

Argentina: landowners withhold meat supplies from country's population

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20 December 2006

Since December 3, the major landowners in Argentina's Liniers region have been refusing to provide cattle to the country's meatpacking houses. The boycott is a protest by the country's agrarian bourgeoisie against restrictions imposed by the government on beef exports.

The Argentine government has limited meat exports to a maximum of 45,000 tons a month (close to 70 percent of national production). The government measure is aimed at guaranteeing a regular supply of meat products within the country itself, controlling inflation and forestalling a drive by workers to raise wage levels. Beef is a basic foodstuff in Argentina, which boasts the highest per capita beef consumption in the world.

The government of President Nestor Kirchner has attempted to justify this economic policy with political demagoguery, claiming that it is a means of social support for Argentine workers and the people as a whole.

Despite its attempts to portray itself as above the conflict of class interests and governing on behalf of the Argentine people, the Peronist administration of Kirchner is clearly a bourgeois government that has made many concessions to the powerful rural elite. But it needs to balance between the conflicting interests of the diverse sectors of the country's bourgeoisie. His aim in imposing controls to assure meat supplies for the national market is to uphold, on behalf of all of the country's capitalist employers, lower consumer prices and in turn stabilize the price for labor power. In this way, the government acts to guarantee current rates of profit for all branches of production.

At the same time, however, this measure comes into conflict with the insatiable thirst for profit on the part of meat producers who are now responding with the

boycott. This agrarian bourgeoisie seeks the unlimited exploitation of the advantages of owning property on the Argentine pampas. The region offers unrivaled conditions for raising cattle, which translates into an unrivaled competitive advantage in international trade. The cost of production of a kilo of meat in Argentina is 1.30 pesos, while the final Argentine consumer pays close to 6.5 pesos. This difference in prices guarantees the Argentine rural elite a rate of profit rivaling the rates achieved in any other sector of the national economy.

On the world market, however, this same meat can be sold for US\$13 a kilo (close to 40 pesos)—that is, at a price that is close to 30 times the cost of production and 6 times the price obtained in Argentina itself. On the world market, this meat offers the Argentine landowners an exorbitant rate of profit that far exceeds anything obtainable by other sections of national production.

The Argentine landowners, moreover, enjoy major state subsidies from the Kirchner government, covering the price of fuel and electrical energy, which serve to indirectly control costs of production. While on the one hand, they demand that this state protectionism in the form of subsidies continue, on the other, they insist that this same state grant them unrestricted freedom of trade.

With the end of dollarization after the crisis of 2001 and the monetary devaluation that followed—today, 1 dollar is worth nearly 3 pesos—the agro-export sector was the one that grew and profited the most. In the last three years, the price of land has risen 200 percent and close to 33 million more pesos have poured into the pockets of the landowners via agricultural exports than in previous years.

Between 1988 and 2002, the number of productive

units in the Argentine countryside was slashed by 25 percent, going from 397,000 to 318,000. In the province of Córdoba, this reduction was much more intense, reaching 34 percent. The depopulation of the Argentine countryside is brutal, and some areas of the country have been totally emptied of humans, leaving only cattle. With the concentration of farming, the average size of agricultural property has risen from 420 to 540 hectares.

In this period of 1988-2002, close to 80,000 families of small landowners lost their land and had to migrate to Argentina's cities. Many of these families make up part of Argentina's army of unemployed workers, a sector that grew particularly after the deep crisis of 2001, which ravaged the country's economy.

The unquenchable drive for profit by rural capital puts at risk an affordable supply of a product that is the most basic foodstuff of the population. For the big landowners, Argentines should only have the right to consume their meat if they are prepared to pay for it at the rate obtainable on the international market—that is, the price paid by European consumers.

In this agricultural strike, how the Argentine landowners understand the national question is made perfectly clear. For them, as for all capitalists, the national question is measured by their own private interests. The developments in the Argentine countryside demonstrate that the fatherland that is loved and defended by capital is the fatherland of money, and money's only fatherland is its self-valorization, even at the cost of leaving millions of people deprived of basic necessities.

The example of the Argentine landowners is reproduced in diverse forms in various regions of Latin America. Exporters of coffee, soya, oranges, chicken and other agricultural products behave in the same manner. While broad sectors of the Latin American population are denied a healthy and adequate diet, the big landowners earn millions of dollars off their exports to the world market, in general while receiving generous subsidies from governments that claim to represent these countries' workers.

At times, these governments, as in the case of Kirchner and the beef issue, are pressured by other sectors of the bourgeoisie that, in the face of this drive by the agricultural exporters, are threatened with an excessive increase in the cost of reproduction of the

local workforce.

Restrictive measures are imposed on the agricultural export sector, the demagogic government claims notwithstanding, not with the objective of promoting the welfare of the workers or of the "nation," but of balancing the accounts of other sectors of capital, which, like the rural bourgeoisie, also are insatiable exploiters of labor power seeking, like their agricultural counterparts, to make their products competitive on the world market.

In this sense, today, more than ever before—with the ever-greater integration of the world productive process, in which even small firms are integrated into the worldwide distribution networks of big capital—all nationalist programs and measures in general benefit only one or another section of the bourgeoisie, rather than the workers. Behind every "nationalist" measure, there are capitalist interests bound up with the world market.



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