

ARGENTINA

One month of Milei's government in Argentina: radical liberalism and anti-democratic attacks

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After just one month in office, President Milei has filed away his main campaign promise: to make the political caste pay for the economic crisis. It is indeed the workers, starting with the poorest, who are paying the price of austerity.

The main measure taken was to sharply devalue the currency and free up prices. The result was inflation of 25% in December, with no sign of it abating in the coming months. A single example illustrates the point: the increase in fuel prices at the end of December will set off a new inflationary spiral and may force a further devaluation, triggering a third round of price rises. Yet his government could have negotiated with the small handful of oil companies to at least stagger the increase. But his liberal dogmatism leads him to avoid any state intervention, even if this means moderating the impact of his measures and jeopardising the success of his economic plan. His plan loses a measure of internal coherence, while retaining its unfairness.

Milei's plan: to change the country forever

However, Milei was not content with short-term measures. In the process, he is trying to change the country forever: privatisation of all public companies, exemptions from nature protection laws, deregulation of all economic sectors, to name but the highlights. In all, hundreds of legal changes with a mega-bill and a presidential decree.

These now have to go through the Assembly. It's still not clear what the Radical Party (now centre-right) and the Peronists not aligned with Kirchnerism will do. As far as the decree is concerned, at first they were against it, but today their opposition is increasingly lukewarm. Nevertheless, certain aspects of the decree, notably the reform of labour law, have been temporarily suspended by the courts, representing an initial setback for the government. The Supreme Court of Justice is due to rule on the constitutionality of the decree.

The bill has been under debate since 9 January. Initially, the government did not want to negotiate anything, but in order to get at least a significant part of it approved, they were forced to propose amendments. The deregulation of fishing has been modified in the face of pressure from the sector, and the article requiring authorisation for any public gathering of more than three people will be withdrawn. Even the electoral reform concerning the legislative elections will be modified or even stopped. The latter was heavily criticised for moving from direct proportional representation by region to single-member constituencies. Another point of major criticism is the declaration of economic emergency, which gives the President full powers for at least two years, i.e. more powers and for longer than during the coronavirus pandemic.

National strike on 24 January and international solidarity

The legislative and judicial outcome is uncertain. It is the streets that will change the situation. There have been a number of demonstrations, albeit modest, since the decree was announced, and in some districts of the capital, people's assemblies (like those held in 2001) are beginning to spring up. But the most important thing is the national strike on 24 January. The union bureaucracy (much more powerful than the French) seems to be waking up from a four-year slumber and is calling for a one-day general strike, while calling on the Peronists (in particular former president Cristina Kirchner and the losing candidate in the last presidential election, Sergio Massa) to take action. This one-day strike and mobilisation could be the start of a solid social opposition to Milei's *liberal policies*.

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