

# [***This fiery economist became Argentina's president railing against politicians. Now he's wooing them***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BXF-D431-DYMD-604H-00000-00&context=1516831)

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**Body**

BUENOS AIRES, Argentina — When interviewed about his plans after a shock electoral victory last fall, Argentina's President-elect [*Javier Milei*](https://apnews.com/hub/javier-milei/) gave his go-to answer in a blink: “To exterminate inflation."

“After that ..." he trailed off, as though searching for anything else that could possibly matter. “Life,” he said, shrugging.

Driven by a single-minded obsession with [*slashing spending to tame inflation*](https://apnews.com/article/argentina-inflation-milei-currency-cuts-peso-devaluation-beddb4f7fd0021463653af37908bcb78) — now nearing 300% — the former television commentator with just two years’ experience in Congress made clear from the start he had little interest in anything but [*economic deregulation*](https://apnews.com/article/argentina-milei-inauguration-president-46b73d6a705e1c4652303022a37dbbb0).

But the all-or-nothing approach has left the short-tempered libertarian economist without a single legislative achievement 142 days into his presidency, raising questions about whether he can pull off his promised free-market revolution to rescue Argentina from its worst economic crisis in two decades.

Milei, who ran against “thieving politicians,” has [*run into resistance*](https://apnews.com/article/milei-strike-protest-argentina-buenos-aires-omnibus-7bd8be35f86d90f7f9167364152748e5) from Argentina’s combustible Congress, which he calls “the rat’s nest." His proposals have been rejected by political rivals, who he calls “parasites.” And he is struggling to win over disgruntled governors, who he reportedly threatened to “piss on" in a meeting last month.

But now, experts say, Milei is wising up to the game, giving up some campaign promises while maneuvering to secure enough other priorities to claim victory.

“He has had a rapid education in Machiavellian operations,” said Christopher Ecclestone, a strategist with investment bank Hallgarten & Company. “He's now using carrots and sticks to get what he wants.”

Indeed he got what he wanted Tuesday, when Argentina's lower house voted to approve a dramatically downsized version of Milei’s economic overhaul package, known as the omnibus bill. The Senate still needs to approve the legislation. Crowds of protestors converged outside Congress.

“Ending 100 years of decadence is not going to be easy but together we will break with the status quo,” Milei said in a rare message of unity after the vote.

Here's a look at the bill that got initial approval — and what it means for Argentina and its self-proclaimed “anarcho-capitalist" leader.

**HAS MILEI ACHIEVED ANY OF HIS GOALS?**

The first thing Milei did as president was crank out an emergency decree that allowed him to ram through hundreds of dramatic changes without Congressional oversight.

In just a few months, Milei devalued the Argentine peso by 54%, removed price controls for food and rent, froze all public works projects, halved the number of federal ministries, slashed government revenue transfers to provinces, cut fuel and transportation subsidies and [*laid off 15,000 state workers*](https://apnews.com/article/milei-economy-union-protests-strike-jobs-state-argentina-6b9b41603dcc2b9cbcf23e5654bd4e30).

Milei claimed “a new era of prosperity” last week when Argentina logged its first quarterly fiscal surplus since 2008. He stabilized the peso's black market exchange rate after months of free-fall. Bond prices climbed.

But that's little comfort to poor and middle-class Argentines [*struggling to scrape by as prices rise and wages lose value.*](https://apnews.com/article/milei-100-days-argentina-poverty-inflation-6011d71963b4203accbfadb4044cd43e) Over 40% of Argentines now live below the poverty line. [*Community kitchens say they're overwhelmed*](https://apnews.com/world-news/general-news-445788ac1f636ee0679011355233c3d3).

“I am forced to ask for donations because I can't afford clothes for my son,” said 37-year-old Alicia Martinez in Villa 31, an impoverished neighborhood in central Buenos Aires. “I don't know how much more I can take."

**WHAT HAS HAPPENED TO HIS LAWS SO FAR?**

Milei may have won the run-off election with 56% vote share last November, but experts say no Argentine president has had less clout in Congress since the 1983 fall of Argentina’s military dictatorship.

“He is the weakest president in institutional terms that Argentina has ever seen,” said Ana Iparraguirre, partner at Washington-based political strategy firm GBAO.

Founded in 2021, his libertarian party, Freedom Advances, holds just 15% of seats in the lower house and 10% of the senate. None of Argentina's 23 powerful provincial governors — who hold keys to legislative support — are allies.

Milei is fighting two battles in Congress — one over his emergency decree and the other over his cornerstone omnibus bill.

Argentina's senate struck down the presidential decree last month on the grounds it was unconstitutional. The decree remains in force until the lower house rejects it. [*But some judges have already suspended*](https://apnews.com/article/argentina-milei-labor-reform-cada045a4d2d2bb23dd1b52c0161f81f) legislative chapters deregulating the labor market following union petitions.

The omnibus bill cleared its first hurdle Tuesday. But the 232 articles that passed look radically different from Milei’s original 664-article version.

After [*opposition lawmakers rejected key proposals earlier this year*](https://apnews.com/article/argentina-milei-reforms-chamber-deputies-libertarian-bdf04cc55e9bdcc1f5a4f2ba90b8ecf7), Milei moderated his tone and entered weeks of negotiations with mainstream right-wing and centrist parties. Ultimately, he was forced to scrap the bill's most controversial elements.

**WHAT'S IN THIS OMNIBUS BILL?**

The omnibus bill remains divisive largely for granting Milei vast legislative powers in energy, tax, pensions, security and other areas.

But gone are the measures that could have bankrupted Argentina's powerful trade unions by eliminating automatic dues. Gone are the most extreme privatization plans that would have sold off Argentina's national bank and largest oil company.

In further concessions, Milei agreed he wouldn’t eliminate certain state agencies he has largely defunded, like Argentina’s national film institute and leading research body. To win over cash-strapped governors, Milei lowered salary thresholds subject to income tax.

“He presents himself as an uncompromising radical thinker but when push comes to shove, he is perfectly able to make compromises,” said Eugenia Mitchelstein, associate professor of ***politics*** at Argentina's University of San Andrés. “His 100-day honeymoon has come and gone ... He needs this law to pass.”

**WHY DOES THIS BILL MATTER?**

So far, Milei's has powered his state overhaul with little more than a [*whirring chainsaw*](https://apnews.com/article/milei-argentina-chainsaw-fed35a37c6137b951e4adada3d866436).

The International Monetary Fund expects Argentina's economy to shrink by 2.8% this year. Businesses are firing. Argentines are cutting back on consumption, stoking fears of a recession.

Milei is betting foreign investment can help Argentina turn the corner. But first he needs to show investors — and show the IMF, to which Argentina owes $44 billion — “that he can govern,” said Lucas Romero, who leads the consultancy Synopsis.

Economy Minister Luis Caputo seemed to recognize that during his remarks Monday at the Buenos Aires Stock Exchange addressed to businessmen.

“Our economic recovery depends on how successful we are in convincing you,” he said.

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Associated Press writer Almudena Calatrava contributed to this report.

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