Argentina took just a year and a half to start crawling out of its self-induced economic collapse in 2001, thanks in part to the country’s exceptional agricultural prosperity and the increased value of commodities on the international market. Today, Argentina is flirting with a new crisis, but this time, the country’s private problems could combine with a worldwide recession.

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As always, Argentina’s crisis is all about politics. President Néstor Kirchner (2003-07) managed to impose a certain degree of order through an authoritarian style of leadership, a disdain for institutional formalities, a combative air and a sense of continual emergency.

Néstor Kirchner was succeeded by his wife, Cristina Fernández de Kirchner (elected by a wide margin), but he did not leave power. He continues to be the touchstone for the government. Every time she confronts a serious problem, he appears in public — as the president of the ruling party — to defend her and rail against her adversaries. And whether he means to or not, Kirchner reminds everyone of his own importance.

Why didn’t Kirchner run for reelection? Those closest to him would admit that he wanted to avoid the inevitable “lame duck” phenomenon of a second term. He and his wife could potentially alternate in the presidency indefinitely because the country’s legislation allows an unlimited number of reelections but no more than two consecutive terms. So in
theory, the Kirchners could succeed one another perpetually, as long as they can win elections.

This ploy of formally leaving the government without stepping back from the highest level of decision-making pushes the envelope in terms of legality. A president who only exercises her functions with the aid of her spouse is an anomaly that threatens some of the attributes of democracy.

Having a couple as president implies a degree of secrecy and subterfuge. While Néstor Kirchner doesn’t take part in the formal acts of government, his presence is as palpable as the ghost of Hamlet’s father. Everyone knows that when it comes to really serious concerns, his opinion matters most; even the pro-government media takes it for granted.

Yet this situation was consciously approved by the majority of Argentine voters, who were still unnerved by the economic collapse and credited Kirchner with rescuing them from the depths of the crisis — the country’s economic activity had dropped 16 percent between 2001 and 2003 — when in reality he just took advantage of and reinforced an imperceptible recovery already underway when he took office.

This stretching of the rules is seen elsewhere in the Kirchner administration. For example, the government fixes the official statistics to its liking: rates of inflation, poverty, distribution of wealth, etc. The Kirchners’ closest allies defend the couple’s actions, saying this fudging of the facts saves the country billions of dollars on bond payments whose interest is pegged to inflation.

The magic of the Kirchners lasted until Argentina’s middle class realized that the country was no longer in a state of emergency. You could say that they were foiled by their very success. Vast sectors of the population began to reject the couple’s confrontational approach, and at that very moment, the Kirchners were trumped by the agricultural industry.

The fight over soybean export taxes lasted for months. The farmers — from agro-industry giants to small-scale producers — set up roadblocks and threw a wrench in the economy by creating shortages in key consumer goods. However, these clearly illegal actions had the support of the middle class. This sector — so volatile all over the world — was sick of the Kirchners’ belligerent style and happy to have someone put them in their place.
The Kirchners suggested that the issue be dealt with in Parliament, where their party held a clear majority, but — surprise, surprise — the issue deadlocked. The tie was broken with a victory for the farming industry and the political opposition allied with them, thanks to an even bigger surprise: the vote of the vice president himself, who suddenly became an adversary of the Kirchners.

The Kirchners took their defeat in Parliament as a very serious crisis, publicly describing it as an attempt to overturn their government. The agricultural producers were no saints and even included some reactionary sectors, former allies of the military dictatorship who had been displaced from economic and political power by the processes of globalization and specialization. The presidential couple felt overwhelmed: up until this point, they had a Parliament that ceded one function after another to the executive branch, even allowing the Kirchners to make changes to the budget and to allocate funds to friends and allies at their discretion.

At this point, the Kirchners threatened to resign, according to those closest to them. It must be hard for those outside Latin America to understand, for it seems like pure magical realism: one night of defeat and the presidential couple curses the citizenry, “We are leaving, and you will inherit chaos!”

But it was an empty threat. Since then, the Kirchners’ reality has gone sharply downhill. In a very bad year combining parliamentary elections and an international economic crisis, they stretched the limits of legality yet again, pushing up the date for presidential elections — set for October by the nation’s Constitution — because they feared that the international crisis would be even worse by then, and the angry population would vote against them.

The simulation and coercion would be farcical if it weren’t for the damage that they imply for the democratic system. Fixing the date of an election is no guarantee that you won’t lose. So with his popularity sinking, Néstor Kirchner came up with the concept of “testimonial candidates.” Even if they were to win, these candidates wouldn’t actually take office.

For example, Daniel Scioli, the governor of the province of Buenos Aires, the main electoral district, is standing for Parliament, but he would hardly leave his current position for a seat in the legislative branch. He is a very popular former powerboat racer, and it appears that he is just running to draw votes to the ruling party and away from other, “real” candidates. Just like the official statistics, testimonial candidates are not exactly real candidates: they are a mock-up, “testimony” to a way of understanding politics.

A significant portion of Argentine society is responsible for this situation. They voted for Menem en masse: “He may be corrupt, but at least he’s effective.” They also voted for Kirchner and forgave his excesses: “He may be authoritarian, but at least he pulled us out of the abyss.” But now out of that gaping hole, Argentines have begun to see that the Kirchners are vulnerable and their government is not free from corruption.

That’s how things stand as we head for parliamentary elections on June 28. In the same vein of magical realism, the vice president has let his sideburns grow long to emphasize his resemblance to the father of the nation, José de San Martín, while he refuses either to resign or to ally himself with those who bought him to power. On the contrary, he has taken sides with the opposition, perhaps in the hope that the Kirchners will lose the election and make good on their threats, which they have issued once again through an informal spokesman: If they lose, they are leaving. In that case, Vice President Julio Cobos would take over the presidency.

The fact that this unusual vice president, a bit player on the national scene, has suddenly become the most popular politician in the country for betraying the Kirchners and tipping the scales in the victory for the agricultural sector speaks reams about Argentines’ lack of political consciousness.

The Kirchners have an advantage in the divided opposition, which isn’t able to forge much of an alternative beyond promising to respect the rules of democracy. Even still, it is possible that the ruling party will lose its majority in Parliament.

The country seems on the brink of confronting the following problems:

- The economic crisis will generate social tensions that may become severe, and there will be no soy at $650 a ton to strengthen national monetary reserves. Agricultural products are the country’s main export.
None of the electoral scenarios guarantee total success for the ruling party. While it may get more votes than the leading opposition group, the question is what the relative loss will be and what concrete impact this will have on the power struggles in Parliament. It is quite possible that the Kirchners will have to face two more years at the helm but with much less wind in their sails, a daunting situation for a pair who have been used to running roughshod over the opposition.

Argentina’s political system is no help: it lacks a tradition of crisis administration through negotiation and agreement. The democracy that was restored in 1983 had three strong leaders — Alfonsín, Menem and Kirchner — who strove for hegemony rather than negotiation and De la Rúa, a vote of hope more than conviction: he seemed like the ideal man for encouraging consensus, but he failed.

Perhaps these factors will be obstacles that, once overcome, actually serve to strengthen the system. The greatest danger, however, lies in their becoming the elements of a “perfect storm.”

Néstor Kirchner himself seems determined to summon such a storm: he has implied that if his party is defeated in the parliamentary elections, his wife will be maneuvered out of office and Argentina will collapse into a crisis as severe as that of 2001.

Of course Kirchner wants to use fear to draw votes. But, to a certain extent, he has only gone public with possibilities that some leaders of the opposition have been discussing in secret: the deadlock of the political system, the resignation of Cristina Kirchner, the risk of anarchy.

Sectors of the opposition are considering the establishment of a coalition party in order to face just such a crisis. As for the Kirchners, nobody knows what they are planning.

This battle between the government and the opposition is taking place against the backdrop of Argentina’s extremely frail political system. Democracy was restored 26 years ago, but — as in many other Latin American countries — it has not yet reached maturity.

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