



# Argentina



## Travel & Safety Information

(www.state.gov)

**COUNTRY DESCRIPTION:** Last year Argentina's charm, natural beauty, and diversity attracted nearly 400,000 American citizen visitors. Buenos Aires and other large cities have well-developed tourist facilities and services, including many four- and five-star hotels. The quality of tourist facilities in smaller towns outside the capital varies. The country suffered a major financial crisis in 2001-2002, and while it has made a dramatic recovery, continued economic hardship has been linked to a rise in street crime.

**ENTRY/EXIT REQUIREMENTS:** A valid passport is required for U.S. citizens to enter Argentina. U.S. citizens do not need a visa for visits of up to 90 days for tourism or business. U.S. citizens who arrive in Argentina with expired or damaged passports may be refused entry and returned to the United States at their own expense. The U.S. Embassy cannot provide guarantees on behalf of travelers in such situations, and therefore encourages U.S. citizens to ensure that their travel documents are valid and in good condition prior to departure from the United States. Different rules apply to U.S. citizens who also have Argentine nationality, depending on their dates of U.S. naturalization. For more information, check the Argentine Ministry of the Interior website at

[www.mininterior.gov.ar/migraciones/](http://www.mininterior.gov.ar/migraciones/).

Most dual nationals are permitted 60-day visits. Dual nationals who stay beyond their permitted time are required to depart on an Argentine passport.

An airport tax is collected upon departure, payable in dollars or Argentine pesos.

American citizens wishing to enter Brazil from Argentina are required to obtain a visa in advance from the Brazilian Embassy or consulate nearest to the traveler's place of residence. The U.S. Embassy in Buenos Aires cannot assist travelers with obtaining Brazilian visas.

**SAFETY AND SECURITY:** Traffic accidents are the primary threat to life and limb in

Argentina. Pedestrians and drivers should exercise caution. Drivers frequently ignore traffic laws and vehicles often travel at excessive speeds. The rate and toll of traffic accidents has been a topic of much media attention over the past year. The Institute of Road Safety and Education, a private Buenos Aires organization dedicated to transportation safety issues, reports that Argentina has the highest traffic mortality rate in South America per 100,000 inhabitants.

Care should be exercised when traveling in Brazil and Paraguay, near the Argentine border, where criminal entities are known to operate. These organizations are involved in the trafficking of illicit goods, and some individuals in the area have been designated by the U.S. Treasury Department for financially supporting terrorist organizations.

The U.S. government is supportive of coordinated efforts by Argentina, Brazil, and Paraguay to combat illegal activity in that region. Americans crossing from Argentina into Paraguay or Brazil may wish to consult the most recent Country Specific Information for those countries.

Demonstrations are common in metropolitan Buenos Aires and occur in other major cities as well. Protesters on occasion block streets, highways, and major intersections, causing traffic jams and delaying travel. While demonstrations are usually nonviolent, hooligans in some of the groups sometimes seek confrontation with the police and vandalize private property. Groups occasionally protest in front of the U.S. Embassy and U.S.-affiliated businesses. U.S. citizens should take common-sense precautions and avoid gatherings or any other event where crowds have congregated to protest. Information about the location of possible demonstrations is available from a variety of sources, including the local media. Additional information and advice may be obtained from the U.S. Embassy at the telephone numbers or email address listed at the end of this document.

Domestic flight schedules can be unreliable. Occasional work stoppages, over-scheduling of flights, and other technical problems can result in flight delays, cancellations, or missed connections. Consult local media for information about possible strikes or slow-downs before planning travel within Argentina.

Public transportation is generally reliable and safe. The preferred option for travel within Buenos Aires and other major cities is by radio taxi or "remise" (private car with driver). The best way to obtain safe taxis and remises is to call for one or go to an established stand, rather than hailing one on the street. Hotels, restaurants, and other businesses can order remises or radio taxis, or provide phone numbers for such services, upon request. Passengers on buses, trains, and the subway should be alert for pickpockets and should also be aware that these forms of transport are sometimes interrupted by strikes or work stoppages.

Argentina's mountains, forests, deserts, and glaciers make it a popular destination for outdoor and adventure sports enthusiasts. Despite the best efforts of local authorities, assisting visitors lost or injured in such remote areas can be difficult. American citizens have died in recent years while mountain climbing, skiing, trekking, and hunting in Argentina. Travelers visiting isolated and wilderness areas should learn about local hazards and weather conditions and always inform park or police authorities of their itineraries. Reports of missing or injured persons should be made immediately to the police so that a search can be mounted or assistance rendered. Argentina boasts the highest peak outside of the Himalayas, Mount Aconcagua. Its guidebook billing as affordable and requiring no climbing skills attracts hundreds of Americans every year.

However, inexperienced mountaineers should bear in mind that Aconcagua's 22,840-foot-altitude, bitter cold and savage storms make it one of the world's most difficult climbs.

For the latest security information, Americans traveling abroad should regularly monitor the Department of State, Bureau of Consular Affairs' web site at <http://travel.state.gov>, where the current [Travel Warnings and Travel Alerts](#), as well as the [Worldwide Caution](#), can be found.

Up-to-date information on safety and security can also be obtained by calling 1-888-407-4747 toll-free in the United States or, for callers outside the United States and Canada, a regular toll line at 1-202-501-4444. These numbers are available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (except U.S. federal holidays).

The Department of State urges American citizens to take responsibility for their own personal security while traveling overseas. For general information about appropriate measures travelers can take to protect themselves in an overseas environment, see the Department of State pamphlet [A Safe Trip Abroad](#).

**CRIME:** Most American citizens visit Argentina without incident. Nevertheless, street crime in the larger cities, especially greater Buenos Aires and Mendoza, is a problem for residents and visitors alike. As in any big city, visitors to Buenos Aires and popular tourist destinations should be alert to muggers, pickpockets, scam artists, and purse-snatchers on the street, in hotel lobbies, at bus and train stations, and in cruise ship ports. Criminals usually work in groups and travelers should assume they are armed. Criminals employ a variety of ruses to distract and victimize unsuspecting visitors.

A common scam is to spray mustard or a similar substance on the tourist from a distance. A pickpocket will then approach the tourist offering to help clean the stain, and while doing so, he or an accomplice robs the victim. Another scam is to entice tourists into a bar known as a "wiskeria" with a flyer for a shopping discount or free show. Once inside, the victim is not allowed to leave until he or she pays an exorbitant amount for a drink. Thieves regularly nab unattended purses, backpacks, laptops, and luggage, and criminals will often distract visitors for a few seconds to steal valuables. While most American victims are not physically injured when robbed, criminals are known to use force when they encounter resistance. Visitors are advised to immediately hand over all cash and valuables if confronted. Thieves will target visitors wearing expensive watches or jewelry.

Your passport is a valuable document and should be guarded. Passports and other valuables should be locked in a hotel safe, and a photocopy of your passport should be carried for identification purposes. The U.S. Embassy has observed an increase in reports of stolen passports in the past year. Some travelers have received counterfeit currency in Argentina. Unscrupulous vendors and taxi drivers sometimes pretend to help tourists review their pesos, then trade bad bills for good ones. Characteristics of good currency can be reviewed at the Argentine Central Bank web site at [www.bcra.gov.ar](http://www.bcra.gov.ar).

Along with conventional muggings, so-called express kidnappings continue to occur. Victims are grabbed off the street based on their appearance and vulnerability. They are made to withdraw as much money as possible from ATM machines, and then their family or co-workers are contacted and told to deliver all the cash that they have on hand or can gather in a couple of hours. Once the ransom is paid, the victim is usually quickly released unharmed. There have been some foreign victims. Visitors are particularly advised not to let children and adolescents travel alone.

Travelers worldwide are advised to avoid packing valuables in their checked baggage. In Argentina, officials have publicly acknowledged the systematic theft of valuables and money from checked baggage at Buenos Aires airports. Authorities are working to resolve the problem and have made a number of arrests, but travelers should exercise continued care and caution.

In many countries around the world, counterfeit and pirated goods are widely available. Transactions involving such products may be illegal under local law. In addition, bringing them back to the United States may result in forfeitures and/or fines. More information on this serious problem is available at <http://www.cybercrime.gov/18usc2320.htm>.

**INFORMATION FOR VICTIMS OF CRIME:** The loss or theft abroad of a U.S. passport should be reported immediately to the local police and the nearest U.S. Embassy or Consulate. If you are the victim of a crime while overseas, in addition to reporting to local police, please contact the nearest U.S. Embassy or Consulate for assistance. The Embassy/Consulate staff can, for example, assist you to find appropriate medical care, contact family members or friends and explain how funds can be transferred. Although the investigation and prosecution of the crime are solely the responsibility of local authorities, consular officers can help you to understand the local criminal justice process and to find an attorney if needed. See our information for [Victims of Crime](#).

The Argentine Federal Police have established a special Tourist Police Unit to receive complaints and investigate crimes against tourists. The unit, located at Corrientes 436 in Buenos Aires, responds to calls around the clock at 4346-5748 or toll-free 0800-999-5000 from anywhere in the country. The Mendoza Tourist Police Unit, open 7 a.m. to 10 p.m. daily, is located at San Martin 1143, telephone 0261-413-2135. After hours the Mendoza unit may be reached by cell phone at 015-6444-324.

The local equivalent to the "911" emergency line in the city of Buenos Aires or in the surrounding Province of Buenos Aires is 911 for police assistance. In the city of Buenos Aires, dial 100 in case of fire and 107 for an ambulance. In the Province of Buenos Aires, fire and ambulance numbers vary by location.

**CRIMINAL PENALTIES:** While in a foreign country, a U.S. citizen is subject to that country's laws and regulations, which sometimes differ significantly from those in the United States and may not afford the protections available to the individual under U.S. law. Penalties for breaking the law can also be more severe than in the United States for similar offenses. Persons violating Argentina's laws, even unknowingly, may be expelled, arrested, or imprisoned. Penalties for possession, use, or trafficking in illegal drugs in Argentina are strict, and convicted offenders can expect lengthy jail sentences and fines. Engaging in sexual conduct with children and using or disseminating child pornography in a foreign country are crimes prosecutable in the United States. Please see our information on [Criminal Penalties](#).

**SPECIAL CIRCUMSTANCES:** In addition to being subject to all Argentine laws affecting U.S. citizens, dual nationals may also be subject to other laws that impose special obligations on Argentine citizens. In some instances, [dual nationality](#) may hamper U.S. Government efforts to provide protection abroad. Please see our information on Customs Regulations.

**MEDICAL FACILITIES AND HEALTH INFORMATION:** The public health system in Argentina provides emergency and non-emergency services free of charge to all, regardless of nationality or immigration status. However, the quality of non-emergency care in public

hospitals is generally below U.S. standards. Medical care in private hospitals in Buenos Aires is generally good, but varies in quality outside the capital. Serious medical problems requiring hospitalization in private facilities and/or medical evacuation to the United States can cost thousands of dollars or more. Private physicians, clinics, and hospitals often expect immediate cash payment for health services.

Many Americans come to Argentina for elective surgery procedures advertised through the Internet. Prospective patients should carefully review each surgeon's credentials and ensure that the procedures will be conducted in a hospital or clinic that provides emergency care. Medical experts also advise patients to provide their surgeons a complete health history before traveling and to allow adequate time in Argentina for follow-up care.

**HIV/AIDS Restrictions:** The U.S. Department of State is unaware of any HIV/AIDS entry restrictions for visitors to or foreign residents of Argentina.

Information on vaccinations and other health precautions, such as safe food and water precautions and insect bite protection, may be obtained from the Centers for Disease Control and Prevention's hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747) or via the CDC's Internet site at <http://wwwn.cdc.gov/travel/default.aspx>. For information about outbreaks of infectious diseases abroad, consult the World Health Organization (WHO) web site at <http://www.who.int/en>. Further health information for travelers is available at <http://www.who.int/ith>.

**TRAFFIC SAFETY AND ROAD CONDITIONS:** While in a foreign country, U.S. citizens may encounter road conditions that differ significantly from those in the United States. The information below concerning Argentina is provided for general reference only, and may not be totally accurate in a particular location or circumstance.

Driving in Argentina is generally more dangerous than driving in the United States. By comparison, drivers in Argentina tend to be very aggressive, especially in the capital city of Buenos Aires, and frequently ignore traffic regulations. U.S. driver's licenses are valid in the capital and the province of Buenos Aires, but Argentine or international licenses are required to drive in the rest of the country. For further information, please contact the Argentine Automobile Club, Av. Libertador 1850, 1112 Capital Federal, telephone (011) (54) (11) 4802-6061, or contact the Embassy of Argentina as listed in the above section on Entry Requirements.

Argentina's national tourist office and national roadways office at [www.turismo.gov.ar](http://www.turismo.gov.ar) and [www.vialidad.gov.ar](http://www.vialidad.gov.ar).

**AVIATION SAFETY OVERSIGHT:** The U.S. Federal Aviation Administration (FAA) has assessed the Government of Argentina's Civil Aviation Authority as being in compliance with International Civil Aviation Organization (ICAO) aviation safety standards for oversight of Argentina's air carrier operations. For more information, travelers may visit the FAA website at [http://www.faa.gov/safety/programs\\_initiatives/oversight/iasa](http://www.faa.gov/safety/programs_initiatives/oversight/iasa).

Domestic flight schedules can be unreliable. Occasional work stoppages, over-scheduling of flights, and other technical problems can result in flight delays, cancellations, or missed connections. Consult local media for information about possible strikes or slow-downs before planning travel within Argentina.

**REGISTRATION / EMBASSY LOCATION:** Americans living or traveling in Argentina are encouraged to register with the U.S. Embassy through the [State Department's travel](#)

[registration website](#) in order to obtain updated information on travel and security within Argentina. Americans without Internet access may register directly with the U.S. Embassy. By registering, American citizens make it much easier for the Embassy or Consulate to contact them in case of emergency.

The U.S. Embassy is located at Avenida Colombia 4300 in the Palermo neighborhood of Buenos Aires (near the Plaza Italia stop on the "D" line subway). The main Embassy switchboard telephone is (54) (11) 5777-4533. Recorded consular information, including instructions on whom to contact in case of an American citizen emergency, is available at tel. (54) (11) 4514-1830. The Consular Section fax is (54) (11) 5777-4293. The Consular Section is open to the public from 8:30 a.m. to noon and 2:30 p.m. to 4 p.m. Monday through Friday, except on American and Argentine holidays. Additional information on Embassy services is available on the Internet at <http://argentina.usembassy.gov> or by e-mail: [BuenosAires-ACS@state.gov](mailto:BuenosAires-ACS@state.gov).

## Background Notes

([www.state.gov](http://www.state.gov))

### **Geography**

Area: 2.8 million sq. km. (1.1 million sq. mi.); about the size of the U.S. east of the Mississippi River; second-largest country in South America.

Climate: Varied; predominantly temperate, with extremes ranging from subtropical in the north to arid/sub-Antarctic in far south.

### **People**

Nationality: *Noun and adjective*--Argentine(s).

Population (July 2007 est.): 40.3 million.

Annual population growth rate (2001): 1.05%.

Ethnic groups: European 97%, mostly of Spanish and Italian descent; Mestizo, Amerindian, or other nonwhite groups 3%.

Religions: Roman Catholic 70%, Protestant 9%, Muslim 1.5%, Jewish 0.8%, other 2.5%.

Language: Spanish.

Education: Compulsory until age 18. *Adult literacy* (2001)--97%.

Health: *Infant mortality rate*--16.16/1,000. *Life expectancy* (2000 est.)--75.48 yrs.

Work force: *Industry and commerce*--35.8%; *agriculture*--9.5%; *services*--54.7%.

### **Government**

Type: Republic.

Constitution: 1853; revised 1994.

Independence: 1816.

Branches: *Executive*--president, vice president, cabinet. *Legislative*--bicameral Congress (72-member Senate, 257-member Chamber of Deputies). *Judicial*--Supreme Court, federal and provincial trial courts.

Administrative subdivisions: 23 provinces and one autonomous district (Federal Capital).

Political parties: Justicialist (Peronist), Radical Civic Union (UCR), numerous smaller national and provincial parties.

Suffrage: Universal adult.

### **Economy (2007)**

GDP: \$261 billion.

Annual real growth rate: +8.7%.

Per capita GDP: \$6,630 (estimated).

Natural resources: Fertile plains (pampas); *minerals*--lead, zinc, tin, copper, iron, manganese, oil, and uranium.

Agriculture (8% of GDP; including agribusiness, about 55% of exports by value): *Products*--oilseeds and by-products, grains, livestock products.

Industry (22.5% of GDP): Types--food processing, oil refining, machinery and equipment, textiles, chemicals and petrochemicals.

Trade: *Exports* (\$55.9 billion)--oilseed by-products, vegetable oils, cars, fuels, grains. *Major markets*--MERCOSUR 23%; EU 18%; NAFTA 11%. *Imports* (\$44.8 billion)--machinery, vehicles and transport products, chemicals. *Major suppliers*--MERCOSUR 36%; EU 17%, NAFTA 16%. Imported goods from the United States totaled approx. 12% of Argentine imported goods.

## PEOPLE

Argentines are a fusion of diverse national and ethnic groups, with descendants of Italian and Spanish immigrants predominant. Waves of immigrants from many European countries arrived in the late 19th and early 20th centuries. Syrian, Lebanese, and other Middle Eastern immigrants number about 500,000 to 600,000, mainly in urban areas.

Argentina's population is overwhelmingly Catholic, but it also has the largest Jewish population in Latin America, estimated at between 280,000 and 300,000. In recent years, there has been a substantial influx of immigrants from neighboring countries, particularly Paraguay, Bolivia, and Peru. The indigenous population, estimated at 700,000, is concentrated in the provinces of the north, northwest, and south. The Argentine population has one of Latin America's lowest growth rates. Eighty percent of the population resides in cities or towns of more than 2,000, and over one-third lives in the greater Buenos Aires area.

## HISTORY

Europeans arrived in the region with the 1502 voyage of Amerigo Vespucci. Spanish navigator Juan Diaz de Solias visited what is now Argentina in 1516. Spain established a permanent colony on the site of Buenos Aires in 1580, although initial settlement was primarily overland from Peru. The Spanish further integrated Argentina into their empire by establishing the Vice Royalty of Rio de la Plata in 1776, and Buenos Aires became a flourishing port. Buenos Aires formally declared independence from Spain on July 9, 1816. Argentines revere Gen. Jose de San Martin--who campaigned in Argentina, Chile, and Peru--as the hero of their national independence. Following the defeat of the Spanish, centralist and federalist groups waged a lengthy conflict between themselves to determine the future of the nation. A modern constitution was promulgated in 1853, and a national unity government was established in 1861.

Two forces combined to create the modern Argentine nation in the late 19th century: the introduction of modern agricultural techniques and integration of Argentina into the world economy. Foreign investment and immigration from Europe aided this economic revolution. Investment, primarily from Britain, came in such fields as railroads and ports. As in the United States, the migrants who worked to develop Argentina's resources--especially the western pampas--came from throughout Europe.

From 1880 to 1930, Argentina became one of the world's ten wealthiest nations as a result of the rapid expansion of agriculture and foreign investment in infrastructure. Conservative forces dominated Argentine politics until 1916, when their traditional rivals, the Radicals, won control of the government. The Radicals, with their emphasis on fair elections and democratic institutions, opened their doors to Argentina's rapidly

expanding middle class as well as to groups previously excluded from power. The Argentine military forced aged Radical President Hipolito Yrigoyen from power in 1930 and ushered in another decade of Conservative rule. Using fraud and force when necessary, the governments of the 1930s attempted to contain the currents of economic and political change that eventually led to the ascendance of Juan Domingo Peron (b. 1897). New social and political forces were seeking political power, including a modern military and labor movements that emerged from the growing urban working class.

The military ousted Argentina's constitutional government in 1943. Peron, then an army colonel, was one of the coup's leaders, and he soon became the government's dominant figure as Minister of Labor. Elections carried him to the presidency in 1946. He created the Partido Unico de la Revolucion, which became more commonly known as the Peronist or Justicialista party (PJ). He aggressively pursued policies aimed at empowering the working class and greatly expanded the number of unionized workers. In 1947, Peron announced the first five-year plan based on the growth of industries he nationalized. He helped establish the powerful General Confederation of Labor (CGT). Peron's dynamic wife, Eva Duarte de Peron, known as Evita (1919-52), played a key role in developing support for her husband. Peron won reelection in 1952, but the military sent him into exile in 1955. In the 1950s and 1960s, military and civilian administrations traded power, trying, with limited success, to deal with diminished economic growth and continued social and labor demands. When military governments failed to revive the economy and suppress escalating terrorism in the late 1960s and early 1970s, the way was open for Peron's return.

On March 11, 1973, Argentina held general elections for the first time in ten years. Peron was prevented from running, but voters elected his stand-in, Dr. Hector Campora, as President. Peron's followers also commanded strong majorities in both houses of Congress. Campora resigned in July 1973, paving the way for new elections. Peron won a decisive victory and returned as President in October 1973 with his third wife, Maria Estela Isabel Martinez de Peron, as Vice President. During this period, extremists on the left and right carried out violent acts with a frequency that threatened public order. The government resorted to a number of emergency decrees, including the implementation of special executive authority to deal with violence. This allowed the government to imprison persons indefinitely without charge.

Peron died on July 1, 1974. His wife succeeded him in office, but a military coup removed her from office on March 24, 1976, and the armed forces formally exercised power through a junta composed of the three service commanders until December 10, 1983. The armed forces applied harsh measures against those they considered extremists and many suspected of being their sympathizers. While they were able to gradually restore basic order, the human costs of what became known as "El Proceso," or the "Dirty War," were high. Conservative counts list between 10,000 and 30,000 persons as "disappeared" during the 1976-83 period. Serious economic problems, mounting charges of corruption, public revulsion in the face of human rights abuses and, finally, the country's 1982 defeat by the United Kingdom in an unsuccessful attempt to seize the Falklands/Malvinas Islands all combined to discredit the Argentine military regime. The junta lifted bans on political parties and gradually restored basic political liberties.

Democracy returned to Argentina in 1983, with Raul Alfonsin of the country's oldest political party, the Radical Civic Union (UCR), winning the presidency in elections that took place on October 30, 1983. He began a six-year term of office on December 10, 1983. In 1985 and 1987, large turnouts for mid-term elections demonstrated continued public support for a strong and vigorous democratic system. The UCR-led government

took steps to resolve some of the nation's most pressing problems, including accounting for those who disappeared during military rule, establishing civilian control of the armed forces, and consolidating democratic institutions. However, failure to resolve endemic economic problems and an inability to maintain public confidence undermined the effectiveness of the Alfonsín government, which left office six months early after Justicialista Party (PJ) candidate Carlos Saul Menem won the 1989 presidential elections.

President Menem imposed peso-dollar parity (convertibility) in 1992 to break the back of hyperinflation and adopted far-reaching market-based policies. Menem's accomplishments included dismantling a web of protectionist trade and business regulations and reversing a half-century of statism by implementing an ambitious privatization program. These reforms contributed to significant increases in investment and growth with stable prices through most of the 1990s. Unfortunately, widespread corruption in the administrations of President Menem and his successor President Fernando De la Rúa, who won election in 1999 at the head of a UCR-led coalition of center and center-left parties known as the "Alianza", shook confidence and weakened the recovery. Also, while convertibility defeated inflation, its permanence undermined Argentina's export competitiveness and created chronic deficits in the current account of the balance of payments, which were financed by massive borrowing. The contagion effect of the Asian financial crisis of 1998 precipitated an outflow of capital that gradually mushroomed into a four-year depression that culminated in a financial panic in November 2001. In December 2001, amidst bloody riots, President De la Rúa resigned.

A legislative assembly on December 23, 2001, elected Adolfo Rodríguez Saa (PJ) to serve as President and called for general elections to choose a new president within three months. Rodríguez Saa announced immediately Argentina's default on \$88 billion in debt (the largest sovereign debt default in history), but expressed his commitment to maintain the currency board and the peso's 1-to-1 peg to the dollar. Rodríguez Saa, however, was unable to rally support from within his own party for his temporary administration and this, combined with renewed violence in the Federal Capital, led to his resignation on December 30. Yet another legislative assembly elected Eduardo Duhalde (PJ) President on January 1, 2002 to complete the term of former President De la Rúa. Duhalde assumed office in the midst of a widespread public rejection of the "political class" in Argentina. Duhalde--differentiating himself from his three predecessors--quickly abandoned the peso's ten-year-old link with the dollar, a move that was followed by a sharp currency depreciation and rising inflation. In the face of increasing poverty and continued social unrest, Duhalde moved to bolster the government's social programs and to contain inflation. He was able to stabilize the social situation, but advanced presidential elections by six months in order to pave the way for a president elected with a popular mandate.

In the first round of the presidential election on April 27, 2003, former President Carlos Menem (PJ) won 24.3% of the vote, Santa Cruz Governor Nestor Kirchner (PJ) won 22%, followed by RECREAR candidate Ricardo López Murphy with 16.4% and Affirmation for an Egalitarian Republic (ARI) candidate Elisa Carrió with 14.2%. Menem withdrew from the May 25 runoff election after polls showed overwhelming support for Kirchner in the second round of elections. President Kirchner assumed the presidency on May 25, 2003. He took office following the immense social and economic upheaval stemming from the financial crisis caused by a failed currency convertibility regime. Despite widespread concern, democracy and democratic institutions survived the crisis, and Nestor Kirchner took firm control as President. After taking office, Kirchner focused on consolidating his political strength and alleviating social problems. He pushed for changes in the Supreme Court and military and undertook popular measures, such as raising government salaries,

pensions, and the minimum wage. On October 23, 2005, President Kirchner, bolstered by Argentina's rapid economic growth and recovery from its 2001/2002 crisis, won a major victory in the midterm legislative elections, giving him a strengthened mandate and control of a legislative majority in both the Senate and Chamber of Deputies. Many experts considered President Kirchner to be the most powerful Argentine president since democracy was restored in 1983.

Although Kirchner enjoyed approval ratings of over 60%, he announced in July 2007 that he would not seek reelection and declared his wife, then-Senator Cristina Fernández de Kirchner, to be a candidate to succeed him. With the Peronist party under a trustee's control, President Kirchner smoothed the way for Fernández de Kirchner to compete under the Victory Front's (Frente para la Victoria, or FpV) banner in general elections in October. She won 45% of the vote and defeated her closest competitor, Elisa Carrió of the Civic Coalition, by 22.25 points. Thus, Cristina Fernández de Kirchner became the first Argentine woman elected to the presidency. "Cristina," as Argentines often refer to her, was sworn into office on December 10, 2007.

### **GOVERNMENT AND POLITICAL CONDITIONS**

Argentina's constitution of 1853, as revised in 1994, mandates a separation of powers into executive, legislative, and judicial branches at the national and provincial level. Each province also has its own constitution, roughly mirroring the structure of the national constitution. The president and vice president are directly elected to four-year terms. Both are limited to two consecutive terms; they are allowed to stand for a third term or more after an interval of at least one term. The president appoints cabinet ministers, and the constitution grants him considerable power, including authority to enact laws by presidential decree under conditions of "urgency and necessity" and the line-item veto.

Since 2001, senators have been directly elected, with each province and the Federal Capital represented by three senators. Senators serve six-year terms. One-third of the Senate stands for reelection every two years. Members of the Chamber of Deputies are directly elected to four-year terms. Voters elect half the members of the lower house every two years. Both houses are elected via a system of proportional representation. Female representation in Congress--at nearly one-third of total seats--ranks among the world's highest, with representation comparable to European Union (EU) countries such as Austria and Germany.

The constitution establishes the judiciary as an independent government entity. The president appoints members of the Supreme Court with the consent of the Senate. The president on the recommendation of a magistrates' council appoints other federal judges. The Supreme Court has the power to declare legislative acts unconstitutional.

### **Political Parties**

The two largest traditional political parties are the Justicialist Party (PJ--also called Peronist), founded in 1945 by Juan Domingo Peron, and the Union Civica Radical (UCR), or Radical Civic Union, founded in 1891. Traditionally, the UCR has had more urban middle-class support and the PJ more labor support, but both parties have become more broadly based. Although both parties are currently undergoing a process of dramatic change and restructuring, they have maintained their nationwide structures. New emerging political forces, like the Civic Coalition (CC) and the National Proposal (PRO) parties, are concentrated in the urban centers and are working to build national party structures.

The PJ is led by former President Nestor Kirchner. The Victory Front (Frente para la Victoria, or FpV) is a coalition that includes Peronists and non-Peronists aligned with President Cristina Fernández de Kirchner and Nestor Kirchner.

The UCR's serious fragmentation and poor electoral performance since 2003 has seriously eroded its role as the main opposition party, and many analysts warn that the party is on the verge of extinction. While the national UCR leadership opposes the Fernández de Kirchner government, its governors, several mayors, and many other representatives have aligned themselves with the Kirchners. In October 2007, several Radical deputies ran under the FpV ballot, and the Vice Presidential candidate with Cristina Fernandez de Kirchner, Julio Cobos, was a "Radical-K," as pro-Kirchner Radicals are called. Although the "Radical-K" representatives formed a separate bloc in the Lower House, they are still supportive of the FpV's policies. In the last presidential elections, the UCR did not run its own candidate and aligned itself with a former Peronist Economic Minister, Roberto Lavagna, who came in third with less than 17% of the national vote. Although seriously weakened, the UCR continues to retain some strength in a few provinces and several municipalities. The UCR is the only opposition political party with a nationwide structure.

The Civic Coalition (CC) is a political alliance led by the traditionally left-leaning Affirmation for an Egalitarian Republic (Afirmación por una República Igualitaria, or ARI) party, in conjunction with the Socialist party and the Union for All (Unión Por Todos) party. The CC came in second in the October 2007 presidential elections, positioning itself as the second largest political force. The CC's leader, Elisa Carrió, was a fierce critic of then-President Nestor Kirchner and continues to oppose Fernandez de Kirchner's policies. The Civic Coalition's electoral base is concentrated in large, urban centers, and has governors in the province of Santa Fe and the southern province of Tierra del Fuego.

The center-right Republican Proposal (Propuesta Republicana, or PRO) party represents another emerging political force with a larger representation in the Lower House than in the past. PRO is mostly based in the city of Buenos Aires, where its leader, Mauricio Macri, won the mayoral elections in June 2007 in a run-off with 60% of the vote, defeating then-Education Minister Daniel Filmus, who ran on the FpV ticket supported by then-President Kirchner.

Historically, organized labor--largely tied to the Peronist Party--and the armed forces also have played significant roles in national life. However, the Argentine military's public standing suffered as a result of its perpetration of human rights abuses, economic mismanagement, and defeat by the United Kingdom during the period of military rule (1976-83). The Argentine military today is a downsized, volunteer force fully subordinate to civilian authority.

#### **Principal Government Officials**

President--Cristina Fernández de Kirchner

Minister of Foreign Affairs--Jorge Taiana

Ambassador to the United States--Hector Timerman

Ambassador to the Organization of American States--Rodolfo Gil

Ambassador to the United Nations--Jorge Arguello

Argentina maintains an embassy in the United States at 1600 New Hampshire Ave. NW, Washington DC 20009; tel. (202) 238-6400; fax (202) 332-3171.

#### **ECONOMY**

Argentina's economy has sustained a robust recovery following the severe 2001/2002 economic crisis, with five consecutive years of over 8% real growth in gross domestic

product (GDP). Argentine GDP reached U.S. \$261 billion in 2007, approximately U.S. \$6,630 per capita, with investment increasing an estimated 14.4% for the year and representing approximately 23% of GDP. The economic expansion created jobs, with unemployment down from over 21% in 2002 to 8.0% in the second quarter of 2008. Poverty levels also dropped. According to government statistics, 20.6% of the population in the 28 largest urban areas remained below the poverty line in the first quarter of 2008, down from over 50% in the immediate aftermath of the economic crisis.

Argentina benefits from rich natural resources, a highly educated population, a globally competitive agricultural sector, and a diversified industrial base. Argentina's post-crisis move to a more flexible exchange rate regime, along with sustained global and regional growth, a boost in domestic aggregate demand via monetary, fiscal, and income distribution policies, and favorable international commodity prices and interest rate trends were catalytic factors in supporting renewed growth between 2003 and 2007. The economic resurgence also enabled the government to accumulate substantial official reserves (over \$45 billion as of early November 2008) to help insulate the economy from external shocks. A higher tax burden, improved tax collection efforts, and the recovery's strong impact on tax revenues supported the government's successful efforts to maintain primary fiscal surpluses since 2003.

Argentina has continued to perform well in 2008, with full year real GDP growth projected at about 7%, according to the Argentine Central Bank's consensus survey. A range of economic experts have identified challenges to sustaining high levels of economic growth in the future, including capacity constraints; the need for substantial new investment in primary infrastructure; potential energy shortages in the face of high growth and energy prices maintained by the government below international market levels. Other challenges include the increasing scarcity of skilled labor, inflation (8.5% in 2007 according to official statistics, but estimated by independent analysts to be significantly higher), and the heterodox policies employed to contain inflation. These include pressure on the private sector to limit price increases on some consumer goods, delays in the renegotiation of public service tariffs, export trade taxes, and export bans. Recent global financial turmoil and rapid declines in world commodity prices are also threats to Argentina's ability to continue its rapid rate of economic expansion.

Argentina's exchange rate policy is based on a managed float, and the 2009 budget estimates the average exchange rate at 3.19. Market analysts have considered the peso's real exchange rate undervalued in previous years. This, along with historically high global commodity prices, helped lift export volumes and values to record levels, resulting in an \$11.2 billion trade surplus in 2007. Foreign trade was approximately 39% of GDP in 2007 (up from only 11% in 1990) and plays an increasingly important role in Argentina's economic development. Exports totaled approximately 21% of GDP in 2007 (up from 14% in 2002), and key export markets included MERCOSUR (23% of exports), the EU (18%), and NAFTA countries (11%). Two-way trade in goods with the U.S. in 2007 totaled about \$9.7 billion (according to both U.S. and Argentine government statistics). Total two-way trade in services in 2007 was \$4.0 billion (according to the Bureau of Economic Analysis, U.S. Department of Commerce). The production of grains, cattle, and other agricultural goods continues to be the backbone of Argentina's export economy. High technology goods and services are emerging as significant export sectors. A decline in global commodity prices and slower global growth levels in the second half of 2008 is expected to reduce Argentina's trade surplus levels in the medium term.

Nearly 500 U.S. companies are currently operating in Argentina, employing over 155,000 Argentine workers. U.S. investment in Argentina is concentrated in the manufacturing,

information, and financial sectors. Other major sources of investment include Spain, Chile, Italy, France, Canada, Japan, and Brazil. Continuing Argentine arrears to international creditors and a large number of arbitration claims filed by foreign companies are legacies of the 2001/2002 economic crisis that remain to be resolved and adversely impact Argentina's investment climate. Outstanding debts include over \$20 billion in default claims by international bondholders and between \$7 billion and \$8 billion owed to official creditors. President Cristina Fernandez de Kirchner announced in September 2008 that the government intends to pay debts to Paris Club creditors using Central Bank reserves. She further announced that the government would consider a proposal from private banks on the settlement with international bondholders of untendered Argentine Government debt.

### **NATIONAL SECURITY**

The president, through a civilian minister of defense, commands the Argentine armed forces. The Interior Ministry controls the paramilitary Gendarmeria (border police), the Federal Police, the Prefectura Naval (coast guard), and the Airport Security Police. The Argentine armed forces maintain close defense cooperation and professional military education relationships with the United States. Other countries also have military relationships with the Argentine forces, principally Israel, Germany, France, Spain, Italy, Brazil, Chile, and Venezuela.

The current Minister of Defense has pursued an aggressive restructuring program based on the Argentine 1988 defense law. Priorities include emphasis on joint operations and peacekeeping. There has been minimal recapitalization due to budget constraints experienced over the past 5 years.

### **FOREIGN RELATIONS**

Argentina's foreign policy priorities are focused on increasing regional partnerships, including expanding the MERCOSUR regional trade bloc by integrating Venezuela as a new full member. Argentina has played a positive role in promoting human rights and democratic institutions in the hemisphere, particularly in Haiti. Argentina currently has nearly 600 peacekeeping troops in Haiti in support of MINUSTAH, reflecting its traditionally strong support of UN peacekeeping operations. As a member of the Board of Governors of the International Atomic Energy Agency, Argentina has been a strong voice in support of nuclear non-proliferation issues.

### **U.S.-ARGENTINE RELATIONS**

The U.S. has a positive bilateral relationship with Argentina based on many common strategic interests, including non-proliferation, counternarcotics, counterterrorism, the fight against human trafficking, and issues of regional stability, as well as the strength of commercial ties. Argentina is a participant in the Three-Plus-One regional mechanism (Argentina, Brazil, Paraguay, and the U.S.), which focuses on coordination of counterterrorism policies in the tri-border region. Argentina has endorsed the Proliferation Security Initiative, and has implemented the Container Security Initiative and the Trade Transparency Unit, both of which are programs administered by the U.S. Department of Homeland Security/Immigration and Customs Enforcement. The Container Security Initiative provides for the selective scanning of shipping containers to identify weapons of mass destruction components, and the Trade Transparency Unit works jointly with Argentine Customs to identify trade-based money laundering. In 2004, Argentina signed a Letter of Agreement with the Department of State opening the way for enhanced cooperation with the U.S. on counternarcotics issues and enabling the U.S. to begin providing financial assistance to the Government of Argentina for its counternarcotics efforts. In recognition of its contributions to international security and peacekeeping, the

U.S. Government designated Argentina as a major non-NATO ally in January 1998. The Office of the Secretary of Defense and the Argentine Ministry of Defense hold an annual Bilateral Working Group Meeting, alternating between Argentina and Washington, D.C. Furthermore, both nations exchange information through alternating annual Joint Staff Talks, military educational exchanges, and operational officer exchange billets.

U.S.-Argentine cooperation also includes science and technology initiatives in the fields of space, peaceful uses of nuclear energy, and the environment. In June 2007, the U.S. and Argentina modernized a bilateral civil aviation agreement to update safety and security safeguards and allow a significant increase in flight frequencies between the two countries, which hold excellent potential for increased tourism and business travel. An active media, together with widespread interest in American culture and society, make Argentina a receptive environment for the information and cultural exchange work of the U.S. Embassy. The Fulbright scholarship program has more than tripled the annual number of U.S. and Argentine academic grantees since 1994, and the U.S. Embassy is actively working to increase other education exchanges.

### **U.S. Embassy Functions**

The U.S. Mission in Buenos Aires carries out the traditional diplomatic function of representing the U.S. Government and people in discussions with the Argentine Government, and more generally, in relations with the people of Argentina. The Embassy is focused on increasing people-to-people contacts, and promoting outreach and exchanges on a wide range of issues. Political, economic, and science officers deal directly with the Argentine Government in advancing U.S. interests but are also available to brief U.S. citizens on general conditions in the country. Officers from the U.S. Foreign Service, Foreign Commercial Service, and Foreign Agricultural Service work closely with the hundreds of U.S. companies that do business in Argentina, providing information on Argentine trade and industry regulations and assisting U.S. companies starting or maintaining business ventures in Argentina.

The Embassy's Consular Section monitors the welfare and whereabouts of more than 20,000 U.S. citizen residents of Argentina and more than 250,000 U.S. tourists each year. Consular personnel also provide American citizens passport, voting, notary, Social Security, and other services. With the end of Argentine participation in the visa waiver program in February 2002, Argentine tourists, students, and those who seek to work in the United States must have nonimmigrant visas. The Consular Section processes nonimmigrant visa applications for persons who wish to visit the United States for tourism, studies, temporary work, or other purposes, and immigrant visas for persons who qualify to make the United States a permanent home.

Attaches accredited to Argentina from the Department of Justice (including the Drug Enforcement Administration and the Federal Bureau of Investigation), the Department of Homeland Security (including Immigration and Customs Enforcement, and Customs and Border Protection), the Federal Aviation Administration, and other federal agencies work closely with Argentine counterparts on international law enforcement cooperation, aviation security, and other issues of concern. The Department of Defense is represented by the U.S. Military Group and the Defense Attache Office. These organizations ensure close military-to-military contacts, and defense and security cooperation with the armed forces of Argentina.