By 1955 this course of action had proved to be insufficient to restore dynamism to the economy. Furthermore, actions taken in the 1943–55 period had distorted the structure of production and prices in a manner that reduced economic efficiency and hampered the required expansion of both traditional and manufactured exports.

The economy has also been hampered by a lack of continuity in economic policies. Long periods of domestic inflation and maintenance of a rate of exchange without significant variation have been followed by sharp devaluations. Economic growth has been hampered by intensive inflation since 1945, fueled by large budgetary deficits resulting primarily from public sector expenditures, particularly on the state railroads (see ch. 24, Financial and Monetary System).

The tempo of economic activity has fluctuated violently, with short periods of rapid expansion followed by periods of intensive contraction. Beginning in 1948, inflation has generated a crisis in the balance of payments every 3 years.

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CHAPTER 19

AGRICULTURE

After a period of dynamic growth lasting from about 1860 to 1930, during which the development of the immensely fertile Pampa region made the nation one of the world's great exporters of cereals and livestock products, agriculture sank into a stagnation which has persisted with little change. Output in 1968 was still far below the potential afforded by the country's rich soils, favorable climate and generally adequate rainfall.

National policy has aimed at maximizing the volume of agricultural exports. Toward this goal successive governments have exerted considerable influence on exports through taxes, exchange controls, minimum export prices and commodity boards. Unpredictable and fluctuating pricing and marketing policies, however, have caused extreme variability in the net prices received by farmers, which has hampered investment in the agricultural sector and limited the application of modern technological advances.

Agricultural development has been further restrained by insufficient rural credit, an unfavorable system of farm tenancy, a deficient system of agricultural education, lack of adequate transportation facilities and a shortage of storage capacity. In addition, a policy of protecting industry has adversely affected agriculture by imposing severe import restrictions on industrial goods necessary for the development of the agricultural sector.

The 1968 outlook for agriculture was strongly conditioned by the pace of development in the general economy, particularly the control of inflation by agricultural policy and by the strength of foreign demand for agricultural products, especially wheat, feed grains, vegetable oils, beef and wool.

HISTORICAL DEVELOPMENT

Agriculture in Argentina passed through three distinct stages and, since about 1930, has been in a fourth. The first was the stage of regional subsistence, which lasted from the 16th to the end of the 18th century (1500-1800), and coincided roughly with the period of Spanish colonial rule. Throughout this period, small-scale production was the basic agricultural unit. When the *conquistadores* (Spanish conquerors) entered Argentina in the 16th century, sedentary tribes of Indians were cultivating domesticated plants and using domesticated animals. The Indians produced corn, cotton, beans and squash and used these products, together with game, to support themselves. Practically all the farm products which comprise present-day Argentine agriculture were imported from European countries.

During the 16th century, immigrants from Peru established the first European settlements in the area comprising the present-day provinces of Salta, Jujuy, Santiago del Estero, Catamarca and Tucumán. The same century also saw the introduction of the principal crops and range cattle that later became a major industry. Sugarcane was introduced from Brazil; wheat, from Chile; and livestock, from Peru. In the eastern lowlands, sugar, rice, cotton and tobacco began to be grown.

Agriculture in the early years of European settlement was of two types: large European-owned plantations worked by Indian labor producing cotton and pack animals for the silver mines of Upper Peru; small farmers producing commodities primarily for their own subsistence and a limited trade. As a result of the introduction of sheep from Peru in the middle of the 16th century and the concurrent decline in the Indian population which had grown the cotton and woven the cloth, wool began to supplant cotton in textile production.

The labor arrangements on the estates stemmed from the institution of the *encomienda*, ordered by Queen Isabella in 1503 as the Spanish royal solution for control of land and labor in America. This practice entrusted specified numbers of Indians to designated Spaniards, the *encomenderos*, entitling them to certain definite days of labor from the native Indian community in return for protection, education, religious instruction and the support of a priest. However, the *encomienda*, although theoretically a grant of Indians to deserving soldiers of the Spanish Crown, was effectively a grant of the land upon which the Indians lived, and the practice reduced the Indians themselves to a state of slavery.

During the 16th century, the littoral region, encompassing most of the Pampas, was the most primitive and least populated portion of the area which is present-day Argentina. Meat, hides and lard of wild cattle descendants of the cattle brought by the first colonizers—were used for subsistence and sold in small local markets.

In the northeast region, encompassing what are currently the provinces of Misiones, Chaco, Formosa and northern Corrientes, lived about 50,000 primitive Indians who frequently attacked the neighboring settlers. Patagonia, which occupies about one-third of the nation, was not occupied permanently during the regional subsistence stage.

The second stage, 1800-60, was one of transition in which a number of roughly simultaneous developments caused the shift of Argentine agriculture from a nearly self-sufficient regional subsistence to one which concentrated upon exports, first of salted beef and hides, and then of wool. At this time, the littoral region, focusing upon the port of Buenos Aires, began to acquire the economic predominance which it has today. Buenos Aires became the center of supply for foreign imports and the natural intermediary for domestic products to be exported.

The large-scale shift from subsistence production to the production of hides, salted beef and wool for export came about for a number of reasons. Among these were the abundance of fertile land in the Pampas region, the gradual improvement in maritime transport, the increased demand in Europe and North America for livestock products, the introduction of sheep into the coastal region from Europe, the large-scale livestock production possible on the basis of elementary techniques and organization and the low requirements of labor to man the *estancias* (large landed estates). The raising of livestock was the primary agricultural activity during the transition stage.

As livestock production rose, the possession of land or rights to use of land for agricultural purposes became more valuable. In the 17th century, the Spanish Crown had begun to move from the *encomienda* system toward direct sale or grant of large parcels of land to private persons. The use of the *estancia* method led to the creation of vast estates of thousands of acres.

The trend toward concentration of large tracts of grazing land in the hands of a few absentee owners was strengthened by the authorization of sale of public lands in 1810 immediately after the establishment of an independent government. This practice was halted, however, by a law providing for the use of the public lands under the ancient principle of *emphyteusis*. The law was first applied in the Province of Buenos Aires in 1824. Under this system, the state or nation remained perpetually the owner of the land, but leased a part of the land to individuals who filed legal notice of their desire to rent it.

The ultimate effect of this system was to establish in Argentina the pattern of *latifundia* (large estates) which had prevailed in Spain. The resulting concentration of land in the hands of a few absentee owners has been authoritatively labeled "the classical display of *latifundismo* in Latin America."

A Buenos Aires provincial law of 1836 ordered the sale of more than 9 million acres of public lands and restricted to rental contract-holders (*enfiteutas*) the right to purchase land under such contracts. Two years later, Provincial Governor Rosas renewed some of the *emphyteusis* contracts and ordered the balance of land then held under such contracts to be sold. The lavish disposal of public lands was continued in a national law of 1857 which provided for delivery of public lands beyond what was then the frontier line for no rental payments whatsoever.

Emphyteusis was ended by a law of 1867 forbidding the renewal of rent contracts under the 1857 law and ordering the sale of all rented lands. Subtenants and occupying tenants were given a 5-month period in which they had first priority to buy all the land they had under contract; land not purchased by either group was to be sold at public auction in parcels not greater than 6,100 acres.

The ultimate effect of the various laws and decrees concerning land was to concentrate the bulk of the available land in the hands of a few owners and families.

During the third stage of the development of Argentine agriculture, the hitherto underpopulated Pampa region was transformed into one of the world's major sources of cereals, meat and wool. The Industrial Revolution in Europe caused a sharp increase in world demand for temperate-zone agricultural and livestock products. At about the same period, Argentina possessed in the Pampa region extremely large tracts of very fertile land which were largely undeveloped, sparsely populated and climatically well suited for large-scale, extensive agricultural production.

The need for agricultural labor to develop the Pampa region was met by a massive voluntary immigration of about 3.3 million persons to Argentina between 1857 and 1914. Approximately 800,000 persons settled the rural areas of the Pampa region (see ch. 5, Ethnic Groups and Languages). The movement of people and of imported consumer goods to the rural areas, and the return movement of livestock and cereal crops to the major ports for transshipment to Europe, were facilitated by the construction of nearly 21,000 miles of railroads in the same time period (see ch. 22, Domestic Trade; ch. 2, Physical Environment). The simultaneous elimination of inland customs barriers and restrictions on trade between the provinces assisted greatly in establishing a national economic framework which allowed the evolution of the great increase in agricultural production.

Since most of the more fertile and better located land in the Pampa region had already been legally transferred, the majority of the arrivals in rural areas had to become tenant farmers on what had been pasturelands which were being converted to production of cereals. As a result, the total area of farmland devoted to grains and to forage in the Pampa region rose from 15 million acres in 1900 to 50 million acres in 1913, and by an additional 12 million acres in the subsequent 16 years. The drastic change in the use of land was reflected in the rapid rise in exports of agricultural products, mainly cereals and flax. In 1909 Argentina became the world's largest exporter of grains.

A number of technological improvements which occurred in the mid-19th century also contributed to the rapid development of Argentine agriculture. Among these were the introduction of steamships on the Buenos Aires-Southampton run, reducing the length of the voyage from 60 to 35 days; the opening of new ports and major improvements in the dominant port at Buenos Aires; the construction of two new railroad links, railroad sidings, chutes and grain elevators; the improvement of port facilities; and the introduction of refrigeration in the shipping and meatpacking industries.

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Because sheep carcasses could be more easily handled and preserved than could the larger beef carcasses, frozen meat shipments to Europe expanded largely on the basis of consumption of mutton. The Lincoln breed of sheep gradually supplanted the earlier dominant Merino strain, as sheep growers concentrated on production of an animal which could be used for its meat.

After the "War of the Desert," 1879-83, in which the Indians were eliminated from Patagonia, sheep raising began to move into that area and into other newly opened lands. By the 1880's, wool exports amounted to 50 or 60 percent of the total value of Argentina's exports. The number of sheep rose from 5 million in 1850 to 58 million in 1875.

The changes which occurred in sheep raising were repeated in the production of cattle, with even more dramatic results in terms of exports of meat. The first shipments of live cattle failed to win profitable markets in Great Britain and Europe because of the poor quality of native stock, but the introduction of better breeds of cattle and higher qualities of alfalfa for forage soon led to the production of meat more suited to European tastes. By 1908 improvements in refrigeration allowed the shipment of chilled beef in addition to frozen beef. This further improved the taste and appearance of Argentine meats to the British consumer.

Another important technological improvement was the introduction of windmills to pump water for the livestock, since there are few streams in the Pampa region. The use of plows, mowers and threshing machines, and machinery for drilling wells also greatly increased during this time. In addition, the expansion of the railroads increased production of other crops aimed primarily at satisfying domestic demand, such as sugar, cotton, grapes and fruits.

Since 1930 agriculture in Argentina has been largely stagnant. The decline in external demand for the comparatively few exports, together with the rise during the depression years of protectionist policies, and the organization of trade blocs sharply reduced the income from foreign sources for the nation's traditional agricultural products. Although the domestic market began to absorb an increasingly high proportion of the country's agricultural and livestock products, this rise in domestic demand did not fully compensate for the loss of foreign markets.

The increasing dependence on domestic markets forced a diversification of agricultural output into industrial fibers, fruits, wine, grapes and other crops. The fall in foreign demand for the products of the Pampa region, the nation's most fertile area, might have been counteracted by increasing output from increasing yields. However, the land-tenure system, exemplified in giant *estancias* and tenant farming, was a serious obstacle to obtaining higher yields by further mechanization, soil conservation and more efficient methods of farming. Land was held as a hedge against the continuing inflation and for social status or prestige, instead of being used as capital to yield a maximum profit by using manpower and investment.

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This practice was a major obstacle to increasing agricultural productivity and thereby generating the savings necessary to finance farm mechanization and the building of improvements. Further barriers to increasing agricultural productivity to its potential limit were the absence of an organized system to extend modern technology into the rural sectors and monopolistic practices which prevailed in the exports of meat. Another continuing problem for the Argentine farmer and rancher has been the lack of long- and medium-term agricultural credit.

Since 1930 agrarian output has been stagnant in the Pampa region but has expanded elsewhere. Total agricultural output in the Pampa region grew by only 6 percent between 1935 and 1939 and 1960 and 1965, whereas such output in areas other than the Pampa region rose by 38 percent in the same period.

Between livestock and crops, the contrast was even greater. The crop output of the Pampa region fell by 15 percent between 1935 and 1939 and 1960 and 1965, but rose by 94 percent in areas outside the Pampa region in the same time periods. Output of livestock in the Pampa region rose by 41 percent during these same years, but fell by 3 percent in areas other than the Pampa region. Crops of the Pampa region are directed toward foreign markets, whereas crops outside of the Pampa are oriented toward domestic markets. Available data indicate that the manipulation of crop and livestock prices by the various Argentine governments during this period of time induced farmers in the Pampa region to concentrate on livestock in preference to crops, but in areas other than the Pampa farmers responded to incentives to increase output of crops for domestic consumption but relatively neglected livestock.

Argentina's agricultural markets in most European countries were eliminated by the coming of World War II, but Great Britain continued as a major market. As chief supplier for the Allied combatants, the United States became the largest purchaser of Argentine agricultural products. Demand for wheat was strong during the war, and livestock production and exports reached record highs. As part of a general movement toward industrial growth, a vegetable oil extraction industry developed.

The regime of President Juan Perón affected agriculture greatly by concentrating import and export operations in the Argentine Trade Promotion Institute (Instituto Argentino de Promoción del Intercambio— IAPI), which imposed maximum government collections and minimum prices on agricultural producers, processors and exporters. At first, the planted area of principal crops was turned over to forage crops for livestock; later, livestock marketing decreased.

The end of World War II in Europe and the consequent reopening of European markets meant impressive success for Perón's economic policy in its first years. Because of the ruination of European agriculture, Argentina was allowed to negotiate gigantic intergovernmental sales at excessive prices. The subsequent revival of European agriculture, however, ended Argentina's temporary foreign trade advantage. Simultaneously, the removal of land from crop production had lowered exportable surpluses to an amount so low that a domestic food supply crisis occurred in 1940-50, brought on by a severe drought. Similar developments in the production of livestock caused a shortage of meat which continued from 1951 through 1954. The persistent crisis compelled a revision of agricultural policy demonstrated by encouragement of livestock production beginning in May 1953 and by announcement of abetting prices for grain in 1955.

After the departure of Perón in September 1955, the IAPI was dissolved. Although the successive governments since the Perón regime have taken various measures to stimulate agricultural and livestock production, the per capita food availability from the Pampa region has persistently declined since its wartime peak in 1941. Similarly, per capita production of livestock has not yet recovered to its 1945 high and since 1959 has been at about the level reached in 1936.

CURRENT ROLE OF AGRICULTURE IN THE ECONOMY

In 1966 agriculture was estimated to produce 16 percent of the nation's gross domestic product at factor cost. Traditionally, agriculture and livestock products have amounted to at least three-quarters of the total value of exports, and the most recent data available indicate this pattern is continuing.

In the Pampa region, Argentina has a tremendously fertile agricultural area which compares with the Ukraine of the Soviet Union, the Danubian Plain, the Po Valley of Italy and the American Midwest as one of the world's most productive regions (see ch. 2, Physical Environment). Agriculture provides the vast majority of exports. As late as 1965 the country's share of world exports of agricultural products was as follows: wheat and flour, 11 percent; corn, 13 percent; barley, 5 percent; oats, 20 percent; rye, 10 percent; beef, 28 percent; mutton, 6 percent; and wool, 10 percent.

Agricultural development is restricted by a group of governmental, institutional and physical factors. The exportable surplus of farm output has been reduced by the growth of population (see ch. 4, Population and Labor Force). The capacity of arable land has been completely exploited under the production techniques currently used.

Potential increases in productivity have been hampered by a system of land tenure which has remained unmodified for many years and by the continuation of traditional farming methods. The stimulation of industry by government policy shifted emphasis and attention away from agricultural problems, and the new policy was financed by penalizing and restricting farm production. Agricultural expansion was further restrained by the accompanying loss of incentive and a shortage of capital.

In recent years the contribution of agriculture to gross domestic product has been less than half that of industry. The preponderance of agricultural products in exports, however, has meant, in effect, that imports of industrial equipment and materials needed for further expansion of manufacturing must be paid for by exporting livestock and crops primarily to the industrialized countries of Europe.

The proportion of the labor force devoted to agriculture has declined from about 39 percent at the turn of the century to 26 percent in 1947. Since 1960 it has remained fairly constant at about 20 percent (see ch. 4, Population and Labor Force).

The major cause of agricultural stagnation has been the lack of a unified policy. Different agencies have established fragmented, uncoordinated policies, which lacked definite objectives and often directly conflicted. Land tax policies have perpetuated the problems which first arose from the original system of allocation of land. Unpredictable and fluctuating policies on pricing and marketing have also aggravated the problem.

The Onganía government has stated that it intends to remedy this situation. The President, in a major policy statement on November 7, 1966, confirmed the high priority of improvement of agriculture. He emphasized the necessity of increasing the production and exports of agricultural products and stated that the government would liberalize the foreign exchange rate, remove the retentions of foreign exchange receipts of agricultural exports and apply other measures to increase the competitive ability of agricultural producers and their returns from investment and labor.

The retentions of agricultural export receipts were removed by the government, as President Onganía stated, but were simultaneously replaced by a new system of taxes on exports of agricultural products at the time of the devaluation of the peso on March 13, 1967 (see ch. 23, Foreign Economic Relations). In September and October 1967, the export taxes on livestock products were reduced.

REGIONAL PATTERNS OF AGRICULTURE

The Pampa region contains over 85 percent of the cultivated land and most of the cattle, which were estimated to number over 48 million in 1967. Almost all the wheat, oats, rye, barley, linseed and sunflower and most of the corn are grown in the Pampa. An estimated 40 percent of its area is cultivated, and about 50 percent is used for pasture. The Northwest Andes and Piedmont region contains 87 percent of the vineyards and grows most of the olives and 80 percent of the sugar. The Northeast region produces 90 percent of the cotton grown and is also the source of the valuable tannin extract from the red *quebracho* trees. Patagonia is the home of the majority of the estimated 48.5 million sheep which produce about 200,000 tons of wool annually and is the source of most of the country's fine wools.

CHARACTERISTICS OF CONTEMPORARY AGRICULTURE

Types of Operations

According to a sample of the 1960 agricultural census, farms are classified into four categories based on scale of operations: subfamily, able to support not more than 2 persons; family, able to support 2 to 4 persons; multifamily (medium), able to support 5 to 12 persons; and multifamily (large), able to support more than 12 persons.

On the basis of this definition, subfamily farms were 43 percent of the total number of farms; family farms were 49 percent of the total; multifamily farms (medium) were 7 percent; and multifamily farms (large) were 1 percent.

Land Use and Tenure

Of the country's total land area in its continental territory, amounting to approximately 700 million acres, 61 percent is classified as arid, 15 percent as semiarid and 24 percent as humid, in terms of normal precipitation. About 432 million acres, approximately 63 percent of the total land area, are devoted to farms, according to the 1960 agricultural census. Of total farmland, 7.7 percent was devoted to land in crops, both annual and perennial; 8 percent was used for improved pasture, both temporary and permanent; 63 percent was used for natural pasture; 12.5 percent was considered wood and brush; 5.4 percent was used for wasteland and farmsteads; and 3.4 percent of total farmland was considered to be potential cropland.

The 1960 agricultural census estimated that there were almost 472,000 farms in Argentina, of which more than 250,000 farms, or 53 percent, were located in the Pampa region. The highest proportion of the total number of farms located in any of the other regions was 13.5 percent.

Small farms, containing 62 acres or less, were about 38.5 percent of the total number; medium farms, from 60 to 500 acres, represented 39.5 percent; large farms, from 500 to 2,500 acres were about 13.5 percent; and very large farms, of more than 2,500 acres, were 5.5 percent of all farms. Small farms accounted for just over 1 percent of total reported farmland. Medium-size farms represented a little more than 9 percent of total farmland.

Large farms were about 15 percent of land in farms, whereas very large farms (about 6 percent of the total number of farms) held approximately 75 percent of all farmland. Within this category of very large farms, one-third of total farmland was operated by less than 1 percent of all farmers.

The 1960 agricultural census demonstrated the complex land tenure situation. Of the total number of farms, proprietors operated 49.5 percent, and renters and sharecroppers occupied 16.5 percent. Farms classified as mixed tenure were 7 percent of the total number of farms; 3.5 percent of all farms were held by squatters with longstanding rights; and 8.5 percent of the total number of farms represented occupants of public lands (primarily squatters). Other forms of tenure comprised the balance of 15 percent of total farm numbers.

Based on area, about 53 percent of the land was farmed by proprietors in 1960, about 10.5 percent by renters and sharecroppers, about 16 percent of the area was accounted for by public lands operated as farms, about 8.5 percent was held by cases of mixed management, squatters held about 2.5 percent, and land held by other forms of tenure represented about 10 percent of the total farm area. Recent official figures indicate that by 1965 the amount of farmland held by proprietors had risen to 75 percent.

The number of farms enumerated in the 1960 agricultural census was almost unchanged from 1947, although the number of farms had increased by about 21,000 between 1937 and 1947. The data showed that the amount of land devoted to crops, in millions of acres, had declined from 69,600 in 1937 to 67,700 in 1960.

Between 1947 and 1960 the number of farm proprietors rose by 57,100 to a total of 230,600, or a gain of 33 percent. Simultaneously, the number of tenants declined by 99,000. On a percentage basis, the principal forms of tenure changed as follows from 1937 to 1960: proprietors, 37.9 percent to 49.5 percent; tenant, 44.3 percent to 16.5 percent; and other, 17.8 percent to 34.0 percent. This last category includes corporate farms, cooperative farms, state farms, institutional farms and all farms whose tenure was indeterminate.

Technological Change

The scanty available data on capital investment in agriculture indicate declines in per capita agricultural investment and in the agricultural share of total investment between 1900 and 1960. The value of capital investment in agriculture rose by 127 percent between 1900 and 1929, but by only 6 percent between 1929 and 1944, and by only 12.5 percent from 1944 to 1959. On a per capita basis, investment in agriculture fell by 40 percent from the peak in 1907 to a recent low in 1955. The agricultural sector also received a declining share of the total distribution of capital among the productive sectors of the economy. Agriculture's share of total investment dropped from 28.8 percent in the 1900-04 period, to 20.9 percent in 1925-29, to 17.9 percent in 1940-44 and to 14.2 in 1955-59. By this last period, the value of capital investment in the manufacturing, mining and construction sectors had reached 15.1 percent of total capital investment, or a greater percentage than the agricultural sector.

Argentine agriculture was nearly completely mechanized between 1920

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and 1940 on the basis of horse-powered equipment. Since 1945 there has been a general shift to the use of tractor power on farms; the number of tractors on farms rose from 29,000 in 1947 to 104,000 in 1960, or an increase of more than 250 percent.

The effects of the mechanization are shown in the decline of seasonal agricultural labor. Although the number of farms more than doubled between 1908 and 1937, rising from 222,000 to 452,000, the seasonal labor force fell from 1.1 million farmworkers to 0.5 million in the same period. The decline in the seasonal agricultural labor force is largely responsible for the fall in the total number of farmworkers from 2.1 million in 1947 to 1.5 million in 1960, or a decrease of 28 percent.

Another major cause for the movement of farmworkers to the cities, in addition to the industrialization campaign of 1947-51, was the consistently low wage rate characteristic of Argentine agriculture. The labor laws enacted during the Perón regime formalized the customary differential between the salaries of agricultural laborers and industrial workers' wages. Over the 15 years from 1949 to 1963, the pay of skilled agricultural laborers averaged about 62 percent of that received by similar industrial laborers, moving from a low of 49 percent in 1950 to a high of 80 percent in 1963. In the same time period, common laborers were paid an average of 63 percent of the wages earned by their industrial counterparts. In 1954 the difference was erased by the inclusion of agricultural workers in the new minimum wage law (see ch. 4, Population and Labor Force).

Role of Government

The government's agricultural programs are aimed at developing agricultural credit, research and extension services, improving transport and market facilities and providing price incentives to abet the production of preferred commodities. Agrarian reform, in Argentine usage, is concerned more with provision of titles for squatters and renters than with forcible redistribution of land. On April 27, 1967, Law No. 17,253 covering land tenancy was enacted as a replacement for the system of chronic extensions of leases which had been the practice for the previous 20 years. Landlords were given the right to remove a tenant, but they could not sell to anyone other than the tenant for a 5-year period. To ease sales to tenants, tax exemptions and bank credits were established. If the tenant had been given adequate compensation, the land could be sold to anyone.

The National Institute of Agricultural Technology (Instituto Nacional de Technologia Agropecuaria—INTA) was established by Decree-Law No. 21, 680 on December 4, 1956. This organization was given the job of reorganizing agricultural research and extension work. In 1968, it supervised 54 experiment stations and 98 rural extension offices.

Most agricultural credit is extended by the Bank of the Argentine

Nation (Banco de la Nación Argentina) through production loans to farmers and operational loans to cooperatives. Most loans are for 6 months for planting and harvesting purposes. For a specific purpose, such as a pasture improvement program, some longer term loans are available. Under this program, about 6,000 loans for a value of almost 2 billion pesos (U.S.\$1 equals 350 Argentine pesos) have been made for the improvement of about 1,650,000 acres of pasture. A special longer term loan program of the Bank of the Nation is for farm mechanization, assisted by two loans from the Inter-American Development Bank totaling \$40 million, that will ultimately result in the investment of about \$235 million in farm machinery.

The Bank of the Nation has embarked upon a grain storage program, including the construction of farm silos and country elevators, and has made loans for the construction of over 700,000 tons of storage.

Promotion and marketing of the most important agricultural commodities are handled by several semiautonomous official organizations. Nominally, the boards of each of these report to either the Secretariat of Agriculture or the Secretariat of Industry and Commerce.

The National Grain Board (Junta Nacional de Granos) has authority to buy grains and oilseeds at support prices and sell them to processors and exporters, or in some cases to foreign state trading organizations. The Board also maintains grades and standards, inspects and classifies export shipments, regulates marketing and conducts research and extension services. The Board owns about two-thirds of the commercial grain storage facilities, including all terminal elevators and underground storage. In addition, the Board supervises the storage operations of private traders.

The National Meat Board (Junta Nacional de Carnes) regulates the grading of meat and cattle, licenses packing plants and livestock markets, makes recommendations on policy affecting exports and the domestic consumption of meat, proposes changes in policy on livestock and meat prices and publishes livestock statistics and market news. All beef produced in large regional packing plants and designated for Buenos Aires slaughterhouses is graded by Board officials. Sales and prices at all terminal livestock markets are recorded by market reporters from the Board.

The National Cotton Board (Junta Nacional de Algodon) is responsible for promoting the production, marketing and processing of cotton. The Board has undertaken research projects in variety tests, production practices, fertilizer applications and insect and disease control. The Board operates cotton gins in outlying areas not served by private gins and conducts a cotton classing school with courses covering most phases of production and marketing.

The National Sugar and Sugar-Packing Commission (Comisión Nacional de Azucar y Envases) controls the production and marketing of sugarcane and sugar through fixed prices and assigned quotas.

MAJOR FOOD CROPS

Wheat

Production of wheat has remained practically stable for the past 30 years, the average crop for the 1960-65 period being slightly over 7 million tons, whereas the average for the 1935-40 period was about 6 million tons. The 1964-65 wheat crop, which was officially estimated at 11.4 million tons, was the largest on record, and exports of 6.7 million tons in 1965 were also a record high to that date. The harvested area has fallen from 15.8 million acres in the pre-World War II period to 15 million acres in the 1964-65 crop year.

Although the yield per seeded area was climbing steeply in the post-World War II period, exports were declining sharply from prewar levels until the record 1964-65 wheat crop. In 1965-66 the harvested area, yield per harvested acre, total production and exports all declined from from the previous year. The harvested area was nearly 4.9 million acres below the 1964-65 level, whereas production fell to 6.2 million tons, and exports declined to 5.1 million tons. From 1946 to 1963, exports had averaged only 2.2 million tons, which was 1 million tons less than the prewar average. Before World War II, only Canada had surpassed Argentina in exports of wheat, but, during the 1956-65 period, the annual wheat export average of 2.8 million tons was less than that of Australia, the United States and Canada.

Since 1959 exports of wheat to other Western Hemisphere countries have surpassed the traditional markets of Western Europe. In 1964 large shipments to Communist China caused exports to the Communist Bloc to assume major importance.

Corn

In the pre-World War II period, corn was the leading grain export, with an average of over 6 million metric tons annually, making Argentina first among world exporters. Between 1935 and 1940, annual production averaged 7.7 million tons. Production fell sharply, however, during the 1950-55 period, when the seeded area dropped from an average of 16 million acres in the prewar years to less than half this total. Decreasing yields per harvested acre also contributed to lower production. The yield dropped from 3,800 pounds in the 1935-40 period to 3,300 pounds during 1950-55, but recovered to 3,600 pounds per harvested acre by 1964-65. In the 1964-65 crop year, production was 5.1 million tons, and exports totaled 2.8 million tons. In this year, Italy took over 2 million tons, demonstrating its importance as the largest customer since 1959 and its steadily increasing share of the export market.

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Barley

During and after World War II, production expanded steadily, and, by the mid-1950's, barley had become the third most important grain crop. In 1964-65, production was 820,000 tons, and exports were 300,000 tons, both totals a substantial decline from those of the previous years. Along with oats and rye, barley is a dual-purpose crop; the grain is harvested only after requirements for forage have been met.

Oats

In the pre-World War II period, Argentina was the world's largest exporter of oats, but fell to third place below Canada and the United States after 1945. After a revival during the 1950's to levels approaching those of the 1920's and 1930's, production in the years beginning in 1960 dropped to the lowest levels in 50 years. In 1964-65 production reached 804 million tons, and exports in 1965 were 349,000 tons.

Rye

An increase in the employment of area seeded to rye for winter pasture led to a fall in the production of rye from an annual average production of 750,000 tons in the 1950-59 decade to an average of only 415,000 tons per year in the 1960's. In 1964-65 production totaled 245,000 tons, and exports were 96,000 tons. Since World War II, Argentina had been the world's second largest exporter of rye, but exports declined sharply after 1957.

Grain Sorghum

From a position of negligible importance during the prewar and immediate postwar years, production of grain sorghum increased rapidly during the 1950's to make the crop Argentina's third most important grain. The area seeded to grain sorghum rose from 340,000 acres in 1955-56 to 3 million acres in 1964-65. Production increased accordingly, from 83,000 tons to 857,000 tons in the same time period. Exports rose to an average of 410,000 tons annually during 1961-65, and the crop became the third largest export grain in 1961. A major cause of the shift to this grain has been the rise in the yield per harvested acre, averaging about 1,280 pounds. By 1965-66 the yield reached 2,250 pounds.

Rice

Before World War II, production of rice was unable to meet domestic demand, and Argentina was a net importer. In 1931 high duties were placed on imports, and production steadily increased until by the 1950's Argentina was almost self-sufficient. Since that time production has remained fairly steady, averaging about 186,000 tons.

Fruits

Since 1959 exports of fruits increased rapidly. Most of the exports were fresh fruits, but shipments of dried and canned fruits have been rising.

Production of apples showed the most dramatic growth in the fruit industry; from 45,000 tons in 1937, average crops rose to 138,000 tons in the 1940's, 320,000 tons in the 1950's and to 440,000 tons in the 1960-65 period. In 1964-65 the crop reached 544,100 tons. Exports of apples showed a similarly spectacular rise. From an average of 6,000 tons annually during the late 1930's, exports have risen to 253,000 tons in 1965. Except for pears, exports of which have risen from a prewar average of 16,000 tons annually to 43,000 tons in 1964, other fruits grown in Argentina have been almost completely absorbed by domestic consumption.

MAJOR INDUSTRIAL CROPS

Cottonseed and Cottonseed Oil

Production of these items showed the most stable trend in Argentina's vegetable oil sector. Since a high of 330,000 tons was reached in 1958, production of cottonseed has ranged around 200,000 tons annually. Exports of cottonseed oil have averaged about 3,000 tons per year since 1957, or about 15 percent of production; and most of the oil has been shipped to Western Europe.

Linseed Oil

Before World War II, flaxseed was the major oilseed crop and ranked only after wheat and corn among all crops. The strong demand for linseed oil which developed during the war encouraged the production of flaxseed in India, Canada and the United States and reduced postwar export markets for Argentine production. Simultaneously, a domestic vegetable oil industry developed. During the 1950's, production and yields were reduced, apparently because of a fungus disease which was overcome to some extent in the following decade by the use of pesticides and the introduction of resistant varieties. Between 1957 and 1965, average annual production of linseed oil was 195,000 tons.

The country in the 1955–64 decade was the world's leading exporter of linseed oil, with average annual exports reaching 179,000 tons, far outstripping its competitors—the United States with 22,000 tons, Uruguay with 20,000 tons and India with 19,000 tons.

Sugarcane

Since the end of the colonial period, Argentina has been generally self-sufficient in sugar. Production usually equaled domestic demand. During the 10 years which ended with the 1964-65 crop year, production has averaged about 11 million tons. Average production of refined sugar during this same period was 835,000 tons. Because exports of sugar have fluctuated, imports have become necessary during some years of scarcity.

LIVESTOCK AND LIVESTOCK PRODUCTS

Since World War II the number of cattle cited in official estimates has varied from 40 million to 47 million head. In mid-1966 the number was estimated at 47 million. Sheep numbers have been almost stable since 1930, varying from 44 million to 51 million head in the subsequent period. For 1966 the number was estimated at 48.5 million. The number of hogs has also been fairly stable since 1930, official estimates varying from 2.9 million to 4.0 million head. In 1966 the number was calculated at 4 million head. Reflecting the rise in the use of tractors, the number of horses has dropped since 1930 from about 10 million to 3.8 million in 1964.

Cattle

The number of cattle slaughtered and the production of beef in the post-World War II period have regularly been higher than in the prewar years. During the 1956–65 period, over 10 million head were slaughtered annually; in the same period, average annual carcass beef production was 2.2 million tons. Of this production, an average of 25 percent was exported annually, a sharp fall from the average of 37 percent exported during the 1931–45 period. In tonnage the average export volume in the prewar and wartime periods, 588,000 tons annually, fell to only 555,000 tons annually in the 1956–65 decade, or a decline of 6 percent. High exports of beef have been maintained in recent years by high export prices, increased production and lower per capita consumption.

Beef consumption per capita on a dressed weight basis reached its highest levels from 1946 through 1955. A subsidy program aimed at reducing the costs of food for urban laborers during the Perón regime encouraged the high rate of beef consumption at that time. In subsequent years, per capita consumption of beef has remained above the prewar and wartime levels.

Frozen beef has risen in the 10 years ending in 1965 to become the largest component, by volume, of exports of beef. This displacement of chilled beef from first place in beef exports has occurred as shipments of beef to the United Kingdom have declined from 218,000 tons in 1959 to an estimated 100,200 tons in 1965. The rise in shipments of frozen beef to Western Europe has been particularly noticeable in the case of

exports to Italy, which increased from 20.3 million tons in 1959 to 36 million tons in 1965.

Exports of canned and corned beef have fallen sharply since 1959, from 60 million tons to 36 million tons in 1965. Most of the drop has occurred in shipments to the United Kingdom, these having declined from nearly 24 million tons in 1959 to a little over 7 million tons in 1965. A smaller decrease in shipments to the United States from 22.9 million tons in 1959 to 15.1 million tons in 1965 added to the fall.

Sheep

The slaughter of sheep has averaged about 9.7 million head in recent years, somewhat below the average of 10.5 million head during the prewar years. Production of mutton in the 1956-65 decade ranged between a high of 185,300 tons in 1956 to 135,400 tons in 1964. Per capita consumption of mutton has been quite stable, decreasing only slightly from 1956 to 1965.

Exports of mutton have dropped sharply in recent years, falling from 64.2 million tons in 1956 to 37.4 million tons in 1965. Most of this has been because of a decline in shipments to the United Kingdom which, until the late 1950's absorbed 75 to 100 percent of annual exports.

Since World War II, Argentina has been the world's fourth largest producer of wool, following Australia, New Zealand and the Soviet Union. In exports Argentina is third behind Australia and New Zealand. Wool is one of the three most important exports and one of the country's most valuable products.

During the 1950's and 1960's, average annual production of wool, excluding wool exported on sheepskins but including pulled wool, was about 183,000 tons. In 1965 output reached 195,000 tons. Of the 190,000 tons produced in the previous year, nearly 125,000 tons were exported.

Patagonia, in which sheep grazing is the major agricultural activity, produces about one-third of the total output of wool. However, of the fine wool which normally represents one-quarter of total wool production, Patagonia is by far the major source, usually accounting for 85 percent of this grade.

The Pampa region usually produces about 60 percent of the total wool output. Within the Pampa region, Buenos Aires Province accounts for about 40 percent of total production of wool and is the major producing area for coarse crossbred wool, which is the most important grade of wool exported to the United States. Among the major wool-producing countries, Argentina is unique for the wide variety of grades it can supply.

Since World War II, domestic consumption of wool, on a greasy (unprocessed) basis, has averaged about 50,000 tons annually. The destinations of wool exports have remained almost stable during the 1930-65 period. The nine principal importers in the prewar period have continued that status, although the United States in 1940 displaced Great Britain as the major importer and has maintained this position because of its strong demand for wool of carpet grades. During 1961-65 the United States imported, on the average, slightly over 21 percent of total exports, whereas the United Kingdom took about 16 percent. The other major buyers were European countries.

Prices of wool in the major importing countries have a strong effect on domestic wool prices, since only 15 to 40 percent of wool production is used for the domestic industry. The normal price relationship is highest for fine wools, second for fine crossbreds, third for medium crossbreds and fourth for coarse crossbreds. This normal relationship has been distorted, however, by government intervention in the past 30 years, as well as by the effects of the rampant inflation since World War II.

Hogs

Slaughter of hogs has averaged about 2 million head annually in the 10 years ending in 1965. Per capita consumption of pork has been consistently higher than that of mutton; from 1951 to 1965, average per capita pork consumption was 16.5 pounds, compared with 13.6 pounds for mutton, although neither was significant in relation to per capita consumption of beef. Of total meat consumption in those years, 86 percent was beef; 7.6 percent was pork; and 6.4 percent was mutton. Production of pork for the domestic market averaged about 160,000 tons per year from 1956 to 1965; although this was 21 percent below the wartime level, it well exceeded that of any other period.

Pork exports have been much more variable than those of beef and mutton. From a high of 30.5 million tons in 1957, exports have fallen to the low of 2.2 million tons in 1965. Since 1960, the volume of pork exports has been the lowest of any recent period, indicating a decline in longprevailing demand from Europe.

Hides and Skins

As by-products of its large numbers of cattle and sheep, Argentina has been for many years one of the world's leading producers and exporters of cattle hides and sheepskins. Until the 1950's, when the United States became an exporter, Argentina was the major exporter of cattle hides.

Since World War II, production of cattle hides has ranged from 9 million to 14 million annually. Average domestic consumption of cattle hides, according to trade estimates, is about 4 million per year. Exports have varied between 5 million and 10 million annually since World War II. In the 1956–65 period, exports averaged about 7 million hides.

Compared with its world trade position in cattle hides, Argentina's production and export of sheepskins and lambskins is much less important among the wool and mutton producing countries. From 1956 to 1965, average annual production of sheepskins was about 9 million, of which an average of about 5 million skins were exported in the same period.

Compared with the prewar period, the destinations of exports of cattle hides have shifted drastically. During the 1960-64 period, Eastern Europe absorbed nearly 60 percent of total exports, with the Soviet Union, Poland and Yugoslavia the major customers. Five of the ten leading prewar importing countries, including the United States and Great Britain, have sharply reduced their purchases.

Dairy Products

Argentina has long been a producer and exporter of dairy products, especially butter, cheese and casein. Since 1956 total milk production has been slightly below 5 million tons annually, of which two-thirds has been used for processing with the balance allocated to fluid consumption.

Casein has led in exports, assessed by volume, and has also by a slight margin generated a higher value than exports of butter. During 1956-65, casein exports averaged about 29,000 tons annually, whereas annual exports of butter were an average of around 14,000 tons and exports of cheese annually averaged 4,000 tons.



CHAPTER 20

INDUSTRY

Although industrial exports in 1968 were insignificant, industry originated about 36 percent of the gross national product, or a little more than twice that of agriculture. Tariff protection led to the manufacture of new products regardless of efficiency and to the accumulative rise in domestic costs. Persistent inflation reduced incentives to greater productivity and lowered, in real terms, the supply of private capital to the market.

According to the 1960 census, about one-fourth of the labor force of 7.5 million was employed in manufacturing, a higher proportion than that in any other economic activity. From 1950 to 1963, employment in manufacturing increased by 15 percent; there was a decrease of 30 percent in agriculture. The rapid increase was mostly in newer industries, such as the manufacture of vehicles, machinery and industrial equipment.

A few large-scale establishments account for the bulk of industrial production and employment, but nearly all others are small enterprises with little capital and few employees. The large-scale establishments include meatpacking plants, tanneries, flour mills and textile plants. These plants use modern equipment and accounting procedures, maintain a high ratio of horsepower to labor and employ considerable technical and entrepreneurial skill. In 1954 slightly over 1 percent of the total number of industrial firms originated over 50 percent of total industrial production; these large firms employed from 300 to 1,000 workers each. In contrast, of the 151,828 industrial establishments reported in the 1954 industrial census, 72,780 seem to have been family enterprises that had no payroll; 64,978 employed up to 10 workers.

The country's coal reserves are small and of low quality. Petroleum reserves, although ample, have not been completely developed because of a continuing political debate over the extent of foreign participation in petroleum exploration and operations.

Four-fifths of the country's industrial production is concentrated in two provinces. Sixty percent of total industrial production originates in the area of Greater Buenos Aires and in a narrow coastal strip from the city of La Plata in the south to Rosario in the north. If the remainder of Buenos Aires Province is added, the proportion reaches nearly 72 percent, and if Santa Fe Province is included the percentage is 80 percent. Except for Córdoba, the rest of the country comprises a sequence of small economic islands related to the major or secondary industrial areas. There is a serious shortage of short-term credit for industrial working capital to purchase raw materials and parts, to maintain adequate inventories and to finance sales to buyers. Medium- and long-term capital to finance modernization and expansion is even more scarce, except from government sources.

Most of industry's financial problems can be traced to the country's chronic inflation. Despite the fairly complex system of private banks and financial institutions and a well-organized stock market, the persistent inflation and other adverse factors have reduced, in real terms, the supply of private capital to the market and have forced industrial firms to be increasingly dependent on self-financing and foreign capital.

To some extent the scarcity of domestic finance has been eased by financing provided by the government-owned Industrial Bank and by special credit programs of the Central Bank channeled through the commercial banking system. The Industrial Bank accounted for a large part of total industrial credit available, but foreign financing has been more important. Between 1960 and 1962, industrial enterprises borrowed substantial funds abroad to purchase foreign machinery and equipment; these imports were financed by medium- and long-term credits in foreign currency from foreign suppliers, foreign banks and international financing institutions and by a substantial inflow of direct foreign private investment. The amortization of this debt is a burdensome drain on the country's foreign exchange earnings (see ch. 23, Foreign Economic Relations).

HISTORICAL BACKGROUND

Industrialization began during the period of the country's most dynamic agricultural development. Before the last quarter of the 19th century, the only sizable industry had been the *saladeros* (meat-salting plants).

The question of tariff protection for industry, which has remained an important economic policy issue, was raised at the outset. In 1875 President Nicolás Avellaneda proposed to the Congress a general increase in tariffs on imported products. Certain members objected to a general increase and proposed selective increases on imported nonessential goods and goods of common domestic use in order to promote the local manufacture of the latter. They also advocated freedom from duties for articles regarded as essential to industry. During the next year, Congress voted protective tariffs on certain items.

Factories, as distinguished from handicraft and household enterprises, appeared between 1880 and 1890. This decade witnessed intensive construction of railroads and a large-scale inflow of immigrants from Europe (see ch. 5, Ethnic Groups and Languages; ch. 22, Domestic Trade). The first *frigorifico* (meatpacking plant) was built in 1882 and began operating the next year (see ch. 19, Agriculture). Modern methods were introduced in sugar grinding and flour milling establishments.

The flood of European immigrants created markets for simple con-

sumer-goods industries. Large breweries opened in Buenos Aires and Rosario. Factories were started that produced cigarettes, soap, candles, crackers, food pastes, matches, chocolate and confectionary, carriages and furniture. Initiation of service industries—foundries, construction enterprises and, later, powerplants—increased the importance of the incipient industrial complex. The industrial production of *quebracho* (a hardwood extract used as a tanning agent) began in 1889.

In that year the industrial statistics for the city of Buenos Aires listed 400 industrial establishments; they controlled a capital exceeding 10 million pesos (see Glossary), used up to 1,500 horsepower of energy and employed about 11,000 workers. The major industries were leather (saddleries, tanneries and shoeshops), wood (sawmills, carpentry shops and furniture and carriage firms) and metal (mechanic shops, iron foundries and tinshops).

Six years later the national census listed 22,204 industrial establishments employing 145,650 workers. These plants used 2,348 steamoperated machines of 27,227 horsepower and 31,700 other machines.

The 1895 census demonstrated the concentration of industry in the Buenos Aires area, a condition which still prevails. In that year more than one-third of the industrial establishments, controlling half of the invested capital, were in Buenos Aires. Forty percent, representing onequarter of the total capital, were in the provinces of Buenos Aires, Sante Fe and Entre Ríos. Hence, the littoral region had 73 percent of the total number of industrial establishments and controlled three-quarters of the industrial capital.

Meatpacking plants played an important role in this concentration because they tended to locate in the Buenos Aires area to avoid the necessity, if located elsewhere, for two plants, one for refrigeration and another for transportation of the products to the ships.

Railroads used Buenos Aires as a point of departure or of destination. The railroad freight rates were proportionate to the cost of the merchandise transported; consequently, it was much less costly to ship raw materials from the interior to the coastal region than to ship finished products. This tended to focus the processing of raw materials in the city of Buenos Aires and the coastal region.

Immigrants concentrated in the primary port of entry, the coastal region and particularly in the city of Buenos Aires (see ch. 19, Agriculture). They offered industry both a ready labor force and a potential market for consumption of the new factories' products. Furthermore, dependence on British coal for production of energy required that workshops be located in the eastern part of the country. Such industries as food and clothing serving the domestic market found more profitable locations for their plants near the larger centers of population, particularly Buenos Aires.

After the construction of the port of Buenos Aires near the turn of the century, flour mills and grain elevators were built on land reclaimed from the Río de la Plata. The shoe industry started in 1903 when a United States shoe-machinery firm opened a branch office in Buenos Aires.

Certain light industries or consumer-goods industries, such as food, textiles and leather, were the earliest to become important. In 1908 almost two-thirds of industrial employment and of the net output of manufacturing industries originated in the consumer-goods industries.

The 1914 national census listed 48,779 industrial establishments, of which 24,203 were classified as the factory type. The factory group included extractive industries or industries closely linked with agricultural and pastoral functions, such as *frigorificos*, sugar mills and flour mills. In 1913, the year of collection of the data, industry employed 384,000 workers, producing goods valued at approximately the equivalent of U.S.\$750 million and supplying about 40 percent of the value of processed and manufactured products consumed in the country. Ranked by number of workers employed, the major industries that year were foundries, *frigorificos*, sugar mills, leather shoe factories and brickmaking plants; these employed more than 10,000 workers each.

World War I stimulated manufacturing because the shortage of shipping and the Allies' restrictions on exports cut off many formerly imported articles. The meatpacking, dairy, shoe and wearing-apparel industries expanded greatly. Some 30,000 carpenters unemployed because of the war shifted their skills to furniture making and other types of woodworking. Boxmaking plants expanded, and the demand for native woods rose sharply. Cotton spinning was begun. Automobile assembly started in 1916. Repair and foundry facilities began to assume the characteristics of a metallurgical industry. The Ministry of Public Works started production on the aluminum sulfate needed by water-filtering plants.

Revived competition from imports after 1918 eliminated many of the wartime plants, but because of the newly aroused entrepreneurial spirit many new industries were established during the 1920's. The factories making *alpargatas* (sandals with cloth tops and hemp soles) required duck, a canvas-like fabric, which induced the growth of a cotton-weaving industry. From 1918 to 1929 imports of cotton yarn for spinning steadily increased. Silk and rayon weaving and knitting also became important. A wide variety of iron and steel products were manufactured in rolling mills. The processing or manufacturing of tobacco, glassware, pharmaceutical and toilet specialties, and lighting fixtures and other electrical supplies were among the other industries that advanced. Many United States companies established branch plants.

As in agriculture, the year 1930 marked the end of an epoch. Before that time industries either did not require protection against imports or received some protection by tariffs that raised the cost of imports but did not prevent them from competing in price and quality with domestic products.

The first group was composed of export industries, such as meatpacking and *quebracho* extraction, and domestic food-processing industries, such as flour milling and vegetable oil extraction. The second group included textiles, tobacco, leather goods, paints and varnishes, rubber products and other consumer goods, which, especially after 1918, were given protective tariffs granting their products a marked advantage in price in relation to competing imports. Tariffs were used to encourage the assembly of automotive and radio products and the compounding and packing of toiletries and pharmaceuticals.

A study by the League of Nations published in 1927 stated that the country's effective tariff rates were the third highest among the 20 leading trading nations in the world. Between 1913 and 1925 representative import products carried ad valorem tariff rates ranging from 25 to 30 percent.

From 1928 to 1932 the value of the nation's exports declined by 54.2 percent; the value of imports and average prices of agricultural-pastoral products fell by nearly the same proportion. Customs tariffs were increased. The currency was devalued to discourage the demand for foreign exchange. Import controls were established, and priority was given to machine tools. An additional charge of 10 percent was placed on nonessential imports. Some tariffs that affected the importation of raw materials and fuel for industries were reduced. The National Commission for Industrial Development (Comisión Nacional de Fomento) was created to study new industries and improve existing ones. At the end of 1931 the government established exchange control.

Beginning in 1933, various regulatory boards were created to control the production, distribution and prices of the principal exports and to encourage the industrialization of primary production. These included the National Meat Board, the National Grain Board and others (see ch. 19, Agriculture).

Of the 30,700 industrial establishments which began operating between 1911 and 1935, more than 10,000 were begun in the 1931-35 period. Whereas between 1910 and 1913 an estimated 40 percent of consumption was imported, for the 1935-39 period, imports had dropped to 26.6 percent of total national consumption.

Between 1935 and 1941 the number of industrial establishments rose from 40,606 to 57,940, and the total number of employees and workers from 538,489 to 829,225. In 1941 the gross value of manufacturing production was estimated as approximately U.S.\$1,500 million and the value added by manufacturing as U.S.\$520 million. From 1935 to 1942 the increase in physical volume of industrial production was about 55 percent. By 1942 the net value created by industrial production was almost equal to the net joint value of agricultural and pastoral production.

World War II encouraged industrial development in the same broad trends established during World War I and the depression of the 1930's reduction of imports and expansion of local industry to remedy the shortage. The 6 years of the war, however, intensified certain handicaps to the country's industrial growth. The transportation system was rundown and inadequate. The industrial plant deteriorated because European nations could not supply machinery during wartime, and the country's equivocal or pro-Axis stand prevented it from obtaining the major supplies or capital goods which the United States furnished to Brazil and to Mexico from 1940 to 1945.

The government in power from 1946 to 1955 strongly emphasized economic self-sufficiency, which was to be achieved in part, by intensified industrialization (see ch. 3, Historical Setting). Basic measures included nationalization of the Central Bank; use of the Bank's gold and foreign exchange reserves, which amounted to nearly U.S.\$1.7 billion at the end of 1946, for nationalization of the railroads, telephones and other public services; repayment of the external debt and purchase of machinery and equipment to quicken the pace of industrialization; and establishment of the Argentine Trade Promotion Institute (Instituto Argentino de Promoción del Intercambio—IAPI).

Forty-five percent of the country's foreign exchange reserves, or nearly \$800 million, was used to purchase the railroads owned by British and French interests and the foreign-owned gasworks and telephone system. War surplus tanks and airplanes were purchased from the United States for the military establishment.

Economic and social policy aimed at maintaining low prices on the goods and services demanded by the urban population. This included the strict control of rents and the keeping of food prices relatively low. Other features of the policy included artificially low exchange rates, direct or indirect subsidies for food and public services and a general increase in wages. The results were a balance of payments deficit and an acceleration of inflation.

By 1949 the country had spent more than \$1 billion, or 60 percent, of its postwar foreign exchange reserves. The remainder was largely in blocked sterling.

The policy of encouraging industrialization had some concrete results. Between 1946 and 1954 the number of industrial establishments rose from 84,985 to 148,363, and the number of workers and employees from 1,013,032 to 1,166,645. By 1955 domestic industry was producing 99 percent of the consumer goods used in the country.

Funds were poured into the National Administration of State Industries (Dirección Nacional de Industrias del Estado—DINIE), established in 1947 to administer Axis-owned properties taken over during World War II. The properties were primarily subsidiaries of German firms manufacturing metallurgical, electrical, textile, pharmaceutical and chemical products. Assistance was also given to the Military Manufactures Administration (Dirección General de Fabricaciones Militaires—DGFM).

Despite the announced policy of the Perón regime (1943-55) to encourage industrialization, the ratio of the rate of growth of the manufacturing sector of the economy during the 1942-44 and 1954-56 periods was smaller than during the 1929-43 period. The policy of substituting

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domestically produced goods for imports was preoccupied with protecting existing industries, not only by prohibiting foreign competition from comparable manufactured items through exchange and import controls but also by importing raw and semimanufactured materials for established industries at an overvalued exchange rate.

Consequently, some branches of industry which might have expanded to provide goods for the established factories were placed at a severe disadvantage. This was particularly true in the cases of oil extraction and refining and of machinery and transport equipment. First priority was given to imports of raw materials and intermediate goods required to maintain existing industrial capacity in operation; consequently, machinery and equipment for the creation of new capacity could be neither imported nor produced domestically. Purchases of new machinery and equipment, both imported and domestically produced, declined as a percentage of the gross national product from 6.0 percent in 1946-48 to 3.3 percent in 1949-51 and rose slightly to 3.6 percent in 1952-55. This compared with a rate of 4.9 percent in 1935-38. Industrial employment also decreased during 1943-55. The ratio of industrial manpower to total economically active population fell between 1940 and 1955, sharply reversing the trend of earlier decades. The average annual rate of growth of industrial employment for 1935-45, 7.4 percent, dropped to 1.7 percent from 1945 to 1947, and generally continued to decline each year from 1948 to 1955.

After the overthrow of the Perón regime in 1955, industry had made slow and halting recovery. As a percentage of the gross national product, manufacturing rose from a little over 30 percent in 1955 to nearly 36 percent in 1968.

MINING

A substantial part of the country's needs for iron and steel has been met by imports. Except for oil and gas the mineral resources, though numerous and varied, are negligible in quantity and are mined with varying efficiency. Only 0.5 percent of the labor force are miners, and extraction of minerals accounts for only about 1 percent of the gross domestic product.

Petroleum

In 1907 petroleum was discovered accidentally at Comodoro Rivadavia in Patagonia by an official of the bureau of mines and geology. At that time the government asserted its control over subsoil rights in the territory. Until 1915 production was a monopoly of the state, but three private companies subsequently were assigned producing areas.

In 1922 the government established the State Oil Fields (Yacimientos Petroliferos Fiscales-YPF) for development of the petroleum deposits in Patagonia. The government also gave the agency exclusive control of any new oilfields that might be subsequently discovered. In 1925 the agency began operating a refinery at La Plata.

In 1930 all of the territory of Tierra del Fuego, which proved to have extensive reserves, was added to the control of the YPF. Five years later a petroleum law was enacted that limited all further petroleum development to the YPF and restricted the exploration and exploitation of the three private companies (one national and two foreign) to areas already assigned to them.

By 1940 the YPF was producing about 70 percent of total domestic output of 22.9 million barrels of crude petroleum.

All petroleum reserves are the property of the nation. The industry is controlled both by regulation and through the YPF. At the end of 1964 this agency directly administered 67 percent of total production and controlled 59 percent of refinery capacity and 55 percent of the domestic market for refined products. National and foreign firms may submit bids to the YPF for drilling and service contracts, and established private firms continue refining and marketing.

Production increased slowly from 1943 through 1957, rising only from 24.8 million barrels to 33.9 million barrels. The industry was spurred when the YPF, in 1958 and 1959, signed exploration, drilling and producing contracts with private companies, mostly foreign. Thereafter, production rose until 1962, when output reached 98.2 million barrels and the country was nearly 90 percent self-sufficient in consumption of crude oil.

Production remained stable from 1963 to 1965 but rose in 1966 to 105.3 million barrels and in 1967 to 114.7 million barrels.

On July 19, 1967, the government enacted Law No. 17,319, which modified the petroleum, or hydrocarbons, law to encourage the participation of national and foreign private companies in petroleum exploration and operations. This law called for bids for exploration and operating permits in the Atlantic coast continental shelf and in Buenos Aires Province. Early in March 1968 the government awarded inland and offshore concessions to nine foreign companies, including three United States producers.

Almost all petroleum and gas come from five major fields. The highest production, in the provinces of Chubut and Santa Cruz, is concentrated around Comodoro Rivadavia; the second highest is in Mendoza. These are followed by the fields in Neuquén, northern Salta and Jujuy, and Tierra del Fuego. At the end of 1964 reserves of crude petroleum were estimated at 2.2 billion barrels.

Several pipelines assist transportation. They handle the movement of crude petroleum, natural gas and propane.

At the end of 1963 the annual primary capacity of the country's refineries was 122.7 million barrels; during that year 102.5 million barrels were processed. The YPF operates the largest refinery, at La Plata, three comparatively large ones and two small ones; these account for about 60 percent of petroleum processing. A United States oil company operates a large refinery at Campana, northeast of Buenos Aires, and a small one at Galvan, near Bahía Blanca; these refineries account for about 17 percent of processing. Another foreign company operates a refinery at Dock Sur which accounts for about 21 percent of crude petroleum processing.

Coal

For many years the country depended exclusively on imports for consumption of coal, most of which came from Great Britain. Even during World War I, when imports of coal were cut by two-thirds and the price was increased by one-half, railroads and industry temporarily converted to the use of wood, charcoal and straw. The first Five-Year Plan of the Perón regime included exploration for coal resources. One of the modest accomplishments of the Plan was linking low-grade deposits of bituminous coal at Río Turbio in Santa Cruz Province with the port of Río Gallegos. By 1955 annual production from these deposits had reached about 120,000 tons, but this output was far from sufficient to satisfy total annual consumption of between 1.5 million and 2 million tons.

Exploitation of the country's reserves of coal is a monopoly of the State Coal Fields (Yacimientos Carboniferos Fiscales—YCF), which was organized in 1958 to acquire from the YPF all activities related to solid fuels. Since 1958 the YCF has been producing an annual average of 300,000 tons from the Río Turbio deposits. Because of the coal's low caloric count, high ash content and high transportation cost, its market is limited to the government steel plant, railroads and thermoelectric plants. The Río Turbio mines contain about 80 percent of the country's estimated coal reserves of 450 million tons.

Other

Mineral deposits are numerous but generally are located in inaccessible regions or where profitable extraction is difficult. The chief minerals being exploited are salt (373,000 tons in 1964), lead (25,641 tons in 1964), zinc (26,043 tons in 1966), iron ore (95,000 tons in 1964), sulfur (22,307 tons in 1964), manganese ore (18,733 tons in 1964, of 30 to 40 percent purity) and tin ore (1,442 tons in 1964). Reserves of iron ore in Río Negro Province are estimated at 200 million tons.

ENERGY

The Economic Commission for Latin America estimated that the country's hydroelectric potential is nearly 11 million kilowatts, but at the end of 1965 installed hydroelectric capacity was only 400,000 kilo-

295

watts. Assuming a mean, or intermediate, installed capacity of 200,000 kilowatts, compared to the present economic potential, the nation is utilizing only 1.8 percent of its hydroelectric potential. The great distances from the hydroelectric potential of the western mountains or the northeastern rivers to the major consuming areas, particularly Greater Buenos Aires, and the heavy investment required to construct the facilities have largely prevented the development of this resource.

In the absence of adequate facilities of hydroelectric power, the nation has been forced to rely strongly (97 percent) on thermoelectric power, first from coal and wood, then oil and, in the recent past, natural gas. The supply of energy, however, has consistently fallen behind rising demand, and on occasions it has been necessary to ration electric power.

Major developments in hydroelectric resources are planned, and the possibilities of nuclear energy are being explored. In late February 1968 the government awarded to a West German firm a U.S.\$70 million contract to build the first nuclear powerplant in Latin America. The plant is to be fueled with natural uranium and cooled by "heavy water" and is to produce 313,000 kilowatts for Buenos Aires Province. The plant is scheduled to start operating on June 15, 1972, and will be located at Atucha, about 45 miles northwest of Buenos Aires.

Total energy consumption rose from 12.4 million units of energy (1 unit equals 10,500 calories per kilogram or 18,000 British thermal units per pound) in 1950 to 17.8 million units in 1960 and 22.0 million units in 1964. In 1964 the proportionate sources of total energy consumption were: mineral solids, 4.3 percent; petroleum, 69.7 percent; natural gas, 15.1 percent; vegetable fuels, 9.3 percent; and hydroelectric, 1.6 percent.

The government controls the prices of fuels and energy and dominates the energy field. The state owns all hydrocarbons and nuclear minerals, and coal is practically a government monopoly. President Juan Carlos Onganía directly controls the National Atomic Energy Council.

Electric Power

The government controls electric power through an autonomous agency, the State Water and Energy Company (Empresa de Estado de Agua y Energia). This organization evaluates water resources; constructs and operates irrigation, drainage and power facilities; is responsible for the development of hydroelectric resources; and supervises the national power grid. It also provides power to a large area, which is increasing as some provinces integrate their facilities with the agency.

A number of provincial, municipal and cooperative entities still produce a small portion of total power, but only Buenos Aires and Córdoba Provinces have significant electric holdings and plan to expand them. In Greater Buenos Aires power is provided primarily by the Italian-Argentine Electrical Company (Compañía Italo-Argentina de ElectricidadCIAE), owned by private Swiss interests and by the Greater Buenos Aires Electrical Service (Servicios Electricos Gran Buenos Aires— SEGBA), and independent mixed-stock company controlled by the government and one of South America's largest utilities.

In late January the World Bank (International Bank for Reconstruction and Development) announced a loan equivalent to \$55 million to SEGBA as part of a \$300 million program to expand and improve the supply of electricity in Greater Buenos Aires. The program covers the 4 calendar years 1967-70 and involves the installation of 370,000 kilowatts of additional generating capacity, extension of the transmission system, and strengthening and extension of the distribution system. The loan is intended to help in financing SEGBA's expenditures on the program between October 1967 and March 1969. The second stage of the program is expected to include a request for an additional World Bank loan of up to \$45 million.

The area served by SEGBA totals 4,800 square miles, has a population of 8 million and uses 48 percent of the electricity generated in the country. Between 1950 and 1959 the capacity of SEGBA should have been doubled to keep pace with the world average of growth in electricity consumption by 7 percent annually, but it increased by only 3 percent.

At the end of 1967 SEGBA's generating capacity was estimated at close to 1.4 million kilowatts. Five generators with a capacity of 140,000 kilowatts were scheduled to be installed in 1968, and the second stage of the SEGBA program includes an additional 250,000-kilowatt generator to be installed in 1970. With the help of the 250,000-kilowatt generator which CIAE is expected to begin operating in 1969, it is estimated that the total power resources available to the Greater Buenos Aires area by the end of 1970 will be 2.4 million kilowatts, and demand is estimated to reach 2 million kilowatts by that time. If this goal is reached the Greater Buenos Aires area for the first time in 20 years will have a supply of electricity capable of meeting both normal and extraordinary demands, including possibly supplying the 350,000 inhabitants who had no electricity in 1968.

A huge hydroelectric project, El Chocon-Cerros Colorados, at the junction of the Neuquén and Negro rivers, has been planned for some years. The project is expected to require over 8 years to complete and in the first half of 1968 was estimated to cost a total of U.S. \$400 million. At that time, the project was expected to supply 1.1 million kilowatts of new power.

Included in the project was flood control on the Río Negro, which was estimated to produce water for the cultivation of approximately 1.3 million acres; the total new addition of irrigated land from all elements of the project was calculated at 2.2 million acres. In January 1968 the government announced the willingness of the World Bank to help with financial arrangements to pay for the project, and in February a preliminary investigating mission from the Bank visited the project sites.

Natural Gas

The production of natural gas is the responsibility of the YPF and of private firms, whereas transportation and distribution of natural gas are controlled by the State Gas Corporation (Dirección de Gas del Estado). Between 1953 and 1964 natural gas consumption as a percentage of gross energy consumption increased from 4.5 percent to 15.1, and it is expected that this share will rise to 20 percent by 1970.

The demand for natural gas has grown faster than for any other source of energy. Between 1954 and 1963 the average annual rate of growth of demand was 17.7 percent, and between 1959 and 1963 the demand rose by 308 percent to reach 3,025 million cubic meters, which is equivalent to 97,000 barrels of petroleum daily.

Transportation is one of the major problems in delivering adequate quantities of gas to the consumer. The principal centers of consumption are distant from the major sources of natural gas in the North and South of the country. During 1964 average monthly sales were divided into 32.8 percent in the Federal Capital, 35.8 percent in Buenos Aires Province, 9.1 percent in Santa Fe, 6.3 percent in Córdoba, 4.5 percent in Tucumán and the remainder in other areas. In 1965 sales increased by 19.8 percent over the previous year.

CONSTRUCTION

The construction industry is long established and has a supply of skilled workers, engineers and architects capable of handling large projects. The industry has been stagnating for several years, however, because of recessions and shortages of credit, particularly long-term credit. Increasing costs (which rose by 40 percent in 1965 and again by 30 percent in 1966) have also hindered the industry, which has been operating at less than 50 percent of capacity. The housing shortage is serious and has been growing; the deficit in 1963 was estimated at nearly 2 million units.

MANUFACTURING

Food, Beverages and Tobacco

The country is almost self-sufficient in the production and processing of basic foodstuffs and beverages. Coffee, cocoa, some flavorings, spices, tropical fruits and some specialized foods or luxury items are imported. In terms of value of production (23.2 percent), the food industries in 1963 were the highest of all categories of manufacturing. The relative importance of the foodstuffs industries, however, has fallen. In 1914 these industries originated 55 percent of the total value of manufacturing output; in 1939, 40.8 percent; and in 1954, 28.1 percent.

About 15 large canneries specialize in processing peaches, pears,

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tomatoes, citrus fruit juice and jams; around 40 medium-sized and a large number of small firms process fruits and vegetables.

The dairy industry supplies the country's needs and provides an excess for export. The industry comprises 45,000 commercial dairy farms, 50 pasteurizing plants, 1,200 cheese factories, 800 creameries, 80 butter manufacturers and various producers of other dairy products. Four million dairy cows produce about 4.75 billion quarts of milk annually. About 90 percent of this total is used for the production of butter and cheese. Dairy production in 1966 comprised primarily almost 170,000 tons of cheese, about 46,000 tons of butter and nearly 22,000 tons of casein. Casein provides about half of total exports of dairy products.

The sugar industry is concentrated in the provinces of Tucumán (58 percent of total production), Salta and Jujuy (37 percent) and Chaco, Santa Fe and Corrientes (5 percent). In Salta and Jujuy operations are handled by a few very large mills which grow most of their own sugarcane. In Tucumán there are several large mills which own sugar plantations and a large number of small mills that purchase most of their sugarcane from independent growers. Total milling capacity has grown by about 60 percent since 1960 and in 1968 was estimated at 4,000 tons per milling day. Production in 1966 fell by 17 percent to 930,000 tons. For 1967 the government fixed maximum production at 750,000 tons.

Flour milling is one of the country's most important industries. About 3 million tons of wheat are milled annually. Annual production of flour and semolina has stabilized in recent years at about 2.2 million tons.

The fishing industry has been increasingly active; the catch increased from 122,000 tons in 1963 to 250,800 tons in 1966. The oceangoing fishing fleet comprises slightly over 50 ocean trawlers, about 350 launches plus 27 boats for coastal and river use. About 50 percent of the annual catch is used for industrial processing; almost all the processed fish is either canned or salted. The industry is centered around Mar del Plata, which takes about 90 percent of the ocean catch. The processing industry includes 51 conserving, 70 salting and drying, 35 freezing, 15 canning and 20 fishmeal and fish oil plants.

The wine industry is one of the country's oldest and largest industries, employing over 100,000 persons. The provinces of San Juan and Mendoza supply over 90 percent of the grapes. There are nearly 2,100 wineries and over 1,100 bottling plants; 43 percent are in Greater Buenos Aires. In 1966 production was around 567,000 gallons, most of it common table wine.

The beer industry, after declining steadily for 10 years, began to recover in 1964. In 1966 production was about 60 million gallons, of which two-thirds was light beer. Consumption of soft drinks has been rising steadily and was estimated for 1966 at 110 million cases of 24 standard bottles. Colas account for 80 percent of consumption, and orangeades for 10 percent. The Federal District consumes more cola than any other city in the world and has the largest bottling plant. Production of *yerba mate*, the popular Paraguayan tea, has been decreasing steadily. Production in 1966 was estimated at 113,900 tons, a fall of 12 percent from the 1964 total. The industry has about 2,000 drying plants and 86 processing firms, located primarily in Greater Buenos Aires.

The country has been producing tea since 1950, and production in 1966 had reached 20,000 tons. Over 60 percent of total production is exported.

Cultivation of tobacco has continued to rise in recent years and in 1966 reached 59,000 tons, an increase of 32 percent over 1965. About 85 percent of tobacco production is used for the manufacture of cigarettes, of which 24,200 tons were produced in 1966. Five firms account for 99 percent of total cigarette production. The match industry produced 37.9 billion matches in 1966.

Textiles, Clothing and Leather

The cotton and wool sector of the textiles industry has relatively stagnated in recent years. Production of thread, yarn and fabrics from natural fibers is one of the oldest and largest industries in the country. There is an ample domestic supply of raw materials, and the industry fully satisfies the requirements of the domestic market in all but a limited number of highly specialized products.

In 1966 there were 65 spinning mills with 1.1 million spindles and 1,835 weaving and knitting factories with 22,000 weaving looms, 4,000 knitting machines and 3,000 hosiery machines. In 1966 the cotton spinning mills produced 93,300 tons of cotton yarn. About 90 percent of the cotton that is used is domestic short-staple fiber. Long-staple fiber cotton is imported, in addition to a small amount of cotton yarns and specialty goods.

The woolen industry in 1966 had an estimated 104 spinning mills with 357,000 spindles, 310 weaving mills with 7,000 looms and about 1,000 knitting mills. These factories produced in 1966 an estimated 17,000 tons of woolen yarn, about the same as in 1965.

The consumption of cellulose and synthetic fibers has been rising steadily and is expected to continue to increase. In 1966 there was an installed capacity for annual production of 19,500 tons of rayon and about the same capacity for production of nylon. The output is used mainly for women's hosiery. The country is self-sufficient in production of rayon tire yarn.

There is little information available on the apparel industry. About 160 factories are located in Greater Buenos Aires; of these, approximately 8 employ over 500 workers each. Cottage industry produces about 30 percent of apparel output.

The leather industry has been firmly established for many years. It has an abundance of raw materials and skilled labor and enjoys high tariff protection. The country has one of the best shoe industries in Latin America, which fully satisfies domestic demand. Virtually all other leather goods are supplied by local industry. Over 4,000 factories, employing 40,000 workers, operate at about 70 percent of capacity. An estimated 40 percent of production originates from small "clandestine" producers who do not pay taxes on their output.

Chemicals and Pharmaceuticals

About 1,000 firms operate in the chemical industry, but relatively few originate a significant portion of total production. The range of production has progressively broadened through increased manufacture of raw materials and intermediaries, aided by large foreign investment. Much of the industry operates at below capacity and usually at high cost.

There is a large overcapacity of the three principal mineral acids nitric, hydrochloric and sulfuric. In 1966 production represented about 60 percent of installed capacity. Estimates of 1966 production, with annual capacity in parentheses, are: sulfuric acid, 149,200 tons (220,000 tons); hydrochloric acid, 17,000 tons (50,000 tons); and nitric acid, 4,000 tons (25,000 tons).

The country has an excess of capacity for production of alcohol and is self-sufficient in alcohol derivatives, such as esters and acetates, and in calcium carbide and acetylene.

Some alkalies are produced. Estimated production in 1966, with annual capacity in parentheses, are: chlorine, 57,000 tons (76,000 tons); and caustic soda, 63,000 tons (84,000 tons). Other important alkalies, such as soda ash, caustic potash and sodium bicarbonate, are imported.

In recent years there has been rapid and continuing expansion of the petrochemical industry, with great diversification. In 1965 the largest petrochemical complex in Latin America, representing an investment of U.S. \$25 million, was inaugurated. Seventeen large firms which have heavy foreign investment produce a wide range of materials important to the plastics, fertilizer and similar industries. Further heavy expansion is being constructed with the aid of loans from the Inter-American Development Bank. Raw materials for most of the factories are available from domestic sources.

The plastics and synthetic resins industry is well established and has been growing in volume and quality, particularly in the thermoplastics sector. An increasing number of industries are using plastics. About 500 companies in Greater Buenos Aires and around half that number in other areas of the country produce or transform plastics and resins. In 1966 the manufacture of plastic products rose by 17 percent to 23,700 tons.

Despite the importance of fertilizers to the economy, the agrochemical industry until recently has operated on a very small scale. Domestic production of insecticides, herbicides and pesticides has satisfied local demand. All chemical fertilizers have been imported, except for a small amount of ammonium sulfate. A basis for large-scale production was being created by petrochemical plants under construction in the spring of 1968.

The paint and varnish industry comprises a relatively small number of highly competitive large producers. Most of the raw materials for the industry have been produced domestically for some time.

The pharmaceuticals industry comprises about 250 firms, none of which has more than 5 percent of the market and most have less than 1 percent. Most of the producers make medicinal specialties; several manufacture antibiotics and alkaloids, and about 20 produce drugs for pharmaceutical use. About half the registered companies represent over 90 percent of total output and sales. Most of the larger firms, particularly the medicinal producers, are affiliated with leading United States and European companies. About 45 percent of the raw materials are imported.

There are about 6,000 retail pharmacies. Almost all the marketed pharmaceutical and veterinary products are manufactured or compounded in the country. About 80 percent of total sales of drugs represent vitamins, antibiotics and hormones. The largest selling items are the analgesic drugs, particularly aspirin.

Steel and Metallurgy

The growth and present status of the country's steel industry are closely linked with the development of the largest producer, the Argentine Iron-Working Industry (Sociedad Mixta Siderurgica Argentina-SOMISA), an integrated plant at San Nicolas between Buenos Aires and Rosario. The proposal to construct an integrated steel mill at San Nicolas had been studied in the late 1940's, but lack of financing delayed the project until a \$60 million loan from the United States in late 1955 permitted construction to begin on a plant with a capacity of 600,000 tons of crude steel. The plant was inaugurated in 1960. An additional \$12 million Export-Import Bank loan authorized in 1960 allowed further construction. By 1963, after completion of the original installations, a total of \$300 million had been spent on the plant, including Export-Import Bank loans, commercial credits by equipment suppliers and foreign exchange and domestic funds made available by the government. At that time the plant had a planned production capacity of 632,000 tons of ingots per year, sufficient for 475,000 tons of salable steel products.

An interim program to increase the plant's annual capacity to 850,000 tons was begun in 1962. Two years later the target was raised to 1.1 million tons; for this purpose the Export-Import Bank lent an additional \$10 million in early 1965.

The goal of SOMISA in 1968 was to raise production capacity to 2 million tons, to be accomplished in phases. The first phase is to be completed by 1970 and includes improvements in existing rolling mills and the construction of a sinter plant and additional electric power facilities. Total cost of the first phase is estimated at the equivalent of \$54.3 million,

for which the Export-Import Bank authorized a loan of \$33.7 million in the early part of 1968.

In 1966 the total installed annual capacity of the steel industry, in thousands of tons, was: pig iron, 850; crude steel, 1,704; and rolled steel, 2,500. Estimated 1966 production of these categories, also in thousands of tons, was: pig iron, 519; crude steel, 1,270; and rolled steel, 1,258.

There are about 700 foundries, most of them small, which have a total installed annual capacity of approximately 700,000 tons.

Machinery

Domestic producers manufacture a great variety of industrial machinery and supply a great part of local demand, particularly for less complex and lighter items. A rising proportion of the content of finished products is supplied from domestic sources. Because many items are produced on a unit-by-unit basis, and because of the expense of imported materials and parts, production of machinery is a high-cost industry. Most sectors of the industry comprise several large firms in Buenos Aires, Rosario or Córdoba and many small firms elsewhere in the country. Much of the production is under licensing agreements.

About 50 firms originate 75 percent of total production of machine tools, although there are about 600 companies producing machine tools and accessories. Production previously had been restricted to general-purpose nonautomatic machines, but recently some fully automatic machines have been made.

The automotive industry has become one of the most important in the economy since 1959. The 22 companies which originally entered the industry have been reduced to 10. Of this total, seven, including three that have United States capital, are the major producers, accounting for about 85 percent of total output. Total annual production has hovered close to 185,000 units in recent years. The industry employs about 32,000 workers and has led to the establishment of a large number of auxiliary factories, which employ an additional 8,000 persons.

The country's shipyards have a capacity for launching ships and boats of various types up to 10,000 tons, some of which have imported components. Some private firms have had experience in assembling railroad rolling stock, and local industry can produce much of domestic requirements, particularly coach bodies. Freight cars have been produced from imported parts. Although assembly and repair facilities for locomotives are available, locomotives usually are imported.

There is one small aircraft factory at Córdoba, which has a capacity of about 250 units and has been producing since 1963. In 1965, the aircraft factory and a United States aircraft manufacturer entered into a joint venture to produce 600 small aircraft over a 5-year period. All commercial airliners, a number of smaller aircraft and most aeronautical equipment are imported. Production of tractors has been stimulated by government incentives and high tariff protection. In 1966 the industry comprised five large producers, all of which were either subsidiaries or affiliates of foreign concerns. Factories were required to use a rising proportion of local content; the proportion was about 85 percent in 1966. Tractor production was 13,105 units in 1964; 13,568 in 1965; and 11,264 in 1966. The country's tractor inventory was estimated at 187,000 in 1966.

Almost all the equipment used on the country's farms is produced domestically. Five large firms, with over 60 percent of the market, and 14 other producers manufacture combined harvesters. Major implements are produced by 9 large firms, with over 65 percent of the market, and about 40 others. Five hundred smaller workshop operations produce a wide variety of equipment.

The country's production of consumer durables comprises a broad range of appliances produced both by several large firms, which account for the greater portion of the market, and by a large number of medium and small producers or assemblers. Estimated production in 1966 of some articles, in units, was: refrigerators, 134,200; washing machines, 106,300; television sets, 158,800; sewing machines, 67,500; gas stoves, 332,100; and gas water heaters, 125,000.

Pulp and Paper

The paper industry includes about 90 producers of paper and cardboard and around 24 manufacturers of cellulose and woodpulp. The only fully integrated producer (forest, woodpulp, paper and paper products) accounts for 70 percent of total production of pulp and 40 percent of total production of paper and cardboard. There are several semi-integrated producers, but the majority of manufacturers produce their output from purchased pulp.

Although total pulp capacity is 180,000 tons, in 1965 production was about 134,000 tons. About half the country's requirements of pulp must be imported. Capacity for paper production is about 600,000 tons, but in 1965 production was 475,000 tons, and imports of newsprint were 220,000 tons.

Cement

The cement industry has an annual production capacity of about 5 million tons, of which about two-thirds has been utilized in recent years. About 80 percent of production is consumed by private users, and a large amount is used for repairs.

CHAPTER 21

LABOR RELATIONS AND ORGANIZATION

The national Constitution makes provision for a labor code, but Argentina has not codified its labor statutes. Instead, its extensive body of labor legislation is embodied in a variety of laws and decrees. Nearly half of the country's wage and salary earners are organized into unions, however, and its labor movement is regarded as one of the most mature and extensive in Latin America.

The Argentine Union of Locomotive Engineers and Firemen, founded in 1886, is the oldest labor union organization in Latin America. A moderate craft union, it was established with guidance from railroad workers in the American Federation of Labor and is still popularly referred to as La Fraternidad (The Brotherhood). Many of the first unions, however, were made up of European immigrants who were anarchosyndicalists dedicated to the overthrow of government.

With the passage of years the radical immigrants in the unions were replaced by native-born sons who thought of themselves as Argentines first and as radicals second. When Juan Domingo Perón rose to power in 1943, the labor movement was receptive to the association of nationalism and radicalism that he offered.

During the Perón years, labor was first favored and then controlled by the administration. Collective bargaining processes underwent a profound change; individual employers ceased to bargain directly with the unions of their employees and, instead, national unions negotiated with representatives of employers in each sector of industry and commerce.

As government and national unions played increasingly important roles in the bargaining process, the importance of the employers waned. Governments since Perón have followed less authoritarian courses, but the powers of government with respect to labor, coupled with the massiveness of potential political power represented by labor, have been such that in the late 1960's the process of collective bargaining seemed to be decided less between labor and management than between labor and the government.

In 1968 it was still too soon to conclude the assessment of the impact of Perón on the labor movement. The material gains he won for working people had proved to be illusory, and during the later years of his regime much of the movement had become disenchanted.

Before Perón, however, organized labor had been virtually ignored.

Under Perón, organized labor rolls grew by as much as 1,000 percent, and labor was heard for the first time. At the same time, an urban proletariat with a sense of identity and power came into being and learned that there could be a government with apparent regard for its interests. Although most of organized labor looked on passively while Perón was removed in 1955, an idealized Peronism remained a major motivating factor in 1968.

Organizationally, the General Confederation of Labor (Confederación General de Trabajadores—CGT) dominates the labor movement. There are other recognized labor confederations, federations and unions, but they are weak and comparatively few, and the literature on Argentine labor seldom refers to them. Workers' delegations to the annual conferences of the International Labour Organisation (ILO) are designated by the CGT, in whose name Argentina organized the beginnings of a hemispheric labor grouping during the Perón regime.

From the time of its foundation in 1930, however, failure to present a united front has consistently prevented the CGT from employing the full impact of its potential political power. It has usually served less as a concerted expression of labor aspirations than as a reflection of a range of ideologies and programs for action sometimes drawn into uneasy alliances. Its leaders have generally been ambitious, intelligent and aggressive men preoccupied with advancing the cause of the unions they represent within the intricate CGT hierarchy. During most of its history the CGT has been divided into at least two opposing factions and in June 1968 there were at least four factions, two with secretaries general claiming to represent the CGT and with worker delegations present at the annual conference of the ILO in Geneva.

Almost all jobs are covered by minimum wage legislation, and wage scales are revised upward with each contract renewal. For many years, however, the country has been gripped by an inflation that has paralleled the rise in wages. Between 1960 and 1967 there was no significant change in the level of real income. In general, the difference between the wages of unskilled workmen is small.

The continuing inflation has complicated determining the adequacy of wage levels and the fixing of new wage rates to anticipate the rate of inflation during the contract period. It has also made necessary the periodic recomputation of such other rates as minimum wages, contributions to social security funds, family allowances and pensions.

Workers are afforded considerable protection under the law. Workdays and workweeks are limited in duration; paid annual vacations are guaranteed; nightwork and work by women and minors are restricted; and a reasonable degree of job security is assured. Most workmen are covered by a comprehensive social security system and, in general, discrimination in employment because of race, sex or any other reason is prohibited.

For personnel covered by collective contracts, conditions of employment prescribed by law represent minimums rathers than standards. Workweeks are frequently shorter; overtime pay standards are higher; and fringe benefits are greater than those prescribed by law. Under terms of contracts, unions are sometimes awarded roles in the hiring, assigning to jobs and assuring job security of personnel.

During the mid 1960's about 15 percent of the labor force was employed by the national, provincial and municipal administrations and by the state enterprises. The number of public employees was excessive, and in 1967 the government embarked on a rationalization program designed to reduce public employment and, where possible, to transfer the remaining personnel from low productivity to higher productivity assignments.

CONDITIONS OF EMPLOYMENT

Recruitment of Labor

The systematic recruitment of labor commenced during the late 19th century when representatives of the national and provincial governments and of private land companies searched Europe for immigrants to settle the winterland agricultural colonies then being established.

The recruitment for farm operators was accompanied by recruitment, primarily from Italy, of seasonal workers who became known as *golondrinas* (swallows). These divided their year between long ocean crossings and seasonal employment in the fields of Argentina and those of Europe. Many remained as immigrants.

As the great cattle and farming estates became established, the recruitment of regular ranch and farm hands became the responsibility of section chiefs and field foremen who tended to give preference to reliable local people, usually kinsmen. Those unable to find work on a nearby estate have made up a large part of the massive migration from country to town in the earlier years of the 20th century.

The recruitment of seasonal workers has often been left to labor contractors. Some of these workers have come from adjacent areas. Other workers are from Bolivia or Paraguay; many cross the frontiers unofficially and frequently find their way to the towns.

The hiring of migrants is covered by a 1942 law on recruitment of agricultural, mining and foresty workers who must temporarily change their places of residence. Under the law, employment is not permitted without guarantees, which include housing, food and medical facilities for workers and their families. A permanent labor inspector must be appointed to ensure enforcement of these provisions.

For urban labor, there is no established system for preemployment inquires about the applicant's qualifications. If he has registered with a public or a private employment service, however, the records may be consulted, and an employee is entitled to a work certificate from a previous employer if he terminates his work voluntarily or through retirement.

A 1949 law established the National Bureau of Employment Service, but in 1962 it was abolished and its functions distributed among various public agencies. Public employment services have been generally limited to Buenos Aires where the principal functions have been the maintenance of lists and the registration of jobseekers. Special attention, however, is prescribed for assistance to minors and apprentices.

There are also private employment agencies, which must obtain a government license and must qualify as nonprofit operations. Under these restrictions, several labor unions have negotiated collective contracts under which they have operated services within their own employment areas.

In Buenos Aires newspaper advertisement and word-of-mouth are customary recruitment techniques. Hiring is uncomplicated because the supply of labor is ample and because all but a small minority of the applicants are untrained. The employer is accustomed to hiring the unskilled and relying largely on on-the-job training for the development of skilled personnel.

Restrictions on eligibility for employment on the basis of religion or national origins are prohibited, and legally admitted foreigners may engage in most forms of employment. Professional persons wishing to establish a public practice must have their foreign credentials validated through an examination in Spanish. The examination is conducted by an Argentine university, and its content is equivalent to that required of Argentine graduates in the same field.

The only restrictions on eligibility for employment, based on age and sex, serve to protect children and women from forms of employment considered detrimental to their best interests. Because of the spread of education between 1947 and 1960, the proportion of persons under the age of 18 in the labor force has decreased. Employment, however, has been measured by the fact that the participation rate for females in the labor force remained constant at about 17 percent; the rate of participation for males declined from 63 to 59 percent.

Working Hours, Days of Rest and Vacations

The basic workweek is a maximum of 48 hours for employees in public or private undertakings, but shorter basic workweeks may be established by contract or by other means. The contract of light and power workers in effect in early 1968, for example, set a basic workweek of 36 hours. A survey in 1964 found that 7 percent of the positions in Greater Buenos Aires were for 34 hours or less of work a week. This figure, however, represented underemployment, and many of the jobholders with short workweek positions held more than one job.

Work done at night, defined as that performed between 9 p.m. and 6 a.m. may not exceed 7 hours. For unhealthful work, as defined and described in various decrees, the legal maximum is 6 hours per day or 36 hours per week. Exceptions to the limitations prescribed for the length of workdays and workweeks are made for a variety of special circumstances. In addition, special provisions apply to agricultural and stockraising activities if there is substantial seasonal variation in work requirements, to domestic service and to activities of firms employing family members.

Activities in commercial establishments dealing with the public may not begin before 5 a.m. and must stop by 8 p.m. in winter and 9 p.m. in summer. Because of the special nature of their work, some categories may remain open until prescribed later hours; hotels, restaurants and certain other businesses may remain open all night.

A compulsory day of rest is provided, regular work is prohibited after 1 p.m. on Saturday and all day on Sunday. Exceptions are prescribed for stated categories of employment where work during the regular day of rest is necessary. The exceptions, however, do not ordinarily apply to women or to those under 16 years of age. Persons who for any reason work on a day of rest must receive compensatory time off.

There are seven national holidays. The provisions of laws relating to weekly days of rest govern these, and double wages must be paid to those who work on any day of rest. A varying number of other nonworking days, nine in 1967, are compulsory for employees of the national government, banks, insurance businesses and similar activities but are optional in other categories. Regular wages are prescribed for those who work on these days (see ch. 8, Living Conditions).

Annual paid vacations are prescribed by law. Persons employed for not more than 5 years are entitled to 10 days of leave per year and those employed for a longer time are entitled to 15 days. To qualify for a paid annual vacation, the worker must have been employed for at least one-half of the workdays between January 1 and December 31. If the worker has not been employed for the indicated time and his contract is canceled for any reason, he is entitled to an indemnity based on a prescribed formula. Employees of the national, provincial and municipal governments are covered by slightly different provisions.

Exceptions to maximum workweeks require authorization of the Secretariat of Labor and may not exceed 30 hours a month or 200 hours a year for any employed person. The most common situation in which overtime may be granted is an extradordinary demand for work coupled with a shortage of manpower. Legislation provides for overtime pay and the right to compensatory time off.

Work of Women and Minors

There is a prohibition against hiring workers under 12 years of age in any kind of employment, including farm work, and against employing those over 12 years of age who are still of primary-school age and have not completed primary school. Education is compulsory to age 14 or until the primary cycle is completed, but in some rural areas the scarcity of school facilities makes this impossible (see ch. 9, Education). Exceptions to the minimum age prohibitions are permissible when the work is essential, light, not injurious to the health of the minor and not in excess of 2 hours a day.

Minors under the age of 14 may not be employed in domestic service or in public or private industrial or commercial operations except where members of a family work together. Males under 14 and females under 18 may not engage in occupations conducted in the streets or other public places. The state supervises and directs the work and apprenticeship of minors between 14 and 18 years of age.

The incidence of child labor is probably the lowest in Latin America, and the country has ratified most of the ILO conventions concerning conditions of employment of minors. The low level of employment of children is in part because of the large size of the urban sector, where child labor has been virtually eliminated, and in part because of the relatively low proportion of children in the population as a whole (see ch. 4, Population and Labor Force).

Women over 18 may not be employed in industry for more than 8 hours a day, and minors of both sexes under 18 may not work more than 6 hours. Women may not be employed in nightwork except in nursing and domestic services or in public entertainment. Women and all minors under 18 who work during both morning and afternoon hours must have a 2-hour rest period at noon, and their employment in hazardous or unhealthful tasks is prohibited.

In addition, women may not work during 30 days before and 45 days after childbirth. Specific subsidies are provided for women during these periods. Because of the devaluation of the currency by inflation, the sums prescribed have become insignificant. As a consequence, the government pays full salaries to its female employees during maternity leave. Most private employers also pay women for maternity leave under special provisions included in collective contracts.

Wages

Wages, or salary, are defined as remuneration for services in money, kind, food, use of a dwelling, commissions and per diems other than the portion actually spent, and gratuities unless they are prohibited. A prohibition against the acceptance of tips in places serving food is not widely observed. Participation in company profits is also considered an integral part of the remuneration, but although the national Constitution establishes the right of workers to participate in the earnings of the enterprise that employs them, no law has been enacted governing the exercise of this right.

Argentina has ratified Convention 100 of the ILO governing the payment of equal wages for male and female workers for labor of equal value, as adopted at the thirty-fourth meeting of its General Conference held at Geneva in 1951. Workers are protected against their creditors by making their wages unattachable and by prohibiting their alienation or assignment to third parties, if the wages do not exceed a stated minimum per month, and against creditors of the employer.

Employers must pay an annual supplementary wage (*aguinaldo*) equal to one-twelfth of the worker's wages for the calendar year. Half of this wage is payable on December 31 and half at midyear. This obligation exists even in the event of termination of the employment contract before the end of the year.

In March and April 1967 wage increases ranging from 8 to 25 percent were granted to workers in the private sector covered by collective contracts. In May 1967 an increase of 15 percent was given to workers in the public sector. At that time the government announced that there would be no further wage concessions until the end of 1968 and that during the period it would be necessary to arrest the increase in the cost of living.

By the end of the year it had become evident that real income had fallen below the 1966 average, and as a consequence a general pay increase of 6 percent was granted, funded by a corresponding decrease in required employer contributions to the various employee pension funds. The cost of living was unusually stable during early 1968, and in midyear no further adjustments in wage rates had been made. Since 1960, however, increases in wages had run 25 to 30 percent annually, and prices had risen at about the same rate.

The proportion of the labor force working for wages or salaries, about 69 percent in 1960, is one of the highest in Latin America. It occupies a level at which the minimum wage legislation can have considerable effectiveness.

Attempts to set minimum wages by statute began early in the 20th century, and the National Wages Institute was established in 1945. The national Constitution was amended in 1957 to incorporate the principle of the worker's right to an adjustable minimum wage. Implementing legislation was not enacted, however, until June 1964 when growing concern over a downward trend in real wages since the latter part of the Perón administration led to the passage and promulgation of the Minimum Wage Act.

The essentials of the Act are that any employee over the age of 18 may not be paid a wage lower than the minimum prescribed by law, and that this minimum living wage

... is the remuneration required in each area to enable a worker and his family to afford an adequate diet, reasonable housing, clothing, education for their children, medical care, transport, holidays, recreation, insurance and savings.

Administering the Act is the National Minimum Wage Board, which adjusts the minimum wage after 180 days if the cost of living index has risen by 15 percent or more. Differentials are provided for each geographical area, for apprentices and young workers and for persons with a diminished capacity to work.

The Act incorporates family allowances into the minimum wage in that

it presupposes that the average covered worker is married and has two children. The single worker receives 70 percent of the minimum, and the remaining 30 percent is attributed at the rate of 10 percent to the wife and 10 percent to each child. The 10 percent is payable for each child, however, regardless of the number of children. The family allowance, paid directly by the employer to the worker at the time of payment of wages, was in existence a number of years before the passage of the Act. By 1957 the practice had become widespread and, to ensure that workers with large families not be handicapped in finding jobs, a system of financing through family allowance funds was introduced. Under this system, employers must pay into the funds fixed percentages of their total payrolls.

The only categories of workers not covered by the Act are domestic servants, employees of provincial governments, local authorities and autonomous provincial and municipal agencies. Under the country's federal system the national government may not prescribe earnings of workers employed by provincial governments and local authorities, but most provincial governments have approved the observance of national standards. The Act also prescribes fines for violations of its provisions, based on the amount of money involved, and assigns enforcement responsibility to national and provincial labor inspectorates.

In 1968 there had been an immediate effect on all the real wages of unskilled workers, particularly in agriculture. From a base of 100 for 1963 the real wage of unskilled workers in industry rose to 108.8 in 1965 and that of unskilled agricultural workers to 163.8. It was in the agricultural sector, however, that evasion of the law was believed to be most prevalent.

The rise in agricultural wages derived from the fact that the minimum agricultural wage rates were significantly higher than those prevailing at the time. In industry and commerce the minimums were generally somewhat lower, but in 1965 the minimum wage was about 81 percent of the contractual wage average for unskilled workers in manufacturing, and the existence of the minimum wage floor was believed to have helped to force upward the contractual rates for the unskilled and in some cases to have produced corresponding increases farther up the scale.

Industrial wages in the Federal Capital (see Glossary) in 1967 ranged upward from the equivalent of U.S.\$0.22 an hour for an unskilled bakery worker to U.S.\$.52 for a master tailor, based on the official exchange rate between the dollar and the peso (see Glossary). In general, skilled and unskilled wages in selected sectors of the manufacturing industry averaged about U.S.\$0.44 and U.S.\$0.35 per hour, respectively. Most workers in service-type occupations received wages somewhat higher in Buenos Aires than in other urban areas.

The basic wage, as reported, does not include the regular annual bonus of the numerous fringe benefits and incentives. For example, in 1966 the 250,000 metalworkers were granted substantial bonuses for the birth of each legitimate child and for each death in the immediate family. In addition, collective contracts frequently provide that workers who perform their duties at a level higher than that of their job category shall receive correspondingly higher pay. The cost of fringe benefits has been considered by some employers to equal as much as 70 percent of actual wages.

Pay of agricultural workers varies considerably in different parts of the country. The highest in 1967 was commanded in Buenos Aires, Chubut and Santa Cruz Provinces where foremen received the equivalent of about U.S.\$58.60 a month and laborers received U.S.\$55.10. Fringe benefits constitute an extemely important part of the rural worker's income, however, for housing and meals are often provided.

In all kinds of employment the gap between skilled and unskilled labor is narrow, and unskilled workers in one industry may receive more than skilled workers in another. During the administration of Perón, the wages of manual laborers rose very substantially, but salaries of nonmanual personnel did not. The margin between the two has never again widened; in 1968 the general lack of a substantial pay incentive for skilled and professional personnel was described as representing a "decapitalization of of skills." In 1965 the monthly salaries for technicians and administrators averaged the equivalent of between about U.S.\$110 and U.S.\$247 on the basis of the official exchange rate between the dollar and the peso.

Unemployment

Before the passage of minimum wage legislation in 1964, employers had predicted that its enactment would increase unemployment considerably, but this apparently has not proved to be true. Between July 1963 and October 1965, unemployment in Greater Buenos Aires declined from a rate of 8.8 percent to 4.4 percent. Beginning in 1964, the collection of data on unemployment was expanded to include the cities of Córdoba, Rosario, Tucumán and Greater Mendoza. The average unemployment rate for these cities and Greater Buenos Aires declined from 6.3 percent in October 1964 to 4.5 percent in October 1965. Irregular rises since then increased the rate to 6.3 percent in October 1967.

Statistics on unemployment in rural areas have not been compiled. In the past, substantial unemployment in the countryside caused increased migration from country to town, which had the effect of lowering the rural unemployment rate. In early 1968, however, a shortage of workers was reported in numerous rural localities.

LABOR RELATIONS

Employment Contracts

An employment contract is defined under the law as an agreement between employer and employee for the performance of work. A salaried employee (*empleado*) or a manual worker (*obrero*) is defined as any person who carries out tasks in a dependent relationship for an employer or employers in permanent, provisional, temporary, occasional or substitute form. Members of a partnership who regularly render personal services to the partnership or to a third party are employees or workers for all legal purposes, except in the case of partnerships between parents and children. Individual labor contracts are customarily oral; the contract is generally considered proved by the fact that the employee or worker engages in work. The absence of any specific legal provisions concerning the execution of individual contracts and the obligations of the parties leaves a wide area for court decisions.

Collective contracts in most categories are covered by 1953 legislation. Rural workers are covered by separate laws, and employees of national, provincial and municipal governments cannot bargain collectively unless specifically authorized. In 1968 the basic legislation of 1953 was in force and was being cited in all regular collective agreements, but it had been affected radically by measures taken by the Onganía government.

Under the 1953 legislation, collective contracts are executed between an association enjoying union status and an employer's association, a single employer or a group of employers. The contract must be approved by the Secretariat of Labor; after approval, it is binding on all workers and employers in the activity concerned, whether or not they are members of the negotiating union. When there is no recognized union, an unrecognized entity is legally empowered to negotiate, but this seldom occurs.

After a contract has expired, employment conditions established in it are in effect until a new agreement is reached. Provisions must agree with terms specified by law or be more favorable to workers than those terms. Collective contracts may not be superseded by individual contracts to the detriment of the workers.

Collective agreements are usually reached through negotiation between representatives of employers and employees, but it has occasionally been necessary to follow other procedures. In 1956 all collective contracts expired, and when most negotiations for new contracts collapsed, the government of President Pedro Aramburu determined new contract conditions by compulsory arbitration. In mid-1968 the government of President Onganía followed a similar process in revising the contracts of unions representing several state-owned enterprises; this step was part of a program for improving efficiency in the national administration and in the state enterprises.

As governments have been somewhat reluctant to place full faith in the effectiveness of establishing employment conditions through free collective bargaining, they have used such control devices as minimum wages, family allowances and the freezing of wages. Governments sometimes have also made credits available to enable employers to contract for wage increases which they might otherwise have been unable to pay.

Before Perón came to power, most collective bargaining negotiations

were between individual firms and the unions of their workers, or between regional groupings of employers and corresponding labor groups. Perón, however, encouraged nationwide contract negotiations between employer organizations and national unions. By 1955 most workers were covered by contracts arrived at by bargaining on a nationwide basis; in 1966 at least 280 such agreements were signed by labor groups representing from 1,000 to more than 200,000 workers.

Termination of Contracts

Until 1966, terminations of employment were governed by the provisions of the Commercial Code and by a 1945 decree-law. Legislation was enacted in April 1966 on employment contracts in general. Later, only those portions of it which dealt with contract termination were promulgated.

An employer who discharges an employee is required to give notice or to pay compensation for the time in question. Compensation must also be paid for length of service. Unless a longer time has been stipulated in the contract, the period is 1 month for employment of up to 5 years' duration and 2 months for longer employment. During the period of notice, the worker may, without decrease in salary wages, use 2 hours daily during regular working hours to seek another position.

Contracts may be terminated at the request of employer and employee or by either on the conclusion of the period of work specified or on the completion of the work, on the death of the worker, as a consequence of bankruptcy or insolvency of the employer, on the closedown of the undertaking or on the worker's retirement.

The consequences of termination of contracts, particularly in terms of compensation, vary in accordance with the circumstances. A distinction is made between normal compensation, regarded as in the nature of a welfare benefit, and special or penalty compensation.

Normal compensation is the equivalent of half the monthly pay for each year of service or fraction of more than 3 months. There is a maximum monthly ceiling and a minimum of not less than 1 month's wages as total compensation. It is payable when termination comes at the will of the employer because of a lack or reduction of work for which he is not responsible, and it must commence with the most recently hired workers. It is also payable at the end of the specified period of work or completion of the work, on bankruptcy or insolvency, or closedown of the unfinished undertaking under circumstances for which the employer is not responsible.

A worker who has been employed for less than 3 months receives as compensation the equivalent of one-third of the wages he has been paid if he is dismissed without just cause.

A worker does not have a right to compensation if termination is at

cause. right to compensation if the request of both parties, if he decides to leave the job, if he has been guilty of misconduct or if he retires.

Incapacity to perform duties does not constitute a just cause for dismissal of a worker if the incapacity occurred after he began work. Dismissals related to the introduction of new machinery or work methods appear to merit special compensation only if the dismissal is arbitrary.

There is no comprehensive unemployment insurance fund. Legislation enacted in 1967, however, established a new personnel system for the construction industry which included provision of an industrywide unemployment fund.

Labor Disputes

A decree-law of 1962 provides that parties to collective bargaining disputes must make an attempt a conciliation before carrying out a strike, lockout or discharge. Its procedures are applicable to disputes that occur in a place subject to national jurisdiction when they extend beyond the limits of one province or when they affect national industry, commerce or production. Intraprovincial disputes are settled in accordance with provincial law and practice.

Before resorting to force, both parties to the dispute must submit the matter in writing to the Secretariat of Labor, which then summons the parties to a hearing and proposes formulas for conciliation. The appearance of the parties is obligatory, and the Secretariat intervenes directly if they do not appear.

If the formula for conciliation is not accepted, authorities suggest that the participants submit the question to arbitration. If the question is accepted, the appointed tribunal renders its decision within 10 business days, extendable if evidence is to be submitted or if the parties have agreed to a longer period. The decision has the same force and effect as a collective agreement, and it binds for a minimum period of 1 year.

If before or during the conciliation proceedings the employer shuts down, if workers decide on a strike or a work slowdown or if either side fails to appear at the conciliation hearings, the Secretariat of Labor may declare the measure of force illegal. Conciliation proceedings shall be concluded within 30 days, but this may be extended to 40 days for justifiable reasons. If no conciliation formula or agreement to resort to arbitration has been signed within this period, the parties may resort to appropriate measures of force.

Disputes affecting essential public services must be submitted to arbitration. The executive branch is authorized by law to extend the list to include any cases which, because of their serious nature, would vitally affect national development or the safety or welfare of the community. In addition, a measure affecting essential services may be declared illegal by the Secretariat of Labor, subject to appeal in the appeals court for labor matters within 2 days after notification. A declaration obligates workers to return to work within indicated period and employers to re-

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open their plants within a like period. Fines for violations are imposed on the parties concerned. In addition, officers of employers' or workers' associations who participate in or consent to illegal strikes or lockouts are removed from their positions and may not hold office for 5 years after their removal.

Disputes between the national government, its agencies or autonomous entities and their personnel are subject to compulsory conciliation within the agency to which they belong; final decisions rest with the executive branch. Disputes within government enterprises providing public services or engaged in industrial or commercial activities are governed by a decreelaw of 1957, which refers them to the executive branch for final solution. In both cases strikes are unlawful, and employees who participate in them may be discharged.

Individual labor disputes are judged in labor courts. Proceedings are oral and are conducted directly by the judge. Complaints must be entered before the conciliation commission, after which a hearing is held at which the defendant may answer the complaint and the parties may submit their evidence. The purpose of the hearing is to attempt to reach a conciliation agreement. If no agreement is reached, the proceedings are transferred to a court of law, and the evidence presented at the hearing is submitted. Arbitration procedure is optional, the arbitration commissions having the legal competence to hear cases in which the parties, by mutual agreement, decide to submit to the decision of such commission a dispute concerning a reduction in wages or a change in working conditions.

Disputes between rural workers and employers are governed by a 1944 decree and subsequent ratifying legislation customarily referred to as the Laborer's Statute (Estatuto del Péon). Under this law, disputes are taken before the nearest police official or judge for conciliation and, if conciliations fail, are referred to the labor courts. There is also a National Commission of Rural Work, responsible to the Secretariat of Labor and made up of government officials, employers and workers. Subordinate to the Commision are local mixed committees. In addition to establishing working conditions for rural labor, the commission is to deal with labor disputes.

The former procedure for settlement of labor disputes was considerably modified by emergency legislation promulgated in August 1966 and was to remain in effect only through December 1967. At the end of that period, the legislation lapsed. Under it, any dispute arising within the jurisdiction of the national government could be submitted to compulsory arbitration by the national authority, and all means of direct action taken would be enjoined. An award in settlement of a collective dispute of interests had the effect of a collective agreement and a minimum period of validity of 1 year. In collective disputes with respect to rights, the parties could, after complying with the award, apply to have it reviewed in the courts. Failure to obey the arbitral decisions would subject employers to fines and workers to dismissal.

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In general, there is a legalistic tradition apparent in the process established for the settlement of disputes and in the labor courts, and there is a lack of evidence of any particular favoritism by the government either for or against labor.

The well-developed collective grievance mechanism begins with the shop steward in the local union. The local steward's role increased substantially under Perón, when higher ranking union personnel fell under the control of the government. Stewards continued to be elected freely by the memberships, although they also were not free from punitive official action when they were regarded as too independent.

When stewards are unable to solve grievances through informal consultation with lower management representatives, the complaint is transmitted to a general factory grievance committee, which consults with top management officials at the local level. The next step is an appeal to an industry-wide parity committee which consults both union and management representatives. Beyond this stage the only remaining appeal is to the labor courts, which consider both the law and the collective agreements before passing judgement.

The formalized series of procedures differs from those in most Latin American countries where grievances tend to be judged more on an ad hoc basis. Labor courts exist in most of the countries, but except for Mexico they do not play the role of final arbiter.

Labor is sensitive to the influence of government both in changing working conditions and in the settlement of labor disputes.

From 1964 through 1966 by far the greatest number of strikes called and the greatest number of man-days lost were over wages, but some of the most important strikes during recent years have had other causes. The 1966 Port Workers' Union strike was against government-imposed work rules that resulted in longer hours and a reduction in premium payments. In 1967 a major railroad workers' strike was over work rules that might lead to substantial layoffs, and a strike against Kaiser Industries in Córdoba protested layoffs to achieve economy.

Man-days lost through strikes were about 1,208,000 in 1964, 1,249,000 in 1965, 913,000 in 1966 and 245,000 in 1967. Most man-days were lost in service occupations, manufacturing industries, and transport and communications, in that order. The abrupt decline in strikes in 1967 probably resulted from the emergency legislation that tightened the requirements for compulsory arbitration in late 1966 and froze all wages in early 1967.

ORGANIZATION OF LABOR

Origins and Development of Labor Movement

Trade unionism in Argentina began in 1853 when the Printing Trades Union was founded as a mutual benefit society, which within a few years was performing most of the functions of a modern union. The flood of immigration had not begun, however, and it was with the first European immigration in the 1880's that the oldest of the present-day unions were established.

The immigrant workers brought with them experience derived from European radical politics and new labor ideas born of the social upheavals of the mid-19th century. As a consequence, most of the early Argentine unions were anarchosyndicalist in philosophy, although in 1885 the first railroad worker brotherhood was founded with assistance furnished by United States unions as a moderate and essentially a political group.

The year 1890 saw the publication of a labor newspaper and the first efforts to found a national federation, but it was not until 1901 that the first labor central was established by socialist immigrants. It was soon captured by anarchosyndicalists, who fashioned it into a strongly antinationalist organization dedicated to anarchic communism. The close relationship between labor and radical politics became firmly established, and the labor history of this period is largely a chronicle of strikes and, sometimes, sabotage.

Both government and management regarded the young unions as subversive, and in 1902 legislation was enacted authorizing deportation of any alien regarded as a menace to the state. The law remained in force for more than half a century and many hundreds were deported under it.

A rival socialist central labor organization was soon formed, and although it was also captured by anarchosyndicalists, the labor 'movement was not able to produce a consistently united front. Its rejection of the organized political establishment, however, was demonstrated soon after World War I by a refusal to accept the intervention of President Hipólito Irigoyen on behalf of the packinghouse workers in a dispute with their employers.

The small body of organized labor remained split until 1930 when the CGT was established as an uneasy alliance of the old-line syndicalists and the more moderate socialists. The syndicalists were the leaders, still opposed to the close association with the political party which would imply some acceptance of the status quo.

The new central organization had not been formalized by a trade union congress. Eager to test their strength in the alliance, the socialists pressed the syndicalists for such a congress, but they were unsuccessful until 1935 when they took matters into their own hands. They expelled the old leaders, organized their own executive committee and were able to maintain themselves in control of the CGT until the beginning of the Perón regime. The syndicalists separated themselves and continued as an important minority group, whereas the old anarchosyndicalists maintained a small but militant organization that was continually in difficulty with the government.

This was a period of important change in the motivation and goals of the labor movement. From being a center of violent and emotion-charged experience, it was becoming bureaucratic. A corresponding change was taking place in the membership itself. After the depression of the 1930's began, immigration virtually ceased; the young people being added to the employment rolls of urban industry and commerce were migrants from the countryside to whom the ideals of militant syndicalism had little appeal or meaning. The sons of immigrants who joined the labor force were Argentines attempting to disassociate themselves from foreign ideologies. The labor movement had developed to a point where it would be receptive to a radical message presented in Argentine terms.

The message came from Perón in 1943. At that time there were about 350,000 organized workers; the CGT itself was split into two factions; and two small anarchist- and syndicalist-oriented central organizations survived. Four years later it was possible for the CGT to make the probably inflated claim of 3 million members.

Perón organized the unorganized and provided a variety of benefits to labor. Advantages that workers in other countries were attempting to gain by their actions Perón made available to Argentine workers by decree. The government appeared to be the bearer of a new social order, and the unions became its principal strength. Organized labor was completely restructured, and collective bargaining was conducted on a national basis. The national unions were completely subordinated to the CGT, which even removed the officers of the Federation of Packinghouse Workers, an organization which was not a CGT member.

The real incomes of workers rose by as much as 35 percent between 1943 and 1947 but later declined as inflation spiraled; it had probably returned to the 1943 level by the time of the Perón overthrow in 1955, although some authorities cite the fringe benefits added during the Perón years and claim some net gain for workers in real income. Many workers became dissatisfied with the dictatorial Perón methods and the intensified regimentation of labor during the later years, and when the military uprising began in September 1955 most workers were passive bystanders.

The policy of the succeeding administration of Eduardi Lonardi was to allow the labor movement to purge itself, but when Arumburu replaced Lonardi in a palace coup, a general strike was held in protest.

It was at this time that the first effective steps were taken toward the establishment of a minimum labor program. From the CGT congress, finally held in 1957, two unions emerged, the "62" (pro-Peronist) and the "32" (independent or anti-Peronist).

The following year the Aramburu government named a group of anti-Peronist leaders as provisional chiefs of the CGT and ordered them to call a new congress. When President Arturo Frondizi entered office later that year, however, the CGT was again put under government control and remained so until 1961.

In 1961 the CGT was reorganized under the representative leadership of Peronists and anti-Peronists; Communist leadership elements were excluded. Although Peronists were much the stronger of the two factions, the arrangement worked satisfactorily for a time. It was formalized by elections in 1963 and continued after the inauguration of President Arturo Illía, although raids by extremist Peronists on the membership of unions in the anti-Peronist camp brought about the resignation of the CGT general secretary in 1964.

Early in 1968 two labor matters were of immediate concern to the administration. A CGT congress was scheduled for late March and the annual meeting of the ILO in Geneva was scheduled for June. The government was anxious that the congress return a slate of officers with which it might work in harmony, and the Geneva meeting of the ILO was of considerable interest because its protocol called for the election of a delegate from Latin America as president, and there was reason to believe that an Argentine might be named.

The CGT congress was deferred, but on March 28 the unions regarded as unfriendly to the government met in a substitute meeting that included elements seemingly representative of political leanings rather than collective bargaining positions. The meeting included old radicals, Peronists, Communists and exteme nationalists in a loose alliance representing a return to the past and to old party loyalties. The other major CGT element represented the view that workers must look for better working conditions through the established governmental framework and that there was no prospect for an improved status for workers if the companies for which they worked were not to flourish also. At about this time, the two groups began to be referred to as Azopardo or official and Paseo Colón or insurrectionist groups, after the names of the streets on which the headquarters of the two elements were located.

By May the status of the unions was chaotic. An officer of a national union supporting one faction might play an active role in the activities of the other. The Azopardo element included most of the largest and richest unions, but it had split into a participationist group committed to support the government and a group committed only to negotiation. A corresponding split had developed in the Paseo Colón group between the orthodox Peronists and the liberals, who continued to maintain some contact with the Azopardo element. The fragmentation of the CGT continued, and in late May the Azopardo faction held its own congress, which was boycotted by its previously dominant participationist wing. The Azopardo faction was believed to represent 785,000 supporters and the Paseo Colón, 650,000. The participationists' still theoretically a part of Azopardo, were estimated to represent 350,000 whereas 140,000 neutrals were standing aloof both from the two major CGT factions and from dealings with the government.

In the meantime, the annual conference of the ILO had convened in Geneva, and the Argentine Secretary of Labor had been named president. The ILO conferences, however, are made up of delegations representing government, employers and workers from each member country, and three separate union delegations had appeared in Geneva as representatives of Argentina's workers. In addition to the government-approved delegation chosen from nominations of the participationist unions, there were delegations representing Azopardo and Paseo Colón who could agree with one another only in protesting the seating of the official workers' delegation.

Union Organization

When Perón assumed virtual charge of the government in 1943, the organized sector of the labor movement was already of the best differentiated and largest in Latin America, but it had never been accorded any specific legal status. This was forthcoming in the 1945 Law of Professional Associations, which prescribed juridical recognition of the union having the greatest number of workers in its sector of employment. Because recognition was customarily awarded only to unions supporting the Perón regime, the legislation served as a powerful instrument of control over organized labor. It also had the effect of transforming collective bargaining from negotiation between the individual employer and the union representing his workers to more impersonal negotiation between national unions and collective representatives of employers.

Organized labor's legal status in 1968 was based on 1958 legislation according workers the right to organize freely and without previous authorization. Unions may not receive economic assistance from employers or from national or foreign political organizations. All union members enjoy the same rights and are subject to the same obligations, and applicants for union membership may not be discriminated against on the basis of religion, nationality, race, sex or political affiliation. They are also protected under the law against reprisals on the part of employers for their union activities. Employers must participate with workers in collective negotiation in accordance with standard procedures and, in general, may not take coercive action against them.

The union determined to be most nearly representative of an economic activity is entitled to legal recognition as a corporate entity. The term used is *personería gremial*, literally, "trade-union solicitorship." When so designated it alone may participate in collective bargaining on behalf of its members and exercise rights, including the maintenance of welfare funds.

Workers are usually organized by industry rather than by craft. It is, therefore, customary for unskilled and skilled workmen to belong to the same union. Some national organizations are highly centralized and grant little authority to their locals, but others grant considerable autonomy. In some centralized union systems the national body has the authority to intervene in the leadership of a local if it fails to be guided by national directives.

Union treasuries are regularly financed through a checkoff practice in which membership dues are withheld from workers' pay envelopes and paid by employers directly to the unions. In addition, some unions have acquired substantial holdings in real estate and other income-earning investments. For recognized unions these forms of income are exempted from federal income taxation. Federations are financed from assessments on the local affiliates, and in some instances up to 30 percent of a local's total dues falls in this category.

Union officers at all levels are customarily elected from the membership and serve full time at rates of pay determined by the union; under law they are guaranteed reinstatement in their jobs after their terms of office end. The term of office may not exceed 2 years, but officers may be reelected.

Since collective bargaining may be undertaken only by a recognized union and since recognition is an official act of the state, the government is usually able to influence union activities considerably; also, the government can and sometimes does cancel or suspend recognition or intervene in union management. In May 1968, for example, the status of the union of telephone workers had been canceled; the status of the union of Tucumán sugar workers had been suspended; and the unions of the railroad, press, chemicals and port workers were placed under the direct control of government appointees.

In addition, it appears that the recognized union's exclusive right of representation is sometimes disregarded. In early 1968 the newspaper industry was represented by the Newsvendors Union and the Newspaper Laborers Union, officially recognized bodies belonging to the CGT. At the same time, there was an officially recognized Newspaper Union, not a CGT affiliate and believed to have taken some members from the Newspaper Laborers Union, under government control since late 1966.

A 1965 census of workers' associations listed 550 officially recognized labor organizations. Of this total, 502 were local units, 45 were federations and 3 were confederations. A 1964 report listed 252 unrecognized locals and 7 unrecognized federations.

Functionally, in 1965 there were 240 unions representing elements in the manufacturing industry; 117 in services; 70 in commerce; 62 in transportation, storage and communications; 36 in electricity, gas, water and sanitation; 5 in construction; and 5 in unspecified functional categories. This count of unions includes locals, federations and confederations.

The number of workers—nearly 3 million—enrolled in unions in these functional categories is suggested by the number who received annual wage increases in 1966 under collective contracts. About 1,462,000 were engaged in manufacturing; 849,000, in commerce; 269,000, in construction; 146,000, in services; 107,000, in transportation, storage and communications; 42,000, in electricity, gas, water and sanitation; 55,000, in mining and quarrying; and 15,000, in agriculture and related activities. Because unrecognized unions may be authorized to negotiate collective contracts and because workers in an industry covered by a collective contract are subject to it whether or not they are members of the negotiating union, the figures do not necessarily include only members of recognized unions.

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The giant of organized labor, the CGT had over 1.9 million members in 1965, representing almost one-fourth of the entire labor force as its only labor central. Under the direction of a secretary general, its four governing bodies are the National Congress, Central Committee, Executive Council and Executive Secretariat. The National Congress of the CGT affiliates theoretically meets every other year to elect officers, to review past activities and to determine the general framework of future policy. Between congresses the Central Committee plans and executes policy. Current affairs are the province of the 20-member Executive Council elected by the National Congress, and 8 of these members constitute the Executive Secretariat.

The CGT has regional bodies which coordinate union activities in each region, including communications between the central leadership and the local unions. For administrative purposes the country is divided into 87 regions, and all affiliated unions in a region elect delegates to the regional body.

Of the national unions belonging to the CGT, the Metalworkers Union is the largest; it has more than 250,000 members and is among the strongest and best disciplined; its membership includes an unusually high proportion of skilled and semiskilled workers. The Light and Power Union is also among the wealthiest and strongest and provides its members with the most attractive educational, cultural and social services. Among the other major CGT unions are the State Workers Association, the Textile Workers Association, the General Confederation of Commercial Workers, the Railway Workers Union, the Civil Service Employees Union and the Buenos Aires Municipal Workers Union.

The CGT has seldom been able to exercise the full influence that might be expected because of its size. During most of the Perón era it was virtually government controlled; since then, it has suffered from internal conflict quieted occasionally by uneasy truces, the principal lines being most frequently drawn between the Peronist unions and the independent groups. In general, blue-collar workers are among the independents. In mid-1968 the CGT was divided into at least four factions.

With the exception of the sugar workers of Tucumán Province, there is no cohesively organized group of rural workers. There are, however, two federations of rural workers; their combined membership was estimated at 70,000 in 1966. In addition, the Garment Workers Federation organizes pieceworkers as well as workers in factories.

International Union Affiliations

Argentine labor played a pioneering role in developing international trade union relationships in the Americas, the radical Argentine Regional Workers' Federation having called a meeting at Buenos Aires in 1907 for the purpose of establishing a permanent hemispheric labor confederation. Only a scattering of delegates from nearby countries attended, however, and the meeting failed to achieve its objective.

During the interwar period, Argentine labor groups were affiliated with both hemispheric and world organizations, the majority radical in their political orientations. In the early 1950's the country's labor movement made its most ambitious excursion into the field of international labor organization. Labor attachés, posted to most Latin American countries since 1946, had achieved some success in winning international support for President Perón, who sought to draw attention from increasing internal difficulties by promising international leadership and recognition. Workers were expected to follow the so-called "President's Third Position" between capitalism and collectivism in the international labor field.

The first step was a meeting called early in 1952 in Asunción, Paraguay, and attended by representatives of 19 Latin American countries. It resulted in the formation of a hemispheric labor bloc under Argentine leadership. The Third Position which it represented was to stand ideologically between the Communist-dominated Latin American Workers Confederation (Confederación de Trabajadores de America Latina— CTAL), an organization that had originated in Mexico with broad international support but that had fallen under Communist domination, and the moderate Inter American Regional Organization of Workers (Organización Regional Interamericano de Trabajadores—ORIT), which had connections with the labor movement in the United States.

A second meeting, held in Mexico City later in 1952, resulted in enlarging the Argentine-sponsored organization and changing its name to the Latin American Trade Union and Workers Association (Agrupación de Trabajadores Latino-Americanos Sindicalizados—ATLAS). It claimed 18 million members and for a time achieved some success, particularly in countries with authoritarian governments. ATLAS did not achieve hemispheric predominance; as early as 1953 President Perón became disillusioned with the organization, which continued officially in existence into the 1960's, when the CGT had ceased to be a member.

Since the collapse of the Perón government, labor has played a less active role in the international trade union movement, and in 1968 the CGT had no international affiliations. Until 1962, however, the so-called "32" bloc of the CGT, representing the independent unions, was affiliated with the moderate International Confederation of Free Trade Unions (ICFTU). The relationship lapsed in 1962, but in early 1968 the ICFTU had ties with the National Confederation of Municipal Workers and Employees, the General Confederation of Commercial Employees and the Bank Workers' Association. In June 1968 a workers' delegation named by the Azopardo CGT faction arrived in Geneva and received ICFTU support. The rival Paseo Colón CGT faction also sent a workers delegation to Geneva. It received support from the International Federation of Christian Trade Unions, which shortly before had sponsored a regional meeting in the Dominican Republic attended by the Secretary general of the CGT named by the Paseo Colón faction.

Since World War II the International Trade Secretariats, principally active in earlier years in European and North American labor development programs, have shown increasing interest in Latin America. In 1968 some Argentine unions had affiliated themselves with six of these secretariats. These were the International Federation of Journalists; the International Metalworkers Federation; the International Transport Workers Federation; the Public Services International; the International Federation of Petroleum and Chemical Workers; and the Postal, Telegraph and Telephone International. Some 25 Argentine unions were formally associated with these secretariats, and several others maintained close, informal contacts with them.

Management Associations

Among the various management associations, the most significant in the commercial and industrial sectors are the Argentine Industrial Union, the General Economic Confederation, the Argentine Chamber of Commerce, and the Coordinating Action of Free Business Institutions. In the rural sector the list of management organizations is headed by the Rural Society. There are also numerous employer's groups representing particular phases of business activity or regional groupings. Among these units, many of which are affiliated with the big national societies, are the Chamber of Manufacturers of Agricultural Machinery and the Agricultural and Livestock Association of the Pampa. In all, there are more than 1,400 business associations.

The Argentine Industrial Union, founded in 1887, gained its present importance during the Perón regime when most collective bargaining shifted from a local to a national basis, for it represents most employers. The organization's affiliates include 28 industrial federations which, in turn, are made up of 150 industrial associations. The federations, at the national level, bargain with the unions representing labor in the corresponding industrial sectors.

The General Economic Confederation, a voluntary organization of fairly recent origin, is made up principally of businessmen in interior cities and towns who started or expanded their businesses during World War II. Its members have been relatively prosperous during succeeding years and, more than most other businessmen, look favorably on government involvement in the economy in order to spur economic development.

The oldest and most influential of the commercial groups, the Argentine Chamber of Commerce, has a membership of more than 3,500, representing all kinds of business and agricultural ventures. It is best known, however, as the representative of the business community of Greater Buenos Aires. In addition, the Coordinating Action of Free

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Business Institutions serves as a clearinghouse for programs and policies of the management organizations subscribing to it.

The Rural Society, founded in 1866 by proprietors of the great estates, issues publications, sponsors cattle shows and engages in a wide variety of activities. Before the Perón regime it exercised a great deal of political influence. Composed of provincial societies which elect members to the National Central Council, it is consistently conservative in its policies.

The report of a 1968 survey of farm and ranch operators covering 90 percent of the land in use in the Pampa indicates that 81 percent belonged to some kind of producers' association and that 54 percent belonged to more than one. The associations included the Rural Society, local rural societies, the Argentine Agrarian Federation (representing many small landholdings), rural cooperatives and other bodies. About 62 percent of the producers belonged to cooperatives, presumably mainly for commercial reasons. These organizations, however, perform some of the functions of a management association by making the views of their memberships known to official bodies and by naming representatives to serve on them.

ROLE OF GOVERNMENT

Administration of Labor Affairs

Shortly after taking office in June of 1966 President Onganía, in an extensive reorganization of the national administration, redistributed the functions of the existing Ministry of Labor and Social Security, among other government entities. Labor matters became the responsibility of the Secretariat of Labor within the Ministry of Economy and Labor (see ch. 13, The Governmental System). The functions of the secretary and the subsecretary of labor were defined in the Law of Responsibilities of May 1967, but early in 1968 the Secretariat was still in the process of organization, and no new internal structure had been established. Under the predecessor organization, there had been four bureaus. The Bureau of Labor Relations was charged with conciliation procedures and with the registration and approval of collective contracts. The Bureau of Labor Unions granted and withdrew trade union status from unions determined to be representative and maintained the official register of these unions. The Bureau of Labor Police was charged with labor inspection and the enforcement of labor law. The National Bureau of Regional Delegation coordinated the activities of regional delegations, which were the administrative arms of the national labor authority in the various provinces.

Several autonomous entities had previously maintained a special relationship with the Ministry of Labor and Social Security. Among these were the Bank Workers' Court, the National Council of Industrial Relations and the National Minimum Wage Board. The Bank Workers' Court is made up of representatives of banks, bank employees and the executive branch of the government. It has the authority to arbitrate certain labor disputes concerning employment in private banks. The National Council of Industrial Relations has the authority to hear cases which stem from complaints based on allegations of unfair business practices.

The National Minimum Wage Board functions under the authority of the 1964 Minimum Wage Act. Its quasi-judicial functions include performance as the sole administrative body with power to interpret the Minimum Wage Act and, in this role, it has built up a considerable body of administrative case law. It also carries out the studies necessary to calculate at regular intervals minimum wages for the various regions of the country.

In addition, legislation in 1967 called for the establishment of the Technical Advisory Commission. Its assigned function is to establish a coordinated salary policy for personnel of state enterprises and privately operated public service entities falling under national supervision.

Federal and provincial labor courts are established by law. The system in the Federal Capital includes 40 courts of first instance and a 12-member appeals court, the National Labor Court of Appeals (Cámara Nacional de Apelaciónes del Trabajo). In regular sessions it is divided into sections made up of the appeals court president and two judges. It holds plenary sessions when unification of jurisprudence is needed or a section requests the interpretation of applicable law or doctrine. In addition, there are commissions of conciliation and arbitration which also form a part of the federal labor justice system.

Government Employees

In 1967 approximately 1,280,000 persons, about 15 percent of the labor force, were employed by the state (see ch. 4, Population and Labor Force). Of this total, 487,000 worked for the national administration, 484,000 for provincial and municipal administrations and 308,000 for state-owned business enterprises.

Public employment was somewhat lower in 1967 than in 1961 and far lower than during Perón's administration, which was a time of intense state participation in the country's economic and social life. The administration of President Onganía, however, determined that public employment was still much too high and undertook what it termed a rationalization program entailing alteration of the structure and operation of the governmental machinery, eliminating excess personnel from the public sector, and where possible transferring the remaining manpower from low- to high-productivity activities.

Although employment in the national administration and in state business enterprises declined somewhat between 1961 and 1967, provincial and municipal employment rose slightly. Early in 1968 it was reported that in Buenos Aires and some other provinces rules had been adopted for reducing the number of public employees, but no information was available concerning steps taken with regard to the relatively small number of municipal workers. Under the law the national administration cannot dictate provincial and municipal personnel policy.

The government's first step was the enactment of the Ministries Law of 1966, which had the objective of reorganizing public management and improving the efficiency of the public sector by simplifying the administrative mechanism. Next came the enactment in July 1967 of legislation instituting a series of indemnities for employees released from the national government and from state enterprises. Later in 1967 the passage of a law concerning state enterprises made possible changing conditions of employment prescribed in existing collective contracts.

Under the indemnities law, national public employees with more than 3 years of service would receive separation pay equal to 80 percent of their current monthly salary for each year of service up to a maximum of 30 years. The full amount would be payable in installments, but a reduction of 20 percent would be made if lump sum payment were requested. Scholarships would be available for those wishing to qualify for skilled jobs in private industry, and bank credits of up to P1 million (U.S.\$1 equals 350 Argentine pesos) be extended to those wishing to establish their own businesses. Separated employees would be declared ineligible for government employment for 5 years after the date of separation.

One consequence of the redundancy of public personnel was low salary, particularly at the professional level. In early 1968 it was reported that the beginning salary offered by the government to a graduate agronomist was scarcely half that available to him in private employment. In general, public servants in the mid-1960's were at a financial disadvantage because their wages and salaries were fixed in accordance with government schedules rather than by collective bargaining, which determined the pay of workers in state-owned enterprises.

The personnel problem has been acute in state enterprises and, in particular, with the workers of the state-owned railroad system, who make up over half of the total. Railroad employment rose from 150,000 in 1964 to over 170,000 in 1967. In mid-1968 it was reported down to 162,000 but this was still regarded as too high.

In May 1968 the government announced the terms of the arbitral award to be made under the 1967 legislation for rationalization of the state-owned enterprises. The award was important because it concerned the powerful Light and Power Union which was a strong supporter of the government and a leader of the participationist faction of the CGT.

There was immediate speculation that the union might present some passive resistance but that strikes or violence were unlikely.

The terms of the award included return to the employers of full authority over the hiring of personnel. Under the union's contract, employers were required to accept names of job candidates from the union's labor exchange and to give preference to relatives of workers. The award also prescribed that separate jobs might be combined and workmen transferred from one job to another in the same category.

Provisions concerning such matters as disciplinary action, promotions and the filling of vacancies also had the effect of curtailing benefits enjoyed under the contract.

Several weeks later the secretary of labor signed awards concerning two other state enterprise unions. In both instances the employers were empowered to lay rules concerning working hours, promotions and other working conditions without consultation with union representatives. It became clear that the rationalization program for state enterprises would be vigorously pursued.

International Affiliations

The country has a long and active record of participation in the activities of the ILO. It was a founding member in 1914, and by January 1, 1968, it had ratified 56 of the ILO conventions, a ratification record third among South American countries and 11th among the 120 member states. Argentine experts have served in the ILO secretariats, and in 1968 the Argentine secretary of labor took office in Geneva as the second Argentine delegate to have served as president of an annual ILO conference.

CHAPTER 22

DOMESTIC TRADE

Wholesale and retail trade contributed approximately 14 percent of the gross domestic product in 1965, the most recent year for which data are available, and trade, finance and services employed about 43 percent of the total work force. The average annual rate of growth in wholesale and retail trade was 3.1 percent during the preceding 15 years, a growth approximately equal to that of the economy as a whole.

The industrial base is capable of satisfying nearly all demands of the domestic market, with the exception of sophisticated capital goods and certain raw materials. Most of the population is within the money economy, and barter is confined to isolated and relatively primitive areas.

Open-air markets are common in rural villages, and municipalities generally maintain public neighborhood markets. Urban dwellers for the most part favor small specialized shops where regular customers can obtain credit. As a result, few large retail operations have been established. As manufacturers generally sell directly to retailers, the wholesaling function has been confined largely to trade in agricultural commodities. A serious bottleneck has been created by the complicated network of middlemen, including jobbers, truckers and wholesalers, involved in the farm-to-market movement of these commodities.

The business community is composed predominantly of second- or third-generation European immigrants, the largest group being of Italian descent. Merchants of Spanish origin follow the Italians in numerical importance, with British and German immigrants ranking third and fourth, respectively. Semitic peoples are also found in significant numbers as owners of small shops.

The conduct and ownership of business are regulated by the Commercial Code of 1889 and the Civil Code of 1870. The sole proprietorship is the most common form of business enterprise. The limited liability company is the preferred form for medium-sized enterprises; and the corporation, for larger enterprises. The joint public-private corporation is being promoted by the administration of President Juan Carlos Onganía as a means of attracting private capital to government industries. The cooperative movement is one of the oldest and strongest in the hemisphere and has been growing rapidly since 1956.

Buenos Aires, the largest city in the Southern Hemisphere and the second largest in the Western Hemisphere, is the center of administration, trade and transportation. In 1967 two-thirds of Argentina's 22 million people lived in Buenos Aires Province. Shortages in housing, sanitary facilities, urban transport and other services in Greater Buenos Aires were indicative of the problems generated by this process of centralization.

The provinces are increasingly dependent on Greater Buenos Aires as the domestic market for their produce and as the supplier of manufactured goods. As most railroads and, beyond the Pampa, most highways lead to the port of Buenos Aires, there is relatively little communication or interchange of goods among other regions. The need for decentralization and for greater integration between Greater Buenos Aires and the provinces has long been recognized by the government, but incentives to industry and commerce to decentralize, which have been in effect intermittently over the last decade, have not produced outstanding results.

Further obstacles to the development of domestic trade have been the inadequate provision of various consumer services, such as electricity and telephone, the deterioration of transport facilities, especially the railroads, and the survival of a number of antiquated commercial practices.

The sluggishness of domestic trade since the latter part of 1965, however, is symptomatic of the general stagnation of the economy. As a result of certain structural rigidities, the economy has been unable to expand the supply of goods and services to meet the rising demand. The deflationary measures which were adopted by the Onganía administration to curb the persistent inflationary pressures caused a considerable decline in consumer demand, and in 1967 export problems combined with a difficult winter for farmers further contributed to the downward trend of the domestic economy.

ROLE OF GOVERNMENT

Traditionally, the economic policies of the government have strongly favored free enterprise, private capital and foreign investment. This tradition, however, was interrupted by the economic nationalism and extensive interventionism of Juan Domingo Perón, and since his fall from power economic policy has fluctuated considerably with each succeeding administration. The Onganía government has expressed its intention to extricate itself from much of its present involvement, but persistent economic instability necessitates the maintenance of certain controls.

The government exercises sole or dominant ownership of most utilities, including transport, power and communications, and of those that exploit natural resources. In addition to this direct involvement, the government also exerts considerable influence over the economy through the establishment of minimum wages, wage freezes, price and production controls, subsidies and industrialization incentives, exchange and credit controls and regulations on imports and exports.

General direction of the economy is the responsibility of the minister of economy and labor. Under his jurisdiction are the secretaries of agriculture, treasury, industry and commerce, energy and mining, labor, public works, and transport. The secretary of industry and commerce is generally responsible for the regulation of production and marketing procedures. Supervision of corporations and of capitalization companies is carried out by the secretary of education and justice, however, and the movement of agricultural products from farm to wholesaler is under the jurisdiction of the secretary of agriculture.

The Onganía administration has emphasized that economic recovery is to have top priority in its development program. Among the means devised to bring about this recovery are: the restoration of exports and of foreign capital to a dynamic role in the economy; the reduction of the budget deficit by putting public enterprises on a sounder basis through increased rates; the transferring of some public enterprises partly or wholly to the private sphere; the reduction of protective tariffs in order to limit monopolistic activities and make domestic industry competitive; the restriction of the share of labor in national income through wage freezes to curb inflation and increase investment; the reform of the structure of income taxation and more rigorous tax collection; and the improvement of the infrastructure.

One of the primary objectives of the long-term development plan is to transfer human resources from low to high productivity activities. A special committee has been appointed to reallocate the employees in state entities and public services whose numbers greatly exceed those required for efficient operation. It was intended that many of these employees would be absorbed into the public works program, which was designed to renovate the infrastructure, but its expansion runs counter to the program for reducing the budget deficit. Such attempts at streamlining the work force are further complicated by inactivity in the manufacturing sector.

These policies have not had a revitalizing effect on domestic trade. The general restriction of the money supply has meant a lag in payments to public employees and suppliers, and the payment of part of the public sector's debt in bond issues sold on the market below par has decreased the purchasing power of certain important segments of the population. Furthermore, the imposition of a wage freeze while the prices of most services and many consumer goods were rising has severely curtailed effective demand. Prices of domestically manufactured products have not tended to go down, as adjustments to decreased demand are generally made through reduced volume of output. Thus, the dilemma of real deflation combined with monetary inflation persists, and until this problem is alleviated it appears doubtful that domestic trade will recover its role in the economy.

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TRADE STRUCTURE AND PRACTICES

Trends in Marketing and Distribution

The country is practically self-sufficient in the manufacture of consumer commodities, but their availability to the mass market has been limited by antiquated methods of marketing, high prices, low volume and poor service. In an address delivered on March 13, 1967, Minister of Economy and Labor Adalbert Kreiger Vasena referred to out-of-date commercial practices as one of the causes of inflation. Although local production and markets could support large retail operations, there are relatively few chain, department and self-service stores. Shopping continues for the most part on a day-to-day basis in small specialized shops.

Tradition-bound practices are perhaps most notable in the farm-tomarket movement of fresh produce. It was estimated that between 1952 and 1962 roughly one-third of the harvested crop was spoiled or damaged while being moved through the complicated channels of distribution and never reached the consumer.

Farmers may sell their produce directly to large wholesalers or to local storekeepers who are also wholesalers. In sales to local storekeepers, the transaction often involves the provision of credit to the farmer for a crop not yet harvested. A more common practice, however, is that of selling, individually or through small rural assemblers, to truckers who then resell the produce to wholesalers. About half of the national crop is marketed in Greater Buenos Aires.

As Buenos Aires is the commercial hub of the nation, most wholesalers, importers, exporters, manufacturers and foreign firms maintain a headquarters there. Some of the larger merchant houses have branches in other principal cities as well. In 1964 there were approximately 600,000 wholesale and retail firms and service establishments, which employed some 1.5 million persons.

Wholesaling and Storage

Wholesale houses deal primarily with agricultural products, and most of these are small and highly specialized operations. Manufacturers commonly sell directly to the retailers through their own sales representatives and do not make use of wholesalers.

In Abasto, the central wholesale market in Buenos Aires for fresh produce, there are some 1,000 independent dealers. More than 1,500 other wholesalers sell and resell much of the produce once or twice more before it reaches the retailers. A series of some 23 smaller satellite markets have been established in other parts of the city. These include the terminal and national markets, located at railroad and truck terminals and specializing in the products grown in their supply zones, the municipality and provincial markets, resale or secondary markets, and the auction markets. Although the national, provincial and municipal governments have established markets designed to free trade, the wholesale market for agricultural products is largely controlled by family monopolies which sell both to retailers and directly to consumers. They have been accused of price fixing and other illegal practices.

In rural areas the wholesalers tend to give way to jobbers who buy in smaller quantities and resell the produce to wholesalers in urban centers.

Proposals for reforming the system of wholesaling include the establishment of a new concentration market, the Mercado Unico, near the road to the Ezeiza International Airport, 20 miles from Buenos Aires, and the accelerated development of mass marketing techniques.

Storage facilities for domestic trade are inadequate, especially for grains. In many instances facilities provided for importing and exporting have been used for storing products to be traded domestically. This situation has resulted in bottlenecks in many ports.

Importing

The importer may function as a wholesaler, an agent or a licensee. He may buy the imported goods to resell, represent the foreign firm in certain transactions or be hired by the firm to establish a subsidiary manufacturing operation. Most importers are multiline distributors and sell exclusively to retailers. The licensee may be both manufacturer and wholesaler if he is unable to obtain all of the necessary raw materials in the country.

Retailing

Retailing is accomplished primarily through small shops, open-air markets and high-fashion specialty outlets, such as those which line the popular Calle Florida (Florida Street) in Buenos Aires. Food and beverage vendors are the most important group of retailers. Door-to-door selling is uncommon, and street peddlers are rarely seen in the larger cities. Bartering is common only in isolated and relatively primitive areas, as among the Quechua and Aymara Indians in the Northwest.

By legal tradition municipalities have jurisdiction over marketing. Most of the cities and larger towns, therefore, have a system of public neighborhood markets supervised and maintained by the municipal governments. These markets typically consist of a series of open stalls from which all types of products are sold. In addition, smaller towns and villages usually have open-air markets, and neighborhood or village fairs (*ferias*) are a fairly common occurrence on religious holidays and other festive occasions in rural areas.

There are only three large retail firms in the country. Two of these—the International Basic Economic Corporation and La Estrella—are chain supermarkets and the third, Gigante, is a discount house. Department stores experienced several decades of declining significance because of the deterioration of public transport services, institution of price controls, increased social security costs and government interference, but they have recovered slightly in recent years. Small family-owned shops, which are less vulnerable to government regulation, continue to be popular. Shopping arcades (galerias), made up of clusters of small shops under one roof, substitute for department stores.

A number of supermarkets in Buenos Aires and in other provincial capitals and some 700 smaller self-service stores probably account for no more than 5 percent of all food sales. The number of supermarkets is increasing, however, as a result of a 1966 government decree which offers various incentives to investment in them.

Organization of the Trading Community

The conduct of business is regulated primarily by the Commercial Code of 1889 and by supplementary laws, decrees and regulations. The Civil Code is the controlling legislation in cases not provided for by the Commercial Code.

Argentina was the first Latin American country to pass an antitrust law. The original legislation, passed in 1923, was replaced in 1946 by a law which was more specific and which increased penalties. According to this law any agreement establishing a monopoly or restricting competition in order to increase the price of production, commerce or transportation is punishable as a criminal offense. The Office of Monopolies in the Secretariat of Industry and Commerce is responsible for the enforcement of this law.

Of the business enterprises recognized by Argentine law, the sole proprietorship is by far the most common and the least subject to government regulation. The general partnership is the form most often adopted by other small enterprises, whereas medium-sized enterprises prefer the limited liability company.

Corporations are required to have 10 stockholders at their inception; it is recommended that half of their directors be Argentine. Except in the case of insurance companies, there are no restrictions on nationality or residence of stockholders. In 1963 there were approximately 10,500 corporations, almost half of which were engaged in commerce. This form is generally preferred by United States enterprises because of the freedom of action it affords them. The joint public-private corporation has been gaining in importance in response to attempts by the Onganfa administration to attract private capital to undercapitalized government companies.

Other business enterprises represented include: the capital and industry company, in which some partners contribute money and others contribute personal labor and skills; the capitalization company, an investment trust which obtains funds from the public and invests them in various securities; and the joint venture, which is used for speculative operations or operations in which partners wish to remain anonymous.

The cooperative movement is one of the oldest and strongest in the hemisphere, as it started before the turn of the century. Cooperatives are governed by legislation dating from 1926 and may take the form of producer, consumer or credit cooperatives. They must be registered by the Office of Cooperatives under the jurisdiction of the Secretariat of Industry and Commerce, which is authorized to review their fiscal records. They are exempt from most forms of taxation. Since they are organized for mutual benefit, they are restricted to transacting business with their own members. Capital is divided into shares, and liability is limited to the number of shares held, but each member has only one vote regardless of the number of shares held.

The cooperative movement has generally been encouraged by the government, and under Perón it gained considerable political influence. Between 1956 and 1965 membership in cooperatives increased from 1.2 million to 2.8 million persons, or from 6.2 to 12.7 percent of the total population. In 1965 there were some 3,600 cooperatives with an aggregate capital of almost P30 billion (U.S.\$1 equals 350 Argentine pesos) (see Glossary). More than one-third were agricultural cooperatives which largely controlled the production and distribution of several agricultural products.

It is required that certain information regarding ownership, management and operations of all enterprises except the sole proprietorship, the joint venture and the cooperative be inscribed in a commercial register before they can be granted legal recognition. A journal and an inventory book must be kept by all business entities, and corporations and limited liability companies must also keep a shareholder's register.

Because of the high interest rates of commercial banks, formerly small business credit was largely supplied by credit cooperatives which in 1966 controlled about one-fifth of the country's banking. After President Ongania came to power, pressure from the commercial banks caused him to close the credit unions and freeze their funds. This measure caused grave damage to hundreds of small businessmen, and subsequent compensatory measures have not greatly improved credit conditions for small enterprises.

Foreign firms without branches or representatives in the country may engage in business transactions without fulfilling the requirements for domestic business entities. Foreign firms with branches or representatives in the country are subject to the same registration and publication requirements as Argentine companies, and companies formed abroad which carry on their principal business in Argentina or raise the majority of their capital in the country are treated as domestic entities.

Public policy toward foreign investment has been notably inconsistent, especially since economic nationalism developed political appeal during the Perón era. The Onganía administration openly solicits foreign investment and offers various incentives to investments which would contribute to import substitution, increase exports or promote rational economic growth. Because of the general economic and political uncertainty, however, the inflow of foreign investments in 1967 did not meet expectations.

Private Trade Organizations

Trade associations have been organized for almost every major group of commodities and services. In addition, there are a number of associations representing a broader cross section of the business community. The most important is the Argentine Chamber of Commerce, which has many member organizations. The United States Chamber of Commerce is active in Buenos Aires. Management representatives of most important Argentine and foreign businesses belong to the Argentine Executives' Institute. Large-scale producers of livestock are represented by the politically potent Argentine Rural Society or by a more specialized group, such as the Argentine Wool Federation.

Trade organizations carry on a number of commendable activities. Many engage in formal or informal educational programs, often in the form of evening schools for business management. The Argentine Executives' Institute, for example, conducts management training seminars and conferences as well as forums for the discussion of new techniques and common problems.

Other associations have more highly specialized functions. An organization established in 1966 by private businessmen is promoting the establishment of a new central fresh produce market in Buenos Aires. The Argentine Productivity Center is conducting interfirm comparisons among self-service retailers to determine how to operate mass marketing systems successfully in the food industry.

Advertising, Market Research and Other Trade Information

Advertising has become increasingly significant as a marketing technique. The great majority of the estimated 1,000 advertising agencies are marginal operators and only the largest have the facilities to handle an account completely, but their combined investment totals about 1 percent of the gross domestic product. In 1965 the two largest agencies, McCann Erickson and J. Walter Thompson, both United States firms, recorded billings of \$5 million and \$4.4 million, respectively.

Advertising expenditures in 1965 totaled P43 billion. Emphasis in methods and media used has been shifting somewhat in recent years. Newspapers and periodicals continue to absorb the largest amount, but television has gained precedence over radio. Direct mail advertising has increased in importance, but advertising in movie theaters has declined. Advertising commissions, which are increasing, in 1967 amounted to

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17.5 percent of the price of space taken, plus a percentage of production costs.

Several large firms have permanently established market research facilities. In addition, market research is provided by some of the better known United States agencies, including Gallup and the Research Institution of America, which are affiliated with Argentine firms. Expenditures on market research were estimated at P280 million in 1965.

Of the 80 leading newspapers, 43 have economic or marketing articles. The *Bolettn Oficial*, issued daily by the government, contains decrees pertaining to production and marketing and information concerning the formation of new corporations and limited liability companies. The national wholesale markets also issue daily bulletins containing a recapitulation of the previous day's activities, including prices and the arrival of produce.

Patents, Trademarks, Copyrights and Standards

The protection afforded by the registration of patents and trademarks is generally good. The country is not a member of the Inter-American Agreements, but it has recently adhered to the Paris Convention on industrial property rights and has enacted legislation providing for trademark protection. The right to a trademark, which is granted for 10 years and is renewable indefinitely for like periods, is established simply by registration.

The four kinds of patents established by law are basic patents, patents of improvement, precautionary patents and revalidation patents. A patent may be revoked if it is not put into industrial use within 2 years after issue. The Director of Patents has the final authority to grant patent protection. Processing generally takes from 6 months to 2 years. Argentina is a member of the Buenos Aires Copyright Convention of 1910 and the Universal Copyright Convention, to which the United States adheres.

Status of the Merchant

In spite of the relatively high level in development of domestic trade, the merchant (*comerciante*) is not held in very high regard, nor does he enjoy a proportionate share of political influence. All post-Perón governments have depended largely on two basically antagonistic segments of society—organized labor and the semifeudal landowners—and have attempted to satisfy both. In this power struggle there has been little room for the merchant.

The social status and political influence of importers, many of whom descended from the aristocratic Spanish families, and of manufacturers have always been considerable and have been increasing for several decades. They have been especially favored by the Onganía administration, but merchants for the most part have not. Merchants fall generally within the middle class, and their status and influence depend largely on the type and volume of their operations, but the operations of most merchants are quite small.

Founders of the older private business organizations obtained their wealth originally from rural landholdings, but the immigrants who flooded the country around the turn of the century soon became the predominant group in the business community.

PUBLIC CONSUMER SERVICES

The provision of public consumer services in 1968 had fallen far behind demand, partly because of the inefficiency and undercapitalization of the largely state-owned enterprises responsible for them and partly because of the accelerated pace of urbanization. The Onganía administration was attempting to improve this situation through increased rates, the participation of private capital and more rational allocation of public revenues. Planning for this allocation was being carried out by the National Development Council (Consejo Nacional de Desarrollo—CONADE).

Power

The development and distribution of public power resources are administered by the secretary of energy and fuels to whom the National Petroleum Council, the State Oil Fields, the State Gas Corporation, the State Coal Fields, the Federal Energy Council, and the State Water and Energy Company are responsible (see ch. 20, Industry).

Electricity

Greater Buenos Aires, which consumes 60 percent of the nation's power production, is served primarily by two companies, the autonomous government entity, the Greater Buenos Aires Electrical Service and the private Italian-Argentine Electrical Company. The third major producer, a government agency, the State Water and Energy Company, services other areas. Two other major government enterprises, smaller private companies and numerous cooperatives supply the rest of the country. Despite rapid growth in the production of electric power, supply has not kept pace with demand, and rationing has been necessary from time to time.

About 60 percent of the projected annual investment in the electric power sector of P35 billion for 1965-67 was planned by the State Water and Energy Company. Numerous projects for power expansion were underway in 1968. The most important of these was the construction of the El Chocon-Cerros Colorados hydroelectric project on the Río Negro which was being undertaken by the new government entity, the Hydroelectric Corporation of Northern Patagonia. Forty-two firms or industrial groups had submitted requests to participate in the funding of this project. This development of the hydroelectric potential of northern Patagonia should contribute to the much needed decentralization of industry.

Oil

Oil is Argentina's most important mineral resource. Since its inception in 1922, the State Oil Fields exercised a monopoly over its exploitation, but only when it entered into contracts with foreign companies for exploration, drilling and other services under the administration of Arturo Frondizi was it capable of supplying most domestic needs. Under political pressure President Arturo Illía revoked these contracts in 1963, and production again fell far behind demand. Oil imports increased 80 percent between 1964 and 1965.

Consumption reached about 26.8 million cubic yards in 1965. Five major fields produce virtually all of the petroleum and gas. The largest field is centered around Comodoro Rivadavia. Other fields are in Mendoza, Neuquén, northern Salta and Jujuy Provinces and in Tierra del Fuego.

Some progress toward self-sufficiency is being made, but production is not yet keeping pace with demand, and imports have not been eliminated. The Onganía administration has indicated its intention to utilize private industry to increase production. A hydrocarbons law enacted in 1966 was designed to attract more private capital to the exploration and extraction of petroleum resources on a concessionary basis. Most of the contracts which were annulled by President Illía have been or are in the process of being renegotiated.

Gas

Oil and natural gas provide for 84 percent of Argentina's total energy needs. The demand for natural gas has grown faster than for any other energy source, having increased by 308 percent since 1963. Natural gas now accounts for over 15 percent of the nation's gross energy consumption, two-thirds of the daily consumption (about 220 million cubic feet) being used by industry and the rest by households.

The production of natural gas is carried out by the State Oil Fields and some private firms, but transportation and distribution are in the hands of the State Gas Corporation. A total of 3,500 miles of gas pipelines link the three main gas-producing areas to centers of consumption. Gas from Campo Duran in the North provides service to Tucumán, Córdoba, San Lorenzo and Buenos Aires, and the fields at Plaza Huincul in the West and Comodoro Rivadavia in the South serve Buenos Aires and surrounding towns. Transportation, however, continues to be a problem. Forty-eight percent of the present production is unused because of the lack of gathering facilities and pipelines, whereas domestic demand is not met.

Communications

In the Western Hemisphere Argentina is second only to the United States in the development of its communications system. Telephone, telegraph and postal services extend to most of the settled parts of the country. Nevertheless, these services are inadequate to meet the demand.

Telephone

In 1967 the country had some 1.5 million telephones, about half of all telephones in Latin America, but the shortage of private telephones was severe. More than 367,000 requests for new telephones were on file, and the actual need was assumed to be much greater.

In 1968 it was estimated that at the current rate of installation the latest requests would not be served until the late 1990's. Private citizens high on the waiting lists have sometimes paid up to P60,000 to ensure installation, but such measures were often ineffective because of industrial and government priorities. Furthermore, the existing system was in need of a technical and administrative revision. Consumers frequently were subjected to substantial delays in long distance calls, directories outdated by many years, long delays in obtaining assistance or information, lack of maintenance and poor coordination in installation.

The National Telephone Corporation operates approximately 90 percent of the 1.1 million telephone lines in the country. In 1965 there were 869 central offices and 332 public telephones in areas without telephone exchanges. All lines can be connected with international calls. Argentina had one of the first domestic Telex systems in Latin America; it linked Buenos Aires with Rosario and Comodoro Rivadavia.

About 56 percent of all telephones are in Greater Buenos Aires, and another 27 percent are found in Buenos Aires Province. In 1965 rural cooperatives were authorized to establish local telephone exchanges, to be linked in the future with the National Telephone Corporation. Rates have been relatively low for the last several years, but a 30 percent increase was authorized in November 1967. The National Telephone Corporation planned to install 425,000 new lines by 1969, but expansion has been limited by a shortage of investment capital. Plans for the admission of private capital and enterprise are under consideration.

Telegraph and Other Services

In addition to the operation of domestic telegraph facilities, the post office has land telegraph lines to neighboring countries and a ship-toshore service. It also has direct radiotelegraph circuits to Brazil, Paraguay and the United States for the use of the government and the press. International cable, radiotelegraph, radiophotograph and leased teletypewriter services are provided by American Cables and Radio, Incorporated, and other private firms.

A microwave system connecting Buenos Aires with Colonia and Montevideo in Uruguay, consisting of 132 channels and 3 telegraph systems, was inaugurated on February 15, 1968. It will replace the old underwater cable and retransmission system. A shortwave radio link for telecommunications between Chile and Argentina has been established through Puerto Montt and San Carlos de Bariloche, respectively, and other shortwave links are planned between Punta Arenas, Coquimbo and Antofagasta in Chile and Río Gallegos, San Juan and Salta in Argentina.

The country is a member of the international satellite communications consortium and has started construction of its own terrestrial satellite station near Bonacrense de Balcarse.

TRANSPORTATION

The transportation system in 1968 was the most extensive in Latin America, but it suffered from a general lack of coordination and for several decades had been in a badly deteriorated condition. This deterioration had been most notable in the railroads, and as a result other means of transportation have had an ever-increasing share in the internal system. The share of the railroads in internal freight carriage dropped between 1950 and 1965 from 55 percent to 20.2 percent, whereas the share of motor vehicles increased from 19 percent to 27.2 percent in the same period. Water transport increased from 18 percent to 37.2 percent, and pipelines from 0.3 percent to 11.4 percent. Ocean shipping continued to be the primary means of international freight transport, and international passenger service was largely handled by the airlines. Most transportation services for both passengers and freight were owned and operated by the government.

Railroads

The Argentine railroad system, the greatest single contributor to the integration of the national economy and the development of the export sector, in 1968 was the source of the country's most serious budgetary problem and an obstacle to economic development.

The trackage was constructed and the equipment was furnished almost exclusively by British capital. Little trackage was laid after 1930, however, and in the 1940's Perón was justified in accusing the British of having allowed the railroads to deteriorate. After nationalizing the railroads in 1946 and 1947 and paying the full compensation in sterling, he was left without sufficient reserves to begin renovation, so that deterioration continued. The system in 1968 was so plagued by featherbedding, inadequate maintenance and generally incompetent administration that the annual deficit amounted to about P112 billion which was approximately half of the total national budget deficit.

Its 27,000 miles of trackage make the Argentine system the longest network in Latin America, and it is still the most important means of hauling agricultural products to the ports for export. Concentrated in the Pampa with one-third in Buenos Aires Province alone, the railroads do not adequately serve the rest of the country. There are many uneconomical lines, and the various different gauges are an obstacle to interchange traffic (see ch. 2, Physical Environment).

All six railroad systems participate in the Greater Buenos Aires commuter complex which extends 36 miles from the capital and provides transportation for a million or more passengers daily. The Buenos Aires subway system, also state-owned consists of 311 cars on five interconnected subway lines. Its usage has decreased considerably since 1958.

Roads and Highways

The increasing importance of road transport for both passengers and freight unfortunately cannot be credited as much to improved conditions or convenience of that means of transportation as to the inadequacies of the railroad system. Much of the traffic now being diverted to road transport could be carried more economically by rail. Even so, the capacity of the road transport system is insufficient to compensate for the deficiencies of the railroads.

In addition to the lack of road construction, paving and maintenance, the development of the system has been hindered by the high cost of vehicles produced under excessive tariff protection and of imported components. Furthermore, in outlying areas most roads merely parallel railroad lines rather than provide alternate routes and connect otherwise isolated areas.

The State Highway Authority has drawn up a 10-year road program for 1960-69. The focus is on improving existing roads, but some new links have been planned. The program was about 2 years behind schedule in 1965 because of rising costs and revenues as well as administrative problems. There is still no evidence of an attempt to coordinate road and railroad programs.

Much of the vehicular transport industry, including supplemental trucking services of the railroads, is under government control. Most of the private freight transport companies are single-vehicle operations, although a number of firms have from 2 to 10 vehicles. Only a few firms are actually registered as common carriers. The government generally permits rates agreed upon by associations to be binding on their members, and the flexibility in negotiating routes, schedules and rates has given truckers an advantage over railroads.

A large number of buses, mostly privately owned and operated by small local or regional firms, also provide growing competition for the railroads.

Waterways and Ports

The 2,000 miles of inland waterways have been extremely important in the country's growth since its colonial days. Internal transport has been developed primarily to carry goods to and from the ocean and river ports, the focal point being the Río de la Plata estuary. Oceangoing vessels proceed up the estuary to the port of Rosario and a thousand miles beyond through the Paraná, Uruguay and Paraguay rivers.

A floating dock, said to be the largest in South America, was installed at the port of Buenos Aires. It will accommodate ships up to 12,000 tons.

There are some 81 ports, most of which are fluvial, listed by the General Port Administration. In 1963 ten of these ports loaded or unloaded over 1 million metric tons each. The Río de la Plata ports account for about 55 percent of the total volume of river transport. The dominance of Buenos Aires, however, has diminished somewhat because of the specialized trade requirements of certain areas. These include the export of grain, fruit or other regional products through Rosario, Bahía Blanca and Quequén and of petroleum, lumber, coal and wool through Patagonian ports, and the import of raw materials for the industries of the lower Paraná.

The navigable inland water network is a major natural resource which, if utilized effectively, could substantially enhance the economic situation of large areas of the North and Northeast. Considerable investment is needed, however, to control the rivers, maintain channels and modernize the ports.

The state-owned Inland Waterways Enterprise in 1963 carried 28.7 percent of all river transport trade. This company has two branches, one of which operates passenger, general cargo and tug services, whereas the other operates bulk cargo carriers and ferryboats. The State Oil Fields and other state entities operate barges and vessels for their own purposes. There are several small private companies and some 400 owners of small vessels. Most of the vessels, both publicly and privately owned, are antiquated, and maintenance tends to be neglected until major repairs are required.

Air Transportation

Domestic air service has developed rapidly because of the great expanse of the national territory and the inadequacies of other means of transportation, especially to outlying areas. Patagonia has had considerable traffic as a result of petroleum development, and traffic is generally heavy between the principal cities and the resort areas of the seacoast, and in the mountain-lake region in the Southwest. The most important stateowned airline, Aereolineas Argentinas, maintains an extensive domestic service linking all parts of the country. The State Airlines (Lineas Aereas del Estado—LADE), operated by the Military Transport Command, services the more isolated areas or the less profitable runs. There are also a number of small private carriers which operate feeder lines. During 1965 air cabotage transport recorded 23,319 flights, logging 11.8 million miles and carrying 717,100 passengers and 5,919 metric tons of cargo.

Aereolineas Argentinas has regularly scheduled international flights to Europe, the United States and other Latin American countries, and most of the largest Latin American, European and North American airlines have flights to Buenos Aires. Pan American Airways a few years ago chose Buenos Aires as the site for their first World-Wide Marketing Conference to be held outside the United States. The Ezeiza International Airport, about 20 miles south of Buenos Aires, is one of the most important air terminals in the world. The country's 200 airports appear to be adequate, but many are in need of modernization.

Air transport is regulated by the secretary of aeronautics. Although this means of transport has been free of many of the problems which have plagued railroad and water transport systems, it has suffered from a lack of investment capital. An attempt has been made to improve the financial position of Aereolineas Argentinas by increasing the fares on internal services, on which a substantial loss has been suffered.

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CHAPTER 23

FOREIGN ECONOMIC RELATIONS

Since 1962 the country's exports have shown a definite upward trend, following a long period of stagnation. In 1966 the surplus on the balance of trade reached about \$470 million, the highest total in 20 years. Exports in 1967 were somewhat lower, but the 40 percent devaluation decreed in March 1967 attracted a large net inflow of private capital that offset heavy external debt payments to such an extent that gross foreign exchange reserves rose by about \$480 million to reach nearly \$800 million.

The nation acceded to the General Agreement on Tariffs and Trade (GATT—see Glossary) in October 1967, a move designed to allow greater opportunities for foreign competition and to increase trade opportunities for the country's exports.

The country continued to be an active member of the Latin American Free Trade Association (LAFTA), although further progress toward regional economic cooperation seemed temporarily at a standstill because the LAFTA nations were in disagreement on future steps.

In a further move toward liberalization of foreign trade, the country substantially reduced its customs duties in 1967.

At the end of 1966 the country's total external debt amounted to \$2.66 billion, of which about \$1.77 billion was public and just over \$890 million was private. Payment of \$442 million in 1967 lowered the total somewhat but still left the country with an external debt burden nearly three times its gross foreign exchange reserves. The country's external credit requirements for 1968 through 1970 were reliably estimated at slightly over \$600 million, nearly one-half of the projected surpluses on the balance of trade for those years.

In 1968 the government favored foreign private investment and was taking active steps to encourage it, particularly through the Foreign Investment Promotion Service.

FOREIGN TRADE

In 1966 the country's exports totaled nearly \$1.6 billion, the highest level since 1948. The surplus on the balance of trade was about \$470 million, the highest figure since 1946. The record totals were mainly the result of a rise in exports, primarily greatly increased sales of livestock products, and a fall in imports of raw materials and semimanufactured goods because of a dampening of industrial activity.

For 1967 the balance of trade surplus was about \$100 million below the 1966 figure, largely because of lower exportable balances of wheat, the decline in the world wool market and difficulties brought about by the imposition, in the last few months of the year, of British restrictions on imports of Argentine meat as a possible source of the serious epidemic of hoof-and-mouth disease in Great Britain.

From 1948 through 1961 the level of exports had been, on the average, about \$1 billion annually. In 1962 total exports began rising by about \$100 million a year until they reached the 1966 level. Although total exports rose by about half in the 1962-66 period, there was no significant change in their composition. Farm and stockraising products have traditionally provided at least three-quarters of the value of exports and in some years, as much as 90 to 95 percent. In the agricultural export sectors the 1962-66 expansion was caused by a marked rise both in the exportable surplus of wheat and in the world market price for beef. Manufactured exports have increased; their share of total exports rose from 2.6 percent in 1960 to 5.2 percent in 1966.

Because the country is self-sufficient both in food and in most consumer goods, the demand for imports reflects mainly a demand for raw materials and components which fluctuates according to the level of domestic economic activity. In recent years the aggregate value of imports has leveled off at approximately \$1.1 billion a year.

Substitution of domestic manufacture for importation has kept the level of consumer goods imports at between 5 and 10 percent of total imports. Raw materials and intermediate products for use by industry rose as a percentage of total imports from slightly more than 47 percent in 1960 to nearly 58 percent in 1966. Imports of capital goods have fallen in recent years; they were about 35 percent of total imports in the 1960-63 years, a period of heavy imports of new machinery by industrial firms, but fell to about 18 percent of total imports in 1966.

The most important flow of foreign trade is with the countries of the European Economic Community (EEC), which absorb 38 percent of exports and furnish almost 25 percent of imports. Second in importance is trade with the member states of the LAFTA, which purchase 15 percent of exports and supply 20 percent of imports. Third in importance is trade with countries of the European Free Trade Association (EFTA), which take about 12 percent of exports and supply 13 percent of imports. Fourth is trade with the United States, which absorbs about 8 percent of exports and provides about 23 percent of imports.

Since 1960 there has been little significant change in the broad geographical structure of the country's foreign trade. Trade with member countries of LAFTA, however, is increasingly important to the country. This trade has risen as a percentage of the country's aggregate exports and imports from 9.3 percent in 1961 to 17.3 percent in 1966. Since 1960 trade with member countries of the EEC as a whole has stayed about the same as a proportion of total exports and total imports, but there have been some noticeable changes in the relative trading importance of individual member countries. Exports to Italy, mainly farm and stockraising products, more than doubled in the 1960-66 period, moving from nearly \$128 million to over \$260 million and making that country Argentina's most important export market. Trade with Great Britain has declined drastically since 1960; exports of about \$221 million in 1960 fell to \$66 million in 1966, primarily because of a decrease in shipments of chilled beef. In contrast, exports to Spain went from an almost negligible amount to nearly \$90 million in 1966 because of a sharp rise in sales of meat.

Trade with Communist China and the Soviet Union during 1964–66 rose to high levels because of their large purchases of grain. In 1964 Communist China purchased over 1 million tons of wheat, valued at nearly \$74 million; in 1965 China bought almost 1.5 million tons of wheat at a price of nearly \$80 million and contracted to buy 1.5 million tons delivered in 1966. In 1965 the Soviet Union purchased over 1 million tons of wheat at a price of about \$55 million and agreed to buy 1.2 million tons to be delivered in 1966.

TRADE AGREEMENTS

The government applied on September 21, 1960, for accession to the GATT. By a joint declaration of the GATT contracting parties dated November 18, 1960, the nation was allowed to accede provisionally to the GATT, pending staff negotiations with the contracting parties.

The declaration was to expire on December 31, 1962, if the government had not formally acceded to GATT by that date, unless the country and other participating governments agreed to extend its validity. This provision resulted in a series of extensions through December 31, 1967.

The government participated in the Sixth Round of GATT Trade Negotiations begun in Geneva in May 1964. On March 15, 1967, the government informed the GATT secretariat that it wished to proceed as rapidly as possible with negotiations, within the context of the Sixth Round, for its accession to the GATT.

In a memorandum dated June 1, 1967, submitted to the GATT contracting parties, the government explained that new economic policy measures had been adopted; these measures provided greater opportunities for competition from abroad. The memorandum pointed out that the chances of success of this strategy depended on increasing the trade opportunities for the country's exports, which in turn depended directly on greater willingness of the various GATT contracting parties and of the developed countries, in particular, to open their economies to sales of the country's products.

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On September 6, 1967, a two-thirds majority of the GATT contracting parties voted in favor of the country's accession, to follow 30 days after the signing of a protocol governing the terms of its accession. The protocol was signed on September 11, 1967, and 1 month later Argentina became a GATT contracting party.

Argentina was an original signatory of the Treaty of Montevideo of February 18, 1960, establishing the LAFTA. Other original signatories were Brazil, Chile, Mexico, Paraguay, Peru and Uruguay. The Treaty went into effect on June 1, 1961. Colombia and Ecuador signed the Treaty in the latter part of 1961, Venezuela in September 1966 and Bolivia in January 1967.

Under the terms of the Treaty, a free trade area was to be brought into full operation within not more than 12 years from the date of the Treaty's effective date. The trade liberalization program was to be achieved through periodic negotiations establishing national schedules specifying annual concessions to other LAFTA members in duties and charges amounting to not less than 8 percent of the weighted average applicable to third countries; and a common schedule listing the products on which the LAFTA contracting parties agreed to eliminate by 1963 all duties, charges and other restrictions on imports of goods originating in the territory of any contracting party.

A third trade liberalization mechanism comprises provisions allowing negotiation of mutual agreements on complementarity by industrial sectors between LAFTA contracting parties and their sponsorship for this purpose of agreements among representatives of the economic sectors concerned. In essence, this procedure involves particular industries in member countries agreeing on free trade in particular products to their mutual advantage. The first example of such an agreement, signed in August 1962, involved Argentina, Brazil, Uruguay and Chile in the manufacture of data-processing machinery that used punchcards. The agreement specified the location of manufacture of particular components to be in the first three countries and assigned production of the cards to Chile.

Industrial complementarity agreements under LAFTA provide a suitable vehicle whereby major foreign companies can invest in production for a market that will be tariff free as soon as the agreements are approved by the permanent executive council of LAFTA. They are open to the subsequent adherence of other interested member countries. The four agreements in force in 1968 covered data-processing machinery; electronic tubes for radio and television sets and some of their components; domestic electric appliances; and additional television components.

The "product-by-product" tariff reduction approach adopted by LAFTA, in contrast to the "across-the-board" approach used by the EEC, was followed, largely because of concern that severe dislocations might arise as the more efficient producers moved into the previously protected markets of the less efficient member countries.

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In 1968 LAFTA member countries were confronted with a number of difficult problems emanating from the need to implement the Action Program agreed upon at the Hemisphere Summit Conference held during April 1967 at Punta del Este, Uruguay. At the Summit Conference the presidents of the LAFTA countries instructed their foreign ministers to adopt measures to accelerate the process of converting LAFTA into a common market. To this end, starting in 1970, and to be completed by 1985 at the latest, LAFTA will progressively eliminate internal tariff and other barriers and raise a common external tariff to levels that will promote efficiency and productivity, as well as the expansion of trade.

The first post-Summit Conference meeting of the LAFTA foreign ministers in August and September 1967, however, was unable to agree on the measures outlined.

FOREIGN TRADE LAWS AND REGULATIONS

In 1965 the country aligned its tariff structure with the Standard Brussels Tariff Nomenclature and revised its system of import charges. The new system was put into effect in 1966; it resulted in import charges of 220, 320 and, in some cases, up to 600 percent of the value of the merchandise imported. On March 13, 1967, the government decreed a general reduction of the level of import charges, which caused the average level of import charges to fall from 119 percent to 62 percent. The maximum import charge was lowered to 140 percent. In 1968 import charges generally ranged between 20 percent and 140 percent of the value of the merchandise imported, depending on the degree of elaboration and of essentiality of the goods, and on whether or not similar goods were produced in the country.

As a further part of the import liberalization program initiated in March 1967, a requirement for an advance deposit in pesos of 75 percent of the value of imported merchandise was reduced to 40 percent. The deposit requirement was waived on an expanding number of goods, chiefly raw materials and products, and equipment used in industry, agriculture and mining.

BALANCE OF PAYMENTS

For the 1960-66 period the country's balance of payments showed a credit balance beginning in 1963, following substantial deficits in 1961 and 1962. In the 1960-62 period the country's external indebtedness grew rapidly and substantially, largely because of short-term loans, including a large number of suppliers' credits. At the end of 1962 the public sector's external obligations amounted to about \$2.2 billion, which included both the debts of governmental agencies and certain private

debts guaranteed by the government. Private external debts not guaranteed by the government amounted to about \$700 million, and repayments were to be similarly concentrated in subsequent years.

Successive amortizations allowed reduction of the indebtedness of the public sector by \$273 million by the end of 1965. Private external debts were also reduced during this period. To make these payments, despite successive surpluses in the balance of trade, it was necessary to reduce the country's foreign exchange reserves by \$112 million in 1964 and to negotiate more substantial refinancings in 1965. The total refinancing obtained was about \$207 million, of which approximately \$100 million was from the Paris Club—an informal grouping of the country's major creditor nations—\$67 million from the International Monetary Fund (IMF) and \$30 million from United States and European banks. Dollar bonds were also issued in 1965 and 1966 as payment for pending profit remittances, royalties and other financial transfers.

Amortization payments by both the public and the private sectors in 1966 totaled about \$500 million, including \$70 million paid to the IMF.

A heavy net inflow of private capital in 1967, consisting largely of balances held by Argentine residents and other receipts of official and private capital, allowed the country to increase its gross international monetary holdings by about \$480 million while continuing to make large repayments of external debt. Contingent public credits of \$195 million were granted by United States and European banks; a standby credit of \$125 million was granted by the IMF; and an exchange agreement of \$75 million was negotiated with the United States Treasury.

In early 1968 the Inter-American Committee on the Alliance for Progress (Comité Interamericano de la Alianza para el Progreso—CIAP) estimated that the country's additional external credit requirements, over the projected payments on credits already contracted or in advanced negotiations at the end of 1967, would be \$256 million in 1968, \$209 million in 1969 and \$138 million in 1970. The Committee calculated that \$100 million of the 1968 total could be acquired by new loans to finance public investment, including placement of public bonds outside the country, and that the remainder, slightly over \$150 million, could be raised by private investment credits and other net capital receipts. The 1969 and 1970 needs could be covered primarily by new credits to finance public and private investment, the Committee calculated. In mid-1968 the prospects for raising this external capital were not known.

FOREIGN INVESTMENT

The country's largest sources of foreign direct private investment are several hundred United States companies, operating either directly or through licensees; they have total investments amounting to about \$1 billion, about two-thirds of it invested in manufacturing. British, Italian, West German, French, Belgian and Swiss firms hold investments totaling about \$1.5 billion.

[The country's attitude toward direct foreign investment was formerly marked by drastic and abrupt changes in policy and occasional eruptions of antiforeign feelings and policies; these have adversely affected foreign investment from time to time since the beginning of the regime of Juan Domingo Perón (1943-55). The attitude of the Onganía government toward private foreign capital in 1968 was favorable, however. Foreign investment was expected to grow, reversing the downward trend apparent during the previous Arturo Illía administration.

The basic legislation regarding foreign investment was Law No. 14,780 of December 22, 1958, which allowed foreign capital for economically desirable enterprises to enter the country in the form of foreign exchange, capital goods, spare parts or raw materials; assured repatriation of capital and remittances of profits through the free exchange market; and permitted duty, tax, credit and other concessions to promote such investment.

Argentina and the United States signed the Investment Guarantee Agreement on December 22, 1959, which provides for investors approved by the Agency for International Development (AID) and the Argentine Government insurance against future inability to convert capital and interest remittances from Argentine pesos to dollars through normal financial channels. The agreement became effective on May 5, 1961. A protocol to this agreement was signed in June 1963, providing additional guarantees against expropriation and war risk or civil disturbance, but the protocol has not been ratified.

The basic foreign investment law has been implemented through special decrees by each administration. One of the most important of these, used as a form of promotion of foreign investment by the Onganía administration in 1968, was Decree No. 5,339 of July 1, 1963. Under this decree authorized foreign investors and national firms might obtain complete exemptions from import duties, surcharges and taxes on equipment destined for new or expanded plant capacity if the proposed projects for installation and for expansion of industrial plants satisfied a number of conditions, and if there was a lack of domestically produced machinery of satisfactory quality.

Another basic instrument of the Onganía administration's policy toward foreign investment was the establishment of the Foreign Investment Promotion Service by Decree No. 5,364 of July 26, 1967. The Service, which investigates and screens foreign investment proposals, is a subordinate agency of the Ministry of Economy and Labor, and one of its purposes is to "accelerate the channeling of foreign investment towards those sectors most appropriate for providing impetus to economic progress." The decree views foreign investment, with its contributions of technology and additional capital, as having an important complementary role to that of domestic private investment. Another important inducement to foreign investment is Decree No. 3,113 of April 30, 1964, which governs industrial promotion. The incentives authorized under this decree apply only to designated geographical regions (the southern, northwestern and northeastern parts of the country) in order to promote industry outside of the Greater Buenos Aires area (see Glossary), where development is already well advanced. Industries that qualify for special treatment under this program are steel, petrochemicals, cellulose, mining (except petroleum, gas and certain other minerals), forestry, fishing, low-cost housing construction and any other industry that contributes to the elimination of imports, increases exports or utilizes the natural resources of a zone. Generally, for a period of 10 years these industries receive up to a 100-percent exemption from income and stamp taxes, reduced power and fuel costs and tariff concessions on imports of vital equipment. Such exemptions are subject to intensive negotiation on a case-by-case basis.

FOREIGN ASSISTANCE

The country has received a substantial amount of assistance from foreign sources, most of it in the form of loans.

United States assistance began in the latter part of 1955. Through mid-1956 the total was only \$100,000 of economic aid in the form of grants. Total economic assistance provided by the AID and its predecessor agencies from late 1955 through mid-1967 amounted to \$142.7 million.

Of this total, \$129.6 million was in the form of loans, upon which \$16.7 million had been repaid toward the principal and \$12.5 million toward the interest by mid-1967. From late 1955 through mid-1967 grants from the AID and its predecessor agencies totaled \$13.1 million. The highest amount in any year was \$2.9 million, whereas the average for the 12 years was a little over \$1.0 million annually.

The country, during the mid-1950's, made one purchase of United States surplus agricultural commodities, the only Argentine purchase of the sort to date. The purchase, valued at \$30.5 million, was made in pesos. The United States re-lent to Argentina the equivalent of \$18.2 million of the payments in pesos for the purchase; the rest of the repayments were to be devoted to United States Government uses in the country.

The country has also received loans from the Social Progress Trust Fund administered by the Inter-American Development Bank. Under this arrangement the country borrowed \$43.5 million in four loans between 1962 and 1965, for the provision of equipment for universities, construction of housing, expansion of the water systems in the suburbs of Buenos Aires and construction or expansion of water systems in rural communities. At the end of 1967 about \$12.4 million had been disbursed under these loans, and \$1.4 million had been repaid, leaving the outstanding debt at a little over \$11.0 million. The Export-Import Bank of Washington lent the country \$463.4 million in long-term loans from about mid-1945 through mid-1966. Of this total, \$72.0 million was refinanced in 1963, and an additional \$15.4 million was refinanced in 1965. By mid-1966, of the total amount of Export-Import Bank loans, \$270.0 million had been repaid in principal and interest.

The total value of grant military assistance delivered from about mid-1959 through mid-1966 under the Military Assistance Program (MAP) was \$16.7 million, representing mostly grants of military equipment supplies and services, but also including the costs of repair and rehabilitation of excess stocks furnished without cost to the MAP, and the costs of packing, crating, handling and transportation of equipment and supplies.

In addition to grants of military assistance, the country received \$5.2 million worth of military equipment and supplies from about mid-1960 through mid-1963 as credit assistance; this portion represents sales that were initially credit financed with funds from the MAP.

Other grants of military assistance totaled \$37.0 million from mid-1960 through mid-1965, a figure representing the estimated value of naval vessels lent to the country by the United States on an indeterminate basis, generally requiring only the return of the vessel, if available.

The International Bank for Reconstruction and Development (World Bank) lent the country \$195.7 million from about mid-1961 through mid-1968 in four loans for highway improvement and maintenance, electric power expansion and livestock development.

The International Finance Corporation (IFC), a subsidiary of the World Bank, has made three loans totaling almost \$7.7 million to private industries, for the modernization and expansion of a steel pipe mill, establishment of a plant for the manufacture of transmission units and gears for tractors, and modernization and improvement of a paper plant.

The Inter-American Development Bank had lent the country, from mid-1961 through the end of 1967, \$271.9 million from its ordinary capital resources and from the Bank's Fund for Special Operations. Of this total, \$176.9 million remained to be disbursed at the end of 1967. The country is the second largest borrower from both the Bank's ordinary capital resources and the Fund for Special Operations.

The country has also received technical assistance from various United Nations programs. The expanded Program of Technical Assistance provided a total of \$3.7 million from mid-1955 through mid-1966. The regular and other programs of technical assistance provided by United Nations Specialized Agencies furnished \$1.8 million from mid-1955 through mid-1966. The United Nations Special Fund allocated \$15.6 million from mid-1958 through mid-1966, primarily for costs of preinvestment surveys. Assistance amounting to \$1.4 million was furnished by the United Nations Children's Fund from mid-1960 through mid-1966.

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CHAPTER 24

FINANCIAL AND MONETARY SYSTEM

In 1968 reconstruction of public finance was one of the keys to the country's economic development. The attainment of economic goals rests directly upon the government's ability to achieve such reconstruction. Inflation has been a serious problem for many years. One of its major causes has been the large annual budgetary deficit, a term that means, in Argentina, not merely the difference between income and expenditures, but the measure of the difference between expenditure and total revenue, including domestic and foreign borrowings. This difference is customarily financed by Central Bank of the Argentine Republic credit to the national treasury to pay its bills, a device that is an artificial creation of money leading to inflationary pressures.

The government recognizes that it must increase public-sector savings, by either reducing current expenditures or increasing public income or both. For years many of the state enterprises presented a serious problem to proper public finance by operating at a loss, thus necessitating budget allocations to cover their deficits. Not all state enterprises show a loss; the State Oil Fields, the State Gas Corporation and the National Telephone Corporation continually show an annual profit, but the state railroads normally counterbalance this with a heavy deficit. As part of its program to eliminate eventually the annual budgetary deficit, the government in 1966 increased the charges for services performed by public enterprises. As a result, for the first time in a decade, the 1967 total current account of all state-owned enterprises actually showed a net surplus.

The banking system is characterized by the preponderance of official banks. These are either controlled or fully owned by national, provincial or municipal governments. Official banks conduct regular commercial operations in competition with private and foreign banks, and they have a majority of total banking assets and outstanding loans. The Central Bank maintains very strict control of banking operations of all banks.

PUBLIC FINANCE

Preliminary statistics indicated that the total current income of the central government in 1967 was P722 billion (U.S.\$1 equals 350 Argentine pesos—see Glossary), an exceptional increase of 75 percent over

1966 income. This figure included neither the income of the social security system nor that from state-owned enterprises, but it included all special accounts and decentralized agencies, such as official banks, highways and sanitation. Current public income ranged between 20 and 23 percent of the gross national product during 1950-57, but since then it has fallen to between 16 and 20 percent. Provincial and municipal current income in 1967 totaled P356 billion, chiefly derived from taxes.

In 1967 total current expenditures of the central government were P577 billion, leaving a record surplus in the current account which helped to reduce the overall deficit. Capital expenditures by the public sector in 1967, mostly by the state-owned enterprises, reached P236 billion. In addition, P35 billion were utilized to amortize the outstanding public debt. Total overall public expenditures have been fairly constant at about 17 percent of the annual gross national product.

The National Planning System was created in 1967. In 1969 it is to prepare a Yearly Plan of Operations, which will include the National Budget; Financial Plan; Yearly Plan of the Public Sector; Yearly Regional and Provincial Plan; Policy Plan; and Plan of Projects. Within the Yearly Plan of the Public Sector there will be five subplans: an overall plan analyzing public expenditures; an analysis of the financial aspects; a public investment plan coordinating investment proposals of all the state agencies; a plan for the administration of centralized and decentralized agencies; and a plan of the state enterprises analyzing their operations, investment and financing.

The National Budget

Until 1862 there was no federal budget. Each province had its own budget and helped to defray the costs of national functions, such as foreign affairs, that had been delegated to the province of Buenos Aires. Until the National Planning System was established, the budget office was within the treasury department as a specialized agency in charge of preparing the annual budget. The National Congress usually acts on the budget and approves or disapproves disbursements. The expenses of the nation are paid by the treasury from the proceeds of export and import duties, other taxes, loans and credits. In 1969 one of the functions of the National Planning System will be the preparation of the National Budget. The Argentine fiscal year begins on November 1.

Until 1940 the annual budget was reasonably in balance, and deficits were covered without difficulty by long-term bonds. During the Perón era the principle of a balanced budget was abandoned, as was an overall federal budget. Instead, the various special accounts, autonomous entities and state enterprises were permitted to expend funds. The special accounts are activities carried out by various ministries. The special accounts include the National Lottery, Grain Elevator Construction and Employee Incentives and number at least 120; their actual expenditures and revenues are not available in detail. Only estimates of total income and deficits are available.

Structure of Expenditure

The 1968 National Budget was an attempt to return to an overall budget by including figures for the autonomous agencies and certain special accounts and, therefore, is not comparable to those of previous years (see table 10). About the same percentages were expended in 1967 for education, social welfare and the public debt. The percentage allocated to defense dropped about 5 percent in 1968.

Two outstanding features of the 1968 budget are the attempt to hold expenditures to the 1967 level and a very large capital expenditure program of public works, to cost P320 billion. By the end of the first 4 months of the 1968 fiscal year the deficit appeared to be manageable.

Each of the provinces has its own provincial budget. Their combined budgets are usually about equal to one-third of the national government's budget. The municipalities also have budgets, which combined have been averaging about half of the combined provincial budgets. Provincial and municipal expenditures are primarily for public works, health, education and security.

8		D			
Sector	Current	Capital	Total	Percent of total budget	
General administration	46.6	28.0	74.6	8	
Defense	95.3	18 .4	113.7	12	
Security	32.8	4.0	36.8	4	
Health	37.9	23.8	61.7	6	
Education	111.4	21.6	133.0	14	
Economic development	191.5	172.0	363.5	37	
Social welfare	57.6	7.6	65.2	7	
Public debt	30.0	44.3	74.3	8	
Miscellaneous	42.9	0.6	43.5	4	
TOTAL	646.0	320.3	966.3	100	
Economies to be effected during the fisca	l year		18.0		
Net budget			948.3		

Table 10.	Argentine	National	Budget for	the	1968	Fiscal	Year ¹
	(in billion	s of peso	5 ²)				

¹ The 1968 fiscal year began on November 1, 1967. ² U.S.\$1 equals 350 Argentine pesos.

Source: Adapted from Review of the River Plate, January 12, 1968, p. 4.

General revenue	574.9
Credit proceeds	8.0
National investment fund	
Specific income resources of special accounts	54.2
Specific income resources of decentralized entities	205.7
Total	899.8

¹ The 1968 fiscal year began on November 1, 1967. ² U.S.\$1 equals 350 Argentine pesos.

Source: Adapted from Review of the River Plate, January 12, 1968, p. 4.

Structure of Revenue

The 1968 income resources are estimated at P899.8 billion, which leaves a planned deficit of P48.5 billion, which is smaller than in previous years (see table 11).

Of the general revenue, taxes now account for 75 percent. The largest source of tax income is usually customs duties, followed by sales and income taxes. The proportion of expenditures covered by tax proceeds has been increasing. Tax revenues rose by 80 percent between 1966 and 1967. Other sources of general revenue are postal and telegraph receipts, port dues, the national lottery and capital account receipts. The National Investment Fund was established in 1968. The government intends to issue bonds in the amount of P65 billion and the proceeds are to go to the Fund. Eight billion pesos have already been obtained from a foreign loan. Of the P57 billion balance, P32 billion will be in bonds sold abroad, and P25 billion will be in domestic bonds.

Pension funds have been a source of government revenue in the past. Before the regime of President Juan Carlos Onganía, the government considered the national pension funds as a convenient source of financial resources. Funds would be transferred to the treasury, and in return the government would give the pension funds nonnegotiable scrip that earned a very low rate of interest. By January 1968 the government owed P94.5 billion to the various funds.

For the provinces the largest source of revenue is tax sharing of the federally collected taxes. The division of these taxes follows a complicated formula varying according to the type of tax. The proportion of all federally collected taxes that is allotted to the provinces and to the Federal Capital (see Glossary) usually is between 20 and 26 percent, and this accounts for about 50 percent of provincial income. Of the provinces' own revenue sources the Turnover Tax is the largest; it produces about one-third of revenues collected directly by the provinces. Stamp taxes and the real property tax are other major sources of provincial income. Buenos Aires Province accounts for about two-fifths of all provincial revenues collected. Municipalities receive a share of provincial taxes comparable to the provincial sharing of national revenues. The only exception is the city of Buenos Aires, which, as the Federal Capital, receives a share directly from the national government.

Taxation

Article 4 of the Constitution is the basis of the taxation system. It states that the federal government will provide for expenditures from the funds of the national treasury, which are derived from import and export duties, its own economic activities, the sale or lease of public lands and such taxes as may be imposed by the National Congress. Because the Constitution was not explicit as to the rights of the national government and the provinces to levy taxes, however, much tax duplication occurred, and agreements were signed between the national government and the provinces granting the federal government all rights to impose certain taxes in return for the provinces receiving shares of the proceeds. The taxes are distributed to the provinces in proportion to their requirements. The provinces may levy some taxes, but not income taxes.

Federal taxes are collected by the General Taxation Bureau (Dirección General Impositiva) of the treasury department. This bureau was created in 1947 to succeed a number of existing bureaus that were collecting taxes for the government. When it was created the Bureau had a staff of 4,400 agents; by 1967 the staff had increased to 8,000, and the number of registered taxpayers had grown from 410,000 to 1.4 million.

Tax administration in Argentina once compared favorably with European countries. It began to deteriorate under Juan Domingo Perón; tax evasion gradually came into being; and a general feeling developed that it was justified. Many acknowledged tax debts were not paid by companies since there was little prosecution of tax delinquents. Further, the government contributed to this situation by permitting debtors to postpone payment at low interest rates. Thus, business had the use of the tax money and finally repaid it in depreciated currency.

In 1966 a reorganization within the tax bureau took place, leading to the elimination of duplication of tasks, a more efficient system of tax collection and more adequate control of supervision. Since June 1966 the government has had spectacular success, not only in increased tax collections, but also in re-instilling tax awareness in private and corporate contributors.

Despite the rise in tax revenues during 1967 as a result of better tax collection methods, the tax system itself is recognized as being in need of constructive revision. The basic tax law became effective in January 1959, and revisions were made in 1962 and 1965. Although the country places great reliance on direct taxes, it has, in order to promote certain activities, granted special privileges to companies and individuals in the form of tax exemptions; consequently, the burden of taxation is heaviest on a small, upper-income group of taxpayers. The government responded to the need for improvement of the tax system by initiating a study for a major revision in 1966.

Income Tax

The income tax is exclusively a federal tax and went into effect in 1932. It applies to all individuals, corporations and undivided estates. The income of partnerships is individually taxed (see ch. 7, Family). It covers all income with a source in Argentina regardless of nationality or residence of the party involved and, conversely, does not cover foreign income of Argentine citizens. Although the tax is progressive, there are large exemptions which exclude many lower-income groups. In effect, the income tax affects only the upper-middle class, the wealthy, professionals and businesses. Of the total population there are only slightly more than 1 million registered taxpayers, of which 100,000 are companies. Of the companies, 3,400 companies pay about 30 percent of all income tax revenue. One percent of all individual and corporate taxpayers pay more than half of all revenue.

Certain types of income are completely exempt from the tax, and elaborate special rules determine whether income is of Argentine or of foreign source. There is a long list of allowable deductions in arriving at net income. All income is classified in four main categories, for each of which there are special provisions. The categories are: income from real property, income from investments, income from commerce and industry, and income from personal services.

Individuals and undivided estates pay a basic rate of 8 percent on net taxable income plus a progressive surtax which gradually increases to 45 percent. In addition, a temporary emergency surtax has been in effect since 1962. The rate of this surtax was 20 percent through 1963, 15 percent from 1964 through 1967, and 7 percent in 1968. It is levied on the basis of the tax owed. Domestic corporations pay a flat rate of 33 percent on taxable income, whereas foreign corporations operating in Argentina pay a flat rate of 38.36 percent on their local operations. All corporations also pay the emergency surtax. Dividends are not included by taxpayers in the progressivity structure of the income tax, since they are taxed at a flat rate of only 8 percent plus the emergency surtax.

Customs Duties

Duties are levied on both imports and exports. All revenues go to the federal treasury. According to the Constitution, the setting of customs duties is a power of the National Congress, but this power has been delegated to the executive branch by the basic customs law. Export duties are an important part of the government's general revenue, but they hinder exports by making them more expensive. The estimated yield of export taxes in 1967 was P65 billion. The government has an overall plan to reduce export taxes slowly and systematically, but in March 1967 they were reimposed on the major agricultural exports. To offset this, exporters of a stipulated list of products receive an exemption from their income tax of 10 percent of the value of their exports and a rebate on internal taxes already paid. This rebate, however, is only given to the export of certain nontraditional exports.

Capital Gains Tax

This tax was created in 1946 as an emergency tax, but it is still in effect. It is applicable to profits obtained by persons and undivided estates from an Argentine source and which is not taxed under the income tax law. It is assessed on a calendar year basis. Such things as lottery prizes, gambling winnings and incentive awards would be covered by this tax. Institutions, societies and persons who are exempt from the income tax are also exempt from the capital gains tax. The rate is either 10 percent or 20 percent, depending on the source of profits. This tax has produced little revenue for the government.

Excise Taxes

Excise taxes are levied by the federal government on a wide variety of goods. The provinces and the city of Buenos Aires receive a share of the tax revenue. In 1965 more than 70 items were subject to the excise tax. The rate of tax varies depending on the article and, within a given category of articles, depending on quality. The tax is paid by the producer by means of revenue stamps or a sworn declaration. The chief excise taxes are on tobacco and alcoholic beverages; two-thirds of all excise tax revenue is from tobacco. In 1968 cigarette taxes were increased until 66 percent of the price of a packet was tax.

Inheritance Taxes

There are three types of inheritance taxes. The first type is called the Gift and Inheritance Tax, which is levied both by the federal government in the Federal Capital and by each province. It is not levied on assets subject to either of the other two inheritance taxes. The tax is collected in accordance with a sliding scale based upon the degree of relationship between the donor and recipient and the amount involved.

The second inheritance tax is called the Substitute Inheritance Tax on Business Capital, a temporary tax created in 1951; it will expire on December 30, 1971, unless extended by Congress. It is applicable only in provinces that accept it. It is a fixed rate tax of 1.5 percent levied every year in lieu of an inheritance tax. This means that the assets on which this tax is paid are exempted from the regular inheritance tax when their owner dies. It is levied only on joint-stock companies, individual enterprises and partnerships and mixed companies and is assessed only on the capital and reserve funds of the enterprise.

The third tax is called the Substitute Inheritance Tax on Individuals. This is an optional tax that is applicable only to private persons in the Federal Capital who elect to pay an annual tax during their lifetime in lieu of the inheritance tax, which would have to be paid by their heirs. If this tax is paid for at least 5 years, the assets are exempt from the regular inheritance tax.

Stamp Tax

This tax, originated in 1885, is collected separately by the federal government and by each province, giving rise to numerous cases of double taxation and conflict of laws. Virtually every transaction is subject to a stamp tax, and the tax is collected either by affixing tax stamps to the documents involved, using a mechanical stamping device or making a sworn declaration. In Argentina the stamp tax constitutes a more important source of revenue than it does in many other countries.

Other Taxes

There are numerous other taxes in effect in the country. The sales tax, in effect since 1935, is a federal tax levied on the sale of goods and products sold in Argentina. Some products are exempt from this tax. Industry in Patagonia is exempt from the sales tax until 1969 if local raw material is utilized in the product. The sales tax is generally 10 percent, but some specified items are taxed higher—automobiles, television sets, radios and cameras—or lower—fuels, edibles and soap—than this general rate.

The National Fuel Fund was set up in early 1968 to collect and distribute the tax revenue on petroleum fuels. Only 2.5 percent of the revenue collected will go into the national treasury's general receipts. The rest will be split between the National Road Authority, provincial road authorities and the National Energy Fund.

The Turnover Tax is a local tax levied only by the provinces and by the Municipality of Buenos Aires. It is levied on gross receipts of commercial, industrial, and professional activities and public entertainment. The basic rate is less than 1 percent, but rebates and surcharges are occasionally applicable.

Each province also has a real property tax, a tax on land and improvements that is usually a very small percentage of the value of the property. The Technical Education Tax, payable by all industrial enterprises, is used to maintain establishments that operate under the National Council of Technical Education. The tax is levied on the total amount of wages and salaries paid, but the rate is decreased if the taxpayer is conducting his own apprenticeship courses approved by the Council.

The Public Debt

Large budgetary deficits have occurred regularly since 1957. The budget for the 1967 fiscal year showed a final deficit of P99.2 billion. Although large, this compared favorably with the 1966 fiscal year deficit of P157.2 billion. The budget for 1966 was debated in the Chamber of Deputies for 6 months; during that time, revenues fell by 20 percent, while expenditures increased by 20 percent. The deficit in the 1965 fiscal year had been P129 billion, and in the 1964 fiscal year, P166 billion. In 1967 the government, backed by a standby credit from the International Monetary Fund (IMF), embarked on an economic and financial program designed to end inflation and to form a basis for long-term economic growth. One of the results was the 1967 reduction in the deficit. The planned budget deficit for the 1968 fiscal year is P48.5 billion, a further decrease from the 1967 fiscal year. By March 31, 1968, the actual net budget deficit for the 1968 fiscal year stood at P31 billion. Including debt repayments, the actual deficit in the 1968 fiscal year would amount to P69.2 billion. The bulk of this deficit would be financed by Central Bank advances plus some bond sales.

The Central Bank may temporarily advance to the national government funds up to 30 percent of the cash resources collected by the government during the preceding 12 months. The Central Bank may also purchase government securities up to 35 percent of the total deposits in the entire banking system. More than half of the domestic public debt at the end of 1967 was held by the Central Bank. The second largest portion of the debt was to the social security funds. The Central Bank's financing of the repeated budgetary deficits has been a major inflationary factor.

The causes of the large annual deficits have been a deterioration in the revenue-producing machinery of the government and the failure of public enterprises to cover their operating expenses. Although the government has taken measures to improve revenue collections, the most serious budgetary problem is the operation of the state enterprises at a loss. For many years the budget has had to allocate increasing amounts to cover the operating deficits of these enterprises. Between 1961 and 1965 subsidies to the public enterprises were equivalent to 50 to 100 percent of the annual deficit. In 1966 these allocations totaled P84.5 billion.

Of the public enterprises the national railroads have been in the most serious difficulties; in some recent years the railroads have accounted for half the annual deficit. The Onganía government initiated steps in 1966 and 1967 to reduce the budgetary deficit by trying to improve the efficiency of state enterprises and eliminating their excessive personnel, but treasury payments to the state railroads continued to be a drain on treasury resources. Nearly P10 billion or one-half of the deficit, was disbursed to the railroads during the first quarter of 1968.

On November 30, 1967, the total domestic public debt was roughly P461.7 billion, and the total foreign debt—public and private, national and local government—was roughly U.S.\$2.0 billion.

Of the domestic public debt of P461.7 billion, more than half, or P247.6 billion was held by the Central Bank. Of the Central Bank's share, P231.7 billion represented short-term Central Bank Treasury Credits of less than 1 year. The various social security funds held P129.9 billion of the public debt, most of which were long-term (over 5 years) obligations. The balance of the domestic debt is held by other official banks, private banks, other official entities, miscellaneous investors and insurance companies, in order of size of holdings. Very little of the debt is intermediate, that is, between 1 and 5 years.

The short-term debt is composed of Central Bank Treasury Credits and National Bonds paying 8 percent interest. National Bonds are sold only to banks. The small amount of intermediate debt is represented by Consolidated Debt Bonds that pay 10 percent interest and are quoted on the stock exchange.

The long-term debt is composed of 10 types of bonds, or obligations. These are Consolidated Bonds of the National Treasury, paying 3 percent interest and owned only by the Central Bank; Perpetual Bonds, given to the National Civil Pension Fund (Caja Nacional de Jubilaciones y Pensiones Civiles) at the time of its creation as a state contribution and held in perpetuity at 6 percent interest; Social Security Obligations, sold by the treasury only to the various pension funds at 4 percent or 5 percent interest for 54 years; National Savings Bonds, sold to the public by the National Postal Savings System, paying 8 percent interest for 54 years; National Bonds paying 2.5 percent interest for 10 years and sold only to banks; 3 percent Internal Argentine Credits, quoted on the stock exchange and convertible at the option of the government, maturable in 54 years; 8 percent Internal Argentine Credits, similar to the preceding type; Representative Bonds, paving 3 percent interest; Investment and Capitalization Plan Bonds, paying 8 percent interest; and 9 of July National Recuperation Loan, paying 7 percent interest. In addition to national government bonds, some of the provinces and municipalities also float domestic bond issues.

National government bonds totaled \$305.5 million of the total foreign debt of approximately \$2 billion on November 30, 1967. The rest of the total foreign debt was in the form of loans. There are provincial and municipal foreign loans but no bond issues. The national government directly owed over \$520 million, whereas other state organizations and entities owed \$903 million, all in the form of loans. The Central Bank's share of the foreign debt was nearly \$308 million, one-third of which was loans from United States banks. Provinces and municipalities had foreign loans of \$84 million, and the remainder of the foreign debt was owed by private firms.

BANKING AND CREDIT

Decree-Law No. 13,127 of 1957, which amended the charter of the Central Bank, is the basic legislation governing the operation of the banking system. In July 1948 there were only 48 banks in existence, but by mid-1967 they had proliferated to 124 banks, which had over 1,500 branch offices. Besides the Central Bank, four of these, the Bank of the Argentine Nation, the National Postal Savings Fund (or Bank), the National Mortgage Bank and the Industrial Bank, are owned by the federal government. There are also provincial and municipal banks, either owned officially or of mixed ownership. Eighty-nine of the banks in the system are private banks, including 14 foreign banks. All of the government-controlled banks—federal, provincial or municipal—function as ordinary commercial banks in addition to performing their special services.

The Central Bank is entrusted with applying the banking law which covers all national, provincial, municipal and semigovernmental agencies. and private and foreign entities operating as banks. The opening of new banks, branches, agencies or offices requires Central Bank authorization. All private banks must be either in the form of a corporation or a cooperative. The Central Bank establishes the minimum ratio that each bank must maintain between capital-reserves and deposits, and it also determines the minimum amount of cash which each bank must keep available. If this minimum is not reached within 2 years, the bank is liquidated. In 1967 the Central Bank began to exercise more qualitative control of the volume of credit by releasing part of each bank's cash reserves for specific purposes, such as financing nontraditional exports; on June 1, 1968, the minimum cash reserve requirement for banks in Buenos Aires and some of the provinces was lowered to increase the amount of money available for personal loans to individuals, professionals, artisans and small businesses. Each bank must allocate annually a percentage of profits to a statutory reserve fund.

Banks may not participate directly in any commercial, agricultural, industrial or other enterprise; make investments in stocks and bonds; purchase real property not necessary for their own use; issue bonds or debentures; or accept another bank's shares of stock. Any property, stocks or bonds acquired in payment of a claim must be liquidated. In order to conduct mortgage operations, banks must create a special mortgage department with its own capital, and the operations of the mortgage department must be independent of other banking operations.

In addition to these regulations, bankers contend that competition is limited by other Central Bank measures. For example, the bank hours, limited to 12 noon to 2 p.m., obviously create a disadvantage for many persons. Further, it is legally prohibited for companies to pay wages by means of checks, and thus they must have a great deal of cash on hand. Many wage earners do not redeposit this money, and as a result an estimated half of all the payments in the country are made outside of the banking system, thus limiting the capacity of the Central Bank to manage the monetary system.

A draft of a new banking law was published in December 1967 but had not been acted upon by June 1968. One of the features of the new law would permit the creation of investment banks, which did not exist. In addition, in early 1968 the Central Bank was studying the possibility of modifying each bank's minimum cash reserves requirement in order to release additional funds for loans

Government-Owned Banks

The Central Bank

The Central Bank of the Argentine Republic (Banco Central de la República Argentina) was created in 1935 to take over functions then being performed by several different entities. As first established, the Central Bank was privately owned by Argentines and foreigners but was operated under government supervision. Originally it was granted a maximum of independent action in order to prevent its being utilized as a source of funds by the government to cover its deficits. In 1946, however, the Central Bank was nationalized, and in 1949 it was placed under the Ministry of Finance.

The amendment of the charter in 1957, plus several laws since then, have returned to the Bank some degree of independence. The amended charter declares that the Central Bank is an autonomous government agency with main functions of: controlling the volume of bank credit; mobilizing sufficient gold and foreign exchange reserves to maintain the value of the peso; promoting liquidity and smooth operation of bank credit in the banking system; and acting as the financial agent of the state and as the financial and economic adviser of the government. In addition to these primary functions, the Central Bank also applies the Banking Law, supervises the securities market and applies laws and decrees concerning foreign exchange.

The Central Bank is authorized to conduct any of the following banking operations: issue banknotes and coins; purchase and sell gold and foreign exchange; issue certificates, bonds and other obligations; rediscount for the banks any documents arising from their credit operations; receive deposits in national or foreign currency; grant advances and loans guaranteed by securities to other banks; grant advances to banks guaranteed by gold; receive gold in custody; act as the correspondent of other central banks; carry out transactions to fulfill obligations resulting from international agreements signed by the government; grant guarantees to foreign banking or financial institutions; assume charge of the issuance, purchase and sale of government securities; and manage the clearing houses.

The charter expressly forbids the Central Bank to: grant loans to the national, provincial or municipal governments or to other autonomous agencies; grant loans to private persons; grant advances without guarantees; purchase shares of stock; purchase real property; and participate directly in any enterprise.

The management of the Central Bank is vested in the Board of Directors, composed of the president, vice president and 5 directors and the Consultative Council of 12 members. The Consultative Council has no vote. Of the five directors one must be the president of the Bank of the Nation. The other four are designated by the President of the Republic. The members of the Consultative Council are the president of the National Mortgage Bank, the president of the Industrial Bank, the president of the National Postal Savings Fund, a representative of the official and mixed banks outside the Federal Capital, a representative of the private banks in the Federal Capital, a representative of the private banks outside the Federal Capital and a representative of agriculture, livestock, industry, commerce, cooperatives and labor.

At the end of 1967 the reserves of the Central Bank were P264 billion. This was a large increase from the previous yearend totals.

The Bank of the Argentine Nation

The Bank of the Argentine Nation (Banco de la Nación Argentina) is an autonomous agency of the government. It was founded in 1891, and by 1968 it had 306 branches throughout Argentina and neighboring countries. It operates as a regular commercial bank but specializes in loans in the field of agriculture, where its record has been outstanding, and in the marketing and industrialization of agricultural products. Only about 4 percent of its loans are for development. Its operations are so large that it has about 35 percent of all the assets in the banking system. It is the primary recipient of savings accounts in the system and makes about 30 percent of all banking loans in the country.

The Bank of the Argentine Nation may make short-, medium- or longterm loans, but most of its loans have been for 1 to 3 years because the total amount of medium- and long-term loans may not legally exceed 35 percent of the deposits of the Bank. It may invest in government bonds and securities which are quoted on the stock exchanges and may carry out foreign exchange operations. It is prohibited from granting loans to the nation or to provinces, municipalities and autonomous agencies.

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Provincial and Municipal Banks

Except for the province of Formosa, all the provinces have a regional or provincial bank; the oldest, those of the provinces of Salta and Tucumán, were founded in 1888. The banks in 10 of the provinces are official; the others are of a mixed, privately and provincially owned, nature. There are also 46 municipal banks, all owned by the cities. The large Buenos Aires City Bank is one of these. In the mixed provincial banks, a majority of the directors of each bank is appointed by the provincial government, thus assuring local governmental control of their management. The primary purpose of the provincial banks is to provide a source of credit at low interest rates to the primary economic activity in their respective areas. They especially assist small producers who have difficulty in obtaining credit from private banks. Provincial and municipal banks account for about 25 percent of all loans in the banking system.

The Industrial Bank

The Industrial Bank (Banco Industrial) is an autonomous entity of the national government. Its basic purpose is financing industry and mining, but it is also authorized to engage in all forms of normal banking operations and services. The Industrial Bank may not grant loans to the nation, provinces or municipalities or other autonomous agencies, except for the purchase of equipment for public services and industrial enterprises belonging to the government. The Bank is run by the Board of Directors, consisting of a president, a vice president and eight members. Two of the members are chosen by the executive branch from a list of candidates proposed by industrial organizations, and the others are chosen from lists prepared by other ministries.

The Industrial Bank is effecting a major change in its policy by shifting to the use of a debenture system to finance industrial loans. In 1967 it made P10 billion worth of loans under this system, and total applications for debenture financing reaching P36 billion by April 1968. Although the interest rate is high (20 percent), borrowers have a 5-year period plus a 2-year grace period in which to pay back the loan.

Mortgage Banks

The National Mortgage Bank and the mortgage departments of 20 commercial banks constitute the mortgage banking system. The National Mortgage Bank is by far the most important bank in this field. It was founded in 1886 and is an autonomous entity of the government. It is authorized to grant mortgage loans; set up savings plans to aid persons in building or buying their own homes; give financial and technical assistance to cooperatives for urban development and sanitation; carry out housing projects proposed by the national, provincial or munic-

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ipal governments; build up-to-standard low-rent housing; give technical assistance to persons building their own homes; help the construction industry by conducting research in construction methods, cost studies and training courses; and grant guarantees to encourage foreign or domestic capital to engage in housing construction.

Savings Banks

There are two savings banks in the country, both of which are officially owned, but, in addition, commercial banks may operate savings accounts. The rate of interest paid by commercial banks varies from bank to bank. In October 1967 the total of savings deposits in all commercial banks was P288 billion. The official savings banks are the National Postal Savings Fund (Caja Nacional de Ahorro Postal), an autonomous entity of the federal government, and the smaller Popular Savings Fund (Caja de Ahorros Popular), owned by the province of Córdoba. Neither of these banks may engage in exchange operations or other international banking operations.

The National Postal Savings Fund may establish branches throughout the country, operate directly through the local post office or have agencies in public buildings. Some agencies of the Fund are also located in large factories and commercial establishments. By 1968 the Fund had 16 branches of its own and over 20,000 agencies in post offices and elsewhere. Over $9\frac{1}{2}$ million savings accounts are in existence, and the Fund accounts for about 20 percent of all savings deposits in the country. The deposits are invested in public bonds or deposited in the Bank of the Argentine Nation. Any amount of money is accepted as a deposit, even fractions of a peso. Of the funds deposited in the Bank of the Nation, 8 percent must be maintained in cash by the Bank for withdrawals. The Postal Savings Fund pays the same interest to its depositors as does the Bank of the Nation. The Postal Savings Fund makes loans to professionals and to persons in the low- and medium-income brackets.

Other Banking or Credit Institutions

There are three general types of credit institutions which are outside of the banking system; these are home savings and loan companies, special credit institutions and the "parallel" banking system. The number of home savings and loan companies has been constantly decreasing. Originally, 150 of these companies existed, but the public lost confidence in them when they were unable to make the loans agreed upon. By the end of 1966 there were only 33 savings and loan companies, which had a total of 211,575 savings accounts but only 20,626 outstanding loans. These outstanding loans totaled P5.78 billion.

The special credit institutions are privately owned corporations authorized by the Central Bank to perform credit or foreign exchange operations, negotiate export documents and conduct other financial operations. They differ from banks in that they do not issue checks nor rediscount their documents with the Central Bank. In lieu of checks these institutions use sight bills of exchange.

Finance companies gradually have developed the "parallel" banking system outside of the regular banking system. At first these companies organized themselves as cooperatives to finance the purchase of durables and to make loans to their members. Then the finance companies set up a central organization that acted as a clearinghouse for their members' "payment orders," which were like checks. The government disapproved of this situation, and starting in 1966 the finance or credit cooperatives were gradually brought under stricter control. In mid-1968 there were minimum capital and cash reserve requirements and maximum interest rates, and the clearinghouse system had been disbanded.

CURRENCY AND MONEY SUPPLY

Until 1899 the monetary system was based on foreign coins, locally minted gold coins and paper notes issued by various banks. In 1899 the Conversion Office (Caja de Conversión) was established, with the sole right to issue money and to convert it into gold. The Conversion Office suspended convertibility between 1914 and 1927 and abandoned it permanently in December 1929. When the Central Bank was established, the assets and responsibilities of the Conversion Office were transferred to it. Today the monetary system is one of gold exchange; the gold peso is used for foreign transactions; and the paper peso (*peso moneda nacional*), for domestic transactions.

Argentine residents can own gold, although it is not in circulation, but they cannot deal in it or import or export it, except in special cases when Central Bank authorization is granted. Paper notes in circulation range from 100 pesos to 10,000 pesos, and coins (steel and nickel) are of 25-, 10-, 5- and 1-peso and 50-centavo denominations. Twenty-centavo denomination coins were demonetized and withdrawn from circulation in early 1967.

On March 13, 1967, the peso was devalued, and the official exchange rate became 350 pesos to U.S.\$1. Previous to this a dual rate system was in effect. The decision to devalue the peso was influenced by the opinion that sufficient time would be gained in which to stabilize prices and wages. Government authorities are satisfied with the results of devaluation and intend to continue a single exchange rate and a free market for external payments. By law, the Central Bank buys and sells foreign exchange in order to maintain the peso-to-dollar rate within 1 percent of the official rate.

The amount of paper notes and coins in circulation has constantly increased. Between 1956 and 1965, money in circulation increased 832 percent. From P33 billion in 1955, paper notes and coins in circulation grew to P447.0 billion on March 31, 1968. This increase is caused when the Central Bank grants advances, by printing more notes, to the treasury to pay its debts, thus putting more money into the economy. In addition to the currency in the hands of the public, another P426.3 billion were in private checking accounts in commercial banks on March 31, 1968. Thus, the total means of payment in the country was P873.3 billion on that date.

Besides being bought and sold, things may be bartered. Barter is covered by the Civil Code of July 1968, which states that the ownership of things may be exchanged or bartered. Things which cannot be bought or sold, however, may not be bartered. Likewise, persons who cannot purchase or sell things may not engage in barter.

Using 1960 as the base year, the cost-of-living index increased annually. By the end of 1965 it had more than tripled, and in April 1968 it had increased 458.4 percent. The average annual increase between 1962 and 1966 was 29.2 percent. Some encouragement was evidenced by the fact that the increase during 1967 was only 27.4 percent.

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SECTION IV. NATIONAL SECURITY

CHAPTER 25

PUBLIC ORDER AND SAFETY

The Argentines are fundamentally an orderly and law-abiding people with a tradition of respect for authority and adherence to the disciplines imposed by society. The maintenance of public order and safety has been facilitated by the nation's relatively high standard of living, high literacy rate and a court system respected for its integrity and its concern with progressive methods of criminology. Since World War II, however, recurrent political and military unrest, the overthrow of established governments, open struggles between factions of the armed forces and economic difficulties, that have at times threatened the welfare of workers, have contributed to a rise in certain categories of crime.

The legal system conforms to a generally standard Latin American pattern and is governed by a code of statutes. Trial by judge rather than by jury is the rule, and the aim of the system purports to rehabilitate rather than to punish the offender. There is a dual system of courts, with both federal and provincial courts at all levels of the judiciary. Justice, though at times slow, tends to be lenient.

The country's police organization consists of the Federal Police and the individual provincial police forces. Each of the 22 provinces has its own force, including Buenos Aires Province, but the Federal Police, in addition to nationwide authority in certain types of crimes, has exclusive jurisdiction in the Federal District of Buenos Aires and in Tierra del Fuego. Federal Police authority is exercised through regional branch offices set up in the provincial capitals and other outlying major cities.

Two other agencies have functions within the police field, the National Gendarmery, a paramilitary border constabulary, and the National Maritime Prefecture, a naval coast guard which polices water boundaries and ports. From the point of view of organization and administration, however, these form part of the military forces and are separate and distinct from the police (see ch. 26, The Armed Forces).

Subversive pressures from within the country and from abroad, though requiring a modicum of vigilance, were not of threatening proportions in 1968. The country was unified, the population homogeneous and overt dissatisfaction was at a minimum. There were no significant subversive movements or militant minority groups, and what potential sources of ferment existed appeared to be of a minor nature and well within the power of the government to control. Communist efforts in the country had met with little success, and the country was basically unreceptive to militant communism. Although it was estimated that there were over 60,000 card-carrying Communists, the party had been officially banned, and its covert activities were largely tenuous and ineffectual.

INCIDENCE OF CRIME

Respect for constituted authority has been traditional, and the influence of family, church and social framework has created an attitude and outlook responsive to ordered and disciplined behavior. With a large and prosperous middle-class structure, that has to a large extent eliminated extreme contrasts of poverty and wealth, many incentives to ordinary crime have been eliminated. In addition, the penal code is credited by many penologists as having contributed to maintaining crime rates at their relatively low national level.

There is no indication of widespread lawlessness or of organized banditry; incidence of juvenile delinquency and offenses committed by women are low; and life and property are generally secure throughout the nation. Crimes of violence involving bloodshed were significantly. less than in most other Latin American countries, but other types of assault, along with robbery and theft, made up the great majority of prevalent offenses.

The ratio between offenders of urban and rural origins closely approximates the ratio for the population as a whole, but statistics indicate that the criminal from the city has a 25 percent greater chance of becoming a repeated offender. Crimes committed under the influence of alcohol, though not of serious proportions, are more common in rural areas and have been most numerous in some of the northern provinces.

Records of convicted criminals show that ages range from 18 to 60 and over with the heaviest concentration in the 22- to 39-year bracket. Rates for the 31- to 39-year-old group run almost double that of the 18- to 22-year range. Government statistics indicate a definite correlation between educational level and incidence of crime, with criminal activity dipping sharply as educational level rises. Case studies made in 1967 on approximately 1,500 offenders sentenced to federal penal institutions showed that 13 percent were illiterate, and 81 percent had not gone beyond primary school, from which only half had graduated. Five percent of the prisoners had attended secondary school, about half of them graduating, and less than 1 percent had received university training. One individual had completed his college education.

An occupational breakdown of this study group revealed city day laborers to be the most numerous category, followed by white-collar office and administrative employees and then by rural laborers. A large percentage are of foreign extraction, reflecting to an extent the waves of earlier immigration. Crime rates among those of European origins are small in comparison with those of aliens originating in neighboring South American countries, who form a large laboring class element in several parts of the country.

Although all categories of crime are recorded, including murder, homicide and aggravated assault, the proportion of such violent crimes is extremely low in relation to violations of an acquisitive nature, such as robbery, housebreaking, automobile theft and corruption. Simple assault is among the most prevalent type of offense but seldom results in serious injury or death. Car theft has been on the increase in recent years, having been given impetus by import restrictions and inflation, which have resulted in prohibitive prices for automobiles. Rape, molestation and morals offenses are extremely rare.

Juvenile delinquency, though increasing, is not a serious problem. Family life is cohesive; mothers rarely work outside the home; and children generally receive close parental supervision. The absence of widespread poverty tends to limit motivation induced by deprivation or need; much youthful misbehavior is, in fact, prompted by political motives, which primarily affect young men of the upper and uppermiddle classes.

For years the government has devoted considerable attention to the problem of juvenile crime, and numerous laws prescribe procedures for the protection and treatment of youthful offenders. Parents or guardians guilty of gross negligence may be fined or imprisoned, and procedures are designed for correction rather than punishment. There are over 100 establishments, both public and private, for the care and rehabilitation of minors.

THE JUDICIAL SYSTEM

The judicial power of the state rests in an independent judiciary under the general jurisdiction of an Attorney General appointed by the President. The Attorney General is technically a member of the Supreme Court, the nation's highest tribunal, but is, in fact, the administrative head of the entire federal judiciary structure, serving as legal adviser to the President and the Cabinet. The country's legal framework is organized on a federal basis and, like the Constitution, was patterned largely on United States concepts and precedents.

Courts rely largely on the application of formal and detailed legal codes rather than on the precedents of prior court decisions as emphasized in English common law. Argentina and Mexico are the only Latin American countries that maintain a dual system of courts similar in principle to that of the United States, with both a federal and a provincial court system. The criminal code is, however, national in scope and tends to impart a strong centralized unity to the application of criminal justice. Criminal procedures, on the other hand, are delegated to the provinces, which prepare their own provincial criminal procedure codes.

The Constitution of 1853, which as amended remains the nation's basic charter, contains provisions designed to protect the individual and ensure the equitable administration of justice. Among these provisions are the principles of equality under the law, the presumption of innocence until guilt is proven, freedom from arbitrary search and arrest, and the opportunity for an adequate defense. The first 35 articles of the Constitution constitute a Bill of Rights, outlining the basic freedoms of the individual, including such areas as freedom of speech, press, assembly and religion, and the right of peaceful demonstration.

In spite of the constitutional requirement for a written order, the various criminal procedure codes do authorize arrest without a warrant under certain conditions. Both police and private citizens have the authority to make an arrest when they see a crime being committed, and the police may also act when they have positive information that a person has committed a crime, even though they have not witnessed its commission. There are, in addition, other constitutional provisions which permit the executive authorities to arrest and detain persons without a warrant. These are emergency measures designed to safeguard constitutional government and are unrelated to ordinary criminal prosecution.

The Penal Code

The penal code in force in 1968 was the National Criminal Code of 1922. It had been amended extensively over the years, and in late 1964 underwent a comprehensive revision that, in effect, created a new and up-to-date document. However, an entirely new code was in preparation in 1968. It rests largely on European, particularly Italian, jurisprudence and is applied nationwide. Provincial governments are not permitted to legislate their own local penal codes. They are not, however, prevented from attaching penalties to local laws that they are otherwise competent to enact.

Although the code is applied by both federal and provincial courts, certain offenses directed against national interests, such as treason or counterfeiting, are within the exclusive jurisdiction of the federal tribunals. Ordinary crimes are usually tried by provincial courts, unless an offense took place in an area under exclusive federal control. The code is comprised of two books, one outlining general provisions applicable to criminal law and the other dealing with substantive offenses. Specific subsections of the books treat such matters as competence of the law, elements of offenses and criminal responsibility, and types and computations of punishments.

The code recognizes two principal levels of offenses, designated felonies (*delitos*), grave offenses and misdemeanors (*faltas*) or violations (*contra-venciones*), which are acts of a less serious nature. The code is concerned

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only with felonies, which are classified according to 12 different categories. It does not deal with misdemeanors or violations, leaving the jurisdiction of these classifications to provincial or municipal legislation.

The code recognizes possible extenuations and mitigating factors, such as self-defense and the impairment of mental faculties. Ignorance of the law is not considered an excuse, and accomplices and accessories before the fact are equally liable with a principal offender and are subject to the same penalties. Accessories after the fact may be punished by being given one-half to two-thirds of the sentence authorized for the principal offender. Repeated offenders receive increased sentences depending on the number of previous convictions. Prosecution for a crime is barred after a varying number of years following its commission, depending on the punishment prescribed. The death penalty is not authorized, and the statute of limitations applies even in cases of murder, which may not be prosecuted after the passage of 15 years.

Book II of the code comprises 12 titles which group the various classifications of offenses into broad categories and break them down into specific types of violations. The major categories distinguish between crimes against the state (Title IX), against persons or property (Titles I and VI) and against public order (Title VIII) and public security (Title VII). Crimes against the state include such offenses as treason, insurrection, abuse of public office and misappropriation of public funds. Crimes against persons or property cover the more conventional types of lawbreaking, taking in such offenses as homicide, assault, robbery, extortion and fraud. Other titles are concerned with a broad spectrum of offenses ranging from trespassing and counterfeiting to recruiting for a foreign army and offending public dignity.

Punishments are treated in considerable detail in the code, and although courts are given some degree of latitude, the range of penalties and the scope of their limitations are clearly prescribed. Recognized punishments provide for imprisonment, jailing, fine and disqualification, the last of which entails the loss of civil rights. Parole is provided for, and pretrial confinement must by law be credited toward a sentence. Persons under life sentence may be paroled after 20 years' imprisonment and those serving terms in excess of 3 years, after two-thirds of the term. Those with less than 3-year sentences may be paroled after 1 year of imprisonment or 8 months in jail. Suspended sentences are permitted, provided the case involves a first offender and entails a maximum penalty of 2 years.

In practice there is virtually no difference between imprisonment and jailing. Jails had originally been designed for more severe incarceration, and inmates were to be used in onerous labor on any type of public work. The duplication of facilities was found, however, to be impractical, and both types of restriction are generally served in the same institution. Almost all convict labor is now performed within the prison confines.

Average sentences generally conform to Latin American patterns.

Imposition of life imprisonment is rare, and penalties are usually near the minimum of the allowable range, except in cases considered aggravated or malicious. Imprisonment for homicide may range from 8 years to life; assault causing permanent injury, 1 to 6 years; theft, 1 month to 1 year; rape, 6 to 17 years; and counterfeiting, 3 to 15 years. Fines are widely used in cases of nonviolent offenses. Persons found guilty may also be required to pay damages to victims of their crimes. In cases of need, payments may be made in installments, but imprisonment is usually imposed for nonpayment of fines or levies.

Criminal Court Structure

The country's dual system of federal and provincial courts was originally patterned after that of the United States and still closely parallels its structure and methods of operation. Although the federal government and each province has a separate and independent system, a degree of centralized supervisory control is exercised by the office of the Secretary of State for Justice in the Ministry of the Interior. The President is expressly barred by the Constitution from exercising judicial functions; he maintains the right to grant pardons; but this is considered an executive rather than a judicial prerogative.

The federal court structure is headed by the Supreme Court of Justice (Corte Suprema de Justicia), which sits in Buenos Aires. Its seven justices are appointed by the President, but the court elects its own presiding officer from among its members. It interprets national legislation and has the power to rule on the constitutionality of congressional enactments an authority that has rarely been exercised. The Supreme Court has appellate jurisdiction over the lower federal courts and the highest provincial tribunals, including the provincial Supreme Courts. It has original jurisdiction in cases involving ambassadors and other foreign dignitaries, as well as disputes in which any provincial government is a party. Its rulings are binding on all other courts in the nation.

Below the Supreme Court at the national level there are 8 Federal Courts of Appeal and nearly 40 Federal Courts of First Instance, with at least one of the latter in each province. These have original jurisdiction in criminal matters over cases involving offenses of a federal nature; appeals from their findings are referred to the appellate court in their district. Final appeals from the decisions of the appellate courts may, in turn, be referred to the Supreme Court of Justice. Courts of appeal, both federal and provincial, supervise the activities of their respective courts of first instance as well as hearing their appeals. They are composed of three magistrates who reach their findings by majority vote. Courts of first instance have only one judge.

The court structure at the provincial level closely parallels that of the federal, with each province having a Supreme Court, courts of appeal and courts of first instance. Most violations of the penal code are tried by the courts of first instance, and their channel of appeal is to their provincial appellate court. A decision of a provincial court of appeal may be forwarded for adjudication to the Federal Court of Appeal having jurisdiction in the area. As in the federal framework, a provincial court of first instance has a single presiding magistrate; courts of appeal have three, and at the Supreme Court level, some provinces have three and others have five judges.

The Federal Capital (see Glossary) is under the sole jurisdiction of federal criminal courts, except for cases of minor violations and misdemeanors. Apart from the federal and provincial court systems there are a variety of minor courts at local, provincial and municipal levels. These handle petty offenses not covered by the penal code, and they are limited to cases involving penalties of less than 30 days' confinement. Unlike the major tribunals, their hearings are oral and summary. There are also separate juvenile courts located in the capital and in most of the large cities. In Buenos Aires the chief of Federal Police may conduct a correctional court to try violations falling within the province of police regulations.

Criminal Procedures

All but six of the country's provinces have their own codes of criminal procedure. These six rely on the Federal Criminal Procedure Code, the standard used in federal courts except in the capital and national territories, which have their distinctive procedural codes. In 1967 a new national code was adopted which went far in modernizing the earlier version that had been in force since 1888 and was based on a Spanish law of 1855. Although several provincial codes prescribe an oral system of court procedure, most still use the traditional written forms which have been criticized for many years by the country's jurists as being unduly slow and cumbersome.

The wide range of procedure codes provides a varied and complex approach to the operation of the court system. The Code for the Capital and National Territories is frequently used as a representative prototype and can serve to indicate typical procedures, although there is little uniformity in the various codes, and many variations are found in interpretation and detail. In general, the Code for the Capital prescribes the competence of the various types of courts, specifies the functions and responsibilities of judicial officials, outlines rules of evidence and regulates the conduct of preliminary proceedings and trials.

Criminal procedure involves three basic phases—the pretrial investigation, the indictment and the trial. The stated object of the pretrial investigation is to determine the commission of a punishable offense, discover the offenders, find any accomplices and accessories and take steps to apprehend the offenders. An accused is brought before a judge of instruction (*juez de instrucción*) who has the dual functions of committing magistrate and grand jury. He hears witnesses, questions the accused and reaches a preliminary determination as to disposition of the prisoner. He may release him on his own recognizance, free him on bail or place him in preventative arrest pending trial.

Except in some provinces having the more modern codes, the accused need not be informed of the grounds for his arrest until after he has been interrogated. He is given an opportunity to make a statement, which may be unsworn or under oath, but his refusal to make a statement is not to be considered an admission of guilt. The code provides that he is not to be coerced or tricked and that he is to be afforded periods of rest and other comforts. In some provinces the hearing is held in strict secrecy, and even counsel for the accused may not be present.

Indictment proceedings are also held in secret. The judge of instruction may summon witnesses at this stage to confront the accused, and he may cross-examine witnesses who present conflicting testimony. Upon completion of the examination the judge may declare a stay of proceedings and release the prisoner, or, if he considers that the evidence indicates the guilt of the accused, he may declare the indictment proceedings closed and pass the case, together with the evidence, to a trial judge. The prisoner may be recommended for release on bail, although in some jurisdictions bail is denied in cases involving serious offenses entailing maximum imprisonment of over 6 years.

The jury system is not used in trials, although the Constitution contains provisions for its establishment. Before the start of plenary proceedings, the presiding magistrate familiarizes himself with the case and reviews the complete written records of the pretrial investigation and indictment. As litigation is conducted primarily in writing during the pretrial phase, the average case involving a serious crime will often require a year's time or longer. Once plenary proceedings are initiated, they usually take place in open sessions.

A trial opens with the reading of witnesses' statements and any reports of objective findings by police or other investigating agencies. The deponents are available for additional questioning and may be examined by the judge or counsel. After presentation of their cases by both sides, testimony is summarized, and the judge takes the case under advisement. In addition to the litigants, third parties seeking an award of damages may also enter a summation at this time.

The case for the prosecution is usually handled by the public prosecutor but may be put in the hands of an attorney for the injured party if the latter chooses to hire counsel. The accused is legally permitted to conduct his own defense but may engage a lawyer or may be assigned one by the court if the magistrate deems it in his best interest. When the judge has retired, the court is closed until he has reached his decision. This sometimes involves an extended period of time, although in theory judgment should be announced within 20 days. When court is reconvened at the proper time, the verdict is announced, and the prisoner is either discharged or sentenced.

Appeals must normally be filed within 5 days of the close of a trial. Not only the accused, but the prosecution as well, may appeal a judicial decision. Attorneys for both sides may appear before the magistrates of the appellate court, where proceedings, unlike those of the courts of first instance, are conducted orally.

The various provincial criminal procedural codes protect the individual from unreasonable search and seizure. Although the federal code grants to state attorneys and judges of instruction the right to make searches and seizures, it specifies that houses may be searched only by warrant and between sunrise and sunset. It further provides that the homeowner must be notified in advance, and sworn records must be prepared on the results of the search. There are, however, emergency provisions that permit entry without warrant, such as under circumstances where a crime can be prevented, to foil the destruction of evidence or the escape of a criminal fugitive.

The right of habeas corpus, though only implied in the Constitution, is generally recognized by the courts but is not widely applied. A federal law of 1863 and several provincial procedure codes incorporate habeas corpus guarantees, but the value of the writ is often impaired by delays and by interpretations unfavorable to the accused.

THE POLICE SYSTEM

The nation's police establishment comprises two principal elements, the Federal Police and the various provincial police forces. Each province has its own force which serves at the provincial and municipal levels, while federal force operations are national in scope. The capital city (except for the port area assigned to the Maritime Prefecture) is under the sole jurisdiction of the Federal Police rather than the Buenos Aires Provincial Police, but the latter have jurisdiction in all of the province exclusive of the federal district.

The mission of the police is to maintain law and order, preserve the peace, protect life and property, prevent and detect crime and apprehend offenders. The Federal Police are concerned with all crimes of a national nature, as well as ordinary criminal offenses within the capital. The provincial forces have jurisdiction in their areas over all violations that are within the province of the penal code.

In mid-1968 the Federal Police numbered over 20,000 men. It was directly subordinate to the Ministry of the Interior and maintained its headquarters in the capital. The various provincial forces varied widely in size, depending on the extent and population of their territories. The largest by a wide margin was the Buenos Aires Provincial Police, with a force of some 18,000 men. The size of the establishment reflected the broad area of its responsibility; although it did not operate in the capital city, its territory constituted the country's most populous and productive province and included extensive industrial suburbs surrounding

Buenos Aires. Its headquarters was in the provincial capital, La Plata, and the force was subordinate to the governor through the provincial minister of the interior.

All of the police forces are modeled after European, principally French, patterns in structure and operation. Each is an autonomous entity under the centralized direction of its own chief but responsive to the policy guidance of the President or provincial governor. The federal force does not exercise any supervision or control over the provincial forces, but there is considerable coordination and cooperation between the two elements, as there is between the police and the military forces. There is a noticeable military influence on the police, engendered and fostered by the frequent selection of ranking officers of the armed services to serve as chiefs of police, both federal and provincial.

The Federal Police

The Federal Police was established in 1880, promptly following the federalization of the city of Buenos Aires. It was an outgrowth of the capital's municipal police, which had been created in 1821, 11 years after the country declared its independence. In 1943 its authority was extended to the provinces, giving it jurisdiction over all federal-type crimes, such as political offenses, and over ordinary violations involving national authorities. The chief of the Federal Police controls the granting of identity documents on a nationwide basis. In addition to his police duties, he also serves as a magistrate of violations (contravenciones) of the Buenos Aires police ordinances.

Police headquarters is organized into a number of directorates and divisions charged with staff direction of the various police functions and responsibilities. This includes the capital's fire department, which is an organic element of the police structure. Although the fire department is concerned primarily with firefighting, it occasionally assists the police in combating civil disorders or turbulent outbreaks.

Directly subordinate to the Office of the Chief of the Federal Police (Jefatura de la Policía Federal) are the Legal Counsel and the Directorates of Training and of Federal Coordination. The Legal Counsel serves as adviser to the department and rules on the legality and jurisdiction of Federal Police actions. The Directorate of Training operates the department's three training schools and supervises all police instruction. The Directorate of Federal Coordination is concerned with countering subversion and controls the Regional Police Offices (Delegaciones Exteriores), which represent Federal Police authority in the provinces.

Next in line in the chain of command under the chief is his deputy chief, who serves as his principal assistant and is directly responsible for supervising most of the department's operations. He has the duties of inspector general and comptroller and has nine directorates under his jurisdiction. There is a Directorate of Administration, and two other directorates with purely administrative functions, personnel and judicial. The Personnel Directorate controls recruiting, retirement and other personnel actions, and the Judicial Directorate has charge of police relations with the judiciary and the prison system. It also controls the Women Police (Policía Femenina) and the home for police orphans.

In addition to the Fire Department Directorate, there are three other directorates concerned with corollary activities of the force apart from law enforcement. These are Communications, Social Work and Health, and General Secretariat. The Communications Directorate operates the police telephone, telegraph and radio networks and maintains their installation and repair shops. The Social Work and Health Directorate involves family care, medical facilities and social benefits for police and their families and includes medical care for prisoners. The General Secretariat Directorate has charge of police archives, issues regulations and bulletins, and operates the police library, museum and bands.

The Security Directorate and the Investigations Directorate constitute the operational elements of the force in the field of law enforcement. The Investigations Directorate conducts criminal investigations and maintains identification files. It operates most of the police technical facilities and has charge of the crime laboratory. Its jurisdiction, however, is limited to the capital, and federal investigative functions in the provinces are carried out by the Regional Police Offices.

The principal operational element of the police mechanism is the Security Directorate, which has assigned to it all the force's uniformed police except the Women Police and the Fire Department. Its personnel are the patrolman on the beat, the traffic officer and the protector of people and property. The directorate is composed of two subordinate components, the Public Order Division and the Corps Division. Men on ordinary patrol duties are assigned to the Public Order Division, and specialized units are in the Corps Division. This includes the Traffic Police, Mounted Police and Canine Corps. The city is divided into six regional subdivisions called *circunscripciones* and 50 *comisartas*, or precincts. The precinct is the force's basic administrative and control unit.

The grade structure of the Federal Police comprises the two categories of officer and enlisted. There is no provision for advancement from enlisted to officer status, and in order to attain commissioned rank, a candidate must attend the 2-year course at the Coronel Ramón L. Falcón Police Academy. Officer grades below inspector general, the highest police level, range from sub-adjutant officer up to senior inspector. Normal advancement follows a progressive course up through adjutant officer, sub-inspector officer, inspector officer, principal officer, sub-commissioner, commissioner, commissioner inspector and senior inspector.

Basic enlisted police become patrolmen or agents after a short period as probationary agents. Noncommissioned officer ranks start with corporal and advance through first corporal, sergeant, first sergeant, clerk noncommissioned officer, adjutant noncommissioned officer and principal noncommissioned officer. The highest enlisted rank authorized for the Women Police is first sergeant.

Federal Police wear blue uniforms of wool or cotton as the weather dictates, except for the Traffic Police, who wear a distinctive grey. Because of their uniforms the Traffic Police are known familiarly as the "grey foxes" (zorros grises). Mounted police wear breeches and boots. The style and quality of uniforms compare favorably with those of the armed forces and, in general, the police create a favorable outward impression. Pay is somewhat lower than equivalent compensation in the armed forces; although there have been several proposals to eliminate these inequities, they had not yet been implemented in mid-1968.

The Federal Police place considerable emphasis on training and, in general, the quality of instruction for both officers and enlisted police is at a high level of competence. Training of officers is more formalized than that of enlisted personnel, but in the case of the latter, their training, much of it on-the-job, is continuous throughout the men's police careers. Upon enlistment patrolmen attend a 3-month basic training course and are then assigned to units for on-the-job instruction. There are schools for training specialists, and recruits who qualify for enlistment as technicians attend courses for such specialties as communications, automotive transportation or band.

With the exception of technical and professional personnel, such as doctors and lawyers, all commissioned officers are graduates of the police academy. This school was founded in 1906 and is located in the Caballito district of Buenos Aires. The curriculum trains cadets as either regular or administrative officers and is conducted along strictly military lines. The administrative course stresses finance, records and documents, accounting and management; the course for regular officers includes penal law, police practices and techniques, history, gymnastics and use of weapons.

There have been proposals to increase the academy course to 4 years, but this action has been delayed awaiting completion of a new building. As they advance in their careers, officers are required to attend advanced courses periodically at the Superior Police School, which provides training for senior officers at various levels of the hierarchy. There is some foreign training provided police officers, and small numbers have been sent to the United States, France, England and West Germany. The program has been limited for several years, however, by a perennial lack of funds.

Provincial Police Forces

Each of the country's 22 provinces has its own Provincial Police, which has the primary responsibility for the maintenance of law and order within its territory. The Provincial Police is concerned principally

with crime falling within the purview of the penal code, and in the matter of offenses of a federal nature it is subordinate to the Regional Police Office of the Federal Police in its area. In some of the border provinces, there is a degree of overlapping of provincial authority by the jurisdiction of the Gendarmery over international boundaries and frontier zones. In general, the local and federal forces maintain a balance of coordination and cooperation.

The various forces are basically similar in organization and operation, and in many areas they are parallel or conform to the structure of the Federal Police. There is, nevertheless, disparity in the sizes of the individual forces which results in variations in structure and emphasis. This is particularly true of the Buenos Aires Provincial Police, which is not only larger than any of the other forces, but is nearly as large as the Federal Police and overshadows the other provincial establishments.

Provincial police forces are generally not up to the standards of the federal or Buenos Aires establishments. Equipment is of lower quality; personnel are not as competent or well trained; and pay scales, that are in many cases considered inadequate, result in lower effectiveness and create morale problems. Many of the larger provinces have their own police academies, but their facilities and programs do not meet the high standards of the federal academy. The government has taken steps to remedy the situation, and a number of programs have been initiated to raise the quality and effectiveness of provincial police performance. One is a system of required periodic examinations to check the competence of local police leadership.

Provincial police, for the most part, operate in a manner similar to that of state police forces in the United States. They are under control of the provincial governor and in most cases are commanded by an inspector general or chief. Staff structures conform closely to the federal pattern but are usually less elaborate. Most provincial police headquarters have directorates or other subdivisions charged with administration, investigation and law enforcement. The investigation elements constitute the detective forces and have charge of plainclothes activities in the field of prevention and detection of crime. The law enforcement elements generally comprise ordinary patrol and traffic control units.

There are two basic functional areas, the municipal and the rural. Cities of any size in all the provinces have their metropolitan forces, whose operations are confined to the limits of the urban area. These provide citywide police services, including traffic control, with centralized guidance from Provincial Police headquarters. In all but some of the more populous industrial provinces, such as Buenos Aires or Córdoba, rural forces are generally larger and more prevalent. They are organized into divisions, police commissaries and subcommissaries, and detachments. Units man widely dispersed posts and conduct continuous patrolling of their territories. Because of a shortage of motor vehicles, many patrols are done on horseback.

Argentina was one of the world's first nations to adopt advanced principles of prisoner treatment and rehabilitation. Its prison system ranks high by world penal criteria. There is both a federal and a provincial system of prisons. Some 15 federal institutions are widely distributed throughout the country on a broad geographic basis, but several provinces do not have a federal installation. The provincial system comprises nearly 60 prisons, but some provinces, particularly those in the southern half of the country, are served only by federal institutions. As a rule, federal prisons are superior in plant and effectiveness to those of the provinces, but Santa Fe and Buenos Aires Provinces are noteworthy in the excellence of their own penal establishments.

Federal prisons are under the jurisdiction of the General Directorate of Penal Institutions, a responsibility of the secretary of justice under the minister of the interior. The directorate is made up of a director general and an advisory council, composed of a professor of penal law, the director of Psychiatric Services, the chief of the National Criminal and Prison Registry and the director of the Released Convicts Welfare Agency. Similar agencies are found in those provinces which have local correctional institutions. Records are generally thorough and complete, and vital statistics are maintained on all prisoners receiving a court sentence involving confinement.

A fault of the prison system is overcrowding. Although the legal codes call for separation of inmates according to character and offense, shortage of space frequently makes this impossible. There is also a lack of separate facilities for those awaiting trial, but a new construction program is going ahead.

Total prison population averages between 10,000 and 12,000 inmates, with approximately half in federal and half in provincial institutions. The penal code provides for lodging provincial prisoners in national facilities if their sentence is over 5 years or if local facilities are not available. Federal offenders may also be incarcerated in provincial prisons. An effort is made to provide work for all prisoners, for which they receive limited pay. Overcrowding, however, has made it impossible to employ all prisoners, and many inmates spend their time in idleness.

Most federal institutions are modern and of good construction, with adequate quarters, workshops and facilities for rehabilitation. The caliber of guards and administrative personnel is generally above Latin American averages, and treatment of prisoners adheres to prescribed regulations. In addition to the customary installations, several prison farms and "open door" institutions are maintained where trustworthy prisoners are subjected to minimum security restrictions.

There are many types of provincial prisons, and few of them meet the standards of the national establishments. Most suffer from the overcrowding prevalent in all prisons. There are, however, several provincial prisons that are well above average, notably the Coronda Model Jail of Santa Fe Province and the Olmos Jail of Buenos Aires Province. There are several institutions for women and a large number of facilities for minors. The latter are generally called "homes" and provide training in agriculture and various trades in an atmosphere that attempts to approach a normal domestic environment.

The problem of rehabilitation has been given considerable emphasis over the years, and numerous laws prescribe its application as well as the treatment of prisoners. The use of fetters and striped prison uniforms has been abolished since 1947, and penology is based fundamentally on a philosophy of rehabilitation rather than punishment. Steps toward qualifying a prisoner for return to the outside world involve first, observation, then special work in the prison followed, if possible, by work outside, then after a trial period at a work camp or prison farm, his release or freedom on parole. Inmates are graded on performance, and their release is dependent on a record of good conduct and observance of the rules. Although the system works satisfactorily, postprison rehabilitation is not generally very effective except in the capital. Provincial parole boards for the most part are not well organized, receive little guidance or supervision and do not follow through effectively with their responsibilities.

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CHAPTER 26

THE ARMED FORCES

Military service and the ubiquitous presence of the armed forces have been a familiar and accepted facet of daily life throughout the history of the nation, and the profession of arms is held in generally high esteem. Although minor friction has occasionally developed between the military and other segments of the society, for the most part the professional soldier has been extended a marked degree of deference and respect. The armed forces are among the best trained in Latin America, and the officer corps, in particular, is professionally dedicated and capable.

The military services constitute a sophisticated and professional force. Although three-quarters of the army's strength is made up of short-term conscripts, a hard core of regular officers and enlisted men provides professional competence and continuity. Navy and air force strength is composed largely of volunteers. In 1968 the armed forces totaled some 137,000 men, of whom over 85,000 were in the ground forces, 35,000 in the navy and 17,000 in the air force. In addition, there were the National Gendarmery, a constabulary force of approximately 11,000, subordinate to the Commander in Chief of the Army, and the National Maritime Prefecture, a coast guard-type naval force of 8,000, which was responsible to the Commander in Chief of the Navy.

A compulsory military service law provides for the conscription of all male citizens between the ages of 20 and 50 and permits the drafting of women when necessary. Some 80,000 young men are inducted annually and serve for a period ranging from 12 to 24 months, depending on the needs of the services. Recruits meet high physical and mental standards, and the average inductee is fit, intelligent and adaptable.

Before 1930 the military maintained an exceptional record of restraint with respect to involvement in politics and rarely interferred with the civilian government in the country's turbulent political development. In 1930, however, a successful coup by the armed forces ousted President Hipólito Irigoyen and ushered in an era of military domination of the political scene. The ensuing years witnessed several military revolts, and the armed forces assumed an increasing role in directing the destinies of the nation.

The armed forces have, in effect, constituted themselves the arbiters and custodians of the nation's political rectitude and morality. In most cases the revolts have not been the result of a flagrant bid for power but, rather, a sincere effort to rectify what the military considered the failings and ineptness of the politicians. On several occasions they have restored power to the civilian elements, only to find that the shortcomings of these regimes again required, in their view, renewed military intervention.

Other than a number of campaigns against the Indians in the early years of the 20th century, the country has not been involved in a foreign conflict since the war with Paraguay which ended in 1870. While maintaining a defensive posture against the unlikely eventuality of an invasion by a sister republic, the armed forces have developed over the years into an instrument for ensuring stability and maintaining internal security.

MILITARY TRADITION IN NATIONAL LIFE

The military tradition in the country is strong and deeply rooted. It reaches into the distant past to reflect the legacy of redoubtable conquistador forebears, as well as the more recent heritage of the gaucho (Argentine cowboy). From the earliest Spanish adventurers were derived a bold independence of spirit and a respect for the worth and dignity of the individual that are still dominant in military thinking. Although little actually remains of the early gaucho environment, many of his traditional attitudes continue to influence the views and outlook of the men of the armed forces.

The gaucho, like the cowboy or western pioneer in the United States, remains the symbol of Argentine ideals of courage, stoicism and fierce independence. He constituted the backbone of the armies that fought the wars of liberation under José de San Martín from 1809 to 1824, and in the early days of the republic he was as often a soldier in the private army of his local *caudillo* (regional political strong man) as he was a ranch worker or cattleman on the plains. After the development of a national army later in the 19th century, the gaucho continued to compose a large proportion of the men in the ranks, and his descendants still represent a significant element in the nation's armed forces.

There are other segments of the population that have had a close association with the armed forces and hold the military service in generally high esteem. For over 100 years the military service provided a melting pot for the country's hordes of immigrants; it also was a primary factor in the integration of the many disparate elements into the national society. Starting with the wars of independence, it was the army that offered the most favorable environment in which amalgamation could take place.

It was in San Martín's forces that the *mestizo* (offspring of unions between Spaniards and Indians) was given his first opportunity to play a significant role in national life. From modest beginnings as trooper and noncommissioned officer, his horizons soon were expanding, and he was attaining command positions as colonel and general. Leadership on the field of battle led to prominence and responsibilities in other sectors of the society and opened a path up the economic and social ladder.

The wars of independence also modified an earlier traditional association of the military with the aristocracy and witnessed the emergence of many national leaders from the ranks of the *criollos* (native-born persons of Spanish descent). Some *criollos* were rewarded with large grants of land for their services, and numerous families of the landed aristocracy in 1968 traced their wealth back to such origins. Like the *mestizos*, they had not forgotten their debt to the military services for the opportunities afforded their forebears.

The services foster a close association with the heritage of the past, both within their own ranks and with the population at large. Traditional elite units have been preserved, and their bands, banners and colorful uniforms serve as reminders of past glories and the panoply of another age. Every effort is made to instill respect and pride in the country's military legacy, and there are constant reminders of the prominent role of the armed forces in the nation's history.

In reality, this national pride has been maintained despite a pronounced lack of recent martial accomplishments on which to anchor a cult of heroism. Although nationalistic and aggressive, the country has avoided participation in all the wars of the 20th century. It did not take an active part in the two World Wars, and its relations with its continental neighbors, though sometimes strained, have not erupted into hostilities in a hundred years.

Although the armed forces' actual combat record in foreign wars is limited, most of these conflicts were successful and their outcomes generally were favorable to Argentina. All conflicts involving the nation as an entity were restricted to the 19th century. There had been numerous earlier local engagements, border clashes and confrontations with European powers, but these had been confined to cities, localities or individual *caudillos* and their followers. In 1807, shortly before independence, the British had besieged Buenos Aires. They were driven off by the citizen militia of the city and the surrounding area.

After the wars of liberation there were a series of minor wars with neighboring countries, which, though sometimes lasting as long as 2 years, were generally inconclusive and did relatively little damage to the nation. There were repeated hostilities with Bolivia and Uruguay during the 1830's and 1840's and brushes with the French and British. All of these conflicts were settled by satisfactory negotiations (see ch. 3, Historical Setting). Argentina's last foreign war was with Paraguay, and it lasted almost 5 years, from 1865 to 1870. In this conflict Argentina was allied with Brazil and Uruguay. The war was unpopular, costly and a drain on resources and manpower. It was finally won, however, and resulted in settling the difficulties with Paraguay and, at the peace talks, in eliminating some longstanding territorial problems with Brazil.

After 1870 the armed forces were used primarily for internal security.

They took part in numerous expeditions against the Indians in various parts of the country and virtually exterminated them in several onesided campaigns. One final international incident took place in 1878. Although it did not qualify as a war, it was a belligerent move and served to reflect favorably on Argentine arms. In the far south a group of Chilean intruders had moved in and were claiming parts of Patagonia and the Argentine part of Tierra del Fuego. A small naval force of 50 men was sent to oust them, and the Chileans retreated after a brief resistance. As it was already involved in a war with Peru and Bolivia, Chile did not pursue the matter, and the Argentine naval force was left in command of the field.

FOREIGN INFLUENCES

The armed forces have been conditioned over the years by a diversity of foreign influences. The country has relied heavily on foreign missions, advisers and instructors, and these have played a significant role in shaping the development of the military establishment. The result has been that the country's military structure, doctrine and practice have been molded by alien principles. Outside assistance has generally been sought from a world power admired at the time, and the organization, operational concepts and appearance of the armed forces have usually reflected their current mentor.

The need to rely on foreign sources for quantities of materiel has been a factor in increasing the outside influences exerted on the armed forces. The flow of arms and equipment from any given country was accompanied by technicians and advisers sent to demonstrate and instruct in their use. These men brought with them their national concepts and outlook, and, even if unconsciously, they worked for the creation of an atmosphere receptive to their point of view. In varying degrees these contacts exerted a certain impact on the country's military thinking, even though there were periodic changes as one source of supply supplanted another.

Before and immediately after World War I, French influence was strong in the army and was evident in its doctrines and physical externals. One reason was a growing esteem throughout the Western world, particularly South America, for French arms which had had a marked resurgence since the defeat of 1870. Other contributing factors were France's victory in 1918 and Argentina's acquisition of quantities of French arms and equipment after the war. For several years the army adhered closely to French military precepts and reflected a French atmosphere in many phases of its military posture, although after 1910 German influence was beginning to make itself felt.

The mid-1930's saw the development of an even closer orientation toward the German Army that soon virtually supplanted the earlier French ascendancy. It started with a professional admiration for Germany's military accomplishments in the buildup of its forces and was further bolstered by Germany's successes early in World War II. Considerable pro-Axis sentiment developed in the country, and many ranking Argentine officers were convinced that Germany was going to win the war. There was a pronounced increase in German training assistance; more Argentine officers were sent to German military schools; and the Argentine Army took on a distinctly German flavor—the German scuttletype helmet became standard; uniforms closely followed German patterns; and a goosestep was adopted that is still used for formal reviews and parades.

The closeness of the relationship was pointed up in a 1939 survey of general officers under the age of 60. At the outbreak of World War II, of 34 general officers in the army, 17 had been on detached service with the German Army and had served in German regiments for periods of up to 2 years.

Germany's defeat in World War II brought the era of its influence to a close. Discredited pro-Axis officers were replaced in top policy posts, and an Allied-oriented atmosphere steadily suffused the armed services. Although this has continued without interruption, the years of the Germans' presence nevertheless left their mark; though now minor, traces of their influence are still in evidence in the military forces.

German influence touched the navy and air force to an extent but was never particularly significant. The air force, as a relatively new arm, was able to pursue a generally independent course and develop along national lines without being dominated by foreign ideologies. Although exposed to foreign contacts from a variety of sources, it resisted submerging its own individuality and maintained a truly national character.

The navy has been largely British oriented since its inception and has adhered closely to British naval tradition. British naval officers guided its formation and early development; naval training for years was almost exclusively in British hands; and most ships and naval equipment were procured from British sources. This closeness continued until the focus began shifting to the United States in the mid-1930's. A modicum of German assistance shortly before World War II did not succeed in penetrating the close ties with Great Britain or the United States that dominated the navy environment.

American influence on the Argentine armed forces began making itself felt in 1935 when a United States Navy Mission arrived. This group sponsored and guided the establishment of the Naval War College and remained to assist the Argentine Navy in its training and in the development of its operational doctrines. The United States Navy Mission was soon followed by missions from the other services.

THE ARMED FORCES AND THE GOVERNMENT

The relationship of the armed forces to the government is defined in the Constitution and in supplementary legislation, but military coups and takeovers have often made it difficult to distinguish between the two. Even when not ostensibly in power, the military has remained the strongest and most significant political element in the country. It has exerted a strong influence on the political scene, and in recent years its support has been essential to the survival of any civilian government. Such governments, however, have alternated with outright military regimes which, though considered temporary, have at times held supreme political power. In 1968 the country was again under such a regime, and there were no indications that civilian political elements had any immediate prospects of sharing in or taking over the control of government (see ch. 13, The Governmental System).

Under the Constitution the President is named commander in chief of the armed forces and is empowered to direct the conduct of national defense. In particular, the powers and responsibilities of the National Congress have been turned over to the President, who may make all military appointments and declare war or a state of siege without the authorization and approval of Congress, as required in the Constitution.

Since the 1966 coup the defense establishment has been undergoing a series of changes that in mid-1968 were still in the process of being developed. An overall reorganization was effected in late 1967; this resulted in a structure dominated by the service commanders, who are directly subordinate to the President. Before the reorganization, the control of the armed forces under the President had been vested in the minister of national defense, who had subordinate to him civilian secretaries of war, navy and aeronautics. The new framework places the defense minister on the same level as the commanders in chief and abolishes the service secretaries. The minister is charged only with the administration of the armed forces and has no operational control over the services.

Although the President clearly has the ultimate authority in the direction of the armed forces, he is assisted by a number of government-level advisory bodies, most of them resulting from the 1967 reorganization. The principal ones are the National Security Council (Consejo Nacional de Seguridad—CONASE) and the Board of Commanders in Chief of the Armed Forces (Junta de Commandantes en Jefe de las Fuerzas Armadas). The CONASE is composed of the commanders in chief and the President's Cabinet ministers. The Board includes only the service commanders in chief; it is roughly equivalent to the United States Joint Chiefs of Staff, but there is no intervening authority between it and the chief executive.

Day-to-day operations of the armed forces are conducted by the Joint General Staff (Estado Mayor Conjunto), which is directly subordinate to the Board of Commanders in Chief. It serves as the principal staff element for the entire defense establishment and is composed of four traditional sections called departments. These departments are: I, Personnel; II, Intelligence; III, Operations and Plans; and IV, Logistics. The Joint General Staff replaces the former General Staff of Coordination, which previously had operated as a planning and advisory body to the minister of national defense.

THE MILITARY ESTABLISHMENT AND THE NATIONAL ECONOMY

The cost of national defense has always had a significant impact on the economy, and the sums devoted to military expenditures have kept pace with expanding national budgets. The percentage of the overall revenues devoted to the armed forces, however, has been relatively conservative. After World War II military budgets generally were 20 to 25 percent of the national total until 1964, when the military allocation dropped to 16 percent. Since 1965 they have averaged 16.8 percent. Tentative figures released for 1968 indicate that the percentage of the national budget devoted to defense had been reduced to 15.9.

Military appropriations have changed little over the past several years in terms of sums allotted, but their purchasing power has been adversely affected by continuing inflation and periodic devaluations of the currency. This has required a degree of austerity resulting in widespread economies. As every effort is made to maintain the pay of the troops and grant raises to counteract rising costs, the services have suffered most in the area of materiel and equipment and have been unable to purchase needed weapons, ships and aircraft for full modernization of their forces.

A consolidated defense budget is prepared annually by the minister of economy and labor and is based on estimates submitted by the commanders in chief of the services and the defense minister. This is reviewed by the President before being incorporated into the national budget, which since the 1966 coup has been approved by presidential decree and countersigned by the economics minister.

Total defense appropriations for calendar year 1967 amounted to P108.4 billion (U.S.\$1 equals 350 Argentine pesos), which was 18.8 percent of the national budget. This compared with P117.1 billion in 1966, representing 15.6 percent of the national total. Approximately 43 percent of the defense funds were allotted to the army; 32 percent, to the navy; and 25 percent, to the air force. The Ministry of National Defense received about 0.5 percent for its own administrative operations. The defense budget as published indicates the allocation for each of the three services and the Ministry of National Defense. It does not, however, identify the sums allotted to the National Gendarmery, which are included in the army's funds, or the National Maritime Prefecture, which are part of the navy's allotment.

In mid-1968 the number of men on active duty in the armed forces totaled some 137,000, not including the Gendarmery and the Maritime Prefecture. This represented approximately 0.72 percent of the population, and not over 3 percent of the active males between the ages of 16

and 49. The withdrawal of this small number from normal civilian pursuits has no appreciable impact on the economy, nor does the relatively short term of service constitute any particular burden or hardship for the average conscript. Many are, in fact, helped by the acquisition of skills that serve them in good stead upon their return to civilian life.

In the industrial sector, service-allied manufacturing contributes to the economy by supporting much of the country's light industry and providing one of the principal stimulants to heavy industry. Military factories form an important element of the country's capacity for heavy goods production, and continuing service requirements represent a broad potential for eventual future expansion (see ch. 20, Industry).

MANPOWER

A sizable majority of the men in the armed forces are citizen soldiers conscripted for 1 year's or 2 years' service. Although there is an adequate hard core of regular career men, the services are, in effect, a conscript force. Under a universal military training program first implemented in 1901, all qualified males must register for service upon reaching their 18th birthday. The law makes military service compulsory for all citizens between the ages of 20 and 50, but normally only men between 20 and 22 are inducted.

Upon retirement or release from active duty, most military personnel are automatically transferred to the inactive reserve, where they remain enrolled until the age of 50. They are grouped into the three categories of first, second or third line reserves, determined by age. The first line reserves are made up of men 20 through 29; the second, 30 through 39; and the third, 40 through 50 age brackets. The first line reserves most recently released from active duty would be the first called up in case of mobilization. It is estimated that there are close to 1 million former conscripts in this category.

Except for a small number of professional specialists, officers are all career regulars. They are drawn from all sectors of the society, but principally from the urban upper-middle class. Many come from families with a military background, but the majority are sons of businessmen, executives or administrators. As a group they are physically fit and well educated and, for the most part, are dedicated to a military career.

Noncommissioned officers are experienced, competent volunteers selected on the basis of proven capability, and they constitute one of the principal mainstays of the military service. Although the nation has a marked degree of ethnic and linguistic homogeneity, the armed forces serve as a melting pot for men from different sections of the country and of varied national origins and social levels (see ch. 5, Ethnic Groups and Languages).

Interference in politics by the military generally has been spurred by

the officer corps and usually has been led by officers of high rank. In general the enlisted men as a group have avoided involvement in politics.

Procurement and Training of Officers

Three basic academies turn out regular officers for the respective services: the Military Academy (Colegio Militar), the Naval Academy (Escuela Naval Militar) and the School of Military Aviation (Escuela de Aviación Militar), the air academy. Young men in the 16- to 21-year age group who meet matriculation standards may apply individually for admission to the school of their choice, and selections are made from those physically qualified on the basis of competitive entrance examinations. No congressional appointment is required, but applicants must have completed a minimum of 4 years' secondary schooling. A special provision permits qualified regular noncommissioned officers to take the entrance examinations up to the age of 28.

The Military Academy and the School of Military Aviation offer a 4-year curriculum leading to a bachelor's degree. Upon graduation, cadets are commissioned as sublicutenants, a probationary rank just below second licutenant, which must be confirmed after 2 years' active duty. The standard line course at the Naval Academy is 5 years but is being reduced to 4 years, and graduates are commissioned guardiamarinas, a navy rank equivalent to sublicutenant. Each service school also offers a 1-year preparatory course for young men between 15 and 20 years of age to qualify them for entrance to the respective academy.

The Military Academy, located at El Palomar in Buenos Aires Province, was founded in 1869. It graduates approximately 200 line officers annually. The curriculum is designed to promote character, honor and pride appropriate to an officer and a gentleman and to develop a wellrounded individual "intellectually formed in the learning of universal culture and in basic contemporary military knowledge so as to be professionally qualified for a military career in the life of the modern society in which he will find himself."

The regular 4-year curriculum is made up of academic subjects, military instruction and physical training. Approximately half of the student's time is devoted to academic work, and the rest is taken up with military field activities. Classroom work is divided among the humanities, technical and mathematical courses, and military subjects. There are courses in foreign languages, and considerable emphasis is placed on history, literature, geography, mathematics and physics. Attention is given to psychology and teaching methods, and additional courses in leadership and ethics foster instructing capabilities and sound human relationships. Before being sent to a unit, newly graduated officers are given additional training in the specialties of their arm or service of assignment at one of the numerous technical schools operated by the army.

The Naval Academy, located at Río Santiago Naval Base just south-

east of the capital, was founded in 1872. It graduates some 200 officers annually for the navy, naval aviation and naval infantry. After completing the standard 5-year course, graduates electing to enter the naval air arm attend the Naval Aviation School at Punta Indio Airfield for 18 to 20 months and are graduated as pilots. Those entering the Naval Infantry Corps (Cuerpo de Infantería de Marina) are assigned directly to corps units, but they may later receive further specialized training at the 1-year course for lieutenants and lieutenant commanders at the Naval Infantry War College in Buenos Aires.

The School of Military Aviation, created in 1925, is located in the vicinity of Córdoba. Its 4-year course covers general academic and aeronautical subjects and includes basic flight training. Aircraft familiarization is begun during the first year and leads to pilot training in the fourth year. Upon completion of the 4-year course, all cadets are commissioned *alférez*, an officer rank below second lieutenant, sometimes called ensign or third lieutenant. Approximately 35 pilots complete flight training each year. The quality of instruction is excellent, and the proficiency of graduated pilots meets a high standard.

There is an extensive system of advanced career schools, both at the joint level and within each individual service. These are designed to prepare an officer for higher responsibilities. Assignments are determined at various stages of an officer's career and become more selective as they rise in the school hierarchy. The country's senior military institution is the National War College, a joint-service school directly under the Board of Commanders in Chief. Equivalent to the United States National War College, it enrolls officers at the colonel and navy captain level from all the services, as well as selected civilian officials.

The individual services maintain a number of other institutions for career development. Among the principal army schools are the Superior War School and the Center for Higher Studies, which cater to company grade and field grade officers, respectively. The navy maintains the Postgraduate School (Escuela de Aplicacíon) for junior officers and the Naval War College for commanders and captains. The air force has only one advanced career school, the Command and General Staff School. It conducts courses at two levels, one for captains and majors and one for lieutenant colonels and colonels.

The National Gendarmery has its own academy, which conducts a 3-year cadet course to prepare officers for the service. There are also provisions for commissioning, after short orientation courses, personnel with professional civilian backgrounds. The Gendarmery has an excellent school program for all ranks, and, during the latter stages of their careers, officers often attend army schools. Officers for the National Maritime Prefecture are graduated from the General Matías de Irigoyen Cadet School at Tigre, in the suburbs of the capital. In the course of their careers, officers are required to attend periodic courses of advanced study at the service's Chiefs and Officers School.

Procurement and Training of Enlisted Personnel

Conscription procedures easily fulfill the manpower requirements of the armed forces. Over 80,000 young men are inducted annually, and desired strength levels are readily maintained; there is, in fact, a surplus to the needs of the military. There are nearly 5 million males between the ages of 20 and 50, and each year some 190,000 reach the military age of 20. Physical standards are high, but it is estimated that over 3 million men would be fit for active duty. Citizens between the ages of 17 and 30 may enlist voluntarily for periods not exceeding 5 years, provided their conscript number has not been called. About one-fourth of the army and over half of the navy and air force are volunteers.

A new law passed in November 1967 superseded the decree of October 1944 under which conscription had been administered up to that time. The new law liberalized procedures somewhat and provided broader exemptions for completion of education, for sole support cases and for surviving sons. Although the law prescribes the universal application of conscription, in practice only about half of the eligible 20-year-olds are needed or can be accommodated by the services. As a result, exemptions can be made liberal without any damaging effect on the availability of manpower.

Induction of conscript classes has normally been taking place once a year, on March 1. The new law proposes to spread the process over the year in quarterly increments. This approach was introduced experimentally in two military districts in 1965. The system is to be tested for the entire army beginning in 1969 and, if successful, subsequently will be applied to the navy and air force. The law calls for 1 year's service in the army or air force and 2 years' service in the navy. The lottery system used to select the draftee also determines the branch of service to which he is assigned. It is equitably applied to all sectors of the society, and conscripts generally represent a true cross section of the population.

In general, the training of enlisted personnel is thorough and continues throughout the individual's military career. The large number of conscripts, however, results in two levels of emphasis, as the short period of service, particularly for army and air force recruits, does not permit thorough mastery of many of the more complex aspects of modern warfare. As a result, the more advanced phases of training, especially the higher level schools, cater almost exclusively to the professional cadre of regular noncommissioned officers.

For the regular noncommissioned officer there is a wide variety of opportunities for specialized and advanced career training, and in the course of their service most men attend one or more formal training courses. Most have received their basic training as conscripts and, upon enlistment, have attended a branch school of their arm or service of assignment. These schools for the most part are well staffed and conducted and bring the men to a high standard of competence. In 1968 the army was conducting some 30 different courses for noncommissioned officers, including both career and branch technical schools. The senior army institution for noncommissioned officers was the Sargento Cabral Noncommissioned Officers School at Campo de Mayo on the outskirts of Buenos Aires. This facility had courses at several levels for noncommissioned officer career development and offered comprehensive advanced instruction in all phases of army operation. Among other army facilities were schools for infantry, artillery, mechanics, communications, and jungle and mountain training. The Infantry School and the Mountain Training School had special courses for Gendarmery noncommissioned officers.

The navy school complex began with the Seaman's School, which provided basic training for seamen recruits. In the specialty fields there were the Fleet Mechanics School, the Submarine School and an administrative school. The Naval Infantry Corps had its own noncommissioned officers' school, and many naval bases offered a variety of other schooling, including courses in antisubmarine warfare, damage control and other fundamental naval subjects.

Air force training is devoted primarily to developing ground-crew support specialists. After completion of basic training, conscripts are given on-the-job instruction, but they rarely qualify for any but the most rudimentary duties. The specialists and technicians are virtually all career noncommissioned officers. The air force maintains two major facilities for their development. The Noncommissioned Officers School conducts courses in both technical and nontechnical fields, including engine and airframe mechanics, armament, instruments and communications. Advanced career training is provided at the Professional Instruction Center, located at Ezeiza International Airport near Buenos Aires.

Through the United States Military Assistance Program (MAP), several mobile training teams and technical assistance teams have been attached to the Argentine services. They are providing specialized training and technical assistance in a variety of military, air and naval subjects. A number of Argentine noncommissioned officers have attended courses at the United States Army School of the Americas in the Canal Zone, and vacancies at this facility are made available on a regular basis.

MISSION AND ORGANIZATION OF THE ARMED FORCES

The 1967 reorganization of the armed forces effected widespread changes in the military structure at the governmental level, but it did not drastically affect the basic framework at the operational level of the individual services. Overall authority and direction were concentrated in the hands of the respective commanders in chief, who had been made responsible only to the President without the intervention of a civilian secretary or minister. Any modifications in the services themselves resulting from the reorganization did not depart substantially from familiar traditional patterns.

The mission of the armed forces is the preservation of national integrity. This entails the traditional military responsibility of maintaining a state of readiness to defend the nation and implement its military policies. Because of its size, tradition and political prominence, the army is the dominant element of the armed forces, and it tends to overshadow the other services. The navy and air force are, nevertheless, fully autonomous and have their separate jurisdictions and areas of staff responsibilities. The commanders in chief of the individual services make most or all decisions on operational matters for their respective services, and the locus of authority and channels of command are direct and uncomplex.

The Army

The mission of the Argentine Army (Ejérito de la República Argentina) is specifically to defend the country's territorial integrity and contribute to the maintenance of internal security. It is further charged with supporting the nation's international commitments and assisting as needed in national development. The Commander in Chief of the Army exercises control of the ground forces from Army Headquarters in Buenos Aires. He commands all of the country's field forces and, under the Revolutionary Government, the National Gendarmery as well.

The Army General Staff consists of the Chief of Staff and five assistant chiefs. The assistant chiefs are charged, respectively, with: I, Personnel; II, Intelligence; III, Operations and Training; IV, Logistics; and V, Policy, Research and Planning. Directly under the General Staff are the arms and services, designated commands. These include infantry, artillery, engineer, quartermaster, communications and aviation. The country is divided geographically into four Army Corps Areas, and the commanders of these areas report directly to the commander in chief.

In 1968 the army was organized into corps, brigades and separate groups and battalions, in addition to administrative and support troops. The Aviation Command, the army's air arm, was a separate command that reported directly to the Commander in Chief of the Army. The brigade and its organic support elements constituted the basic tactical unit. There were infantry, mountain, jungle, armored and horse cavalry, and airborne types. A brigade consisted fundamentally of three regiments of its basic arm, such as infantry or cavalry. It also generally included artillery and reconnaissance elements and the required supporting service units.

Army units were dispersed throughout the country; the principal concentration of troops was in and around the capital and in Buenos Aires Province. There were units in the general vicinity of the national boundaries and smaller concentrations in Patagonia and around Comodoro Rivadavia. Troop dispositions normally remained relatively static, but units were moved from time to time for joint training exercises or because of internal security reasons.

The army's weapons and equipment in 1968 were mostly of foreign origin, but limited quantities of small arms and ammunition were manufactured locally. Much of the materiel was of World War II vintage and was approching obsolescence. Current inventories, nevertheless, reflected a sophisticated level of armament. There was a wide range of artillery, including 105- and 155-mm. guns and howitzers and good stocks of recoilless rifles and rocket launchers. The principal armored vehicle was the United States M-4 Sherman tank of World War II stock, but negotiations were in progress to purchase a number of French AMX tanks. Among the more modern items were a number of M-113 armored personnel carriers obtained through United States military aid.

The National Gendarmery is a federal constabulary and security force maintained on an all-volunteer basis. Although distinct from the army, it is considered an auxiliary military organization and is commanded by a regular army general officer who is directly subordinate to the Commander in Chief of the Army. Before the 1966 coup the commander had been responsible to the now abolished office of the secretary of war. The Gendarmery patrols the borders, and outside of the frontier zones it functions primarily as a riot control force. It is lightly armed and equipped and uses motor vehicles, horses and its own reconnaissance aircraft.

The Navy

The navy's mission is the defense of the country from aggression by sea and the protection of shipping in coastal and international waters. It has the additional responsibility of assisting the army in maintaining internal security and is committed to antisubmarine patrolling for hemisphere defense. The Argentine Navy (Armada de la República Argentina) is one of the largest in South America. Total strength in mid-1968 of approximately 35,000 men included some 6,500 in naval infantry and 3,000 in naval aviation.

Combat ships included one small aircraft carrier, three cruisers, nine destroyers and two submarines. There were over 75 other vessels, ranging from small patrol craft to landing ships and special purpose units, such as minesweepers and icebreakers. Naval personnel were well trained, competent and proud of their service. Although limited by aging equipment and lack of funds, the navy was among the best in Latin America.

The Commander in Chief of the Navy (Comandante en Jefe de la Armada) is directly subordinate to the President. From his headquarters in Buenos Aires he commands all the operational forces and, under the Revolutionary Government, the National Maritime Prefecture as well. His principal assistant is the Chief of the Navy General Staff, and at the operational level there is the Commander of the Naval Operations Command, who directs all units afloat. The jurisdiction of the operations command also includes the Naval Shore Areas, Naval Aviation Command, Naval Infantry Command, Naval Transport Command, Hydrographic Service and all naval training facilities.

The shore establishment is composed of three naval areas: Río Santiago, Puerto Belgrano and Ushuaia. Each area is generally commanded by a flag officer, who reports directly to the Commander of the Naval Operations Command. Area commanders are responsible for all activities within their areas, which include recruiting, training, housekeeping and discipline, and general administration.

The Naval Aviation Command is designed to support naval operations, and its mission includes coastal and offshore patrolling, reconnaissance and antisubmarine warfare. It has over 150 aircraft, including a number of jets. Its total strength of approximately 3,000 men includes nearly 200 commissioned pilots and a number of enlisted flight crew members. The Commander of Naval Aviation is directly subordinate to the Commander of the Naval Operations Command. The Naval Aviation Command is organized into naval air forces composed of wings and separate squadrons. They are assigned to various naval bases and to the Naval Aviation School. Although the navy's aircraft carrier constitutes a separate command, naval air elements, particularly antisubmarine warfare units, are frequently assigned to carrier operations.

The Naval Infantry Corps is the Argentine equivalent of the United States Marine Corps and is designed to perform approximately the same functions. It is basically an amphibious landing force, but it is also charged with furnishing security detachments for naval bases and routine marine duties aboard naval vessels. It is a well-trained and disciplined force organized into regiments, battalions and separate security companies. The main headquarters is at Buenos Aires, but units and detachments are dispersed at most naval bases throughout the country's coastal areas. The corps has a number of amphibious landing craft of various types and is well equipped with modern small arms and a quantity of artillery ranging up to 105-mm. howitzers.

The National Maritime Prefecture is a paramilitary force of 8,000 men generally comparable to the United States Coast Guard. It performs maritime police functions and is charged with the supervision of shipping activities and merchant marine safety. It is normally independent of the navy, but since the 1966 coup it has been subordinate to the Commander in Chief of the Navy. The Prefecture has a long history as an autonomous service dating back to early Spanish port-captaincies. Its area of operations, covering all international and coastal waterways, is divided into maritime zones, which in turn are broken down into subprefectures and detachments. It is equipped with a variety of patrol vessels, 1 minesweeper and over 300 miscellaneous small motor craft and speedboats. In early 1968 it acquired three helicopters.

The Air Force

The mission of the air force is the air defense of the country, the conduct of strategic air warfare and the support of the surface forces. The mission also includes assisting the other components in preserving internal security. The Argentine Air Force (Fuerza Aérea de la República Argentina), the second largest in South America, was reorganized after the military coup of 1966 into five operational commands that reported directly to the Commander in Chief of the Air Force.

The Air Force General Staff, headed by a chief of staff, consists of three departments: I, Plans; II, Intelligence; and III, General Secretariat. The commander in chief is also assisted by a special staff, which has assumed most of the responsibilities formerly assigned to the secretary of aeronautics. In addition to normal air staff functions, it included in its responsibilities the supervision of the Argentine Airlines and the State Air Lines.

The five air force operational commands under the new organization consisted of: the Personnel Command, Air Operations Command, Materiel Command, Research and Development Command and the National Directorate of Civil Aviation. The Air Operations Command was the tactical element of the air force and replaced the former Combat Command. The Operations Command was organized into five brigades. Air force personnel strength in 1968 of approximately 17,000 included over 500 pilots, most of whom were graduates of the School of Military Aviation, the country's air academy.

Aircraft inventory in mid-1968 totaled over 350, which included some 10 bombers, 70 fighters, 60 transports, 40 helicopters and nearly 200 trainers and miscellaneous aircraft. Totals of jet aircraft were not made public, but there were known to be jet fighters and fighter-bombers. Operational units were deployed in a broad belt across the central part of the country from Buenos Aires to the Chilean border. Fighter and bomber units were disposed for the protection of densely populated areas and to confront possible exterior threats.

Although there is a traditional policy against the use of military units outside the country, the Air Force furnished a number of transport pilots for United Nations operations in the Congo (Kinshasa) in 1960 and 1961 and crews to support the United States blockade of Cuba during the 1962 missile crisis.

The airfield system is generally adequate for current peacetime needs, but it is not geared to large-scale military operations under wartime conditions. There are six principal military airfields spread across the country: El Plumerillo, Morón, General Urquiza, Coronel Pringles, El Palomar and the School of Military Aviation. Ranging from adequate to excellent, these fields have serviceable navigational facilities and surface and underground storage for aviation gasoline. Some have jet fuel storage. An effort is made to maintain an approximate 30-day stock level of supplies and fuel at most brigade bases.

CONDITIONS OF SERVICE

The general environment and physical conditions surrounding military life reflect the favored status enjoyed by the armed forces, and the dignity, comfort and well-being of the serviceman usually are matters of continuing concern throughout the military establishment. The life of the military man is not one of ease, however. His daily routine is strenuous and concentrated, and he is expected to apply himself and to work hard. For the most part both officers and men fulfill this expectation. Discipline is strict, but not severe, and the soldier can generally anticipate fair treatment and recognition for his efforts.

Military posts are scattered throughout the country; a large part of the principal installations of all three services are concentrated in the Buenos Aires area. Most posts and stations range from good to excellent, and fixed installations are nearly all of permanent construction, consisting of brick, stone or concrete housing units and official buildings. Permanent posts have adequate, commodious quarters for officers and noncommissioned officers and excellent family housing for married regulars. Recruit conscripts are lodged in modern, comfortable barracks.

In general, quarters, compensation, rations and services maintain a standard that compares favorably with the national middle-level economic norm. Additional advantages, such as leave accrual, retirement, medical care and other benefits, are further refinements of military service. In the matter of pay, in particular, every effort is made to keep rates attractive for the professional serviceman. Although the government is not always able to compensate entirely for the inroads of inflation and rising costs, the military man does not often find himself at an economic disadvantage.

Raises in military pay have been granted frequently in an effort to keep abreast of changing economic conditions. In the past 5 years pay scales have been adjusted almost annually, and military compensation has been kept generally consistent with earnings of comparable skill levels in civilian life.

Within the country itself, pay is considered good and, despite fluctuations, is judged by its purchasing power on the local economy. In addition to the basic rates, there were many supplementary allowances for both officers and enlisted men. All ranks received a general supplement, a form of bonus gratuity that usually amounted to approximately onefourth of base pay. There was extra reimbursement for "expenses," which included subsistence and clothing, and supplements for housing, longevity, time in grade and certain duty responsibilities. Added to this were allowances for hardship posts, hazardous duty, flying pay and submarine service. Total compensation in most cases amounted to approximately twice the basic rate of pay.

Leave and retirement policies were liberal. Retirement was particularly generous and included substantial benefits that could amount to 100 percent of active duty pay. Retirement could be statutory or granted upon request. After 10 years' service, officers and noncommissioned officers could retire on one-third of the regular retirement pension. After 30 years' service, officers received full pension, which amounted to 90 percent of base pay plus general supplements. Enlisted personnel qualified for full pension after 25 years. Additional service qualified both officers and men for full pay and general supplements. The system was operated on a contributory basis; a percentage of the individual's pay was deducted each month for a central retirement fund. The services also maintained a comprehensive system of survivor benefits.

RANKS, UNIFORMS AND INSIGNIA

The rank and grade structure of all three services roughly parallels that of the United States, particularly in the officer grades. One notable difference is the existence of the rank of sublicutenant, a probationary grade just below second lieutenant; this is designated *subteniente* in the army, *guardiamarina* in the navy and *alférez* in the air force. On service uniforms, officers display insignia of rank on shoulder straps in the army and gendarmery, and on the sleeve cuff in the navy and air force. Noncommissioned officers' insignia are normally worn on the upper sleeve.

Officers' insignia of rank in the army is indicated by round disks about 1 inch in diameter in rayed gold- or silver-colored metal. They are displayed on shoulder straps bordered in the color of the arm or service and are mounted plain for company grade officers and on a branchcolored circular patch for field grade and above. A sublieutenant wears one silver disk, a second lieutenant one silver and one gold disk, and a first lieutenant and captain, two and three silver disks, respectively. Field grade employs one, two or three gold disks, and general officers add a laurel wreath garland in a semicircle, with one gold disk for a brigadier general, two for a major general and three for the army's highest grade, lieutenant general.

Navy officers' insignia of rank are worn as gold stripes just above the cuff (or on shoulder boards); the uppermost stripe incorporates a braid loop almost 2 inches in diameter. The number and pattern of stripes correspond exactly to United States Navy equivalents, but there is the added insignia for *guardiamarina*, which uses one very fine gold stripe. Air force insignia closely follow the navy pattern, using gold stripes worn at the cuff, but replacing the navy loop with a 1-inch square lozenge topping the uppermost stripe.

Broad, medium and narrow stripes are used in air force insignia. An *alferez* wears one medium stripe, and each higher company grade rank adds one narrow stripe. A major uses one broad, one fine and one medium stripe, and lieutenant colonel and colonel add one and two narrow stripes, respectively. General officers have a broad stripe decorated with laurel sprays and, under a top medium-width stripe, wear one, two or three narrow bands. Lieutenant general, the highest grade, uses three narrow stripes between a lower broad and a medium uppermost stripe.

Noncommissioned officer insignia use a system of chevrons or short horizontal bars, the senior grades indicated by bars. One or two chevrons or bars are combined with one or two narrow ones for the different ranks. Except for an occasional minor service difference, noncommissioned officer grades follow the same general pattern and are divided into the categories of cabo (corporal) or *suboficial* (noncommissioned officer). There are two classes of corporal, rated first or second, and three levels of noncommissioned officer, designated first, principal and major.

The basic uniform of the army is khaki brown in color. The air force has a rather dark slate blue, and the navy uses standard navy blue or white. There is a distinctive greenish uniform for the National Gendarmery, but the Naval Infantry Corps wears navy garb. Uniforms are many and varied, ranking from very formal to fatigue wear. Army and air force jackets are standard single-breasted models, worn with straight trousers except in the field. In winter navy officers use a blue doublebreasted coat similar to the United States type; and in summer, a white uniform. There is also a gray work uniform. Uniforms for enlisted men closely resemble United States Navy wear. A white jacket is used for dress by the army and air force, and several elite army units have fulldress uniforms patterned on traditional blue and red hussar uniforms of the 19th century.

For garrison and field wear there are a variety of uniforms which include battle jacket, shirt and trousers, fatigue clothing or combat uniform. There is also special clothing designed for mountain, snow and arctic wear. Headgear ranges from the standard peaked service cap to the overseas-type cap or steel helmet. Senior officers' service caps have visor decorations which become more elaborate as seniority rises. The army uses branch insignia, normally worn on the lapel of the service coat. They are mostly appropriate heraldic devices in brass, and in many cases they closely resemble United States equivalents.

The national coat of arms is used extensively for decoration and is incorporated into buttons, cap ornaments, wings and other special items of apparel, such as dress epaulets and cartridge boxes. Officers purchase their uniforms, but clothing allowances generally cover the full cost. Enlisted men receive a standard issue, which in addition to uniforms includes equipment and personal items, such as socks, towels and mess gear. Uniforms and accessories are comfortable and of good quality; they adequately meet the needs of the individual; and the serviceman presents for the most part a neat, smart appearance.

There are two major national decorations, the Order of the Liberator San Martín and the Order of May. Each consists of six grades, which progress upward from Knight through Officer, Commander, Grand Officer, Grand Cross and Collar. National awards may be presented to both civilian and military personnel, either nationals or foreigners, but the Collar is usually conferred only on heads of state. The Order of May has four categories, one for general merit, awarded mostly to civilians, and separate categories for military, naval and aeronautic accomplishment. The ribbon of the Order of the Liberator San Martín is light blue edged in white, and the Order of May is red with white borders. Other awards include the Order of Military Merit, the Grand Cross Admiral William Brown and the Medal for Antarctic Service. Decorations are not widely distributed, and medals or ribbons are rarely seen.

LOGISTICS

Under the reorganization of 1967 the minister of national defense was given the primary responsibility for administrative support of the armed forces, specifically including the coordination of all logistic activities. Also centralized under his control were the country's military production facilities; this gave his ministry jurisdiction over the Directorate General of Military Factories, the State Shipyards and Naval Factories, and the State Mechanical Industries.

The military logistic system is organized along modern lines but is largely dependent on foreign sources for the heavier categories of strategic materials such as tanks, ships and aircraft. The army, navy and air force have their own supply organizations and can generally meet current demands for day-to-day needs of basic supplies and equipment. Procurement of heavy items, however, must be negotiated on a government-to-government level.

Army materiel is classified according to the using arm or service. War plans are forwarded by the commander in chief through the army's assistant chief of staff for logistics, who establishes requirements and coordinates and contracts for needed materiel. The army receives and stores all supplies in various depots, which issue them through issue points in the various corps areas. Ultimate users are required to furnish their own transportation to move supplies to their own organizations. There is extensive local purchase, particularly of perishable items, and such procurement is an important element of the routine for supplying the field forces.

The army's maintenance system and procedures are patterned generally after those of the United States Army. Shortages of spare parts and varying degrees of obsolescence of much of the army's equipment at times create serious maintenance problems, particularly at the depot level. Navy logistical requirements are handled by the Director General of Navy Materiel in Buenos Aires. This entails naval stores, provisions and fuel, as well as ordnance and ship repair. Repair facilities at Puerto Belgrano can perform all types of repair and overhaul on all of the navy's ships, including the aircraft carrier.

Air force supply and maintenance activities are the responsibility of the Air Force Materiel Command. It has directorates charged with aeronautical materiel, supplies, infrastructure, statistics and social welfare. The materiel directorate is responsible for all aspects of logistics concerned with technical equipment items, whereas the supply directorate handles uniforms and food. The infrastructure directorate constructs and maintains airbases, runways, buildings and roads. The statistical directorate is a general accounting office charged with comptroller functions, and the social welfare directorate is concerned with special services and general welfare.

Air force units submit their logistic requirements annually to the supply directorates. Quartermaster supplies are delivered to the main air force supply depot at El Palomar and are distributed to using units by the airbase supply group in each air brigade. Spare parts and ordnance go directly to bases or maintenance and supply depots. There are three major air force depots, each with a capability for all echelons of aircraft maintenance, repair and overhaul.

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GLOSSARY

Abasto-A central wholesale market in Buenos Aires.

aëdes aegypti—The urban vector of yellow fever.

Alacaluf—Indian tribe in extreme south.

alpargatas-Sandals with cloth tops and hemp soles.

ANI-Agencia Nacional de Informaciones (National Information Agency)

Araucanian—A member of a group of Indian peoples of Southern central Chile and adjacent regions of Argentina.

asado—Beef barbecue.

ATLAS—Agrupación de Trabajadores Latino-Americanos Sindicalizados (Latin American Trade Union and Workers Association). Regional labor confederation.

bachillerato-Baccalaureate. Diploma awarded upon successful completion of general or college-preparatory secondary school.

Banda Oriental in Uruguay—Northeastern sector of Viceroyalty of La Plata.

bife-Beefsteak.

bombachas-Baggy trousers.

bombilla-Silver drinking straw.

brochas—A game played in the country.

bufanda-A large woven scarf.

Caingua-Indian tribe.

Casa Rosada—The presidential palace.

caudillos-Regional political strong men.

CGT—Confederación General de Trabajadores (General Confederation of Labor).

Chagas' disease—Transmitted by parasites.

CIAP—Comité Interamericano de la Alianza para el Progreso (Inter-American Committee on the Alliance for Progress).

circunscripciones-Regional subdivisions of the city.

colonias—Government reservations.

comisarias-Precincts.

compadrazgo-Extension of kin relationships through godparenthood.

CONADE-Consejo Nacional de Desarrollo (National Development Council).

CONASE—Consejo Nacional de Seguridad (National Security Council). conquistadores—Spanish conquerors.

criollos-Native-born persons of Spanish descent.

curanderos-Practitioners of folk medicine.

decretos de ley-Enactments called decree-laws.

delitos-Felonies.

DINIE-Dirección Nacional de Industrias del Estado (National Administration of State Industries).

dorado-A game fish.

empanada-A small meat pie.

emphyteusis—System of long-term leases of land by the state, which retains perpetual ownership.

empleado-A salaried employee.

encomienda—Spanish royal grant of specified numbers of Indians to the tutelage, protection and religious influence of a designated Spaniard in return for a definite portion of their labor.

enfiteutas-Rental contract holders.

estancias—Estates.

faltas-Misdemeanors.

Federal Capital-The area designated as the seat of the federal government.

Federal District-Synonymous with Federal Capital.

federalistas—The caudillos who wanted a federal system of government. ferias—Fairs.

flan-A custard.

frigorifico-Meatpacking plant.

gallegos-People from the province of Galicia in Spain.

GATT—General Agreement on Tariffs and Trade. Multilateral agreement between contracting parties to reduce tariffs, import quotas and other trade restrictions.

gaucho-An Argentine cowboy

"Good Neighbor" policy—Promotes improved relations between the United States and Latin America.

GOU—Grupo de Oficiales Unidos (United Officers' Group). Secret organization led by Perón.

Greater Buenos Aires-The Federal Capital and its suburbs.

guanaco-A camel-like relative of the llama.

Guarant-Tupi-Guaranian people of Bolivia, Paraguay and southern Brazil.

harquebus-Obsolete portable firearm.

- Hemisphere Summit Conference—Held in April 1967 at Punta del Este, Uruguay.
- Hispanic—Of or relating to the people, speech or culture of Spain or Spanish Latin America.
- huellas y senderos-Tracks and trails.
- IAPI-Instituto de Promoción del Intercambio (Argentine Trade Promotion Institute).

intendente-Mayor.

jardin de infantes-Kindergarten.

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LAFTA-Latin American Free Trade Association.

latifundia-Large estates.

liceos-Schools for girls.

- lunfardo-Italianized Spanish dialect.
- Martin García-Island at the mouth of the Paraná and the Uruguay rivers.

mesopotamian provinces-Area between Paraná and Uruguay rivers.

mestizos-Offspring of unions between Spaniards and Indians.

Mocovi-Indian tribe in Argentina.

Municipality of Buenos Aires—Local government of the Federal Capital. OAS—Organization of American States.

- obrero-A manual worker.
- ombú-A long-lived herb.

Ona-Indian tribe.

- Pampa-Fertile, grass-covered plain.
- pasto duro-A native grass.
- Patagonia-Barren region in southern Argentina and southern Chile between the Andes and the Atlantic.
- pato—A competitive sport.
- patrón-Employer or estate owner.

PDN-Partido Demócrata Nacional (National Democratic Party).

PDP-Partido Demócrata Progressista (Progressive Democratic Party). pelota-A traditional country game.

- peso—National monetary unit. P350 equal U.S. \$1; this became effective on March 13, 1967.
- porteños-People of the port. Residents of Buenos Aires city.
- Puerto de Santa Maria del Buen Aire—First settlement in the country. Established by Pedro de Mendoza on the site of present-day Buenos Aires.
- quebracho-A hardwood tropical tree.
- Quechua-South American Indian tribe and language.

Reconquista—Historical term for the reconquest of Buenos Aires from the English by the criollos.

- reducciones-Reservations for the Indians.
- repartimiento-Practice of seizure and transport of Indians for work on plantations or in mines or in building churches and roads.
- rhea-South American ostrich-like bird.

Río de la Plata-Estuary between Uruguay and Argentina.

- Roca-Runciman Agreement-Trade treaty between Great Britain and Argentina.
- saladero-Meat-salting plant.

San Martin Lodge-A secret lodge created in 1921 by army officers.

- Tehuelche-Indian tribe.
- Tierra del Fuego—Archipelago off the coast of southern Argentina and Chile.

Toba-Indian tribe.

turcos—Argentine immigrants from the Middle East.

unitarios-Persons who favored a centralized form of government.

- Uspallata Pass—Principal communication route between Argentina and Chile.
- vendimia-Annual grape festival.
- vicuña-A wild ruminant of the Andes.
- Vilela-Indian tribe.
- villas de miserías—Literally, villages of misery. Urban shantytowns outside Buenos Aires.
- Yahgan—Indian tribe.
- yerba—An herb or a grass.
- yerba mate—Paraguayan tea.
- YPF-Yacimientos Petroliferos Fiscales (State Oil Fields).

zorros grises-Literally, gray foxes. Police who wear gray uniforms.

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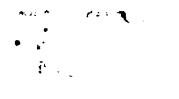
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