

Peronist government hammered in Argentine midterm elections amid record poverty

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The ruling Peronist Frente de Todos coalition of President Alberto Fernández suffered a staggering defeat in the midterm legislative elections held Sunday, losing almost 6 million votes. This represents 35 percent of the votes the Peronists won in the elections for the House in 2019, when Fernández was elected in the first round with 48 percent of the vote.

The Sunday elections renewed half of the House nationwide, and a third of the Senate. In the latter case, a direct comparison with previous results cannot be made, as votes were cast in only the third of the provinces that had not voted in 2019. The elections also renewed a number of provincial and municipal legislatures.

The thrashing suffered by the Fernández coalition resulted in the loss of 10 deputies and two senators, spelling the Peronists' loss of the Senate majority for the first time since the return to civilian rule in 1983.

Sunday's electoral defeat is even more significant as it took place under conditions in which all Peronist factions are united in the Frente de Todos ruling coalition, under the political leadership of former president Cristina Kirchner, who serves as Fernández's vice-president and head of the Senate.

The government's defeat will mean a political deadlock for the remaining two years of the Fernández presidency, as the main bourgeois opposition of the Juntos por el Cambio coalition led by the predecessor of Fernández, the right-wing billionaire Mauricio Macri, also lost 2 million votes and failed to secure a majority in Congress.

The elections also delivered the largest vote ever for the pseudo-left United Left and Workers Front (FITU), which increased their vote by 82 percent in comparison with 2019, to over 1.3 million votes. This will double their House delegation to four deputies. FITU won 25 percent of the vote for the party's list in northern Jujuy province, where the unionist Alejandro Vilca will now serve in the province's six-member delegation to the federal House.

Just behind the pseudo-lefts came the far-right list La Libertad Avanza of the fascist economist Javier Milei, a supporter of Donald Trump and Brazil's Jair Bolsonaro. It won three seats and over a million votes. In his campaign, Milei led rabidly anti-communist rallies with supporters menacingly chanting "the leftists are afraid."

The results for Avanza Libertad are seen as a political earthquake in a country which barely 38 years ago was ruled by a fascist-military dictatorship that killed 30,000 socialist and left-wing workers and activists. That regime became known for

particularly vicious methods such as stealing the children of political prisoners and executing prisoners by throwing them from planes into the middle of the Atlantic Ocean, where proof of the regime's crimes could never be found.

Milei had as his running mate the lawyer Victoria Villaruel, who has for decades specialized in defending former military officers accused by Argentine courts of taking part in "dirty war" kidnappings and executions. She holds the view that the 1976 coup and the ensuing state terror regime were a necessary reaction to the actions of Peronist guerrillas. In his victory rally in the Luna Park entertainment venue in Buenos Aires, Milei spoke with a Gadsden flag being held in the background, while Confederate flags were seen in the crowd, which reportedly chanted "no more blacks," a racist slur directed in Argentina against indigenous populations and immigrants from other nations in South America with indigenous background.

Such a political earthquake comes against the backdrop of an explosive social situation. Poverty now engulfs over 40 percent of Argentines, up from 35 percent in 2019. That is the highest rate since 2004, in the wake of the worst economic crisis in the country's history in 2002, when the GDP fell by 11 percent. Last year, Argentina suffered the second worst GDP drop in its history, of 10 percent.

The almost 10 percent rebound of this year will do little to offset the losses for workers after three straight years of recession, with GDP drops of 2.6 and 2.2 percent in 2018 and 2019. Over 60 percent of children are now poor, while unemployment stands at 10 percent. A third of those employed are in the so-called informal sector, without access to pensions and other social rights. Inflation is running at 55 percent on an annual basis, while signs are growing that the government will be forced to agree to a major devaluation of the national currency, the peso, which is being traded in the black market for half of the official exchange rate.

The government is also facing popular hostility because of its disastrous handling of the COVID-19 pandemic, which claimed over 115,000 victims in the nation of 45 million, or almost 260 deaths per 100 thousand inhabitants – above the 232 dead per 100,000 in the United States and trailing only Peru and Brazil in Latin America.

Such a social catastrophe came despite the use by the Fernández administration of every bankrupt tool in the nationalist-corporatist arsenal of Peronism, including laws forbidding firings, mandating wage increases in the private sector and price controls over

consumer goods deemed “essential,” a ban on meat exports and a cap on the amount of US dollars each person can buy in what is effectively a dual currency economy. None of this prevented the jump in poverty rates of over 5 percent. This year, the rate of inflation projected in the federal budget will be almost half of the real rate, meaning that all of the mandated adjustments to wages and social programs will fall far behind the rise in prices.

In the latest attempt to appeal to big business for “stability,” in October, the government announced that it was mandating a freeze on the prices of 1,400 goods, only to see inflation rise 3.5 percent over September prices. The price freeze mandate was a response to the scorching defeat suffered by the government in Argentina’s September open and mandatory primary elections (PASO), in which every party must clear a threshold of 1.5 percent of the votes to be able to run its candidates. Now, such fictitious – almost ritualistic – corporatist appeals to big business to freeze prices will be used by the government to delay its already ineffective wage rise decrees.

The elections also brought to the fore Argentina’s debt to the IMF, of over US \$50 billion, the largest amount ever lent to any country. The deal was made in 2018 by former president Mauricio Macri, who lost his reelection bid to Fernández in 2019. During their presidential campaign, the Peronists toyed with the idea of defaulting on the debt, branding it “illegitimate” and even “illegal” based on the open support of the Trump administration for the deal in opposition to initial reservations on its feasibility on the part of the IMF’s technical body.

Taking office, Fernández initiated a brutal IMF-mandated austerity drive with the promise that cuts to poverty relief programs, reinstatement of taxes on basic goods and the end of inflation-adjusted pension corrections would be compensated by larger economic growth, which never came. As for the “legitimacy and legality” of the debt that was central to the Peronist campaign, the new government shunned the question as irrelevant, saying the only way forward was to attract foreign investment and show “credibility” by paying the debt.

When the pandemic hit the country, the Fernández administration blamed the right-wing opposition led by Macri and their “individual freedom” demagoguery, akin to that of the European, Brazilian and American far-right, for his government’s failure in stopping the catastrophic spread of the virus in the country.

Faced with a stunning defeat in the PASO in September, the government attempted to resurrect anti-IMF demagoguery. Cristina Kirchner, who plays a more direct role in the corporatist “grassroots” Peronist organizations, from unions to so-called “social movements,” penned an open letter attempting to blame all of government’s problems on the failure of Fernández to listen to her and declaring she expected him to “honor the decision” taken “individually by her to put forward Alberto Fernández as a candidate for president of all Argentines” and criticizing the fact that the government was withholding authorized spending.

Kirchner made clear she was “not asking for radicalism,” but for the government to follow what she said “is happening widely in the United States and Europe, that is, the state acting to mitigate the tragic consequences of the pandemic.” The government then

paid back US \$1.9 billion to the IMF under more false promises that austerity would be relieved by negotiations with the fund. The government is now expected to agree to a major devaluation of the peso in order to meet the discrepancy of its real devaluation in the black market, bringing further inflation and impoverishment.

The historic significance of the 2021 elections cannot be underestimated. It has further exposed the historic bankruptcy of Peronism, which under the leadership of Kirchner and during the so-called “Pink Tide” was able to briefly dissociate itself from the brutal austerity measures of former president Carlos Menem, leading to the 2001 crisis.

From its first days, the return of Peronism was lauded by the financial markets as a possible means of imposing austerity while keeping the working class under control through the Peronist corporatist unions. The emergence of openly pro-dictatorship, fascistic forces in the form of Javier Milei’s La Libertad Avanza, is a sharp warning of preparations within the ruling classes to address the growth of class struggle with the most brutal methods.

Those warnings must be extended to the pernicious role played by the pseudo-left FITU. Despite its nominal references to socialism and class independence, the FITU forces are a collection of petty-bourgeois renegades from Trotskyism, led by the Socialist Workers Party (PTS), who specialize in sabotaging working class struggles by fostering illusions that the reactionary, anti-communist Peronist unions can be pushed to the left. That same role was played in the period preceding the 1976 coup, allowing the Peronist-aided Argentine Anticommunist Alliance (AAA) death squads to decapitate the working class organizations ahead of the military takeover. Later, in the 1980s, the predecessor of the FITU, the Morenoite Movement Towards Socialism (MAS), supported the Communist Party and the Alfonsín government in their amnesty for the torturers and murderers of the dictatorship, after the fascistic Carapintada military uprising.

The campaign by the FITU was directed at channelling discontent with the Fernández administration behind its own parliamentary cretinism and the struggle for more seats in the Argentine Congress. Argentine workers must study their history of betrayals and make a conscious decision to build a new leadership within the working class based on a socialist and internationalist perspective—an Argentine section of the International Committee of the Fourth International



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