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U.S. cooperation to normalize local capitalism?

Sources: Rebellion

The Argentine economy has been slowing down, it has been growing slower, and it is very likely that what is happening internationally will be accompanied, the course towards a recession.

The recession implies less capacity to produce, therefore, less to distribute, aggravating the situation of inequality and inequality in the distribution of income and wealth. If poverty, inequality, low wages, unemployment, flexibility, falling production plus inflation are already a problem, it will exacerbate all these problems. The horizon of increase in social conflict is not a minor fact and counts in the perspectives of objectives to "normalize" the local order. Moving away from the con is in the interest of the ruling classes, so reducing inflation is imperative.

Within the framework of these international and national conditions, inflation and recession, the government is trying to overcome what they consider the main problem: inflation. The Minister of Economy explained in these days that, if the Inflation in a significant way, the presidential elections of the 2023. At the same time, there is also concern about the agreement with the IMF, which requires reducing the fiscal deficit and increase international reserves by the end of the year. Are ending the month of November and entering the last month of 2022, so There is a rush to comply with the international organization. Between the tension by Removing conflict and fulfilling local and global power is what politics is at stake. of the ruling party, therefore, the function of Sergio Massa is strategic, as articulator of the interests of economic power to suture the essentials of the Political "crack".

Lowering inflation

For this reason, the Minister of Economy Sergio Massa has been raising in these Last few days that will induce policies for a reduction in inflation, and proposes that, by April next year, the registration oscillates between 3% and 4% monthly. For now, the records indicate an evolution of around 6 or 7% at month. If inflation continued at those values, next year we would have a inflation of 125% and not 60%, as maintained in the budget of the 2023. To reach that 60%, inflation has to be around 4% every year. month. Therefore, the strategy proposed by Sergio Massa is that in April stabilize that figure and tendentially begin to fall, and thus meet the Budget target of 60%.

La intención es que, si no se reduce al 60%, que sea menor al registro de tres dígitos con que amenaza culminar el 2022. La inflación es un tema de gran preocupación, insistamos, de cara a las posibilidades de renovar la gestión presidencial en 2023. La inflación afecta sobre todo a la sociedad empobrecida, a los sectores de menores ingresos, por lo que el objetivo de reducir el ritmo de remarcación de precios tiene base económica, pero, sobre todo, tiene un fuerte sentido político.

Ajuste para cumplir acuerdo con el FMI

Decíamos que también interesa al gobierno cumplir con el FMI, lo que implica, entre otras cuestiones, reducir el gasto público al -2,5%. Eso explica el profundo ajuste bajo la gestión económica de Sergio Massa. Son más de 100 días de profundización del ajuste programado en la gestión de Martín Guzmán y el escaso tiempo de gestión de Silvina Batakis.

Reserves also have to be accumulated in the BCRA. That is why a New version of the "soybean dollar", with updated values at which registered last September. Then, the value delivered to those who They liquidated their withheld harvests, it was around 200 pesos per dollar. About 5 billion dollars were expected and about 8 thousand were collected. Million. The policy was described as successful. The government brought in foreign currency in its accounting, at the expense of a big business for the large producer sector and Exporter of the soybean complex. By the way, it is one of the economic sectors of concentrated power in Argentina, and confirms that its demand of better type of change for its production is satisfied and in spades. They have political power and pressure capacity. Retirees cannot press in the same way, nor can they exert greater pressure. small and medium-sized entrepreneurs, nor workers. That is the so-called correlation of forces.

The pressure is strong and that is why, among other aspects, these days there were Upward trends in the exchange rate in the context of new pressure exchange rate, with growth of the illegal or parallel exchange rate, which, in a month, went from 290 to 320 pesos per dollar. To try to contain that pressure, the BCRA offered more than 1,000 million dollars, reducing its stock of reserves, So the government response, to the loss of reserves As a result of these exchange rate pressures, it again offered a Second chance of "soybean dollar", by December, now around the 320/330 pesos per dollar. This is a new opportunity to increase the profitability of large producers and exporters of the soy complex. Meanwhile, the pace of currency devaluation accompanies the records of the monthly inflation.

Throughout the month of December there will be the possibility of selling that retained soybeans, which the government estimates at about $3 billion, and as in September thought of capturing about 5 billion and 8 thousand arrived, it is likely that these 3 billion can scale to a slightly higher figure. It's important in the political conjuncture, since the Government itself says that it is not a measure permanent, but it is clearly a concession to the great economic power, which will allow show the IMF at the end of December that the agreement to increase reserves Close. It is a concession to economic power, to the great exporters of the world. soy agro-industrial complex, which are the sector that incorporates the most currency into the Argentina. But also a signal to the world power expressed in the IMF, about the orientation of local economic policy.

U.S. support

In addition, it should be noted that within the framework of what is being discussed and announced, is the result of the agreements duly agreed with the Minister U.S. Economy, Janet Yellen.

In effect, a new money laundering will be pushed to complete the one that Mauricio Macri did in his government. So, not everything escaped was whitewashed, and that is why if this money laundering is enabled, the US will facilitate the implementation of an information agreement on accounts of Argentines in the United States, of who did not declare their capital flight.

These are speculators, great fortunes, who are now very Concerned about these partnership actions between the Argentine Government and the U.S. government. That is also why the exchange rate run of these days, to To try to destabilize a certain amount and to have the agreement fall apart.

At the same time, the holders of these funds in the U.S. are trying to transfer those liquid assets to other territories of the world system, and continue hiding undeclared money and capital.

What you see behind the US support refers to what it said at the time. Stanley, the U.S. ambassador to Argentina. He asked the government and the opposition to agree on a governing coalition. Not that form a party to govern, but there are structural agreements between ruling party and opposition, because the US needs the economy to stabilize Argentina.

It is a question of achieving the stabilization of the Argentine economy and with it, of the country's economic power, which includes transnational corporations Americans with interests in the exploitation of local commons. Yes In recent times, energy investments have become relevant, especially in unconventional hydrocarbons, i.e. in the Vaca Muerta, the interest, is now in lithium.

That is the logic of the tuning of the government and the opposition, or if it is It wants, on the one hand, important of both, to agree with the IMF in its moment, USA through, and the role of Sergio Massa in this stage of strong Contradictions in the coalitions that dispute local government. The Big Unknown It goes through the social response to the adjustment and the constant deterioration of the living conditions.

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