

# Massive blackout affects 50 million in Argentina and Uruguay

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On Sunday, June 15, the most massive blackout in Argentine history took place in the South American southern cone. The blackout had its biggest impact in Argentina and Uruguay; it affected virtually the entire territory of both countries. Bordering sections of Brazil, Chile and Paraguay were also affected. Except for the southernmost province (Tierra del Fuego), Argentina suffered a total blackout. Twelve hours after the lights went out, power had still not been fully restored.

Public transport was virtually paralyzed. In Buenos Aires, the subway and light rail systems stopped running, and buses were delayed due to non-performing traffic signals.

The immediate cause of the blackout appears to have been a sudden imbalance between the demand and supply for electricity. A sudden collapse in supply, even at a time of low demand (Sunday at 7:07 a.m.), triggered a series of shutdowns that resulted in this calamity.

The electricity shutdown was tentatively blamed on the “collapse of the Argentine Interconnection System (*Systema Argentino de Interconexión*, SADI),” which links up several sources of electricity generation, including parts of nations that border Argentina. Initially, spokespersons from the Argentine Department of Energy speculated that the SADI failure had to do with “some meteorological event” that damaged transmission lines.

While the exact cause of this blackout has yet to be revealed, the underlying cause is the collapse of the electrical infrastructure as a result of capitalist Argentina’s decades-long economic crisis and high levels of corruption.

The SADI grid links two main subsystems of high-tension power lines between generating plants and distribution plants; the latter send electricity into homes

and factories. Tierra Del Fuego province is independent of the SADI network; for that reason, along with some regions in eastern Uruguay, it did not experience the shutdown.

On the day of the blackout, government authorities appeared flummoxed about the exact causes of this catastrophic event. Energy Secretary Gustavo Lopetegui expressed regrets on behalf of the Macri administration and assured everyone that Macri himself was closely following events. “We have no information of why it [the blackout] happened. ... It was an extraordinary event that should not happen again,” said Lopetegui. He promised additional information in the next few days, and assured his listeners that the electrical grid was “a robust system.”

Lopetegui’s words notwithstanding, it is no secret the Argentine electrical grid is suffering from decades of neglect, despite massive subsidies to electrical utilities and substantial hikes in electricity rates, supposedly to maintain and improve the infrastructure. As a result of the collapsing electrical infrastructure, the number of brownouts and blackouts across Argentina has increased year to year. Sunday’s multinational blackout was in fact totally predictable.

The Department of Energy at one point suggested that the origin of the imbalance was linked to problems at the hydroelectric Yacyretá Dam, on the Paraná River, and the Salto Grande Dam on the Uruguay River between Argentina and Uruguay. Yacyretá’s electricity is shared by Paraguay and Argentina.

According to this account, the entire grid shut down due to a malfunction at Yacyretá, followed by the shutdown of generation in Salto Grande, leading to a chain reaction along the SADI grid.

In recent decades, there have been many warnings in Argentina of the lack of proper maintenance and

investment in the electrical grid. Despite substantial subsidies to firms and massive increases in electricity prices, needed investments have not taken place.

The Yacyretá Hydroelectric Dam, at the center of the current catastrophe, is illustrative of this crisis.

While the Yacyretá Dam may not have been the source of the blackout, it is in urgent need of repair. In May of this year, Ricardo Colombi, governor of Corrientes Province, issued a serious warning: “Due to lack of maintenance, the [Yacyretá] dam has already lost some of its defenses; two of its turbines have been shut down and the others are operating at 75% capacity.”

Colombi also warned of the cracks in the dam. Beyond the resulting blackout from a rupture of Yacyretá, he sounded the alarm that the collapse of the Yacyretá Dam would affect “half the country,” putting the lives “of millions” in danger.

Calling for emergency measures to repair Yacyretá, Colombi warned of the consequences of its rupture: “The enormous amount of water that would flow would wipe out in minutes the cities of Resistencia and Corrientes, and also the cities of Santa Fé and Paraná; not to mention the other cities that are on the margins of the river including the entire Paraná Delta and the Federal Capital” (the city of Buenos Aires is 600 miles south of Yacyretá).

There have been many warnings in Argentina of the lack of proper maintenance and investment in the electrical grid over the last 30 years. Despite substantial subsidies to firms and massive increases in electricity prices, needed investments have not taken place, and in many cases have been siphoned off through a network of graft and corruption.

Furthermore, true to their pro-business approach and general level of capitalist corruption, successive Argentine governments have taken a hand-off approach when it comes to policing the utilities and protecting their profits. Yacyretá is no exception.

From the time construction began in 1983, during the Videla military dictatorship, until its opening in 1998, Yacyretá has been a legendary case study of the corruption and cronyism that characterizes Argentine capitalism. Included in this web has been the Macri family itself, through its various holding companies, which have profited from Yacyretá contracts, according to a 2018 investigation published in *Primera Hora*, city

of Misiones’ daily newspaper.

In 2016, as part of its program of “shock therapy,” the Macri administration announced increases in the price of energy, transportation, and water of between 200 and 500 percent. In reality, however, as the bills came in the mail, the actual hikes in many cases exceeded 1,000 percent. These *tarifazos* provoked mass popular protests. The tariff hikes were repeated in 2017 and 2018.

As a result of the collapsing electrical infrastructure, the number of brownouts and blackouts across Argentina has increased annually, particularly during the summers. Adding to the human cost of the blackouts are cuts in water supplies for many communities, as electrically operated pumping stations shut down.

The Argentine working class, in the face of these and other attacks on its living conditions, is more and more at the edge of a massive popular explosion.



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