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# CASE STUDY

## Democratic States

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# History

## for the IB Diploma

### Argentina 1983–95

Additional case study for

Democratic States – Challenges and Responses

**Nick Fellows**

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# Argentina 1983–95

## Introduction

As with much of Latin America, Argentina was invaded and extensively colonised by Spanish forces in the 16th century. Argentina remained part of the Spanish Empire until declaring its independence in 1816. However, the national boundaries that exist today only emerged later, with the creation of an independent Uruguay in 1828. Argentina became a republic in 1862. The country's political history has always been turbulent, with successive governments constantly changing between dictatorship (often military-led) and democracy.

The landed élites and military within the country were traditionally very conservative, and always feared the growth of radicalism – particularly with the rise of the new urban classes during the 20th century. The armed forces had a tradition of intervention at times of national crisis, removing the democratically elected government in order to restore stability. However, in 1983 the military government negotiated its own removal, and was replaced with a democracy that is still in place today.

At the start of the 20th century, Argentina had reached levels of prosperity that were comparable with the USA. In 1929, Argentina had the fourth largest GDP in the world. However, Argentina's economy has declined since the Great Depression of 1929. The nation's heavy reliance on agriculture and a heavily protected domestic market has particularly hindered growth and efficiency.

Economic problems dominated politics in Argentina from 1929, and proved the greatest challenge facing governments in this period – particularly those governments whose rule followed the establishment of democracy in 1983. These economic difficulties resulted in moments of severe crisis, which tested the durability of the new democratic state and resulted in military challenges to Argentina's constitution.



# 1 The emergence of democracy in Argentina

## Key questions

- Why did the military regime in Argentina collapse in 1982–83?
- Why did a democratic state emerge?
- What political, social and economic challenges did the democratic state face in 1983?
- Why was the democratic state able to survive in the early years?

## Overview

- Argentina had a long history of military rule, but military leadership grew increasingly unpopular in the second half of the 20th century. This was due to events such as the Dirty War, as well as increasing economic problems in the country.
- When General Leopoldo Galtieri seized power in 1981, he decided to gain popularity by reasserting Argentina's claim to *Las Malvinas*, or the Falkland Islands, which were controlled by Britain.
- The two-month Falklands War resulted in defeat for Argentina and the collapse of the military regime. The murder and disappearance of thousands of Argentinians, as well as a deteriorating economic situation, also contributed to the junta's eventual downfall.
- In a democratic election held in 1983, the Radicals defeated the Perónists to take power under the leadership of Raúl Alfonsín.
- The new government faced several problems in stabilising Argentina and establishing a truly democratic system. These included the power of the military, severe economic hardship, the influence of the trade unions, and poor foreign relations.
- The Radical government was able to overcome several of these problems early on, with the help of the more moderate elements in the Perónist camp. The economy began to stabilise – in part due to the Austral Plan – but this turned out to be short-lived.

## Timeline

- 1974 Jul** President Juan Perón dies and is succeeded by his wife, Isabel
- 1976** Dirty War begins
  - Mar** military removes Isabel Perón from power; Jorge Videla becomes president
- 1977 Apr** Mothers of the Plaza de Mayo (*Las Madres*) begin protests against Dirty War
- 1981 Dec** Leopoldo Galtieri becomes president after a coup ousts Roberto Viola
- 1982 Apr** Argentinian troops invade *Las Malvinas*, or Falkland Islands
  - Jun** Argentina surrenders in Falklands War; Galtieri resigns
  - Jul** General Reynaldo Bignone becomes president
- 1983** end of Dirty War
  - Dec** Radical Raúl Alfonsín becomes president after democratic elections held in October
- 1985 Jun** new currency – the austral – is introduced as part of Austral Plan to stabilise the economy

## Why did the military regime in Argentina collapse in 1982–83?

### The Falklands War

**military junta** A military group that rules a country after seizing power by force.

#### Leopold Galtieri (1926–2003)

Galtieri became president of Argentina in 1981, after a coup ousted General Roberto Viola. As president, Galtieri introduced limited political reforms that allowed the expression of political dissent. To distract from Argentina's worsening economic situation and his own declining popularity, Galtieri ordered the invasion of the Falkland Islands, or *Las Malvinas*, but Argentina's defeat by Great Britain in the Falklands War resulted in his removal from power in June 1982.



Argentina had a long tradition of military rule. In the century following its establishment as a federal republic in 1853, military leaders seized control on several occasions. Throughout the 20th century, this leadership became increasingly dictatorial. Given the history of military control in Argentina, the collapse of the **military junta** under General **Leopold Galtieri** – and the subsequent move towards democracy – has been regarded by many as a surprising development. Perhaps even more unexpected was the speed at which the junta's downfall occurred. From the mid 1970s, the events of the Dirty War (see page 6) and Argentina's growing economic problems caused increasing opposition to the military regime. However, the main cause of the junta's demise was Argentina's defeat in the Falklands War.

### Causes of the Falklands War

When Galtieri assumed power in 1981, one of his main aims was to build up a popular following by restoring Argentina's national pride. He believed that there were two ways to achieve this goal. The first was to resolve Argentina's dispute with Chile over possession of certain islands in the Beagle Channel, a narrow body of water separating Argentinian and Chilean territories. This dispute had been ongoing since the 1950s, and had nearly brought the two countries to war. However, reaching an agreement with Chile could be costly, so instead Galtieri chose a second option for restoring Argentinian honour – he decided to reassert Argentina's claim to the **Falkland Islands (Las Malvinas)**. Galtieri believed that the British, who claimed sovereignty of the islands, would do little in response to an Argentinian invasion.

Map showing the Falkland Islands and the disputed islands in the Beagle Channel



#### Falkland Islands (*Las Malvinas*)

Known as the Falkland Islands to the British but as *Las Malvinas* to Argentinians, the sovereignty of these islands in the South Atlantic Ocean has been disputed since the 18th century. At this time, both Spain and Britain established a claim to the islands – hence the Spanish and British names.



On 2 April 1982, Argentinian troops invaded the Falkland Islands and soon removed the token British forces stationed there. Mass demonstrations took place throughout Argentina in support of the invasion, and the Argentinian people championed members of the junta as national heroes. It seemed that Galtieri's aim of uniting his people and the three elements of the armed forces – the army, the navy and the air force – through military success had worked.

### Defeat and its consequences

The initial plan had been to invade, force Britain to negotiate, and then quickly withdraw Argentinian forces. However, the plan went wrong. The triumphant tone of the official propaganda caused the military to lose control of events, as unrealistic expectations of a swift and easy victory were built up. The British government refused to negotiate, drawing the Argentinian forces into a war they were ill-equipped to fight. Most of the troops were raw recruits who were no match for the well-trained and professional British army. Very few units resisted the British advance, and Argentina was soon defeated.

Ultimately, this poor military performance brought about the downfall of Galtieri and the junta. Despite the president's claims that defeat was the fault of 'foreign imperialists', returning soldiers told a different story: one of poor planning and the cowardly performance of officers. As a result, the military lost its political authority, the regime was discredited and Galtieri resigned. Despite this huge blow, the military government remained in power for a further year. However, it was bitterly divided, and the navy and air force withdrew from the junta. General Reynaldo Bignone was appointed as the new president, but he was detailed to transfer power as soon as possible, ending military rule in Argentina.

*Soldiers in the Falklands War: in the two months of the war, 649 Argentinian men were killed and a further 1400 were taken prisoner; the British lost 240 soldiers*



### Theory of knowledge

#### Nationalism

The military government of Argentina believed that winning the Falklands War would be a good way to arouse a sense of national pride and unite the country, making the junta more popular despite the country's economic problems. What is nationalism? In what ways is it different from patriotism? Does nationalistic pride make it difficult to study the history of your own country?





### Questions

According to Source A, what was the impact of the war on Argentina? How reliable is this source in explaining the impact of the war on Argentina?

### Questions

What reasons does Source B give for the collapse of military rule in Argentina? Compare Sources A and B: how did Argentina's defeat in the Falklands contribute to the collapse of military rule?

**Dirty War** The Dirty War was an effort by the right-wing military junta to remove left-wing guerrillas and their supporters from Argentina. It lasted from 1976 to 1983, during which time thousands of Argentinians disappeared or were murdered. The human rights organisation Amnesty International has suggested that some 20,000 may have been killed. No formal legal action was taken against those who were captured, as the military did not trust the judicial process. Arrests were often made on the basis of suspicion rather than evidence, and government forces did not discriminate between moderates and extremists. The Dirty War caused fear among the Argentinian population, helping to keep the military junta in power.

### SOURCE A

Defeat had certainly changed Argentina. The news of the surrender at Port Stanley marked the end of a two-month dream in which the people had begun to believe the best of their country and its leaders. The disillusionment that followed plunged the country into profound shock. The rage they felt was that of a nation which had given generously of its cash and its faith in a cause it felt to be just.

*Eddy, P., Gillman P. and Linklater, M. (Sunday Times Insight). 1983. The Falklands War: the Full Story. London, UK. Time Warner Paperbacks. pp. 262-63*

### SOURCE B

Whatever the motives, military rule had failed. Economic difficulties mounted: inflation in the 1970s; a build-up of debt coupled with recession in the 1980s. Popular pressure, now channelled through new 'social movements' – churches, civic groups, human-rights activists, independent unions, neighbourhood associations – played an important part, seconded by radical Catholic priests and intermittent US pressure. In response, Latin America's armies began a collective retreat to barracks – more precipitate following Argentina's defeat in the Falklands War.

*Howard, M. and Louis, W. R. 1998. The Oxford History of the Twentieth Century. Oxford, UK. Oxford University Press. p. 290.*

### Other causes of popular discontent

Although defeat in the Falklands was the main cause of the junta's downfall, two other significant issues contributed to the unpopularity of military rule. The **Dirty War** resulted in the deaths or disappearances of many Argentinian citizens, simply because they were rumoured to be potential opponents of the junta. Growing protests at the events of the Dirty War, particularly from the Mothers of the Plaza de Mayo (see page 7), began to rouse opposition and discredit the regime abroad.

At the same time, the economic situation deteriorated rapidly. By the end of the Falklands War, inflation was 200% of its pre-war rate, and the value of the peso had collapsed. The amount of money coming into the Argentinian economy through exported goods was not nearly enough for the country to meet its foreign debt payments, which were eventually suspended. These economic problems caused further discontent, which became increasingly militant and fuelled calls for institutional change. Despite the unpopularity and instability of the junta, its leaders were never forcibly removed from power. They eventually withdrew out of choice. The military still expected to play a role in government, and remained a major threat to democracy throughout the period 1983–95.

## Why did a democratic state emerge?

In fact, the leaders of the **Proceso** had been discussing the question of their exit from power since 1980. The government was concerned about the dire economic situation, growing internal dissent, and the negative international opinion provoked by the abuse of human rights in the Dirty War. There was an overwhelming feeling within the nation that the junta was out of touch with the needs of society.

Even during the period of repressive military rule, some of the smaller trade unions organised demonstrations. These protestors won some sympathy through brief general strikes in 1979 and 1981. Large-scale unrest was avoided, however – in part because of the fear generated by the Dirty War, but also because leaders of the larger unions had been detained or disappeared. However, protests by groups including the **Mothers of the Plaza de Mayo (Las Madres de Plaza de Mayo)** attracted international attention and made the government's position increasingly difficult.

The rule of the Proceso had damaged army morale. It was apparent that the regime was tired and had no clear objectives or policies, but the junta's leaders were unsure how to return the country to civilian rule. The profound disillusionment felt by most Argentinians, caused by the violence of the Dirty War and the humiliating defeat in the Falklands, made it easier for democracy both to emerge and to survive.

However, the transition was not simple. The military tried to preserve its influence after the Falklands War and ensure that it would be involved in future decisions, particularly over trade unions and military and economic policy. Most importantly, members of the junta wanted to ensure that they would not be prosecuted for the crimes of the Dirty War. The military's first move, therefore, was to replace Galtieri with a provisional president, General Reynaldo Bignone. Although Bignone was not associated with the junta, he was still a representative of the army. His appointment showed that the military still exerted significant power, even after its recent failings. Despite this, military leaders soon lost control of the transition to civilian rule.

As the economic crisis deepened throughout 1981 and 1982, protests increased. Unions organised general strikes in 1982 and 1983, and demanded a return to democracy as the only way to overcome the frictions and frustrations that gripped Argentinian society. Argentina had been without a democratic government for so long, however, that a true understanding of democracy was vague, and this allowed most groups to claim to support it.

## Perónists and Radicals

At this time, there were two major political parties in Argentina. One was the Partido Justicialista (PJ), commonly known as the Perónists. They took their name from their former leader, **Juan Perón**, and were centred upon Perónism – a political movement based on the programmes and ideas of the former president and his second wife, Eva Perón. The Partido Justicialista derived its name from the Spanish words for 'social justice' (*justicia social*), suggesting that the party's main concern was improving the lives of the lower classes. Perónism is usually regarded as authoritarian, but despite this it attracted support from the masses.

**Proceso** The Proceso, or the National Reorganisation Process (*Proceso de Reorganización Nacional*), was the name given to the military government that ruled Argentina from 1976 to 1983, throughout the period of the Dirty War.

### Mothers of the Plaza de Mayo (Las Madres de Plaza de Mayo)

Formed in 1977, this is an association of Argentinian mothers whose children 'disappeared' during the Dirty War. The Grandmothers of the Plaza de Mayo (*Las Abuelas de Plaza de Mayo*), a separate organisation, aims to find the stolen children whose mothers were killed during the Dirty War.

### Juan Perón (1895–1974)

Perón was a military officer and politician, three times elected as president of Argentina. His first presidency began in 1946. He and his wife at the time, Eva Duarte, were praised for their efforts to eliminate poverty and bring dignity to labourers. However, their detractors considered them dictators. Perón was re-elected in 1952, the year Eva died. He was overthrown in a military coup in 1955, but returned in 1973 and served until his death. Perón was succeeded as president by his third wife (and vice president), Isabel Martínez de Perón.



### Raúl Alfonsín (1927–2009)

Alfonsín was elected leader of the Radicals in July 1983. He went on to defeat the Perónist candidate, Ítalo Lúder, by 12 points in the election later that year, becoming the country's first democratically elected leader after the collapse of military rule. Alfonsín persuaded the acting president, Reynaldo Bignone, to let him take office before the traditional handover period of three months was over. Alfonsín served as president of Argentina from 10 December 1983 until 8 July 1989.



At first, the Perónists demonstrated some clear beliefs: a strong central government with authoritarian tendencies; freedom from foreign influences; and a 'third way' approach to economics that was neither socialist nor capitalist, but contained elements of both. This economic policy was similar to that of Mussolini's fascist regime in Italy, where workers and managers were involved in decision-making. In fact, Perónism's combination of nationalism and social democracy reflected the ideas of several fascist regimes that arose in Europe before the Second World War.

The other major political party was the Unión Cívica Radical (UCR), or Radical Civic Union – the Radicals. They emerged as a political group in the late 19th century, with ideas of extending political participation to the lower classes and bringing about social change. Politically, the Radicals were situated between the conservatives and socialists, but with views ranging from liberal to social democratic, the term 'Radical' does not mean that they pursued extremist policies. For much of their history they were the main opposition party, rather than holding power themselves – particularly during Perón's presidencies.

The Perónists and the Radicals were the two main contenders in the run-up to the election in 1983. Most importantly for the emergence of democracy, the Perónists and the union leadership were considered too close to the armed forces. The Radicals exposed links between sections of these groups and the military, emphasising Perónist associations with authoritarian rule rather than democracy, and damaging them politically. **Raúl Alfonsín**, leader of the Radicals, claimed that his party was best able to establish a true democracy, and promised there would be no union–military pact to threaten the status quo. Not surprisingly, Alfonsín won the presidential election in October 1983, securing over 50% of the popular vote. However, although the Radicals won a majority in the Chamber of Deputies (the lower house of the Argentinian National Congress), they only took 18 of 46 seats in the Senate (the upper house) and 7 of the 22 provincial governorships. This caused problems later on.

## What political, social and economic challenges did the democratic state face in 1983?

It was the sheer scale of the catastrophe facing Argentina in 1983 that allowed a democratic state to emerge. The country faced not only political problems resulting from the legacy of the Dirty War and military rule, but also economic problems – most notably inflation – that were even more pressing. A restructuring of the economy was needed to tackle the severe economic difficulties, and this would inevitably lead to conflict with the unions. In addition, the new state leaders were presented with the challenge of rebuilding democracy in a country that was no longer accustomed to a democratic system of government.

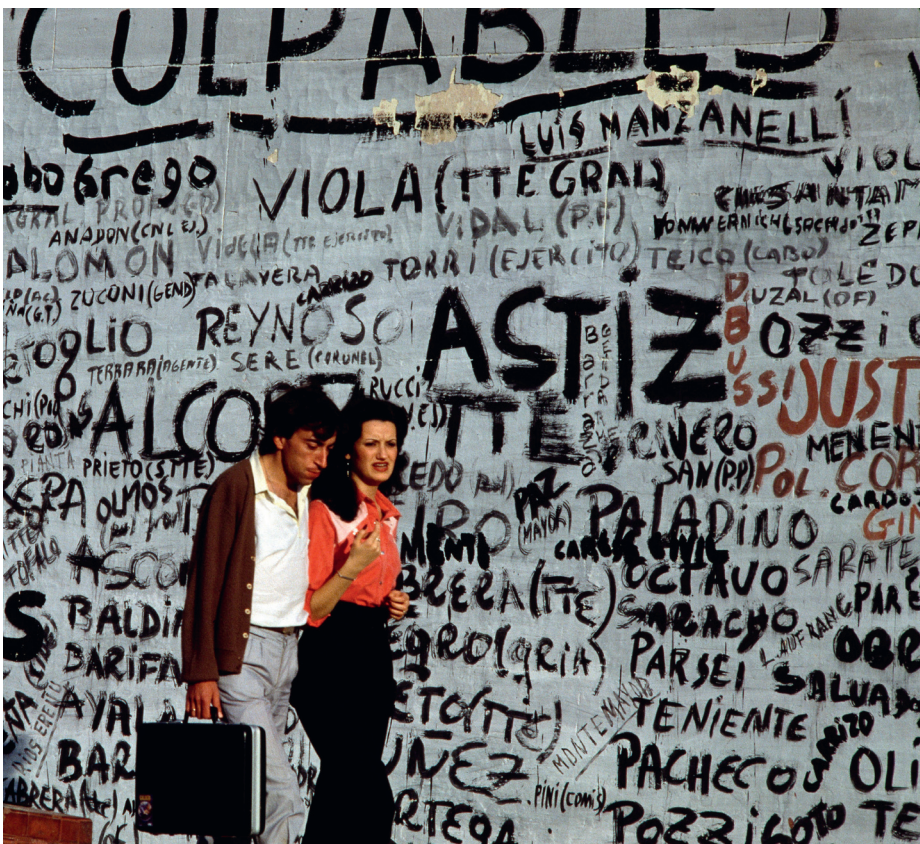
### The power of the military

The power of the military was a serious problem for Alfonsín's new government. This was seen in the military's attempts to prevent government investigations into its conduct during the Dirty War. The army demanded exemption from any inquiry on the grounds that it had been fighting an internal war, and that alone justified its actions. Even the new president was unwilling to create a special commission to investigate the crimes, and initially left the inquiry to the army itself. Alfonsín had to balance his desire to bring the military leaders to justice against the possibility that any attack on them might result in another military coup.



The armed forces expected to be consulted over both military and economic policy, and tried to get guarantees of this before handing over power. However, the rapid collapse of military rule prevented any compromise from being reached (unlike in neighbouring Brazil and Uruguay, where a more gradual handover had allowed time for negotiations). It could be argued that this haste benefited the new government, as it was not bound by any agreements and was therefore free to act as it pleased. Alfonsín wanted to make the armed forces democratically accountable, and incorporate them into a civilian state. Military leaders considered themselves above the law, but their humiliation in the Falklands had ultimately destroyed their credibility. This made the military less of a problem for the government than it might otherwise have been.

*Graffiti condemning those military officers guilty of abuses during the Dirty War – evidence of public disillusionment with the former political and military elite*



However, the military was not the only political problem. The integrity and viability of democracy as an alternative to authoritarian military rule was also under question. There were rumours that the Perónists, closely linked to the crimes of the Dirty War, had reached an agreement with the military to stop prosecutions for crimes committed during this period. The Perónists denied that such an agreement existed, but the rumours certainly contributed to their defeat in the 1983 election. The Perónists were not the only ones damaged by these allegations, though. All parties were tarnished by the political and economic anarchy that had gripped the country in the recent past, and the Radicals needed to rebuild the public's faith in the democratic process. Despite all this, the government had the advantage of considerable goodwill amongst the Argentinian people, and a realisation that civilian rule was the only way forward.

**Question**

Why did the military play such an important role in Argentinian politics?

## Economic difficulties

The economy was undoubtedly the greatest problem facing the government in 1983. Economic growth was essential if democracy was going to survive. Growth would help to bring social stability, which would aid democracy. In the past, attempts to modernise the economy had failed due to conflicts of interest, and these failures had led to the increased popularity of authoritarian alternatives to liberal democracy. Economic mismanagement by the new government might therefore lead to the collapse of democratic rule.

**GDP** Gross Domestic Product. This is the total money value of the goods and services produced by a country in a one-year period.

**absolute terms** When an economy is said to be declining in absolute terms, the figures under consideration are the simple levels of production. However, when an economy declines in real terms, the figures are being compared with those of other countries, meaning that its share of global production has dropped.

The economic situation inherited by Alfonsín's government was appalling. By 1983, the budget deficit was 14% of **GDP**; inflation was so high that it could not be measured, although it was rumoured to be the highest in the world; and Argentina had foreign debt amounting to \$43.5 billion. As a result of these problems, capital was leaving the country, hindering attempts at investment. The economy was in serious decline: between 1976 and 1982, GDP had fallen at an annual rate of 0.2%; for four out of the seven years of military rule, GDP had declined in **absolute terms**, if not real terms. In 1983, Argentina's trade and industry had dropped a staggering 20% from its 1975 level.

As a result of these problems, the number of industrial workers had fallen by 35%, and this had profound social consequences. Real income had dropped by 30–50%, but the wealthy had more of the available income – it was the poor who had been worst hit. By 1983, consumer prices had risen by more than 100% for nine consecutive years.

The challenge for Alfonsín's government was to modernise the economy while meeting the demands of industry and agriculture. Industry was protected by the state, which made it inefficient – prices were too high for Argentinian exports to compete in the international market and bring in much-needed revenue. At the same time, the new government realised that any attempt to improve efficiency or remove state control would result in large-scale unemployment and create greater social problems.

Agriculture, which had been the mainstay of Argentinian exports, needed to improve productivity to develop its export market if it was to bring in money. However, it was impossible to achieve this and establish self-sustaining growth in manufacturing. Industry was protected from outside competition by tariffs and would be unable to compete if they were removed. Other countries wanted access to Argentina's domestic market. There was thus a conflict of demands between the cities and the countryside – agriculture needed export markets to be opened up, while industry needed to be protected from overseas competition.

These problems were further complicated by the considerable power of the trade unions. The unions had worked closely with previous Perónist governments, and had therefore been a target for the Radicals in the election campaign of 1983. As a result, in 1984 Alfonsín's government attempted to reform the unions so that they were more democratic, by ensuring there were free and open elections for union leadership. However, the law proposed by the Radicals was defeated by the Perónist majority in the Senate. This was a clear indication of the problems the government would have in democratising and modernising union power.

### Question

What economic problems did the new Argentinian government face when it took power?

## Foreign policy

The government also faced significant challenges in foreign affairs. The question of the Falkland Islands could not be re-opened with Britain so soon after the war, and the government had no choice – at least in the short term – but to accept British control. There were also outstanding issues to resolve with Chile over control of the islands in the Beagle Channel (see page 4), which were strategically important to both countries. As with the Falklands dispute, this raised the issue of nationalism and pride, particularly for the armed forces. The government was eventually able to resolve the dispute through a referendum, in which 80% of the voters accepted the terms by which Chile kept the islands in the Channel.

## Why was the democratic state able to survive in the early years?

Although many people expected a Perónist victory in 1983, the fact that the Radicals won the election may have ensured the long-term survival of democracy. The Radicals represented a complete break with the past, and were not associated with the old military regime as the Perónists were. This choice represented the Argentinian people's desire to establish civilian rule, although there was also a naïve belief that a return to democracy would solve all Argentina's problems. This expectation increased pressure on the government when the initial euphoria wore off. However, at first, the Radicals were able to reach a consensus with the Perónists to preserve democracy, and this allowed the government to follow through on the tough measures needed to deal with the economic crisis.

In this, the Radicals were aided by the fact that the Perónists were in a state of shock following their electoral defeat. Divisions emerged within the Perónist movement between those who wanted to preserve the old image of authoritarian rule and close links with the unions, and those who wanted to modernise. Fortunately for the Radicals, the Perónist leadership was in the hands of the modernisers, or social democrat moderates, who were willing to compromise and work towards a consensus.

The government was thus able to begin reconciling economic and political interests, and restore some stability. Inflation dropped and industry was stimulated, restoring growth to urban society and preventing the escalation of social problems. This apparent triumph was reinforced by the initial success of the **Austral Plan**, which – for a few months, at least – seemed to stabilise the economy. As a result, government success in the economic sphere helped to create political stability and encourage a greater faith in the democratic system.

The government also enhanced its reputation by prosecuting some of the former military leaders. The punishment of **Jorge Videla** and **Emilio Massera** – who both received life sentences – sent the message that there would be democratic accountability under the new Radical government. In dealing with these leaders, the government also appeared to be drawing a line under the past, and making it clear that this was a new start for the country. However, the Radicals' failure to prosecute others involved in the Dirty War cast doubts on their long-term intentions. The government was fortunate that the armed forces had – at least temporarily – been removed from any position of political power. Discredited by the Dirty War and the Falklands conflict, the military was unable to challenge the new democracy, at least in the short term.

**Austral Plan** This plan aimed to solve the economic crisis by freezing prices and replacing the existing currency, the peso argentino, with the Argentinian austral. It was hoped that people would trust the new currency and stop exchanging theirs for US dollars, which had resulted in large amounts of money leaving the country.

### Jorge Videla (b. 1925)

A commander in the Argentinian army, Videla came to power in the coup that ousted Isabel Perón in 1976, and he remained president until 1981. When the new democratic government took over in 1983, Videla was prosecuted for the crimes that took place under his leadership, including the torture and murder of activists and political opponents. Found guilty of these crimes, Videla was imprisoned but was pardoned and released five years later. In 2007, this pardon was overturned and Videla was once again incarcerated.



### Emilio Massera (1925–2010)

Massera was an Argentinian military officer and took a leading role in the 1976 army coup. After the Radicals came to power in 1983, Massera was put on trial, found guilty and sentenced to life imprisonment. Like Videla, Massera was later freed long before his full sentence had been served, but he was imprisoned again in 1998.



## End of unit activities

- 1 Work individually. Half the class should take the viewpoint of an army officer and the other half the viewpoint of a supporter of democracy. Read through this unit again and write down:
  - the aims of your group
  - the key concerns held by your group at the end of 1983
  - what action your group should take to secure its aims.
- 2 Create a spider diagram outlining the problems faced by the new democratic government in 1983. Now draw a chart with three columns. In the first column, list the problems you have identified; in the second column, explain the problems in detail; in the last column, assess how serious the problem was.
- 3 On the basis of the evidence in this unit, how accurate is it to describe the survival of democracy in the period 1983–84 as a miracle? Discuss in pairs.

### Discussion point

Why was the government able to survive the early years of its rule?

## 2 The nature of Argentinian democracy

### Key questions

- How strong were the democratic governments?
- How much support was there for democracy?
- How democratic were the elections and the constitution?
- How strong were political parties?
- How influential were pressure groups?

### Overview

- Alfonsín's government faced considerable difficulties due to both the legacy of military rule (particularly the Dirty War), and a series of economic crises.
- Trials of those implicated in the Dirty War aggravated the armed forces, while the final time limit placed on these court proceedings sparked protests by the Argentinian people.
- A failed army rebellion in 1987 showed that the military was still a potential threat, but the people's support for democracy was stronger.
- The Radical government did enjoy early economic and foreign policy success, but the 1987 election saw the Radicals lose support and the Perónists make gains.
- The Perónists won the general election held in 1983, and Carlos Menem became the new president. The election was a triumph for democracy, as it witnessed the first peaceful handover from one elected government to another, without any attempt by the military to intervene.
- Menem had a great deal of popular support because of the severity of the economic crisis he was now in charge of resolving.
- Although some of Menem's policies strengthened the democratic state, scandal and accusations of corruption – as well as Menem's increasingly personal rule – undermined the development of a fully democratic system.
- The Olivos Pact of 1993 was ambiguous in its contribution to Argentinian democracy: although it allowed Menem to be re-elected in 1995, it was negotiated democratically and introduced certain limits to presidential power.
- In the 1980s, other political parties developed in Argentina, which gave voters a wider range of ideologies and policies from which to choose.
- Pressure groups including the trade unions, *Las Madres* and the armed forces all exerted influence on successive governments.

### Timeline

- 1983 Oct** Raúl Alfonsín elected president; Radicals come to power
- 1987 Apr** army rebels against government investigations of crimes committed during Dirty War; nationwide demonstrations in support of government
- Sep** Radicals suffer congressional and provincial defeats in legislative election
- Nov** Perónists organise a general strike
- 1989 May** general election held; Radicals lose power to Perónists
- Jul** Alfonsín hands over power to new president, Carlos Menem
- 1993 Nov** Olivos Pact signed, amending Argentinian constitution
- 1995 May** Menem remains in power after general election

## How strong were the democratic governments?

### Alfonsín's government, 1983–89

**pluralist democracy** A political system in which there is more than one centre of power or possible power. All democracies are pluralist because there is always more than one political party, and people are free to choose their political affiliation.

The strength, and therefore success, of democracy in Argentina depended on the ability of the government to solve the catastrophic economic problems that engulfed the country. With no tradition of democracy, there was a real danger that instability would lead to the armed forces seizing power again. The government also had to remove the feeling of authoritarianism that pervaded national life in 1983. Although there was a popular desire for the establishment of a **pluralist democracy**, where people could participate freely in the political process and express opinions through free speech, the goodwill that greeted Alfonsín's government would not last if it failed to deliver significant economic progress.

### Early difficulties

Because of the severity of the economic situation in 1983, Alfonsín's government sought co-operation with the other main political force – the Perónists – but this support was not always forthcoming. The Perónists took on the role of an opposition party, and adversarial politics became the norm. The Radicals' position was weakened because of the situation in the Senate, where the Perónists had won 21 out of 46 seats and the Radicals only 18. This meant that the Perónists could block legislation. With a Radical majority in one chamber and a Perónist majority in the other, the two parties could in effect cancel each other out, and there was no agreement as to how to resolve the issue. There were two options that might have allowed the Radicals to govern effectively: they could pressure the Perónists into supporting legislation by threatening to **rule by decree**, which would undermine democracy; or they could negotiate with the opposition in the hope of reaching a compromise, which would strengthen democracy but which might be a slow process with no guarantee of success.

**rule by decree** This is where the democratic process is abandoned and the president uses emergency powers to rule without parliament, and issue laws without parliamentary approval.

### Later successes

Early economic successes such as the Austral Plan (see page 11) strengthened the government, but the nature of Alfonsín's rule started to change. The party began to play a more marginal role, as Alfonsín brought in professionals and independent advisors to help run the country. The fact that these advisors were unelected damaged the democratic process.

Alfonsín's own position was strengthened as a result of foreign policy success. He resolved the Beagle Channel dispute with Chile, gradually improved relations with Britain following the Falklands conflict, enhanced Argentina's international image by contributing to the peace process in Nicaragua, and strengthened ties with the USA. The government appeared strong, but it was apparent that its commitment to democratic processes was weak.

### The decline of the Alfonsín government

A legislative election held in 1987 resulted in dramatic defeats for the Radicals. They lost their overall majority in the Chamber of Deputies, and at a provincial level they lost 16 out of 21 provinces to Perónists. More than ever, the government was dependent upon Perónist support. However, this support did not materialise – the Perónists organised a general strike in November 1987, and blocked measures to reduce the deficit. Alfonsín still had two years of his presidency left, but he was increasingly seen as a 'lame duck' president, unable to pass legislation unless the opposition approved.



Just as importantly, attempts to bring to justice those responsible for the Dirty War did little to strengthen the government. The measures taken simply did not go far enough to satisfy the public, but they still antagonised the army. Under pressure from the public, Alfonsín had ordered that the military put the leaders of the regime on trial. However, there was little faith that the military courts would conduct an unbiased trial, demonstrating the lack of control the democratic government still had over the military. This view was strengthened in 1987 when, following an attempted military coup, Alfonsín negotiated with the army despite massive civilian support for democracy.

### Menem's government, 1989–99

Despite the apparent weakness of the democratic process, the general election held in May 1989 proved to be a major triumph for democracy. The economic situation in Argentina in 1989 was far worse than it had been in 1983. In the past, this would have been the very time that the military seized power. The fact that a general election was successfully carried out during such an economic crisis was a major step forward for Argentinian democracy, and reflected the growing political stability within the country.

However, the scale of the economic crisis and defeat at the polls to Perónist candidate **Carlos Menem** caused Alfonsín to resign in July 1989, five months before the scheduled transfer of power to the incoming president. The process of the transfer was remarkably smooth – the first time that power had been successfully handed over to a democratically elected rival since 1916. In the past, elections were seen not as a process by which power was transferred from one party to another, but rather as a way of establishing **political hegemony**, which would be followed by a change to the constitution to consolidate that power. Thus, elections were used to strengthen the position of those already in power, and so could actually be anti-democratic in nature.

The Radicals may have failed to solve Argentina's problems, but they had at least revived trust in democracy and made it popular again. The government fell not because people wanted an end to the democratic process, but because the Radicals had failed to secure the economic stability that the country so desperately needed.

### The challenges facing Menem

Although Menem did not have a large overall majority, he built a coalition with smaller parties and, having won 50% of the seats, was easily able to establish a majority government. Menem also had the support of the unions, which broadened the government's support base. Menem was determined to restore Argentina's credibility, and his actions in forming his first cabinet did much to strengthen democracy. The cabinet comprised not only Menem's supporters from provincial politics, but also members of the traditional Perónist labour bloc, reformists who had previously opposed Menem, and free-trade economists. Menem had initially opposed state reform, but was now willing to support it, along with the sale of state corporations. His efforts to address Argentina's financial problems and to control inflation did much to help him win favour.

**Carlos Menem (b. 1930)** Menem was born in La Rioja province, the son of Syrian immigrants. He worked as a travelling salesman before enrolling as a law student at the National University of Córdoba. Menem became a strong supporter of Perónism, and was briefly imprisoned in 1956 after taking part in an unsuccessful plan to restore Juan Perón to the presidency. Menem was elected president of La Rioja in 1973, and again in 1983. In 1989, he carried the Perónists to victory in the general election, and remained president of Argentina until 1999.



**political hegemony** The establishment of political domination, so that other parties are excluded from power. In this way, the governing party aims to ensure that it remains in power.

### Eduardo Duhalde (b. 1941)

Duhalde became a member of congress in 1987, and was appointed vice president to Carlos Menem in 1989. Splits within the Perónist party over the direction of economic reform, particularly over cuts in public spending, resulted in Duhalde's resignation in 1991. He ran for president in 1999, but was defeated by Fernando de la Rúa and came in second place with 37% of the vote. However, following the collapse of la Rúa's government due to an economic crisis, Duhalde became president in 2002.



### Maria Julia Alsogaray (b. 1942)

A close supporter of Carlos Menem, Alsogaray was put in charge of the privatisation of the ENTEL state phone company in 1990, and the Somisa state steel works the following year. Accusations of corruption began when Somisa was sold in 1992 for far less than Alsogaray's predecessor had estimated. In 1990, she controversially claimed a relationship with the recently divorced Menem.



## The undermining of democracy

Although the government remained strong – at least in the early years – Menem often resorted to rule by decree or 'personal intervention', which slowly began to undermine confidence in the democratic process. Menem would often play off one faction within the Perónist movement against another, thus weakening any potential challenges to his power. The most notable example of this was Menem's break with his vice president, **Eduardo Duhalde**. Despite his majority in both houses of congress and his control over the majority of governorships, Menem also struggled to discipline the party, and often resorted to corruption to keep factions on his side.

Menem undermined democracy through personal intervention, cronyism (the employment of close friends), corruption, incompetence, and resorting to rule by decrees of 'urgency and necessity'. His tendency to interfere with electoral rules did little to enhance the credibility of the voting system. Most notably, his government was hit by scandals linked to the privatisation of state-run businesses. **Maria Julia Alsogaray** was forced to resign from government over illicit profits, bribery and collusion. Then, perhaps more damagingly, Menem's in-laws – the Yoma family – were seen to have used their control over customs to make money, and to be connected to schemes of bribery, corruption and drug trafficking.

As time passed, the government increasingly seemed to be returning to the old days of domination by an élite who wished only to line their own pockets, and who viewed elections as a way of preserving their own power. The decision to alter the constitution to allow Menem to run for a second term in 1993 only reinforced these concerns. In fact, the Radicals had also considered changing the law to allow Alfonsín to seek re-election, indicating that they were also more concerned with preserving power than upholding the constitution.

## How much support was there for democracy?

Despite the problems facing both Alfonsín and Menem's governments, support for the democratic process did not waver. Certainly people now realised that democracy was not an easy solution to all of Argentina's problems, but there was little desire to return to the authoritarian regimes of the past. Perhaps the clearest indication of support for democracy was the extent of popular demonstrations in support of the government when it was challenged by the army in 1987.

In order to draw a line under the Dirty War, Alfonsín's government had initiated the Last Stop Law or 'end point', setting a deadline for prosecutions relating to crimes committed during the Dirty War. Instead of bringing closure, this law prompted a huge number of charges and infuriated the army. On 14 April 1987, Major Ernesto Barreiro declared his opposition and refused to appear in court. He rallied troops at a base near Córdoba. Three days later, on 17 April, Colonel Rico organised the occupation of the Campo de Mayo army base in Buenos Aires, in support of Barreiro. The army refused to attack the rebels. This uprising was known as the Easter rebellion.

The rebels' actions unleashed large-scale demonstrations in support of the government. The unions of the **General Confederation of Labour (CGT)** (see page 17) called for a general strike to last until the rebellion ended. The leaders of all political parties, the industrial and producers' organisations, the unions and the Catholic Church all signed a petition pledging their support for democracy.

As the situation developed, thousands gathered in the Plaza de Mayo in Buenos Aires and declared their support for democracy, and their willingness to stop any attempt by the military to regain power.

This popular opposition to the army may explain why the military did not intervene in 1989, when the economic crisis was severe and Alfonsín had lost the presidential election, but was supposed to remain in office for a further six months. Alfonsín's ability to hand over power early to an elected successor suggests that the democratic process was gaining acceptance, and that the army felt it could no longer intervene when a crisis developed.

The emergence of new political parties after 1983 also signified growing support for, and trust in, democracy. The political system was no longer dominated by the Radicals and Perónists; in fact, their support gradually declined throughout the 1980s and 1990s. This suggests that even if the two major political parties were not satisfying the demands of the electorate, a pluralist and open political system was developing, and there was healthy competition in the party system.

**General Confederation of Labour (CGT)** An umbrella organisation that played a leading role in the Argentinian union movement.

**SOURCE A**

*A demonstration against the attempted military coup in 1987, with people pledging support for democracy and the current government*



**Questions**

What does Source A suggest about the support for democracy in Argentina? How useful is this source for historians studying the establishment of democracy in Argentina in the period 1983–95?

**How democratic were the elections and the constitution?**

**The electoral system**

Elections to the Chamber of Deputies were made by the 'closed list' system, which placed a great deal of power in the hands of political parties. The parties drew up a list of candidates in rank order, and the chances of being elected therefore depended on how far up the party list the candidate was – the nearer the top, the greater the likelihood of being elected. In many ways this removed power from the electorate, as electors voted for a party rather than for an individual candidate. The closed list system also made party bosses very powerful.



The electoral system in Argentina meant that aspiring politicians focused on making a name for themselves within their party, rather than campaigning to win votes from the electorate. It could therefore be argued that the system reduced democracy, and increased the influence of the political élite who drew up the party lists. Although this practice did not discourage participation in the elections, this may have been because the people were so disillusioned with military rule that they believed any return to democracy – even a limited and compromised version – was better than the old system.

### The 1983 election

The 1983 election was a landmark in Argentinian political history as it was the first time that the Perónists, or PJ, had been defeated in a free and open election. The UCR, or Radicals, polled just over 50% of the popular vote. The Radicals were able to win the support of many from the centre-right, but most notably they won a clear majority among the female and youth electorate. They triumphed because they promised reform, and were not associated with the old regime and old political methods. The PJ's connection with the past was illustrated by the party invoking the legacy of Juan and Eva Perón during the election campaign, in an attempt to appeal to voters' old loyalties. However, there were many ex-Perónist supporters who did not vote, or who voted for the Radicals, because they disapproved of the PJ's close links to the events of the Dirty War. Many did not believe that the PJ could be defeated in a free election, and yet the Perónists were able to poll only 39% of the popular vote.

A further indication of the development of the democratic process was Alfonsín's use of a referendum in 1984 over the disputed border with Chile. This was a clever tactic: fearing a nationalist backlash from the army, Alfonsín put the proposed agreement to a popular vote and gained 80% support for the deal. This made it very difficult for any group to attack the settlement, and gave the army little choice but to accept the decision.

#### SOURCE B

*An election poster for Raúl Alfonsín, 1983. The text reads 'Now Alfonsín. Together, so that Argentina wins.'*



#### Question

With reference to their origin and purpose, assess the value and limitations of Sources A (on page 17) and B for historians studying the strength of democracy in Argentina in the period from 1983 to 1995.

## The 1985 election

Mid-term elections were held in 1985, and resulted in a decline in the position of the Radicals. Their vote dropped from 50% to 43%, but support for the Perónists also dropped, from 39% to 34%. Smaller parties began to make progress, suggesting that a two-party system was no longer inevitable. The Radical decline continued from the high point of 1983, largely because of their inability to solve the economic problems that engulfed the country.

## The 1987 election

The 1987 election was a major defeat for the Radicals, who lost their overall majority in the Chamber of Deputies. This meant that they would be dependent upon the support of other parties to pass legislation. In addition, the Perónists increased their seats in the Senate from 103 to 108, making it even harder for the Radicals to implement policies. The Perónists also secured control of 16 out of 22 provincial governorships, and five out of seven provinces. At the very point at which the Radicals needed to take control of public spending, the localities – where most money was spent – fell into the hands of Perónists, who supported large-scale state spending.

### Election results 1983–1987

Year	% of vote for Radicals/UCR	% of vote for Perónists/PJ
1983	50	39
1985	43	34
1987	37	41

## The 1989 election

The 1989 election brought inevitable defeat for the Radicals and saw the return to power of the Perónists. However, the vote was more anti-Radical than pro-Perónist. Under Carlos Menem's leadership, the Perónist programme was vague, offering slogans rather than solutions to the economic problems. As a result, the electorate had little idea what policies they were voting for, but decided that a change was necessary in light of Alfonsín's failure. In the 1991 election Menem's share of the vote dropped by 4%, but he still maintained a clear majority.

## Menem and electoral change

The Argentinian constitution limited the president to one term of six years, but Menem wanted to stand again in the general election scheduled for 1995. In order to achieve this, he needed to change the constitution, which required the support of two-thirds of parliament. He therefore began negotiations with Alfonsín to gain the necessary backing from the Radicals. The Radicals agreed to what became known as the **Olivos Pact**, preferring to do a deal with Menem rather than have the changes pushed through by decree and then upheld by the Supreme Court (where Menem had increased the number of judges so that he was guaranteed a majority). The two parties drafted a series of reforms that were approved by a national vote in 1994.

### Question

Why did support for the Radicals decline, and support for the Perónists increase, during the period 1983–87?

### Discussion point

What do you think was the most important factor in determining the fortunes of political parties in Argentina? Why do you think this factor was so important?

**Olivos Pact** An agreement signed in November 1993 by the president, Carlos Menem, and the Radical opposition leader Raúl Alfonsín. It resulted in a number of reforms to the constitution, including allowing the president to stand for re-election, although the length of term in office was shortened from six to four years. All changes outlined in the Olivos Pact were approved by a national vote.

There were both advantages and drawbacks to the Olivos Pact as far as democracy was concerned. The president could stand for re-election, allowing the continuation and possible dominance of one figure in office. However, the length of tenure was reduced from six to four years, making the electoral system similar to that of the USA. Democracy was further strengthened by the limits imposed on the president's use of rule by decree (see page 14). President Menem frequently resorted to decree rather than legislative action and review. This had allowed him to sideline the democratic legislative process and adopt a more personal style of government.

The democratic process was also enhanced by a change in the way senators were elected. In the past, they had been selected by the provincial legislature, but now they would be chosen by popular vote, increasing their accountability to the electorate. Three senators would be elected for each province, instead of two – the third would represent the party that gained the second highest number of votes in the province, ensuring a wider representation of views.

### The 1995 election

The greatest challenge to Menem in the 1995 election came from a former member of the PJ, José Octavio Bordón. Bordón had broken away from the Perónists, and ran as the candidate for the Solidarity Front. This party brought together the progressives and the reform-oriented parties, who had previously campaigned against each other and therefore split the left-wing vote. Although Menem won the presidential election comfortably, securing 49.5% of the vote, Bordón polled 29.6%. This proved that the system did allow the emergence of new parties, and that Argentina had entered a new political era: one in which pluralism could develop despite the challenges caused by economic problems.

#### Discussion point

When do you think democracy was at its strongest in the period from 1983 to 1995?



#### Theory of knowledge

##### Political parties

In democracies, voters usually have a wide range of political parties from which to choose, offering a variety of policies and solutions. Free, democratic elections allow the population to decide whether or not the present government should continue in office. This means that the opposition has to be free to offer alternative views. What are the roles of political parties in a democratic state? How far did political parties in Argentina fulfil these criteria during the period 1983–95?

### How strong were political parties?

In the last years of military rule in Argentina, the two main political parties – the Radicals and the Perónists – were able to claim allegiance to democratic principles. Historically, Argentinian political parties lacked internal democracy: rather than campaigning to gain favour with the voting public, most politicians focused on securing their position within the party. The lifting of the ban on political parties during the last year of military rule provided clear evidence of the desire among the people for political competition. Over 1.3 million Argentinians joined political parties in 1983–84.

### The development of the Perónist 'party'

One major democratic development was the emergence of the Perónists as a political party. Before 1983, the PJ had been more of a political movement than a political party. It had been founded in 1946 to represent organised labour, but it came to be heavily influenced by the military. As an organisation that represented both labour – and therefore the working class – and nationalism, the Perónists crossed class boundaries. Under Juan Perón, the PJ had been authoritarian in outlook, and had been the least democratic of the 'parties'. Its strength lay with the support of the urban working classes and in the north-west of the country, where rural workers were controlled by union leaders. The Perónist movement also gained favour among those who worked in the state sector, as it supported a large state and protected state-controlled industries.



The shift from an authoritarian leadership to a more democratic one came about because of the Perónists' defeat in the 1983 election. They realised that they needed a new image, and began a process of democratisation. Defeat in 1983 also caused a division within the movement that resulted in the emergence of a 'Renovation' group, who wanted to modernise Perónism and make it more democratic. This group broke with the traditional party leadership, and even ran a separate campaign in the 1985 election. This encouraged a more democratic approach, seen most clearly in party members electing the candidate for the presidential election of 1989.

This internal party contest between Menem and **Antonio Cafiero**, president of the PJ and governor of Buenos Aires, was expected to be won by Cafiero. He had the support of the unions and was a national figure, whereas Menem was seen as provincial. However, it was the more charismatic Menem who was chosen. Menem's success was a result of his direct appeal to party members, who believed he stood for justice and honour for the poorer elements of society. Menem's victory was a clear indication that the PJ had changed from being a movement anchored to the trade unions to a more traditional political party. This was also demonstrated by the development of committees within the party, the expansion of a district organisation and the decision to elect the PJ's national leadership by direct vote.

### SOURCE C

The 1983 Perónista defeat in free elections had unexpected consequences. The outcome could be interpreted as the end of one political era and the beginning of another; this was the dominant perception among the Radicals. The Radicals thought that the Perónista defeat, as well as the crisis that broke out among its rank and file, forecast the disintegration of this formerly powerful political force.

Bethell, L. 1993. *Argentina Since Independence*. Cambridge, UK. Cambridge University Press. p. 393.

**Antonio Cafiero (b. 1922)** A member of the Justicialist Party (PJ), Cafiero founded the Movement for Unity, Solidarity and Organisation – a reformist faction of the party – in September 1982. However, the faction did not win enough support for Cafiero to be nominated as the Perónists' candidate for the general election in 1983. In 1987, Cafiero was elected governor of Buenos Aires province. He ran in the primary election to choose a Perónist candidate for the 1989 presidential election, but lost to Carlos Menem.

### Questions

Why was the Perónist defeat in 1983 so surprising? Why did the Radicals think that this was the beginning of a new political era? How accurate is the view that the 1983 electoral defeat witnessed the disintegration of a powerful political force?

The emergence of the Perónist party as a full supporter of the democratic regime became clear over the Easter of 1987, through its response to the attempted military seizure of power. In the past, the movement's support for constitutional government had been conditional – Perónists often excluded themselves from power rather than involving themselves in the governing process. However, this time, with the regime under threat, the PJ offered unconditional support to the Radical government. Not only did this help the government to survive, but it also created the conditions in which the longer-term survival of democracy was viable. There was now the possibility of alternating power between the two main parties, rather than the PJ looking to overthrow the system.

Menem's election also represented the broadening of the PJ's support base. Until his leadership, the party had not appealed to the landed élite (although the economic failure of the Radical party did encourage some to join). The party also gained some middle-class support in both 1992 and 1995, as this section of society feared a return to the economic chaos that had occurred under the Radical government.

### Question

In what ways did the PJ change in the period from 1983 to 1995?

### Discussion point

Do you think the PJ is more of a political movement than a political party?

Despite apparent moves towards democracy within the party, however, the change to the constitution that allowed Menem to stand for re-election saw the Perónist party return – at least in part – to some of its former traditions. The increasing concentration of power in the president's hands indicated a shift towards the personalism that characterised the rule of Juan Perón. This view was given further credence by Menem's abuses of power while president, most notably his use of non-democratic decrees and the corruption and scandals associated with his administration.

## The development of the Radical Party (UCR)

The Radical Party, or UCR, emerged in the 1890s. It developed from a group of dissidents in Buenos Aires, but by the 1950s had become more associated with urban and rural middle-class supporters. In the 1980s, however, the UCR began to gain some support from the working class, which contributed to its electoral success in 1983. The Radicals were the only major group not associated with military rule and the failings of the past, and this is the most important reason for their success in 1983.

## Other political parties

Until the 1990s, opportunities for smaller political parties in Argentina were limited. These parties had traditionally depended upon the weakness of the two main parties, or co-operative strategies employed by non-democratic governments, to widen their base of support. Socialist parties had never been strong, particularly with the emergence of the PJ and the influence of the unions over the workers. It was only in the 1990s, with the formation of FREPASO – a loose federation of parties – that the socialists gained more prominence. The other main party to emerge was the Union of the Democratic Centre (UCD), which was founded in 1982. This more right-wing group favoured minimal state intervention, but it never achieved a large following outside Buenos Aires.

The most significant year in the development of democracy in Argentina was 1989. This was when new political groups emerged, competition between parties expanded, and the transfer of power from one party to another was carried out peacefully. All these were clear signs that democracy was gaining a foothold in Argentina.

## How influential were pressure groups?

There are two main arguments about the role of pressure groups in a democracy. Firstly, it can be argued that such groups involve more people in the political process, opening it up to a wider range of influences. However, others argue that pressure groups have a damaging effect on democracy, as non-elected bodies and groups are able to influence government policy and therefore reduce the power of the elected government.

## The 'Mothers' and the 'Grandmothers'

In Argentina, there was a range of pressure groups – most notably the unions and the armed forces (particularly the army) – who were able to influence government policy. However, it was the Mothers of Plaza de Mayo (*Las Madres*), joined later by the Grandmothers of the Plaza de Mayo (*Las Abuelas*), who had the greatest impact on Alfonsín's government in its early years. Their persistence in calling for an investigation into those who disappeared during the Dirty War, and for prosecutions of those who were guilty, put considerable pressure on the government and resulted in court proceedings beginning in the summer

### Activity

To set the political developments within Argentina in context, find out which parties or groups ruled Argentina during the period from 1900 to 1983. You might display your answer as a timeline. What does this show you about democracy in Argentina in the 20th century?

of 1983. These women forced the government to agree to military trials for the officers who had directed the military dictatorship from 1976 to 1983. The groups also successfully pressured Alfonsín into establishing a National Commission Concerning the Disappearance of Persons, which reported in September 1984.

*The Mothers of Plaza de Mayo (Las Madres) demonstrating in Buenos Aires in January 1983.*



### Discussion point

Why do you think the Mothers of the Plaza de Mayo were successful in persuading the government to prosecute military leaders guilty of crimes from the Dirty War?

However, this did not satisfy the ‘Mothers’ and ‘Grandmothers’, and they pushed the government to move the trials to civilian courts, where the protestors believed there was a greater likelihood of justice. Trials of the senior commanders from the Proceso (see page 7) began in April 1985, but some members of the pressure groups wanted those of lower rank to face trial, too. Under pressure from the army, and with the threat of a military coup, the government put forward the Due Obedience Law, which protected anyone from prosecution as long as they could show that they had simply been following orders. In proposing this law, it is clear that the government feared the military more than it did the power of the pressure groups.

### Families of the Victims of Subversion

At the same time as *Las Madres* and *Las Abuelas* were campaigning, a group known as the Families of the Victims of Subversion emerged. They demanded justice for those who had been attacked by guerrilla and insurgent forces during the Dirty War. A significant number of police officers and members of the armed forces had been killed during these attacks, and the Families of the Victims of Subversion wanted the perpetrators brought to trial. Although the organisation was not as large as *Las Madres* and *Las Abuelas*, its members spread rumours of military protests against the government and even of possible coups to remove the government. These rumours may have had an impact on the government’s handling of the most influential pressure group – the army.



### Theory of knowledge

#### History and evidence

The records of those who disappeared during the Dirty War are often missing – many of them destroyed by the military or police so that the victims could not be traced. How does this explain some of the difficulties a historian faces in their research?

### Discussion point

Why do you think the Families of the Victims of Subversion had less success than *Las Madres* in their campaign for justice?



## The armed forces

Although the armed forces were no longer the ruling power in Argentina, fear of another military coup allowed them to exert enormous influence on the government after 1983. The military had already taken steps to protect itself from being held accountable for the Dirty War. For example, before leaving power, the military government passed the Law of National Pacification, which granted amnesty to all military and police personnel for actions taken since 1976.

Once the regime change had taken place, the military still influenced government policy, particularly its response to the Dirty War. In October 1985, for instance, Alfonsín granted members of the armed forces a pay rise of 25%, despite the harsh economic conditions. Alfonsín also tried to bring to a close the legacy of the Dirty War, by establishing a time limit for bringing forward prosecutions for crimes during the war. This backfired, however, as it encouraged cases to be placed before the courts. Army unrest grew as a result of this, culminating in the Easter rebellion of 1987 (see page 16). To end the rising, Alfonsín made a deal with the army, proposing the Due Obedience Law (see page 23).

## The trade unions

The trade unions had close links with the Perónist movement, and it was widely expected that this allegiance would secure a Perónist victory in the 1983 elections. However, when the Radicals triumphed in the election, trade union influence on government policy naturally declined. In fact, the Radical government exploited internal conflict in the trade unions to strengthen its own power, and created more independent unions by forcing through democratic reforms to the unions.

The power of the unions was not so easily removed, however, and several old union bosses were still re-elected. The unions remained strong enough to challenge the Radicals' economic policies, particularly wage cuts and the introduction of the Austral Plan. Their influence was clearly seen in 1985 when, with elections looming and public workers and pensioners on strike, the government capitulated and offered a 5% salary rise to all public workers, and a 25% rise to school teachers. Throughout Alfonsín's presidency 13 general strikes took place, but although this was far more than during military rule – when unions had been suppressed – union action had little impact until public confidence in the government began to wane.

Contrary to expectations, the influence of the trade unions on the government was no greater under Carlos Menem than it had been under Alfonsín. Instead of following economic policies that favoured the workers, Menem's government took harsh measures, and this added to the split within the unions that weakened their position. Union members disagreed over the best way to deal with the government's economic policies. Some wanted to back the government, believing that Menem was the best person to protect their interests; others set up the Argentinian Workers Congress (CTA), which attacked the economic reforms and the labour legislation introduced by the government.

The reduction of union influence became clear in September 1990 during the telephone workers' strike, when union leaders were simply dismissed. The government policy of selling off state-owned enterprises led to a reduction in the number of workers – and consequently of union members – further limiting the unions' influence. Alfonsín's government failed to democratise the unions, but Menem's government was more successful. It introduced measures to ensure

secret, direct and obligatory voting in union elections, to limit the time leaders could hold their posts, and to allow the government to oversee the elections. However, this Labour Reform Law was defeated in the Senate again, showing that union influence had not been completely destroyed.

### Other pressure groups

Two other pressure groups merit consideration here: business groups and right-wing ultranationalists. Traditionally, business groups had little influence on government, largely because many of the large industrial enterprises were state owned, and because of the links between the Perónists and unions. Under Menem it initially seemed that this might change, as members of such business groups were offered minor government posts. However, increasingly Menem passed these positions to his own supporters, and the influence of business groups declined.

The right-wing ultranationalists wanted to restore national pride, but their attempts to influence policy were never successful. They tried to rally the nation over the border dispute with Chile, to show that the military still had a vital role to play in Argentinian society. However, a referendum in November 1984 gave the government the support of 80% of the nation, and showed that there was little enthusiasm for ultranationalism after the Falklands War.

Pressure groups within Argentina declined in influence through the 1980s and 1990s. This represents a major change from the days of Juan Perón or military rule, when the unions and armed forces were significant powers. These two groups tried to halt their declining influence, and forced the governments into compromises, but overall it was the democratically elected governments that had greater influence in decision-making in Argentina during this period.

### End of unit activities

- Using the information in this unit, draw up a table to outline the strengths and weaknesses of democracy in Argentina between 1983 and 1995. Then discuss whether the strengths outweigh the weaknesses. Write a concluding paragraph of 150 words explaining your view.
- Who did more to strengthen democracy in Argentina, Raúl Alfonsín or Carlos Menem? Make a list of the ways in which each strengthened and undermined the democratic process in Argentina. Write a concluding paragraph that reaches a supported judgement as to which leader did more.
- Write a biography for either Raúl Alfonsín or Carlos Menem. This should not simply be an outline of their life, but should focus on what they did for Argentina and why they should be seen as important.
- For each of the pressure groups discussed in this section, create a table to show how they would have viewed the presidency of both Alfonsín and Menem. Use the example below as a starting point. You can add other groups to the chart.

Pressure group	Alfonsín	Menem
Armed forces		
Trade unions		
'Mothers' and 'Grandmothers'		

#### Question

How influential were the Argentinian trade unions in the period 1983–95?



#### Theory of knowledge

##### Pressure groups

Political theorists disagree about the role of pressure groups in a democratic society. As pressure groups are not elected by the population, there is a question mark over the democratic validity of their influence. Pressure groups represent particular interests, and can exert influence on the government through their social power or financial weight. Should unelected bodies be prevented from influencing government policy, or do pressure groups ensure that all interests are heard by the government?

#### Discussion point

In what ways do pressure groups help:

- to uphold democracy?
- to undermine democracy?

What do you think their role should be in a democratic state?



# 3 Economic and social challenges

## Timeline

**1983** Argentina's external debt exceeds \$45 billion

**Dec** Bernardo Grinspun made minister of finance and put in charge of economic recovery plan

**1985 Feb** Juan Sourrouille takes over as minister of finance

**May** IMF suspends loans to Argentina

**Jun** Austral Plan and new currency (austral) introduced

**Oct** wage concession starts a spiral of inflation

**1986 Feb** Radicals introduce policy changes to Austral Plan

**Apr** further changes to Austral Plan fail to stabilise economy

**1987 Feb** Little Austral Plan announced

**1989 May** annual monthly inflation hits 5000%

**Jun** value of austral drops to 175 per US\$1

**Jul** Perónists win election; new president Carlos Menem appoints Miguel Roig as minister of economics, but Roig dies a few days later

**1990 Mar** government suspends payments to private firms providing state goods and services

**1991 Mar** Domingo Cavallo is made minister of economics, and new currency – the nuevo peso – is introduced

**Apr** Cavallo introduces Convertibility Plan

**1994 Dec** 'Tequila Effect' hits Argentina after collapse of Mexican stock market

## Key questions

- How successful were government economic policies?
- How successful were government policies in tackling social problems?

## Overview

- At the end of the period of military rule there was a severe economic crisis, with large debts linked to the Falklands War.
- When Alfonsín and the Radicals came to power, Argentina faced rapid inflation and an economy kept artificially afloat by unsustainable state controls and funding.
- Alfonsín's government adopted a radical approach to the economic problems – it increased spending and wages to stimulate the economy, but this failed and the IMF suspended loans to Argentina.
- The Austral Plan was introduced in June 1985, and this brought in a new currency and price and wage controls. The plan had some initial success, but pressure from the unions forced wage controls to be abandoned, which resulted in price rises and further inflation.
- Changes to the policies of the Austral Plan in 1986, and the introduction of the Little Austral Plan in February 1987, failed to stabilise the situation. By 1989, the Argentinian economy was in serious trouble. This resulted in the Radicals' election defeat in the summer of that year.
- Menem initially appointed Miguel Roig as minister of economics; Roig initiated plans to cut spending, but after some early success his policies failed.
- Menem replaced Roig with Domingo Cavallo, who introduced a new currency – the nuevo peso – and the Convertibility Plan. This helped to create economic stability, but also resulted in rising unemployment.
- The government began to privatise industry, and the success of Cavallo's policies allowed Argentina to survive the Tequila Crisis of 1994.
- By 1995, unemployment had risen to over 10%.
- Due to cuts in funding aimed at bringing the country out of its economic downturn, social services were in a state of crisis and education opportunities did not improve.



## How successful were government economic policies?

### Economic challenges facing Alfonsín and the Radicals

Economic problems were the greatest challenge facing Alfonsín's government when it came to power in 1983. Spending on the Falklands War had caused high levels of inflation, which had resulted in people abandoning the Argentinian peso and exchanging their money for US dollars. The military government was forced to approach the **International Monetary Fund (IMF)** because of the scale of Argentinian debt, which had reached \$43.5 billion by the start of 1983. To obtain more loans, the government had to introduce unpopular economic policies that involved devaluation of the currency, privatisation of industry, spending cuts, promotion of exports and restrictions on imports.

By the time the Radicals came to power in December 1983, the situation was even worse. Foreign debt had grown, inflation was double what it had been in January, money had left the country in vast amounts, and Argentinian currency converted into dollars by the people exceeded \$22 billion.

**Bernardo Grinspun**, the minister of economics, was put in charge of the Radicals' recovery plan. Creditors demanded a traditional approach to economic recovery, including reduced spending and financial reforms to stabilise the value of the currency, attract investment and maintain debt repayments. However, the government adopted a radical approach, fearing the impact such policies would have on the Argentinian people. The Radicals sponsored wage increases to try and prevent too great a drop in the standard of living, and to avoid large-scale unemployment. They also maintained social funding and payments to provincial governments, who continued to spend heavily. In adopting these policies, the government hoped to build confidence and increase consumer spending. This would, in turn, stimulate the economy, increase demand and lead to further investment. The IMF and private banks did not approve of this approach, but they did not apply sanctions as they were afraid this might start a financial crisis across South America.

### How successful were Alfonsín's economic policies?

By the end of 1984, there was no evidence that the Radicals' economic policies were working. In fact, the economic situation in Argentina had deteriorated. The most obvious sign of this was the rise in inflation from 626% in the last quarter of 1983 to 1080% by the third quarter of 1984. Wages had not kept up with this rapid rise, and there had been no real increase in consumer demand. As a result, industry had remained in recession. The agricultural sector objected to the export taxes that had been imposed, as the taxes increased their prices and therefore reduced the amount they could sell. In retaliation against the government's economic plan, farmers threatened to cut their output, which would lead to a fall in exports and therefore a drop in tax revenue. These events caused the IMF to suspend its loans in May 1985. Grinspun resigned.

### The Austral Plan

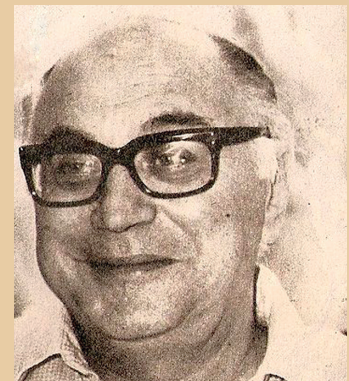
Grinspun was replaced by **Juan Sourrouille** (see page 28), who introduced a new economic policy in June 1985. The Austral Plan represented a dramatic break with past policies, and Alfonsín believed the very survival of democracy in Argentina depended on its success. The aim of the Austral Plan was to bring discipline and control to the economy, defeat inflation, and win the support of creditors so that loans could be secured. The break from the past was symbolised by the introduction of a new currency, the austral, to replace the peso.

### International Monetary Fund (IMF)

An intergovernmental organisation that oversees global finances. The IMF aims to stabilise exchange rates between countries, and encourage economic development. It gives loans to member states when they are in financial difficulties, but imposes conditions for the loans.

### Bernardo Grinspun (1925–96)

Minister of finance and economics from 1983 to 1985, Grinspun followed a policy of confrontation with the IMF. He aimed to strengthen the home market by raising wages and controlling the prices of public services.



### Activity

Construct a chart to outline the economic problems that Alfonsín inherited in 1983, and the policies he implemented to deal with them. Give the chart three columns – to describe the problem, to state how serious you think it was, and to judge whether the related policy was a success or a failure. Complete the first two columns as you work through the first part of this unit, but leave the last column blank for now.

The plan introduced widespread wage and price controls to bring inflation under control. The amount of currency issued was also strictly controlled. In the past, money had been printed in large amounts so that Argentina could pay its debts, but this had contributed to the sharp rise in inflation. The government hoped that a strong new currency would improve consumer confidence, which would help the wage and price freeze. The exchange rate was linked to the dollar so prices could remain stable, which would reduce wage demands. The government also encouraged citizens to report any attempts to sell goods at higher prices than those stipulated in the price-control measures.

### Questions

What view does the writer of Source A have about the success of the Austral Plan? How useful is this source in explaining the successes and failures of the Austral Plan?

### SOURCE A

The Austral Plan seemed to work for a while, but it created a deep recession, output falling by over 4% in 1985. Though growth resumed the following year and inflation was brought down to about 50%, economic austerity proved too difficult to maintain: social pressures forced up government spending, despite repeated efforts to streamline the public sector and avoid deficit financing. By 1987 the success of the Austral Plan was in the balance.

*Williamson, E. 2009. The Penguin History of Latin America. London, UK. Penguin. p. 481.*

### Juan Sourrouille (b. 1940)

Sourrouille replaced Grinspun as minister of finance in February 1985. He was responsible for devising the Austral Plan, and alternated a policy of price and wage control with monetarism – an economic strategy where the supply of money is controlled in order to stabilise the economy and prevent inflation. He was forced to resign when the economic crisis worsened in 1989.



### The plan begins to fail

At first, the Austral Plan worked. Inflation dropped to 20% and consumer prices fell between June and September 1985 (see table below). As a result, public confidence in the economy grew, speculation ended, and there was some evidence of investment and savings. The government's reputation improved. However, success was only short term. The Radicals failed to negotiate an agreement with the unions in setting the level of wages and prices, so the unions introduced their own measures without government consultation. This reduced the Radicals' credibility.

### Consumer price index, June–September 1985

This chart shows the average cost of goods, such as food and other essentials. The higher the figure, the greater the cost of living. The price of consumer goods fell dramatically in the first few months of the Austral Plan.

Month	Consumer price index
June	30.5
July	6.2
August	3.1
September	2

Under pressure from the unions and the Perónists, some industries relaxed the restrictions imposed by the Radicals. The government – perhaps believing that it had succeeded – granted some pay rises in October 1985. In response, industrialists demanded price increases so they could afford to pay the

increased wages, and the workers themselves demanded further pay rises. The deficit began to grow again.

The loosening of the Austral Plan's original restrictions may have led the public to believe the government's policies were working, and contributed to the Radicals' victory in the 1985 election. However, the growing deficit soon made it clear that this was not the case. In February 1986, the government reviewed and revived the Austral Plan.

### The Little Austral Plan

As a result, the Little Austral Plan was announced in February 1987. This was designed to bring about new wage and price controls, but once again the plan did not work. The government's failure to stabilise and control the economy was reflected in the election results of 1987, which saw the Perónists gain a majority in the Chamber of Deputies.

### Economic decline in the last years of Alfonsín's rule

For the rest of their time in office, the Radicals were unable to achieve economic stability. Although there was a trade surplus in 1987, the public deficit was worsening and this increased the interest payable on debts. The government faced increasing pressure from abroad to cut spending to reduce the deficit, but the unions resisted any cuts as this would create unemployment. A poor harvest in 1987 hit Argentina hard, as the country was still largely dependent on the export of agricultural produce. Faced with the prospect of a heavy electoral defeat in 1989, the government increased its borrowing to try and maintain investment and jobs. The consequences were disastrous.

By April 1989, the currency was in freefall. In 1985, the austral had been worth \$1; by early 1989, it was valued at 175 australs to \$1, and by June of the same year it had declined to 375 australs to \$1. In May 1989, inflation hit 150% and the annual monthly inflation rate was a staggering 5000%. The government had shown itself incapable of managing the economy. In the remaining months of Alfonsín's administration, the government was forced to declare a state of siege, with food riots and looting taking place in poorer parts of the country.

*A protest against inflation in 1989*



### Questions

How successful was the Austral Plan in solving Argentina's economic problems?



### Activity

Construct a ‘balance chart’ with two columns. In the left-hand column, write down the successes of Alfonsín’s economic policies; in the right-hand column, write down all the failures. Count up how many are on each side to assess how successful the policies were.

**Miguel Roig (1921–89)** Roig was a businessman by profession, rather than a politician. He was chairman of a leading export firm, Bunge and Born. He was not a member of the Perónist Party, but he became Menem’s first minister of economics in 1989. He died of a heart attack just six days after this appointment into government, but Menem continued to follow Roig’s policies.

**deregulate** To remove government-imposed economic restrictions from industry.

The Radicals’ economic programme had taken the country backwards. The economy had contracted, employment and output had dropped, the volume of goods and services traded in the domestic economy had fallen, and foreign trade was also down. In 1989, wages were 20% lower than they had been in 1986, and 35% lower than in 1984. National debt had stood at \$46.9 billion when the Radicals took office. By the time they left, it was \$63.3 billion.

### Economic policies under Menem and the Perónists

When he came to power in 1989, Carlos Menem inherited a collapsing economy. He immediately faced severe pressure from the Argentinian people and from overseas creditors to improve the situation. Menem wanted to implement economic policies similar to those in other Latin American countries. This meant reducing state spending to a level that the government could actually afford, eliminating state intervention, and bringing in foreign competition and investment. Menem promised ‘surgery without anaesthesia’, by which he meant that market forces of supply and demand would be allowed to shape economic recovery. There would be deep cuts in public spending, a significant reduction in bureaucracy, and a rise in unemployment levels. As Menem’s phrase suggests, he knew that this would be painful for the Argentinian people, but he was sure that it would secure long-term economic stability.

### The appointment and legacy of Miguel Roig

One of Menem’s first decisions was to call on **Miguel Roig** to help him design a new economic plan. Roig was not a member of the PJ, but was chairman of a profitable export firm. In July 1989, Roig was officially made minister of economics. His appointment was a clear indication of the direction the government intended to take. On Roig’s advice, Menem embarked on a programme of cutting government spending, laying off government workers, and ending state ownership of inefficient industries. Menem also promised to **deregulate** the economy and allow market forces to determine wages and prices. These policies had initial success: between July and September 1989, inflation fell and businesses reported improvements. However, by the end of the year the slow progress of reform caused a return to currency speculation and inflation.

The new decade opened with further economic measures. Banks were stabilised and more spending cuts were made to control inflation. Short-term, high-interest private deposits in australs were converted to ten-year government bonds in dollars, with interest and payment in dollars. This prevented a surge of cash into the markets, and therefore helped to control inflation. However, critics argued that the government was simply reacting to the crisis rather than strategising for the long term.

In March 1990, the Perónists suspended payments to private firms that provided goods and services to the state – often at high rates. The government also introduced redundancies for state workers in an attempt to cut spending. A series of laws known as the July Decrees opened up Argentina to imports and cut back subsidies and protection for domestic companies. These measures helped to stabilise prices, which allowed the process of selling off state-owned companies to begin. However, these measures pushed the nation into recession, and still hyperinflation persisted.

## The ministry of Domingo Cavallo

In March 1991, **Domingo Cavallo** was put in charge of the government's economic reform programme. A new currency was introduced – the nuevo peso. To generate confidence in the new currency, free exchange between the peso and the dollar was allowed. The Convertibility Plan of April 1991 prevented the president from modifying the exchange rate, or from printing money simply to pay off debts. The fact that these changes were made through official legislation gave the scheme credibility, and earned it support from the political classes.

Two of the most significant laws enacted at this time were the Law of Economic Emergency and the Law of State Reform. The first suspended all subsidies, special privileges and promotional schemes, and authorised the laying off of public employees. The second declared the need to privatise state-owned companies, and gave the president broad powers to decide how this should be carried out. At the same time, four new Supreme Court judges were appointed – all of them loyal to the president. This guaranteed that the government could defeat any challenges to its decisions.

The government also signed treaties with Brazil, Paraguay and Uruguay, opening up the Argentinian economy. A treaty known as the Common Market of the South, or Mercosur, eventually linked all member states' markets for industrial and agricultural goods during the period 1991–95.

With the nuevo peso tied to the dollar, the money supply was brought under control and the inflationary spiral stopped. Inflation averaged 28% a year between 1991 and 1994, and the consumer price index fell from 84% in 1991 to 3.9% in 1994. Stability was achieved, and output grew at just under 8% in 1991–94. This success came at a cost, though – unemployment in Argentina rose during the same period, although the rate remained below double figures until 1994.

### SOURCE B

Despite the flaws, the Convertibility Plan worked. It worked because there was a large measure of popular support and some, though not an equitable distribution, of pain. During the early years of the arrangement, there was growth with low inflation. From 1991 to 1994 inclusive, output grew at an annual rate of a shade under 8% per annum: inflation averaged a fraction over 28% a year, but the consumer price index fell from 84% in 1991 to 3.9% in 1994.

*Lewis, C. 2002. Argentina: A Short History. Oxford, UK. Oneworld. p. 164.*

**Domingo Cavallo (b. 1946)** The son of Italian immigrants, Cavallo was president of the Argentinian Central Bank before becoming chancellor, foreign minister and finally minister of economics under Carlos Menem. Cavallo was the driving force behind the Convertibility Plan, which fixed the peso:dollar exchange rate at 1:1 during the period 1991–2002. This policy helped to dramatically reduce inflation, and allowed the Perónist government to further its policy of privatisation.

### Fact

The Argentinian Currency Board linked the Argentinian peso to the US dollar at a rate of 1:1 between 1991 and 2002, in an attempt to eliminate hyperinflation and stimulate economic growth. The plan initially met with considerable success, as inflation dropped from more than 3000% in 1989 to 3.4% in 1994.

### Questions

What is the message of Source B? With reference to Source A on page 28 and Source B, which do you think is more useful in assessing the success of government policies for dealing with the economy?

The government gradually embarked on its policy of privatisation. This began with the privatisation of the telephone network, followed by the TV network, the railways, and parts of the oil industry. The unions protested as unemployment rose, but the power of the unions was in decline and the government pushed ahead with its plans. The success of the 1991 reforms gave the government greater credibility, and this was reflected in their success at the polls.

**Tequila Effect** The term used to describe the impact of the 1994 Mexican economic crisis on South America. The Mexican currency was devalued and this caused other South American currencies to lose their value. People began to withdraw their money from banks and there were fears that Argentina would be unable to pay its debts, as many looked to exchange their currency for the more stable US dollar.

### Activity

Go back to the chart you started in the activity on page 27. You should by now have completed the first two columns. Now fill in the final column, assessing to what extent the problems you listed in the first column were solved.

### Discussion point

Compare the successes and failures of Roig and Cavallo's policies as ministers for the economy. Whose policies were more successful?



### Theory of knowledge

#### History and economics

There are a number of different types of history, including political, social and economic. Each type of history has its own particular skills, focus and demands. What is economic history? What are the problems associated with studying economic history? In what ways does a study of economic history give us a different picture of the past than a political history?

However, in 1994 Argentina was hit by the '**Tequila Effect**' – a consequence of the economic downturn in Mexico after the collapse of its stock market in December, which resulted in reduced foreign investment and credit. Investment from abroad was withdrawn, and more than \$4 billion left Argentina between December 1994 and March 1995.

New loans enabled Menem's government to avoid a similar financial crisis in Argentina, and boosted support for the Perónists. However, by summer 1995 economic growth had slowed. After the elections that year, the government was forced to promise tighter financial policies and the sale of further government assets. With unemployment reaching 14% by mid 1995, protests broke out. Menem's promise to create 330,000 new jobs by the end of the year was not fulfilled. Cavallo turned on the government, saying it was in the hands of a mafia who were more concerned about using their jobs for their own gain than serving the nation.

### Economic summary

Although there were periods of economic stability and growth between 1983 and 1995, at the end of this time the Argentinian economy was faltering again. In part, this was due to events beyond government control, but it also showed how difficult it was to bring economic prosperity to the nation. This reinforced the view held by some historians that economic chaos was the norm for Argentina. It also raises questions about why sustained development in Argentina continues to be difficult.

## How successful were government policies in tackling social problems?

The cuts in public spending inevitably had a major impact on the social problems facing Argentina in the period 1983–95, most notably those associated with the rise in unemployment. It became almost essential to dismantle the expensive and inefficient welfare state. However, there were some social achievements which should not be ignored, and which helped to modernise the Argentinian state.

### The social situation under the Radicals

The Radicals introduced an education programme aimed at creating mass literacy. The government wanted to encourage debate among the population, breaking with the authoritarian regimes of the past. There was a new freedom of expression in culture and the media – in direct contrast to life under the military government, when people were told what to think and believe. As a result, groups of intellectuals and scientists – who had been marginalised since the coup of 1966 – sprang up in universities throughout Argentina, most notably in Buenos Aires.

Universities were reconstructed on the basis of academic excellence, and diversity was encouraged. However, these improvements must be balanced against the cuts in funding, which meant that many universities could not afford new equipment, or even basic maintenance in some cases. Secondary education remained optional, and only 14% of the population completed secondary school. Only 4% went on to gain university degrees, and this had a significant impact on attempts to create an educated workforce.



The Church had always played a significant role in Argentinian society. However, Alfonsín's government came into conflict with the Church over the legalisation of divorce. In 1986 and 1987, laws were passed that modernised family relations and established the shared custody of children, giving women equal rights to men with regard to their children.

Standards of living declined under the Radicals. Alfonsín's government introduced the National Nutritional Programme to provide food necessities to low-income groups because of the rapid rise in the cost of basic foodstuffs. By the time of the 1989 election, services were in such a poor condition that it was claimed there was a danger to public health. In January 1989, there were power cuts for six hours per day and the risk of water shortages and epidemics in the shanty towns.

### The social situation under the Perónists

The situation continued to deteriorate under Menem, as the gap between rich and poor grew wider. Menem's policies created unemployment, particularly among government employees – 302,000 people lost their jobs as a result of the sell-off of public companies between 1989 and 1993. At the same time, cuts in subsidies and transfers to provincial governments, down from \$8 billion in 1989 to \$4.4 billion in 1992, added to unemployment. It was not just government employees who suffered, though. As demand from the state dwindled, jobs were lost by those who worked in shops and businesses that the government supported through contracts and purchases. As the economy opened up to foreign markets, rising imports meant that Argentina had less need for internal production; in order to compete, changes in industry were needed. It was a simple choice: modernise or close down the industry.

*A 1995 protest against the high level of unemployment in Argentina*





**Theory of knowledge**

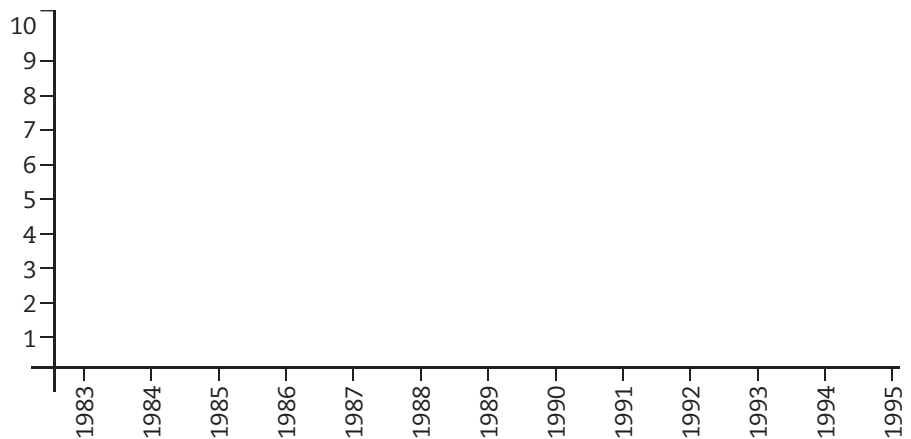
**History and statistics**

Historians encounter a wide range of evidence, each type with its own strengths and weaknesses, which require particular skills when using and analysing them. At first sight, statistics appear to support only one view. This unit uses many statistics to support its argument. However, could the statistics be used to support another point of view about the economy in this period? Can the same set of statistics be used to both criticise and defend a regime?

The scale of the social problems can be seen most clearly in the unemployment figures, which continued to rise under the Perónists. In 1991, 6.9% of the workforce was unemployed, but by 1993 this had reached 10% and in 1995 a staggering 18.6%. However, although unemployment was only 3.9% in 1983, the cost to the state of maintaining that level of employment, through inefficient and protected state-controlled industries, had become prohibitive and had brought the country close to complete economic collapse.

**End of unit activities**

- 1 Create a mind map of the economic policies pursued by the different Argentinian governments. Show the main features of each policy initiative, as well as its successes and failures. It will help if you use three different colours for each policy: one to outline the policy, one to show successes, and one to show failures.
- 2 Construct a graph to show the relative success of the government's economic policies in the period 1983–95. The vertical axis should run from 0 to 10. The horizontal axis should cover the years 1983–95. Complete the graph based on how successful you think the policies were throughout this period. In doing so, consider the aims of the policies and what they actually achieved.



- 3 What evidence is there to show that economic issues were the most important factor in determining the success of governments during this period?
- 4 Draw up a table like the one below and complete it using what you have learned in this unit.

Problem	How serious?	How successfully did the government deal with the problem?
Education		
Church		
Unemployment		



# 4 Challenges to democracy

## Key questions

- What were the challenges to democracy?
- How strong was political extremism?
- How successfully did governments deal with the threat from the armed forces?
- How successful were governments in establishing democracy throughout the period 1983–95?
- To what extent did Argentina prove itself a successful democratic state from 1983 to 1995?

## Overview

- Democratic governments faced challenges from the armed forces, terrorists and guerrillas, and various pressure groups – including the unions and the Church.
- The military posed the most direct threat to the government. The armed forces resented their reduced role in the country's governance, and the trials resulting from their involvement in the Dirty War.
- During the Easter rebellion of 1987, Aldo Rico attempted a military coup to remove the government, but popular opinion was strongly against the rising. Public reaction – and the failure of the coup – showed the increased strength of democracy in Argentina.
- Although the Easter rebellion was defeated, rumours that Alfonsín had made a deal with the army – compromising the Dirty War trials in return for the military's surrender – lost the government support.
- The military attempted to seize power again in 1988, under the leadership of Mohamed Seineldín. However, the majority of the armed forces acted to crush Seineldín's challenge, suggesting that the army could be brought in to uphold democracy.
- A guerrilla attack on an army base in 1989 raised fears that Argentina had returned to the disorder of earlier periods. However, backed by army support, the government overcame this threat.
- The peaceful handover of power from Alfonsín to Menem was further evidence of the democratic process having grown stronger roots.
- To some extent, Menem undermined democracy by altering the constitution so he was able to stand for re-election. However, this must be balanced against other terms of the Olivos Pact that benefited democratic processes.

## Timeline

- 1987 Apr** Easter rebellion by military, led by Barreiro and Rico
- 1988 Jan** Rico escapes from house arrest and leads another rebellion, which is quelled by army
- Dec** military unrest led by Seineldín
- 1989 Jan** guerrillas attack army base at La Tablada
- 1990 Dec** Seineldín leads another failed attempt to seize control of government
- 1993 Nov** Olivos Pact allows president to seek a second term in office, although length of tenure is reduced from six to four years
- 1996 Sep** general strike proves power of unions has not disappeared completely
- 1999 Dec** peaceful transfer of power from Menem to Fernando de la Rúa

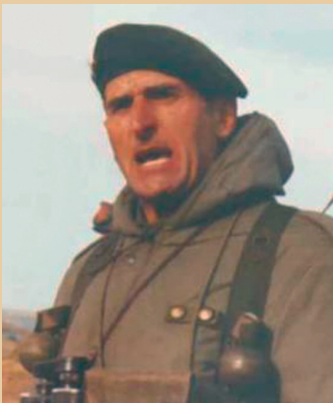


## What were the challenges to democracy?

The democratic process faced several challenges in the period 1983–95. The most obvious threat came from the armed forces, who were still a major influence despite their defeat in the Falklands conflict. However, there were also direct challenges from increasing guerrilla and terrorist activities. Various pressure groups, most obviously the unions and the Church, also presented the democratic governments with problems. However, the most immediate threat was Argentina's precarious economic situation.

**The Easter rebellion** This was the name given to the attempted army coup of 1987, which took place over the Easter weekend of that year. It was led by Aldo Rico and was backed up by troops from the main military base outside Buenos Aires. Those involved were displeased by the trials of former members of the military juntas and those involved in the Dirty War. President Alfonsín was able to defeat the uprising with support from the military high command, but there were concerns that he won this support by agreeing to curtail the trials of those involved in the Dirty War.

**Mohamed Seineldín (1933–2009)** Seineldín served in the Falklands War. He was imprisoned for his involvement in the 1988 challenge to Alfonsín's government. However, after his release he continued to oppose the government, and was involved in the 1990 rising against Menem's government. Seineldín was sentenced to life in prison, but was pardoned in 2003.



### Economic challenges

The success of democracy depended on both the Radical and Perónist governments bringing economic stability to the country. If this failed, there was a danger that the military would overthrow the government as it had in the past. The economic crisis reached a peak in 1989, when the scale of the problem demanded that Menem establish a consensus on how to act. As a Perónist, he had at least the tacit support of the unions, and this removed one potential area of opposition – at least in the short term. Menem was also fortunate that the scale of the crisis allowed him to introduce measures that might previously have caused widespread unrest, and triggered action from the armed forces. A similar situation occurred in 1990, when the more radical unions called for strikes, and fears of military intervention to restore order rose again. It can be argued, therefore, that economic problems were important because they provided an opportunity for the armed forces to reassert their position in politics, and portray themselves as the saviours of the nation.

### The threat from the military

The military threat did weaken during the period 1983–95. However, there were occasions on which the armed forces directly challenged the democratic government. There were three reasons for this. Firstly, the military disliked its diminishing role in society. Having been accustomed to intervening freely in the role of government – and largely viewing themselves as above the law – the armed forces resented attempts to make them accountable to the judicial process. This was seen most clearly in their attitude to the Last Stop Law (see page 16) and their reaction to the government investigation into military actions during the Dirty War. In response to this inquiry, Major General Barreiro refused to appear in court over war crimes and instead rallied troops at a military base near Córdoba on 14 April 1987. He was supported by Lieutenant Colonel **Aldo Rico** (see page 37), who occupied an army base in Buenos Aires on 17 April. Although these protests – known as the **Easter rebellion** – did not lead to a full-scale military rebellion, they were a clear indication of the challenges facing the new democracy.

The armed forces also resented the budget cuts that the new government imposed in an attempt to cut the deficit, as it placed their careers in jeopardy. A further military challenge occurred in 1988, led by Colonel **Mohamed Seineldín**. However, this was short-lived and was not fully supported by army units, revealing splits in the high command which greatly reduced the likelihood of subsequent challenges. By the time Menem came to power, therefore, the military threat had been somewhat curtailed.

Aldo Rico with rebel soldiers during the 1987 Easter Rebellion



**Aldo Rico (b. 1943)** Rico served during the Falklands War, where he gained notoriety for his soldiers' exploits against the British. After the war, Rico started to agitate against the prosecution of those involved in the Dirty War. In 1987, he was involved in the Easter rebellion, after which he was placed under house arrest. He escaped and led another uprising in 1988. Rico was subsequently imprisoned, gave up the use of armed force to solve disputes, and later became involved in politics.

### SOURCE A

The most flagrant challenge to the authority of the democratic government came, predictably, from the army, which was aggrieved by the trials of former members of the military juntas and others involved in the Dirty War, as well as cuts in the defence budgets. During the Easter weekend of 1987 an attempted coup led by a colonel at the main military base outside Buenos Aires was headed off by Alfonsín, who managed to enlist the support of the high command, though this raised fears that he might have succumbed to military demands for the curtailment of human rights trials.

Williamson, E. 2009. *The Penguin History of Latin America*. London, UK. Penguin. p. 481.

### Questions

What does Source A reveal about the threat of the army? According to this source, why was the army aggrieved?



### Activity

What reasons does Source B suggest for the failure of the army challenge? Compare and contrast the views expressed in Sources A (on page 37) and B about the possible reasons for the ending of the military crisis.

### SOURCE B

The rebel challenge unexpectedly mobilised massive demonstrations in support of democracy. The CGT called for a general strike that it would maintain in place until the rebellion ended. Leaders of the political parties, industrial and producer organisations, the unions, and even the Catholic Church signed a petition that pledged their support for the government. As the crisis developed, thousands occupied the Plaza de Mayo and declared their willingness to block any attempt to put the military back into power.

Lewis, D. K. 2001. *The History of Argentina*. Santa Barbara, USA. Greenwood Press. p. 159.

## How strong was political extremism?

As the threat from the armed forces decreased, the challenges to democracy from guerrilla and terrorist attacks grew. These came either from left-wing groups, often with Marxist tendencies, or from groups like the Montoneros, a guerrilla organisation loosely connected with Perónism.

### Guerrilla movements

In January 1989, a group of 61 left-wing guerrillas attacked La Tablada army barracks, near Buenos Aires. They held the base for 32 hours before army units defeated them. The guerrillas claimed that they were acting to protect democracy by preventing an army coup. However, Alfonsín addressed the nation, flanked by generals, and praised the army for saving democracy. This suggested there had been some success in integrating the armed forces into the democratic process. Terrorist attacks continued throughout 1989 and into the new decade, but they failed to attract widespread support and did not disrupt democratic rule.

*President Raúl Alfonsín at the scene of the guerrilla attack on La Tablada army barracks in 1989*





## The threat from the unions

The union challenge declined in the late 1980s. Despite tough economic measures and the resulting high levels of unemployment, the number of strikes under Menem's presidency was far less than during Alfonsín's period in office. This decline was aided by the split in the ranks of the CGT (see page 17) and the emergence of the **CTA**. However, after the period 1983–95, continued economic recession and high levels of unemployment revived labour activism. In 1996, for example, there was a large-scale general strike that shut down the country for 36 hours. It seems that the challenge posed by the unions to democracy in Argentina has not disappeared completely.

## The threat from the Church

Widespread public support for the Radical government's proposed Divorce Laws enabled them to be passed in 1987, despite the Catholic Church's opposition. However, the Church retained a powerful influence in Argentinian society, and still posed challenges for the government. For example, Church leaders mobilised opposition to the **Pedagogical Congress**, to defend Church Schools against state intervention. As the state became more liberal, the Church grew increasingly hostile.

## How successfully did governments deal with the threat from the armed forces?

It could be argued that the military threat had almost destroyed itself as a result of the Dirty War and the Falklands War defeat. Despite handing over power, the army was still fearful of liberalism and believed that the military had a role to play in protecting the state from liberal forces. Members of the armed forces felt under attack from the government in every area. They were aggrieved by the trials of former junta members and others involved in the Dirty War, and by the defence cuts. Furthermore, constitutional changes redefined the role of the armed forces. They were no longer allowed to be involved in domestic affairs, such as controlling unrest, without legislative approval.

## Alfonsín's reaction to the Easter rebellion

The events of 1987 showed that the government had not been completely successful in reducing the power of the armed forces. During the Easter rebellion, the government ordered the army to capture the rebels. The army surrounded Rico's forces but refused to take the attack further. Despite mass demonstrations in support of democracy, and the backing of all political parties and organisations – who signed a Manifesto of Democratic Commitment – the government was forced to negotiate with the rebels. These negotiations ended the crisis and initially won Alfonsín approval. However, this was undermined by rumours of a deal that ended prosecutions linked to the Dirty War. The government lost further credibility by increasing the armed forces' pay by 40% and changing the high command. It appeared as if governments were still dependent upon army approval, even though Rico had been placed under house arrest for his role in the Easter rebellion.

In 1988, Rico escaped and organised another rebellion in the north-east of the country. Although civilian protests were less forceful this time, military support was also weaker. The army pursued Rico and, after a brief combat, secured his surrender. Unlike in 1987, the government was able to count on the support of the armed forces. This suggested that the military's influence was gradually being undermined, both by the cuts and by the passage of time, as the armed forces integrated more with civilian society.

**CTA** The Argentinian Workers' Centre (Central de los Trabajadores Argentinos) was formed in 1991 when a number of trade unions broke away from the General Confederation of Labour (CGT). Today, the organisation is led by largely social Christian unionists, although there are smaller affiliations within it, including Perónists and communists.

**Pedagogical Congress** This Congress lasted four years and was the backbone of the educational changes implemented by Alfonsín's government. The Catholic Church was concerned about the cutting of state subsidies to private schools, thus reducing subsidies to Church schools. This added to the conflict with the Church following the passage of the Divorce Laws.

### Discussion point

How successful was the government in reducing the role of the army in domestic politics?

### Activity

Compile a chart to summarise attempts by Argentinian armed forces to seize power between 1983 and 1995. Your chart should have four columns: date; what happened; how the government responded; how successful the government action was.

## Menem's reaction to the military threat

In some ways, Menem adopted a different approach to neutralising the armed forces. However, it must be remembered that he had the advantage of time, as the military had been out of power since 1983 and democratic practices had already been established.

Before the Perónists came to power, Colonel Mohammed Seineldín had attempted to seize control of the government by force. Seineldín was pardoned, but – unable to reconcile himself to the democratic state – he made another attempt at a coup against Menem in December 1990. Menem's response was ruthless. He ordered the rebellion to be put down, and those army units involved in the uprising to be brought to justice. This time the military obeyed orders. Thirteen rebels were killed and 200 more were wounded. There was no third chance for Seineldín – he was tried and sentenced to life imprisonment. Just as significantly, Martín Balza, who put down the rising, was appointed army commander. Menem now had an officer at the top of the armed forces who was willing to be subordinate to civilian authority. Menem's measures, therefore, appear to have been more successful than those of Alfonsín.

## How successful were governments in establishing democracy throughout the period 1983–95?

The response of the civilian population to the events of 1987 (see page 36) suggested that democracy was popular in Argentina at this time. However, these events also revealed practical limits to democracy's power – for example, the government was forced into negotiations with the army. The military might turn against the government at any time, particularly during a crisis, arguing that the nation needed to be saved from the failures of democracy. Despite this obvious threat the democratic system survived the economic crisis of 1989, even though the Radical government eventually abandoned power in the face of economic chaos and a paralysis of authority.

The handover of power to Menem after the 1989 election was orderly – the first time a peaceful transfer of power had taken place between two parties in Argentina since 1916. However, there were some attacks on food stores, as wages were not sufficient to buy basic groceries. The government was unable to prevent this disorder, which proved that power was still heavily dependent on maintaining economic stability. In 1999, an equally peaceful transfer occurred when power passed from the Perónists to the **Alliance**. This was a further indication that democracy was becoming more secure.

Civilian rule was more firmly established during Menem's presidency. However, some of Menem's actions challenged democracy, as he put political ambition before upholding the key conventions of a democratic state. He appointed four new Supreme Court judges, which guaranteed the government a majority in the court. He made extensive use of the presidential veto, and issued emergency decrees – he even considered closing down Congress and ruling by decree. Menem's increase in presidential control certainly went beyond the republican ideal of the division of power.

The clearest evidence of Menem's change in political philosophy was his successful campaign in 1994 to allow the sitting president to seek re-election. This suggested that Menem's own ambitions took priority over democratic integrity. The success of this campaign relied on agreement from a two-thirds

**Alliance** A coalition of left-wing parties, reformist groups and Radicals. It started as an electoral alliance in 1997 to defeat the Perónists. Their candidate for president in 1999 was Fernando de la Rúa, who had been a member of the Radical party since the 1980s. He won almost 48% of the national vote and became president of Argentina in December 1999.

majority in both Houses. After the 1993 election, Menem won the Senate's approval, but failed to gain a majority in Congress. He therefore threatened to pass a law that reinterpreted the constitution, to allow presidents to run for a second term. Menem reached a deal – the Olivos Pact (see page 19) – with Alfonsín, so that the change was approved by Congress. He convinced the public that economic recovery was dependent on the Perónists being able to follow through on their policies, and fought the election campaign under the slogan 'Menem in 95'.

### SOURCE C

Among political scientists there is agreement that the Menem administrations weakened democratic institutions. Personalism, cronyism, corruption, incompetence, rule by decrees of 'urgency and necessity' and a disposition to meddle with electoral rules hardly enhance the credibility of the political system.

Lewis, C. 2002. *Argentina, A Short History*. Oxford, UK. *Oneworld*. p. 214.

### Questions

What does Source C suggest about Menem's rule and the development of democracy? How accurate is the view in this source? What is the value of the source for historians studying the rule of Carlos Menem?

However, if some of Menem's actions challenged the democratic ideal, the Olivos Pact also helped to strengthen democracy in Argentina. By the terms of the pact, the president would be directly elected, and a second round would be held if no candidate won a majority the first time. The term of office for the president was reduced from six to four years. The pact also established direct elections to the Senate, and guaranteed that the smaller parties would be represented by reserving one-third of the seats for them, allocated by proportional representation.

## To what extent did Argentina prove itself a successful democratic state from 1983 to 1995?

Although democracy survived, many of the conflicts in Argentinian society remained unresolved. There was little agreement on how to fund the state, and what its role in economy and society should be. However, the severity of the crises improved government support, as memories of political violence and military rule were fresh in the minds of the Argentinian people.

The signs of economic recovery that began to emerge during Menem's rule helped create stability, generated support for the government, consolidated political structures, and gave the state greater legitimacy. Economic growth led to an increase in the supply of public goods, and helped to foster an unwritten contract between the state and society: the government provided services in return for taxation. This helped to develop a bond between the government and the people of Argentina.

The state successfully mobilised the nation's resources and exerted control without recourse to violence, and this brought further support for democracy. Menem neutralised the union challenge and was usually able to count on union support when pushing through economic reforms. As a Perónist, he was able to rely on the mass union vote, and this gave him an advantage in the national and provincial legislatures. Although some elements of Menem's rule challenged the original democratic ideals, he presided over a period of stability that gave democracy time to establish itself.



### Theory of knowledge

#### Armed forces

In democratic societies the role of the armed forces is limited, and their deployment must usually be approved by legislature or parliament. In Argentina, the military has a history of overthrowing democracy – or at least attempting to do so – during times of crisis. What should the role of the armed forces be in a democracy? Are there any occasions when they should intervene in domestic policies?



## End of unit activities

- 1 Organise a ‘balloon debate’ on the challenges facing democracy in Argentina. Each student represents a different challenge (such as those listed in the chart below). Imagine all these students are in a hot-air balloon that is losing air and height. Only one person can stay in the balloon and be saved – the others have to jump out. In order to decide who will be saved, each student has to make a persuasive case to the class about why theirs was the most serious challenge to democracy in Argentina. When everyone has made their case, take a class vote on who gets to stay in the balloon.

Using the results of this activity, copy out and complete the chart below.

Challenge	Evidence it was a threat to democracy	Evidence it was not a threat to democracy	Judgement
Army			
Trade unions			
Church			
Economy			
Constitutional changes			

- 2 Construct a spider diagram showing the reasons why democracy survived in Argentina in the period 1983–95. Add brief notes explaining each of the factors you have identified.
- 3 Return to the chart you completed at the end of Unit 1 on page 12 (question 2). Look at the problems you listed there. For each problem you identified, decide how far it had been resolved by the end of 1995. Give each problem a mark out of ten (the higher the mark, the more the problem has been resolved).

# Paper 1 exam practice

## Paper 1 skills and questions

Paper 1 contains four types of question. These are:

- 1 Comprehension/understanding of a source** – some will have 2 marks, others 3 marks. For such questions, write only a short answer (scoring 2 or 3 points); save your longer answers for the questions carrying the higher marks.
- 2 Cross-referencing/comparing or contrasting two sources** – try to write an integrated comparison, e.g. comment on how the two sources deal with one aspect; then compare/contrast the sources on another aspect. This will usually score more highly than answers that deal with the sources separately. Try to avoid simply describing each source in turn – there needs to be explicit comparison/contrast.
- 3 Assessing the value and limitations of two sources** – here it is best to deal with each source separately, as you are not being asked to decide which source is more important/useful. But remember to deal with all the aspects required: **origins, purpose, value and limitations**.
- 4 Judgement questions/synthesis of source evaluation and own knowledge** – this fourth type of Paper 1 question requires you to produce a mini-essay to address the question/statement given in the question. You should try to develop and present an argument and/or come to a balanced judgement by analysing and using the **five** sources and your own knowledge.

Although the study of the emergence of democracy in Argentina in the period from 1983 to 1984 is a Paper 2 topic for the theme Democratic States: Challenges and Responses, in this section, you will gain experience of dealing with the longer Paper 1 judgement question, which requires you to use sources and your own knowledge to write a mini-essay.

In order to analyse and evaluate sources as historical evidence, you will need to ask the following W questions of historical sources:

- **Who** produced it? Were they in a position to know?
- **What** type of source is it? What is its nature – is it a primary or secondary source?
- **Where** and **when** was it produced? What was happening at the time?
- **Why** was it produced? Was its purpose to inform or persuade? Is it an accurate attempt to record facts, or is it an example of propaganda?
- **Who** was the intended audience – decision-makers or the general public?

## Examiner's tips

Judgement/synthesis questions require you to write a short essay to address the question/statement given in the question. The mini-essay should present an argument and/or come to a balanced judgement by analysing and using the five sources provided and your own knowledge.

Before you write your answers to this kind of question, you may find it useful to draw a rough chart to record what the sources show in relation to the question. Note, however, that some sources may hint at more than one factor or result. When using your own knowledge, make sure it is relevant to the question.

Look carefully at the simplified markscheme below. This will help you focus on what you need to do to reach the top bands and so score the higher marks.

## Common mistakes

When answering Paper 1 argument/judgement questions, make sure you don't just deal with sources *or* your own knowledge. Every year, some candidates (even good ones) do this, and so limit themselves to – at best – only 5 out of the 8 marks available.

## Simplified markscheme

Band		Marks
1	<b>Developed and balanced</b> analysis and comments using <b>BOTH</b> sources <b>AND</b> own knowledge. References to sources are precise; sources and detailed own knowledge are used together; where relevant, a judgement is made.	8
2	<b>Developed</b> analysis/comments using <b>BOTH</b> sources <b>AND</b> some detailed own knowledge; some clear references to sources. But sources and own knowledge not always <b>combined together</b> .	6–7
3	<b>Some developed</b> analysis/comments, using the sources <b>OR</b> some relevant own knowledge.	4–5
4	<b>Limited/general</b> comments using sources <b>OR</b> own knowledge.	0–3

## Question 1

Using Sources A, B, C, D and E, and your own knowledge, how serious was the threat posed by the army to the democratic process?

[8 marks]



## SOURCE A

The most flagrant challenge to the authority of the democratic government came, predictably, from the army, which was aggrieved by the trials of former members of the military juntas and others involved in the Dirty War, as well as cuts in the defence budgets. During the Easter weekend of 1987 an attempted coup led by a colonel at the main military base outside Buenos Aires was headed off by Alfonsín, who managed to enlist the support of the high command, though this raised fears that he might have succumbed to military demands for the curtailment of human rights trials.

Williamson, E. 2009. *The Penguin History of Latin America*. London, UK. Penguin. p. 481.

## SOURCE B

The rebel challenge unexpectedly mobilised massive demonstrations in support of democracy. The CGT called for a general strike that it would maintain in place until the rebellion ended. Leaders of the political parties, industrial and producer organisations, the unions, and even the Catholic Church signed a petition that pledged their support for the government. As the crisis developed, thousands occupied the Plaza de Mayo and declared their willingness to block any attempt to put the military back into power.

Lewis, D. K. 2001. *The History of Argentina*. Santa Barbara, USA. Greenwood Press. p. 159.

## SOURCE C

Supporters on the streets of Buenos Aires show their support for Raúl Alfonsín during the military rising of Easter 1987.



### SOURCE D

On Easter Sunday 1987 ... President Raúl Alfonsín faced several hundred thousand anxious [Argentines] assembled in the plaza facing the Casa Rosada. For three days the government had struggled to overcome a tense stalemate with junior officers demanding an end to trials for crimes committed in the military government's 'dirty war' against leftist guerrillas. After weeks of rumors that that a confrontation was imminent, in the industrial city of Córdoba Major Ernesto Barreiro refused a judicial order to appear in court. In a carefully planned act of solidarity, his regiment declared that it would resist any attempt to arrest him. ...

Despite military statements that this was not an attempted coup d'état, civilian leaders rallied to defend the regime against the challenge to civilian authority. Putting aside decades of antagonism, Perónists and Radicals joined other parties in a pact to defend democracy ... Before a joint session of Congress and civic leaders, Alfonsín pledged to seek a solution to the crisis but not to cede to military pressures. 'Here there is nothing to negotiate; Argentine democracy is not negotiable.' Attempts by political and religious leaders' attempts to find a mediated solution failed. ...

As the massive Easter rally grew restive, Alfonsín [announced] he would personally go to the Campo de Mayo to seek the rebels' surrender ... Although the government denied that any deals had been made, Rico claimed he and the president had come to an understanding. Shortly thereafter, the Army chief of staff resigned; two months later Congress approved a bill exonerating from prosecution lower-ranking military personnel 'obeying orders' in the antisubversive campaign.

*Fitch, J. S. 1998. The Armed Forces and Democracy in Latin America. Baltimore, USA. Johns Hopkins University Press. p. xii.*

### SOURCE E

The president ordered the army to capture the rebels. When units surrounded but then refused to attack the rebels, a serious crisis developed. Tensions within the military branches emerged. Junior Officers, many of whom had participated in the Dirty War and in the Falklands War, sided with the rebels. Alienated and angry, many junior officers also resented the Alfonsín government. They viewed the rebellions as an opportunity to push back the government's efforts to reform and politically isolate the military.

*Lewis, D.K. 2001. The History of Argentina. Santa Barbara, USA. Greenwood Press. pp. 158–59.*

## Student answer

The student answer below has brief examiner's comments in the margins, as well as a longer overall comment at the end. Those parts of the answer that make use of the sources will be **highlighted in green**. Those parts that deploy relevant own knowledge will be **highlighted in red**. In this way, you should find it easier to follow why particular bands and marks were – or were not – awarded.

The threat posed by the army to democracy was particularly strong during the term of Alfonsín's presidency, as is made very clear by Sources A and E. However, the threat declined, particularly under Menem, but Sources B, C and D stress that there was a great deal of popular support for democracy which, it could be argued, would make it difficult for an army rebellion to succeed. However, it should be noted that the sources consider only the events of Easter 1987, and the fact there were other military risings suggest that the threat was ever-present.

Sources A and D both suggest that the threat was serious. Source A suggests that the armed forces provided the most flagrant challenge to democracy. This interpretation is supported in both Sources D and E. Source D argues that although the crisis was defeated this time, Rico's claim that he and Alfonsín had reached an 'understanding' implies that the government was willing to compromise with the military to keep order. Such an action suggests that the military continued to pose a threat to the democratic government. This is confirmed by Rico attempting to stage another rising in 1988 following his escape from prison, and two attempts by Seineldín – the latter as late as 1990 – suggesting that the army had not been reconciled to civilian rule. This view is also supported by Source E, as the forces sent to deal with the Easter rebellion were willing to surround the barracks but refused to attack the rebels. The source makes it clear that there was considerable disgruntlement among many junior officers, who sided with the rebels, about their treatment, and that they wanted to prevent Alfonsín carrying out his reform programme. The fact that, as Source A comments, Alfonsín had to negotiate a deal with the rebels over an amnesty for crimes during the Dirty War, and institute a pay rise at the very time the economy was in trouble, does suggest that they were able to successfully challenge the democratic process.

### Examiner's comment

This is a well-focused start that groups the sources together and shows an awareness of the two sides of the debate. It makes the point that there was large support for democracy, briefly referring to three sources that show this. The candidate is also correct to note the limits to the sources, as they deal only with the events of Easter 1987.

### Examiner's comment

Source A, D and E are clearly referred to in order to address the question. The candidate is able to bring in own knowledge, such as Rico's second rising and the attempt of Seineldín, to support the view given in the sources, adding to their credence. The student also shows some precise knowledge about the amnesty and the pay rise, and uses this to add further weight to their argument.



**Examiner's comment**

As in the previous paragraph, the candidate uses sources precisely, this time B and C, ensuring that all sources have received good coverage in the answer. More could have been made of Source C and its limitations. Some precise knowledge could have been introduced about when the military had triumphed before.

**Examiner's comment**

Although a sound conclusion, more could have been made of the idea of 'serious' and how serious the threat actually was. There might also have been some link back to the sources and how far each supports the view that the threat was/was not serious.



However, Sources B and C show the scale of support there was for the government, although this may not make the challenge any less serious, as the army had been able to stage successful coups before. Source B shows the widespread opposition there was to attempts by the army to disrupt democracy. The source comments on the support of all political parties: *this was particularly significant, as in the past the Perónists had often supported the military.* Sources B, C and D all suggest that the size of the demonstrations in support of the government were immense, with – according to Source D – several hundred thousand filling the plaza. Although the demonstrations were not enough to defeat the rising, Alfonsín was able to create a situation in which the rebels were forced to surrender and flee, a conclusion that may not have happened in the past.



In conclusion, it could be argued that although the military was a threat, as shown by the repeated attempts, the numbers within the army supporting it declined and this was further aided by Alfonsín's measures, such as cutting the military budget.

**Overall examiner's comments**

There is good use of all the sources, with clear reference to them, and own knowledge. The own knowledge is usually integrated with comments on the sources, and the answer makes clear reference to other attempts by the military to seize power. There might have been a more obvious link to the idea of 'serious' threat, particularly in the conclusion, where the judgement could have been clearer. This would therefore not reach Band 1, but would get to the top of Band 2, and gain 7 out of 8 marks.

**Activity**

Look again at all the sources, the simplified markscheme on page 44 and the student answer above. Now try to write a few paragraphs to push the answer up into Band 1, and so obtain the full 8 marks.

# Paper 2 exam practice

## Paper 2 skills and questions

For Paper 2, you have to answer two essay questions from two of the five different topics offered. Very often, you will be asked to comment on two states from two different IB regions of the world. Although each question has a specific markscheme, a good general idea of what examiners are looking for in order to be able to put answers into the higher bands can be gleaned from the general 'generic' markscheme. In particular, you will need to acquire reasonably precise historical knowledge in order to address issues such as cause and effect, or change and continuity, and to develop the ability to explain historical developments in a clear, coherent, well-supported and relevant way. You will also need to understand – and be able to refer to – aspects relating to historical debates and interpretations.

Make sure you read the questions carefully, and select your questions wisely – it is a good idea to produce a rough plan of each of the essays you intend to attempt, before you start to write your answers: that way, you will soon know whether you have enough own knowledge to answer them adequately.

Remember, too, to keep your answers relevant and focused on the question – e.g. don't go outside the dates mentioned in the question, or answer on individuals/states different from the ones identified in the question. Don't simply describe the events or developments – sometimes, students just focus on one key word or individual, and then write down everything they know about it. Instead, select your own knowledge carefully, and pin the relevant information to the key features raised by the question. Also, if the question asks for 'reasons' and 'results', or two different countries, make sure you deal with *all* the parts of the question. Otherwise, you will limit yourself to half marks at best.

## Examiner's tips

For Paper 2 answers, examiners are looking for clear/precise analysis and a balanced argument linked to the question, with the good and precise use of relevant own knowledge. In order to obtain the highest marks, you should be able to refer to different historical debates/interpretations or relevant historians' knowledge, making sure it is relevant to the question.

## Common mistakes

When answering Paper 2 questions, try to avoid simply describing what happened – a detailed narrative, with no explicit attempts to link the knowledge to the question, will only get you half marks at most.

Also, if the question asks you to select examples from two different regions, make sure you don't choose two states from the *same* region. Every year, some candidates do this, and so limit themselves to – at best – only 12 out of the 20 marks available.

## Simplified markscheme

Band		Marks
1	Clear analysis/argument, with very specific and relevant own knowledge, consistently and explicitly linked to the question. A balanced answer, with references to historical debate/historians, where appropriate.	17–20
2	Relevant analysis/argument, mainly clearly focused on the question, and with relevant supporting own knowledge. Factors identified and explained, but not all aspects of the question fully developed or addressed.	11–16
3	<b>EITHER</b> shows reasonable relevant own knowledge, identifying some factors, with limited focus/explanation – but <b>mainly narrative</b> in approach, with question only implicitly addressed <b>OR</b> coherent analysis/argument, but limited relevant/precise supporting own knowledge.	8–10
4	<b>Some limited/relevant</b> own knowledge, but <b>not linked effectively</b> to the question.	6–7
5	<b>Short/general</b> answer, but with very <b>little accurate/relevant knowledge and limited understanding</b> of the question.	0–5

## Student answers

Those parts of the student answers that follow will have brief examiner's comments in the margins, as well as a longer overall comment at the end. Those parts of the answers that are particularly strong and well-focused will be **highlighted in red**. Errors/confusion/loss of focus will be **highlighted in blue**. In this way, you should find it easier to follow why marks were – or were not – awarded.

## Paper 2 practice questions: Argentina

- 1 Assess the reasons for the emergence and survival of democracy in Argentina in the period from 1983 to 1985.
- 2 How successful were Argentinian governments in dealing with the economic problems they faced in the period from 1983 to 1995?
- 3 Assess the reasons why some democratic regimes have survived and others have collapsed. (You should confine your answer to two countries, each drawn from a different region.)



## Question 1

Assess the reasons for the emergence and survival of democracy in Argentina in the period from 1983 to 1985.

[20 marks]


### Skill

Analysis/argument/assessment


### Examiner's tip

Look carefully at the wording of the question, as there are two parts to be considered. Although the examiner would not expect you to give equal weighting to both issues, it is important that they are both given full consideration. The focus must be on 'emergence' and 'survival'. High marks will not be awarded if you simply describe what happened – focus on analysis and explanation, using precise supporting knowledge.

### Student answer



*Argentina had become accustomed to either military or authoritarian rule, most notably under Juan Perón, and therefore democratic roots were not deep in Argentinian society. The military had always played a significant role in political life, removing governments when it felt they were not acting in what they considered to be the national interest. Political parties were not strong, and elections were seldom free and open. It might therefore be considered surprising that democracy either emerged or survived.*



*Military rule had failed to solve Argentina's economic problems, culminating in the financial crisis of 1981. By 1982, inflation was rising rapidly and finally reached 200% by the end of the Falklands War. At the same time, 54% of GDP was being used to pay the interest on overseas debts; the situation was so bad that finally the government was forced to suspend payments. As a result of these failings, many were disillusioned with military rule and believed that democracy would provide the necessary solution. Even the military had become aware of the difficulty of remaining in power, and since 1980 had been trying to organise a transfer of power to civilian rule.*

### Examiner's comment


This is a fairly well-focused introduction that places the question in its historical context and sets the scene. The student shows awareness of some of the problems that faced the new democratic state. However, the text might have suggested more clearly some of the reasons for the emergence and survival of the state, which could then be built on in the rest of the essay.

### Examiner's comment

The answer clearly explains the decline in the power of the military, and supports this with precise examples of economic failings when in power. The student does try to link the material back to the question, and maintains sound focus throughout the paragraph.

**Examiner's comment**


This paragraph builds on the previous one, and explains further why the military was unable to challenge the democratic process. Once again, the ideas are supported by precise examples and material is linked back to the question.



At the same time, popular protest had grown, despite the often brutal response of the military. *The military was losing respect because of the human rights abuses committed during the Dirty War*, which saw large numbers of people disappear simply because they were rumoured to be suspects. The protests from the Mothers of the Plaza de Mayo had attracted *international recognition and further damaged the reputation of the armed forces*. Even though the Dirty War had removed much of the trade union leadership, there had been protests and a general strike in 1982, only adding to the pressure on the military government.

**Examiner's comment**


This paragraph shows an attempt to make a judgement about the relative importance of factors. The student acknowledges the importance of the Falklands War as the trigger for the collapse of military rule.



*However, the most immediate reason for the emergence of democracy was defeat in the Falklands War.* The war was meant to unite the country behind a patriotic cause, and the military believed that a quick victory would encourage the population to forget about the economic difficulties, and restore prestige to the military. *The humiliating defeat had the opposite effect, and the lack of resistance shown by most units only served to further undermine the credibility of the army. The defeat forced the president, Galtieri, to resign, and created splits between the various armed forces, which would make it harder for them to cling on to power if they wanted to.*

**Examiner's comment**

Although this paragraph is short, the student makes a valid point and again shows some judgement about the relative importance of issues.



*Despite popular pressure, it was ultimately the decision of the military to withdraw from power that brought about democracy. This is shown by the fact that the military was able to hang on to power for another year.* However, following Galtieri's resignation, General Bignone replaced him, but with orders to bring about the transfer of power to civilian rule.

The greatest challenges to the survival of democracy came from the economic crises that engulfed both Alfonsín and Menem's governments, and the power of the armed forces. In order to survive, the new democracy had to manage both of these important issues. Discredited, the military would not attempt to retake power when the nation was facing economic crises, reducing the challenges the government faced. Government policies also helped to reduce their influence, as Alfonsín cut the military budget. However, this did create opposition within the forces and was a cause of unrest in the period 1987–89, but even then there were divisions within the army that prevented united action. Perhaps the clearest sign of their loss of influence came during the economic crisis and Alfonsín's electoral defeat in 1989, which meant that the country faced chaos during the period of transfer of power to Menem. The army did not intervene and for the first time since 1916 power passed from one elected party to another. When the army did rebel, the government crushed the uprising, although in 1987 Alfonsín was forced to make a deal with the rebel leaders, so that by 1990 when Seineldín attempted a second rebellion, the army obeyed Menem's orders and crushed the rising ruthlessly. This failure was a clear indication that much of the military had become integrated into civilian society and was prepared to accept orders from a democratically elected president.

#### Examiner's comment

This paragraph opens by offering a view as to the greatest challenges, and explains how the military crises were overcome. There are precise examples from a range of army rebellions, and the student does not simply tell the story of the risings, but uses them to develop an argument.

Some historians have argued that the success of democracy in Argentina depended upon the success of government economic policy. In many ways this view is correct, as it was usually in times of economic chaos that the army intervened in politics. Therefore if the government could bring economic stability to the country, they would reduce the threat of armed intervention. The initial success of the Austral Plan in reducing inflation to 20%, a considerable reduction in consumer prices, resulting in an increase in purchasing power, helped Alfonsín win the 1985 election.

Although economic instability returned for the latter years of his presidency, Menem was able to restore stability through the Convertibility Plan. This restored public confidence in Argentinian currency, reducing inflation, and therefore created confidence in the democratic process in solving economic problems. The scale of the crisis in 1989 also helped Menem's government, as unions were more willing to accept the radical cuts that were introduced. His success in keeping inflation to an average of 28% in the period 1991–94, and in bringing the consumer price index down from 84% to 3.9% in the same period, ensured that the government maintained support despite the rising unemployment figures.

#### Examiner's comment

The student starts by making a link between the economy and army intervention, and explains why this was important to the survival of democracy. Once again, economic policies are analysed in relation to the survival of democracy, and not simply described. There is much more that could be said about other measures, but the candidate has selected two that are central – one to each president – and then links both back to how they helped the survival of the state.





The actions of both Alfonsín and Menem also helped the survival of democracy. Alfonsín was able to rally the nation behind democracy during the Easter rebellion of 1987. His appeal to the people to come out onto the streets brought 100,000 into the Plaza de Mayo. His speeches to both Congress, when he stated democracy was not negotiable, and to the people, when he thanked them for defending democracy, made it clear that the government was willing to uphold the state. His decision to step down six months early, in 1989, also helped preserve democracy, as it ensured a rapid transfer of power to Menem and prevented the army from intervening to save the nation.

**Examiner's comment**

The student introduces another factor, and again uses precise evidence to support their claims. In places, the answer becomes a little generalised, and there is some weakness over Menem's use of advisors and how that helped democracy to survive. In the last sentence, it would have been beneficial if the student had linked the material to the question.

Menem also helped to preserve democracy by his willingness to bring in advisors from outside the PJ to help tackle economic problems, ensuring that a wide range of views were consulted. Even the Olivos Pact, which allowed him to change the constitution and arguably strengthen his own position, also helped to strengthen democracy, as it reduced the president's tenure in office from six to four years, and altered elections to the Senate so that smaller parties were represented.



Popular support for the democratic process helped the survival of the state; even when there was disillusionment with the economic situation, the majority did not want a return to military rule. Institutions within Argentina became more democratised. This helped to support the democratic process, as the Perónists became more of a political party than a movement and union elections became more open. At every level, therefore, democratic processes were seen in action and society became more accustomed to democracy.

**Examiner's comment**

This is the weakest paragraph in the essay. It appears as if the student was running out of time. The points made are very general and little evidence is provided to support the claims.



The most important reasons for the survival of democracy are the relative success of the economic reforms, as the stability it created meant that the army, a force that had previously ousted governments, would not act. This process was aided by their loss of influence and prestige, which was in part facilitated by Alfonsín, so that by the time Menem came to power the army was not in a position to challenge the democratic state.

**Examiner's comment**

The answer reaches a clear judgement that follows on from the rest of the essay. Links are made between factors, particularly the army and economic stability, but also between the army and the policies of Alfonsín and Menem. This concluding paragraph does not add new material, but shows how processes link together.

## Overall examiner's comment

This is a clear, well-focused and analytical answer that is well linked to the question. The candidate deals with both parts of the question and supports the ideas with precise factual material in most instances. There is some judgement about the importance of factors, although this could be developed. The slight weaknesses, particularly towards the end, mean that this would reach the bottom of Level 1 and gain 17 marks.

## Activity

Look again at the simplified markscheme on page 50 and the student answer above. Now try to rewrite the paragraphs where the examiner has suggested that more detailed support is required, and add in examples of historical debate to push the answer up into the top of Band 1, and so obtain the full 20 marks. As well as making sure you address all aspects of the question, try to integrate some more specific own knowledge examples, and extend the references to relevant historians/historical interpretations.

## Question 2

How successful were Argentinian governments in dealing with the economic problems they faced in the period from 1983 to 1994?

[20 marks]


## Skill

Analysis/argument/assessment

## Examiner's tip

This question is quite narrow in focus and requires detailed knowledge of the economic problems the governments faced, and the policies they adopted. It will be valuable to have precise statistical knowledge to support the arguments that you make. It is also advisable to identify the economic problems that the government faced in your introduction, and then deal with each problem in a separate paragraph, remembering to analyse the success of the policy and not simply describe the problem and solutions adopted.

## Student answer



*The governments of both Alfonsín and Menem were faced with serious economic problems. It was, at least in part, the scale of the economic problems which had brought down the military regime that preceded Alfonsín's government, and would also end his period in his office, reflecting clearly the importance of solving the problems. The most serious of these problems was inflation, which resulted in a loss of confidence in the currency and large-scale debts. As a result of inflation, the prices of goods were rising at a far greater rate than wages, and therefore the standard of living was in decline, affecting the poor dramatically more than the better-off. Most major firms in Argentina were state-owned and were inefficient, benefiting from protection from imports but unable to compete overseas. They employed a very large workforce that only added to their lack of competitiveness.*

## Examiner's comment

The introduction identifies the major economic problems faced by the governments, and this ensures that there is a clear focus on the question. The answer links some of the problems and shows how they affected other issues, and is therefore able to demonstrate the seriousness of the issues. The answer also places the economic problems in a wider context of their importance for stability. This is an encouraging start, giving a clear structure to the answer.

**Examiner's comment**

This section is clear and focuses on the most important problem: inflation. The student explains the scale of the problem and pursues a clear argument that Alfonsín's government was unable to succeed in the longer term, but Menem was more successful. The student also supports the argument with a good range of precise and relevant factual details.

Inflation was the most serious problem for both Alfonsín and Menem. Inflation had grown during the Falklands War and by the time that Alfonsín came to power, it had doubled from January 1983. His initial plans to solve the problem, by sponsoring wage increases to encourage consumer spending, only served to further fuel inflation. In the last quarter of 1983 it had reached 626%, but by the third quarter of 1984 it had risen to 1080%. The Austral Plan, introduced in 1985, had some short-term success in solving the inflation problem through wage and price controls. Inflation was reduced to under 50%, dropping as low as 20% in the early months of the plan, but the restrictions on pay rises were lifted in October 1985, and although this may have helped the Radicals win the subsequent election, it started the inflationary spiral to rise once more. After this, Alfonsín's government was never able to bring inflation under control.

The Little Austral Plan did not work and there was eventually a return to hyperinflation: by May 1989, it had reached 150% and the annual monthly rate was 5000%. However, this was not the worst, as by the end of Alfonsín's period in power it had reached 28,000%, showing clearly that the government had been unable to deal in the long term with the problem of inflation. The inflation problem that faced the Menem government was therefore very serious. At first, the government measures did not work, as hyperinflation persisted, but the introduction of the Convertibility Plan did bring success. Inflation averaged only 28% in the years between 1991 and 1994, suggesting that by the end of the period the government had been able to end hyperinflation and bring some stability.

**Examiner's comment**

Here again, the student is focused on one issue and does not allow the answer to drift. The essay offers accurate statistical information and this is used to support an argument. The answer continues to be analytical in approach and follows a consistent line – Alfonsín's failure and the relative success of Menem.

Closely linked to the problem of inflation was that of rising consumer prices. As with inflation, there was some short-term success following the Austral Plan, and the consumer price index fell from 30.5 in June 1985 to 2 by September. However, the relaxation of wage controls prior to the election meant that industrialists demanded that prices increased. This continued the following year and was never brought back under control by the Alfonsín government, seen most clearly in the food riots in major cities at the end of his time in office. By the end of Alfonsín's ministry, wages were 20% lower than in 1986 and 35% lower than in 1984, reflecting the failure of the policies in solving the problem. However, during Menem's presidency, the Convertibility Plan and associated policies resulted in the consumer price index falling from 84% in 1991 to just under 4% in 1994. Although these policies did control prices and could therefore be seen as successful, this must be balanced against the rise in unemployment, which had reached 14% by mid 1995.



The stability of the currency was a problem for both governments. The economic problems created by the Falklands War resulted in many people abandoning the peso and investing in the more stable dollar. By the time Alfonsín came to power, the equivalent of \$22 billion in Argentinian pesos had been converted into dollars. Under the Austral Plan, the government introduced a new currency – the austral – which was designed to restore confidence, as the exchange rate was linked to the dollar. As with many elements of the plan, its success was limited to the short term, as by 1989 the value of the currency had collapsed; originally the austral was worth \$1, but by early 1989 it was 175 australs to the US dollar and by June it was 375 australs to the US dollar. However, the stability of the currency was solved, firstly by replacing the austral with the nuevo peso, then by the Convertibility Plan of 1991, which prevented the alteration of the exchange rate or the printing of money above the level of dollar reserves to pay off the deficit. These measures were a success, as the currency was firmly tied to the dollar and this was reflected in its ability to overcome the Tequila Effect that hit Latin America following the economic downturn in Mexico in 1994.

#### Examiner's comment

The essay continues to be analytical and the consistency of the argument is maintained. As with previous paragraphs, the detail is used to support the argument and is not simply described. It is clear that the student is in command of the topic and has a clear understanding.

Closely linked to the problem of the currency was national debt, which had reached \$43.5 billion by 1983. The scale of the debt would make it very difficult for the government to raise loans, as was seen in May 1985 when the IMF suspended loans. The debt continued to be a problem for Alfonsín, as interest continued to rise and the debt itself rose from \$46.9 billion to \$63.3 billion. This only added to the lack of confidence in the currency. However, by 1994, confidence had been restored and despite the collapse of other Latin American economies, Argentina was able to raise loans in the aftermath of the Tequila Crisis and avoid a financial crisis.

#### Examiner's comment

Although the student continues to follow a consistent argument and is able to support this with reference to the problem of the debt under Alfonsín, the answer is less convincing when dealing with Menem. The knowledge shown here is more generalised and would benefit from precise supporting detail.

**Examiner's comment**

The answer identifies a further economic problem and continues the convincing argument, but as with the previous paragraph, there could be more precise support – for example, when did Alfonsín try to break the pattern? There is also little evidence to show whether the industries were more efficient at the end of the period. The answer needs a better link back to the issue raised, and whether the problem was resolved.

**Examiner's comment**

Although a shorter paragraph, the argument is still pursued. It would benefit from some precise detail about contraction under Alfonsín to compare with the figures for Menem. As the answer has progressed, the student has shown that success under Menem was not complete and that some problems were not fully resolved, showing that judgements are not always black and white.

**Examiner's comment**

The conclusion follows logically from the argument in the rest of the essay, and builds on the preceding paragraphs. The student has shown that any success under Alfonsín was short term. However, success under Menem should also be qualified.



Many of Argentina's industries were inefficient. Pressure from unions had maintained large workforces, and a lack of foreign competition due to import restrictions only made matters worse. *Alfonsín was unable to break this pattern, despite attempts to reduce export taxes and sell off government-owned industry to raise revenue.* Faced with more serious economic problems, such as inflation, nothing was achieved. However, the Law of State Reform, brought in under Menem, authorised the selling-off of state-owned companies, and this saw the privatisation of the telephone network, TV, rail and parts of the oil industry. *Although it did result in increased unemployment, it helped to reduce the government deficit and made the industries more competitive.* At the same time, Menem was able to open up the economy to foreign competition, and the signing of Mercosur with Brazil, Paraguay and Uruguay was a first step to linking member states' markets for goods, and the abandonment of a protectionist policy.



The Argentinian economy had witnessed a period of stagnation, but if the country was to reduce its deficit, growth was essential. *Alfonsín was unable to solve the problem as the government was overwhelmed by hyperinflation, and his period in office saw the economy contract. Under Menem, however, the economic output grew at just under 8% in the period from 1991 to 1994, but this impressive figure was not maintained following the Tequila Crisis, and by the third quarter of 1995 it had dropped to 0.5%.*



The economic problems faced by Argentina were immense. Initially, success under Alfonsín was largely short-term, and in some instances the policies created further problems. However, under Menem many of the issues appeared to have been resolved, and the period witnessed stability and growth. Yet even this judgement is not completely sustainable, as the Tequila Crisis undermined many of the achievements, and unemployment continued to be a major problem. Although the Tequila Crisis was beyond the control of the government, it suggests that economic instability may be the norm and that economic problems will not be overcome, at least in the short term. However, in the past, the army had intervened in times of economic crisis, their failure to do so during this period suggests that the governments had been able to deal with the most serious problems, even if it was only in the short term.

## Overall examiner's comment

This is a very thorough answer. The argument is consistent and the student reaches a clear and mostly well-supported judgement. Factual material is used to support the argument, and is not just imparted or described. There is some unevenness in terms of factual support, but it is not enough to detract from the overall quality of the answer. Many students find economic questions and the concepts difficult to deal with, but this answer shows a good understanding and the student remains in control throughout. As a result the essay would be placed in Band 1 and awarded 18 marks.

## Question 3

Assess the reasons why some democratic regimes have survived and others have collapsed. (You should confine your answer to two countries, each drawn from a different region.)

[20 marks]


## Skill

Analysis/argument/assessment

## Examiner's tip

This is a very large topic, and although the question does not state that you should compare the two regimes you have chosen by themes, doing so will make the planning, structure and coverage of the topic much easier. You must also ensure that the two regimes you choose come from different regions, as failure to do so will gain you half marks at best.

## Student answer



*The emergence of democracy in Argentina in 1983 and Germany in 1919 was the result of military defeat in war; Argentina had suffered humiliation due to an inept military performance in the Falklands War, whilst Germany had suffered defeat in the First World War. Neither nation had been prepared for defeat: in Argentina, a military response from Britain was not expected and the initial conquest of the 'Malvinas' had been easily accomplished; Germany had launched a major offensive in 1918, had already defeated Russia in the east and still occupied French and Belgian soil. In both nations, the press had given the impression of ultimate victory and this made the shock of defeat even greater, resulting in the collapse of authoritarian rule in both countries. Yet in Argentina democracy would emerge and survive, whereas the democratic Weimar Republic in Germany would last for only 14 years.*

## Examiner's comment

This is a well-focused introduction. It not only introduces the two states to be considered, but it also gives a brief overview of the similar circumstances in which they emerged. The student makes it clear that despite this similarity, one state survived and one failed. Even within the introduction, there is evidence of precise supporting detail. However, it might have been useful to suggest some of the themes that will be considered in the essay, and perhaps set out the line of argument that will be pursued.



### Examiner's comment

The student takes a theme that was important for both states, and links the material back to the question. However, the paragraph concentrates on the role of the military in Argentina, without fully developing reference to the military in Germany. Although an examiner would not expect an answer to be divided 50:50 between the two states, the student will need to make sure that this pattern of focusing on Argentina is not repeated throughout the answer. The student is able to support the points made about the army in Argentina with precise examples, but is more generalised in the discussion about the role of the army in Germany.

The role of the military was important in the fortunes of the two regimes. In Argentina the military, particularly the army, was discredited by its performance in the Falklands War and this resulted in discrediting any claim to continue to rule the country or to overthrow democracy when the country was faced with economic challenges. The army in Argentina, unlike that in Germany, had failed to solve problems when it did have power, with inflation reaching 200% and debts accounting for 54% of GDP by the end of the war. However, in Germany the military was credited with successfully uniting the country in the 1860s and 1870s. Although the army had been accustomed to running Argentina, attempts to overthrow the governments declined as they became reconciled to democracy, shown in 1990 when Seineldín's second attempt to seize power was crushed by other army units. In Germany, however, the army was ultimately willing to support the overthrow of democracy, swearing personal allegiance to Hitler in 1934.

Popular pressure also helped to reduce military influence, as seen in the demonstrations supporting Alfonsín against the Easter rebellion by elements of the army in 1987, and earlier protests against human rights abuses during the Dirty War. However, in Germany the army were still seen as heroes and many did not accept that Germany had lost the war; therefore there was still popular support for them. The army, along with other élites, was never reconciled to Weimar and wanted a return to authoritarian rule; Hitler was able to exploit this, winning over the army through the removal of the SA. The decline in the power of the army was vital for the survival of democracy in Argentina, as it did not intervene during the economic crisis in 1989 and when Alfonsín was defeated in elections, power passed peacefully to Menem.

Popular support for democracy was strong in Argentina, despite past failure and successful coups, but Germany was never reconciled to democratic rule. Germany was accustomed to authoritarian rule under the kaisers and this was also reflected in the election results of the 1920s, where most people voted for anti-democratic parties such as the nationalists or communists, and after 1929 the Nazis. However, in Argentina Alfonsín won 50% of the popular vote in presidential elections. This can be contrasted with Weimar, where President Hindenburg was also more disposed to authoritarian rule. In Argentina, there was a feeling that only democracy could solve the economic problems the country faced, whereas in Germany most believed only the abolition of democracy would solve the problems. The electoral system in Germany further weakened the system, as proportional representation resulted in majorities being achieved only by coalitions, which were often weak and short-lived, and the system also allowed the emergence of minority parties. However, in Argentina the electoral system provided more stable governments, and both Alfonsín and Menem were able to gain majorities or establish secure coalitions.

Democracy was never firmly established in Germany and, particularly during the Depression, the president resorted to rule by emergency decree. As this became the norm, many saw that democracy had failed to manage the economic crisis and believed that only a strong government could restore the nation. However, within Argentina institutions and processes became more democratic. The Perónists became more of a political party than a movement, and trade unions became more open.

The leaders in Germany, particularly after 1929, played an important role in undermining democracy. Papen, Schleicher and Hindenburg must all bear some responsibility for the failure of democracy as their actions allowed Hitler to come to power through backstairs intrigue. Secret negotiations between Papen and Hitler, with Hindenburg's knowledge, resulted in the fall of Schleicher's government and the appointment of Hitler as chancellor. However, in Argentina the actions of Alfonsín and Menem helped to preserve democracy. Alfonsín successfully appealed to the people during the Easter rebellion of 1987, and he publicly stated that democracy was not negotiable. His decision to resign early in 1989 also resolved a potential crisis, and prevented the army from intervening. Menem also helped to preserve democracy by consulting widely over economic issues and even through the Olivos Pact, which reduced the president's length of tenure and altered elections to the Senate so smaller parties were represented.

### Examiner's comment

The student introduces another valid point of comparison, and links it to the question. There is better balance here between the two states, and the candidate shows more knowledge about Weimar. However, there are instances where more precise supporting detail would benefit the answer. For example, evidence of the weak, short-lived coalitions in Germany, and the more stable Argentinian governments, would make the argument more convincing.

### Examiner's comment

This paragraph is focused on the demands of the question and is mostly analytical, with a clear argument. There is comparison between the two regimes, but again the supporting detail for the Argentina element is more detailed than that of Weimar, and the student should be more specific when discussing the 'backstairs intrigue' that characterised the days before Hitler was appointed chancellor.

**Examiner's comment**

The student gives their opinion about the most important factor explaining the different experience of the two regimes: economics. This paragraph continues the well-focused, analytical approach. The answer shows a good balance between the two states. Unlike the previous paragraph, the argument is well supported by precise factual details about the economic problems and management in both states, making the argument more convincing.



*The most important reason for the different fate of democracy in the two states was the management of economic problems. In Argentina, it was usually in times of economic crises that democracy was overthrown by the army, therefore by bringing about some economic stability this threat was reduced.* Alfonsín's government initially reduced inflation to 20%, reduced consumer prices and increased purchasing power. Although this was only short term, Menem restored stability through the Convertibility Plan, which revived confidence in the currency and reduced inflation, indicating that democratic governments could solve economic problems. This was seen most clearly in his ability to keep inflation at an average of 28% in the period 1991–94 and bring the consumer price index down from 84% to 3.9%.

*However, the situation in Weimar was the opposite. Weimar faced two economic crises, the first in 1923 and the second in 1929. Although the hyperinflation of 1923 was solved through a new currency, the middle class and those on fixed incomes had suffered considerably as money became worthless, and the government never really regained the trust of the people, despite recovery in production levels. This success was short-lived and it was the failure to deal with the Depression, and resulting high levels of unemployment, that triggered the events that would lead to the downfall of the republic.* The Depression led governments to rule by emergency decree and triggered the rapid rise of the anti-democratic Nazi Party. Their support rose dramatically as the public looked for parties that appeared to offer simple solutions to the economic problems that the present governments seemed unable to deal with. This is reflected in the performance of the Nazis in elections, as their seats rose from 12 in 1928 to 230 by July 1932, when unemployment was getting close to 6 million.



**Examiner's comment**

The conclusion draws together the factors that have been discussed in the main body of the essay. There is some attempt to link the factors. The student does not introduce new ideas, but pulls together the essay and leaves the examiner in no doubt of their opinion.

*The most important reason for the different experience of the two nations was the government's handling of the economic crises. In Argentina, the relative economic stability created meant that the army, which had previously removed democratic governments, would not act. This process was aided by the decline in the army's prestige after the Falklands War, and the popular support for democracy. However, in Germany the government's inability to solve the economic crisis created by the Depression meant that the anti-democratic forces within Weimar were able to dominate, and with a lack of popular support the republic collapsed.*



## Overall examiner's comment

This is an analytical answer that remains focused on the question throughout, concentrating on the key elements of survival and collapse. The thematic comparison works well, and allows the student to cover a range of issues. The answer focuses on key elements and avoids describing what happened in the two states. The student also avoids drifting into a discussion of themes or issues that do not affect the survival or collapse. There is fairly good balance between the two states, but there are instances when the facts provided in support of the argument would benefit from being less generalised. This is more noticeable in discussions of the collapse of Weimar than the survival of Argentinian democracy. It is this weakness that prevents it from reaching Band 1, and it would therefore be awarded a Band 2 mark of 16.

## Additional Paper 2 sample questions

- 1 Assess the reasons why democratic states emerged and survived in two countries from different regions.
- 2 Compare the seriousness of the threats to two democratic states from different regions.
- 3 How successfully have democratic states dealt with the challenges they have faced? (You should confine your answer to two countries, each from a different region.)
- 4 How serious a threat have pressure groups been to democratic states? (You should confine your answer to two countries, each from a different region.)
- 5 To what extent was the military the greatest threat to democracy in Argentina in the period from 1983 to 1995?

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