



Argentina's Opportunity & The Case for a Special Economic Zone



aleph
ciudad de crecimiento

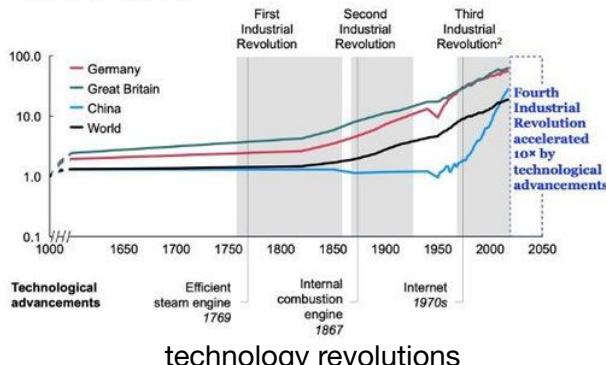


AR Tech Opportunity & The Case for SEZ

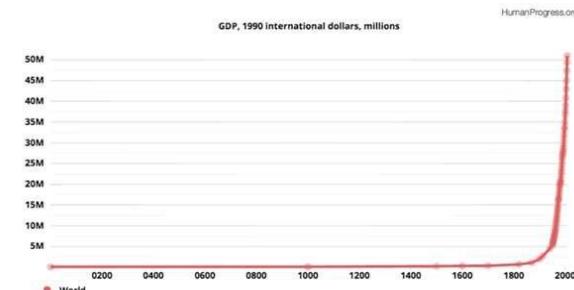
- **2000-2050 - Wealth & Economic Prosperity via Tech**
- **Argentina's Opportunity**
- **Special Economic Zones (SEZ)**
- **Your Option Space**

Technology is the strongest driver of human progress

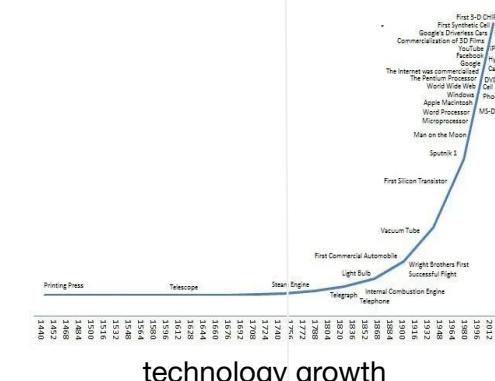
Changes in GDP per capita brought about by technological investments, 1000–2000 AD, by country, indexed¹



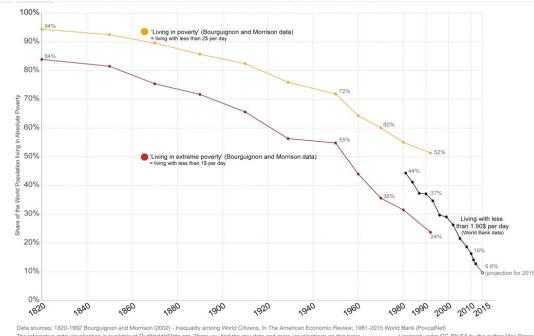
technology revolutions



global GDP

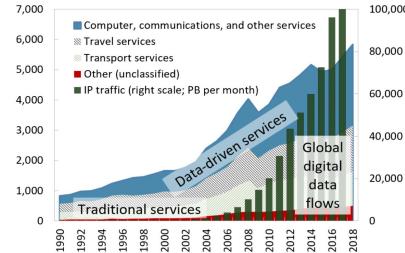


technology growth



global poverty

(billions of USD, unless otherwise noted)

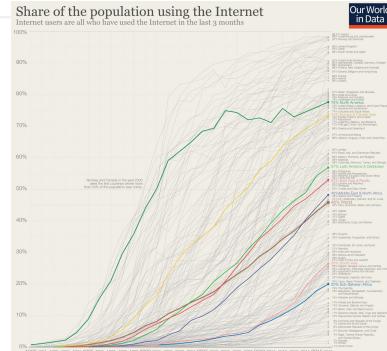


Sources: World Integrated Trade Solutions (WITS); and World Bank (2021). Note: IP = internet protocol; pb = petabyte.

IMF

global trade data flows

Share of the population using the Internet
Internet users are all who have used the Internet in the last 3 months

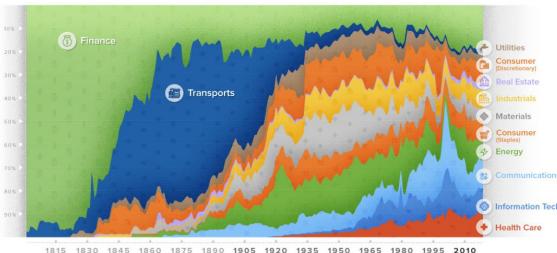


population using the internet

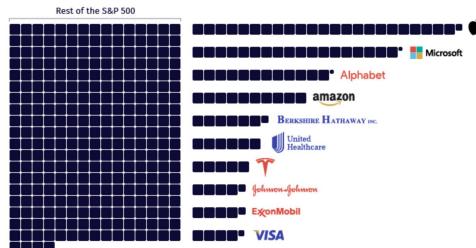
Technology companies increasingly drive most of the value in economies

VISUALIZING 200 YEARS OF U.S. STOCK MARKET HISTORY

How sectors have changed in relative importance over the years

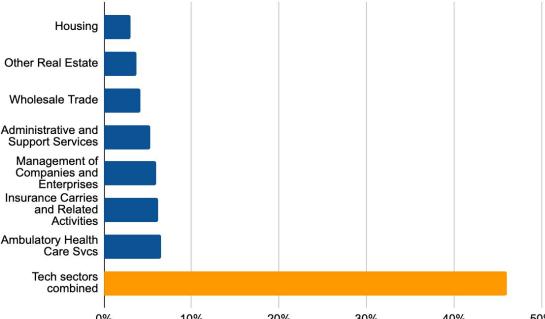
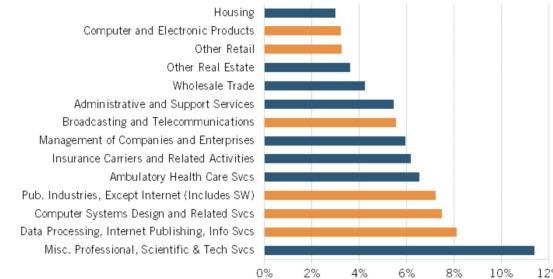


S&P 500
Market Capitalizations as of Nov 20, 2022



Information Tech & Finance sectors account for >30% of US stock market cap today, and growing

Figure 1: Selected industries' share of U.S. GDP growth, 2013–2022 (broadly defined tech industries in orange)



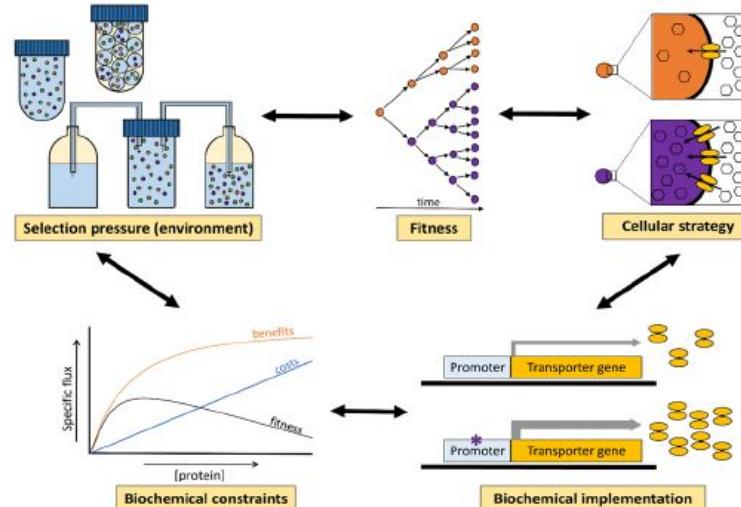
Tech sectors account for 6 out of the top 14 growth industries in the US, representing >80% of GDP growth over the past decade (2013–2022)

Note

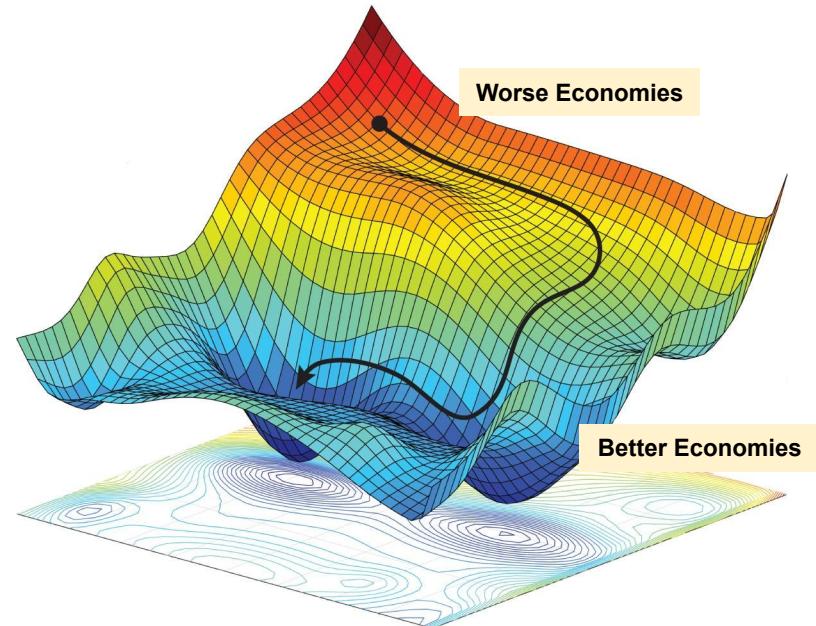
1. [Source](#)
2. [Source](#)

Tech Companies have to grow in the best conditions

They move or only develop in some environments



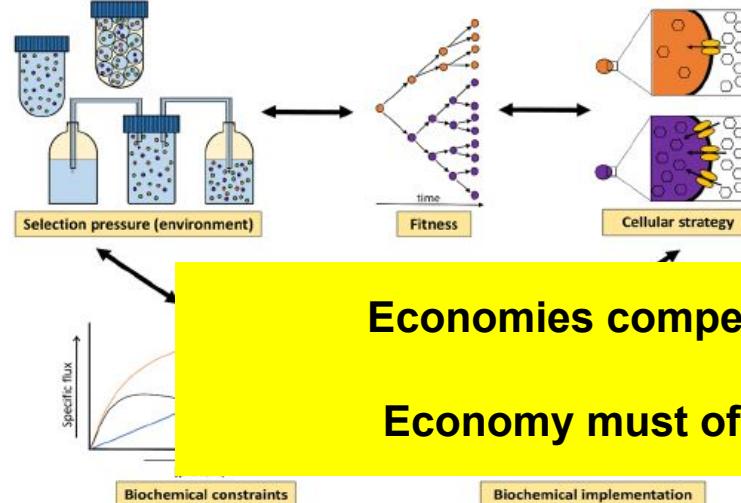
Economies are Evolutionary Systems
Companies grow or die based on fitness



Companies grow in best niches
Evolutionary search process

Tech Companies have to grow in the best conditions

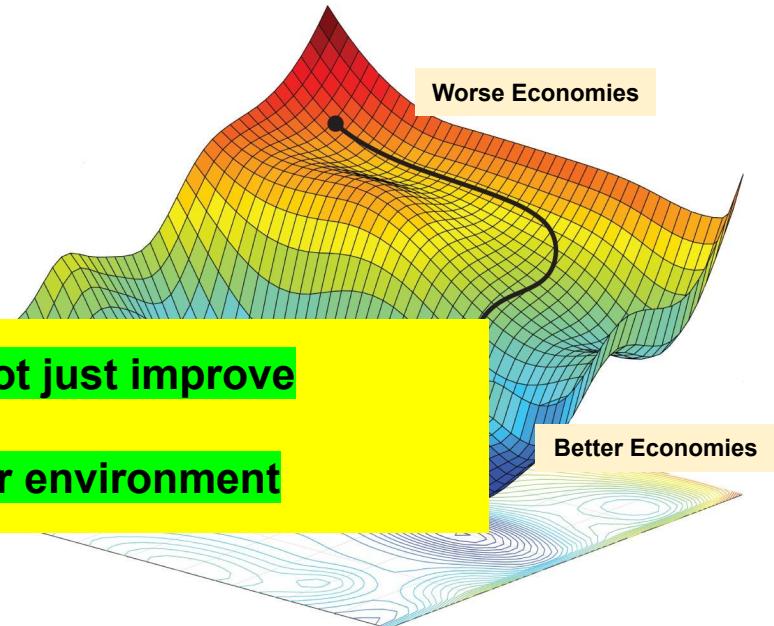
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Economies compete – cannot just improve

Economy must offer top tier environment

Economies are Evolutionary Systems
Companies grow or die based on fitness



Companies grow in best niches
Evolutionary search process



Context | A large top of funnel is crucial to supporting the full innovation pipeline

	Getting Started			Early Stage		Growth Stage			Late Stage
	Learning	Exploration	Pre-startup	Seed Startup	Startup	Small Co	Medium Co	Large Co	Giants
Market Cap	\$0	\$0	\$10K - \$1M	\$1 - \$10M	\$10M - \$200M	\$200M - \$1B	\$1B - \$10B	\$10B - \$100B	\$100B - \$3T
Revenue (ARR)	\$0	\$0	\$0	\$0 - \$1M	\$0 - \$20M	\$10M - \$200M	\$50M - \$1B	\$200M - \$10B	\$10B+
Funding Scale	\$5K - \$10K	\$5K - \$10K	\$5K - \$10K	\$100K - \$3M	\$3M - \$50M	\$50M - \$200M	\$200M - \$3B	\$1B - \$10B	\$10B+
Funding Type	Personal, School, Gov, Grants, Prizes	Personal, School, Gov, Grants, Prizes	Personal, School, Gov, Grants, Prizes	Seed Venture Capital (angel - seed)	Venture Capital (A - B)	Venture Capital (C & beyond)	Venture & Growth Capital	Growth Capital or IPO	Public Capital
Programs	Schools	Schools, Bootcamps, Hackathons	Schools, Bootcamps, Hackathons	Accelerators	VC networks				
People	1	1 - 5	1 - 5	1 - 10	10 - 250	250 - 1K	1K - 5K	5K - 20K	20K - 1M
Product Stage	School Projects, OSS, Prototypes	Hacks, OSS, Prototypes	Prototypes, MP	MVP	Early PMF	Strong PMF	Growth		
US			10,000,000+	1,000,000+	100,000+	10,000+	2,471	569	87
UK									
JP									
SK									
SP									
BR									
AR									
SA									
SV									

Note: For US, pre-startup to small co figures assumes orders of magnitude greater at earlier stages





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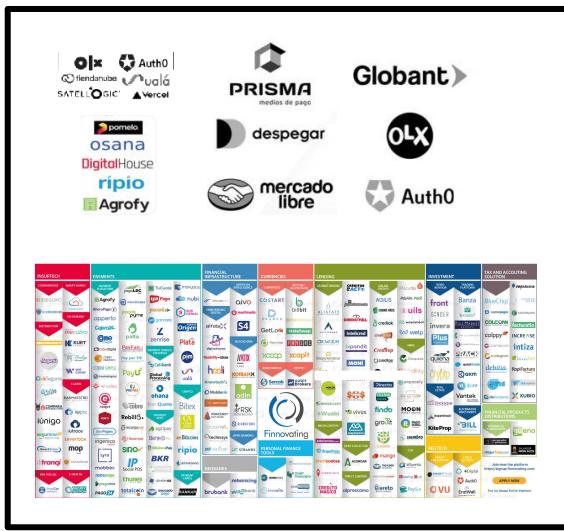


AR Tech Opportunity & The Case for SEZ

- **2000-2050 - Wealth & Economic Prosperity via Tech**
- Argentina's Opportunity
- Special Economic Zones (SEZ)
- Your Option Space

Emergent technology, crypto & AI sectors are well-positioned to grow further

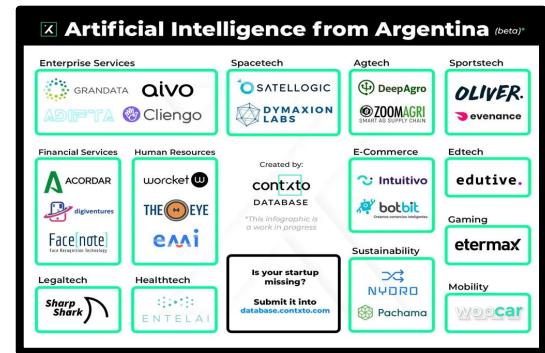
Argentine tech companies



Argentine crypto companies



Argentine AI companies



Note

- <https://starupsable.com/unicornios-latinoamericanos/>
- <https://latci.com/bloquear-significa-crear-una-startup-unicornio-en-latinoamerica/>



Context | Unpacking tech & innovation by vertical presents a unique opp. for crypto

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US - AI									
US - Crypto									
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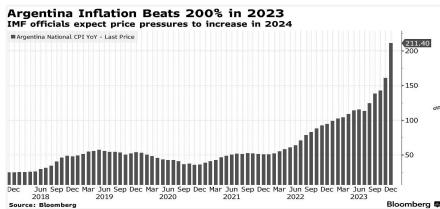




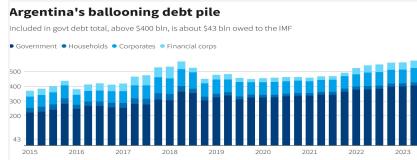
The Perfect Storm | Now is Argentina's Crypto Opportunity

Now is Argentina's perfect storm with both bottom up activity + top down support for crypto & startups

A challenging macro environment / opportunity



High inflation exacerbated by fiscal debt

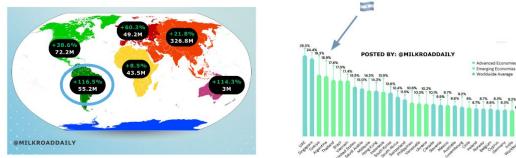


Currency depreciation & rising debt impacting overall economic confidence

Strong foundations for crypto-enabled growth

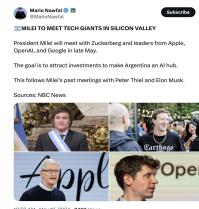


1/3 of Argentina uses crypto for everyday txns, including >50% of the freelance gig economy



Argentina ranks 15th in the world for crypto adoption, with the highest crypto-paid employees in the world

Political buy-in & support for innovation & tech-led growth



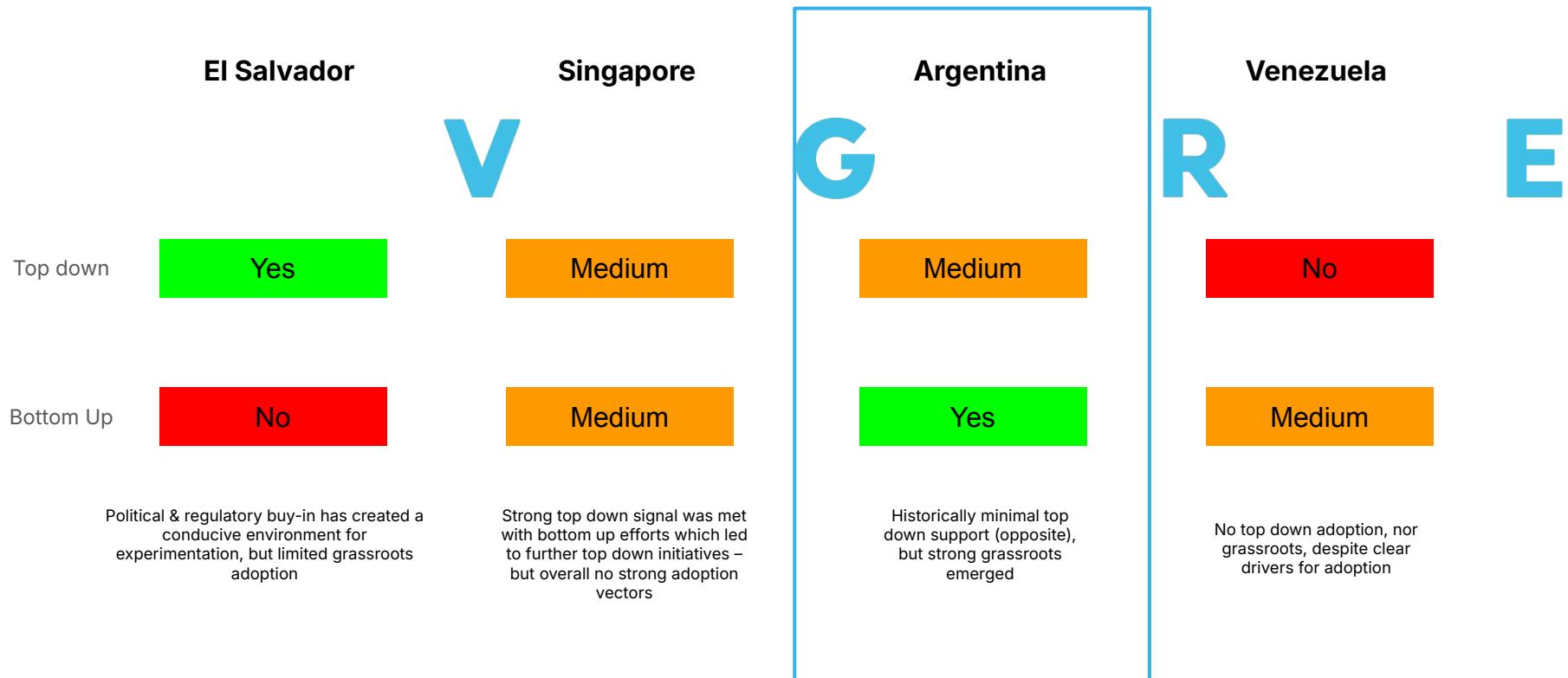
Milei is pushing to establish Argentina as a tech hub, boosting private enterprise & attracting FDI



Milei wants to eliminate 'legal tender' laws, enabling the freer use of currencies & digital assets



Context | Crypto-led innovation requires both top-down and bottom up support





However, existing frictions are impacting Argentina's startup ecosystem

Friction	Inflation & unstable monetary policy (over decades)	Payments & Savings (holding value)	Lacking basic financial infra (simple loans, mortgages)	High friction for business (registries, legal, banking)	Insufficient business capital (startup capital, VC funding)	Legal vacuum for technology infrastructure (AI, crypto)
Data	 					
Result	Persistent inflation eroding purchasing power & affecting consumer spending	Restricted access to international capital markets created a destabilizing environment	Lack of financial infrastructure impeding sustainable economic growth	Argentina ranks 126/190 in the WB Ease of Doing Business Index (170/190 for paying taxes)	3rd lowest share of LATAM venture deal volume	Lack of clear regulatory framework stifling innovation in frontier tech sectors

**Even if laws greatly improve, founders do not trust things will be good beyond 4-8 years (election cycles).
A strong startup ecosystem needs longevity (>20 years)**



Crypto can help solve these problems

Friction	Inflation & unstable monetary policy (over decades)	Payments & Savings (holding value)	Lacking basic financial infra (simple loans, credit, mortgages)	High friction for business (registries, legal, banking)	Insufficient business capital (startup capital, VC funding)	Legal vacuum for technology infrastructure (AI, crypto)	
							
How crypto can help	Preservation of value	Argentinian stablecoins	DeFi (loans)	On-chain corporations, DAOs	Tokenized companies	Tools, instruments & infrastructure that can support regulatory environment design & maintenance	
	Smart contracts for business	Remittances (fast transfers)	Inflation-resistant tools (credit)	Transparent resource allocation	Investment DAOs		
	Stablecoins	P2P crypto transactions	Tokenizing assets (real estate)	Access to global finance	Fractional ownership		



Crypto can help solve these problems

Friction

Inflation & unstable
monetary policy
(over decades)

Payments &
Savings
(holding value)

Lacking basic
financial infra
(simple loans,
credit, mortgages)

High friction for
business
(registries, legal,
banking)

Insufficient
business capital
(startup capital, VC
funding)

Legal vacuum for
technology
infrastructure (AI,
crypto)

Solving each problem needs just 1 **successful products**

So we just need 10-20 **successful startups**

Preservation of
value

Argentinian
stablecoins

DeFi (loans)

On-chain
corporations,
DAOs

Tokenized
companies

Tools,
instruments &
infrastructure
that can
support
regulatory
environment
design &
maintenance

Smart contracts
for business

Remittances
(fast transfers)

Inflation-
resistant tools
(credit)

Transparent
resource
allocation

Investment
DAOs

Stablecoins

P2P crypto
transactions

Tokenizing
assets (real
estate)

Access to
global finance

Fractional
ownership

How
crypto
can help



Timeline to startup success

Best-in-class SaaS businesses reach \$1M ARR in just 9 months

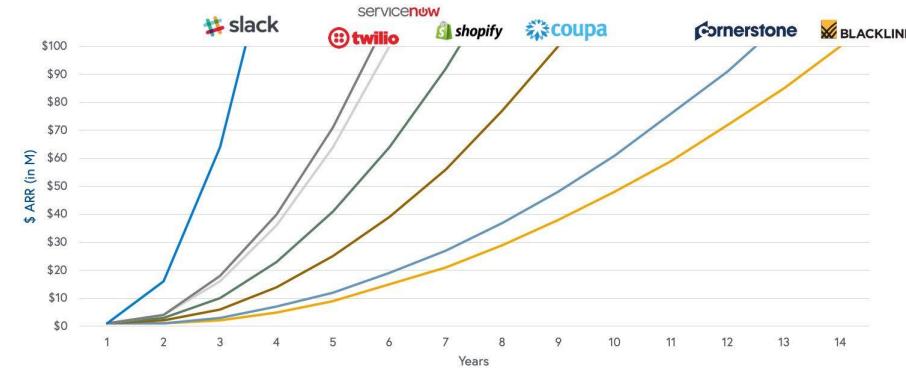
Time to reach \$1M ARR Milestone from first revenue



successful startups take 5-15y to grow

They need an economic zone with **longevity**

Years from \$1M to \$100M ARR



Years from \$100MM to \$1 billion ARR





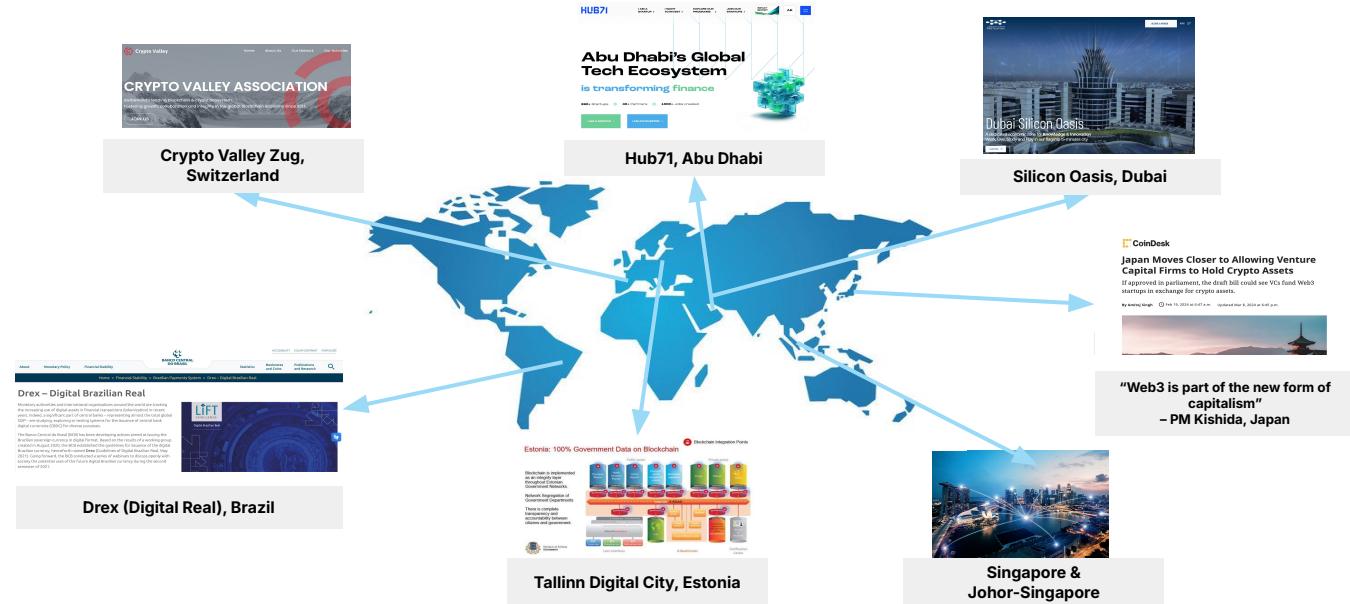
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Context | Countries & Special Economic Zones

Several economies are already moving fast to create competitive startup & innovation hubs



Some jurisdictions are trying to specifically focus on crypto - though none have yet succeeded



Economic Transformations



 Seoul, SK

 Singapore

 Dubai, UAE



Economic Transformations

1950



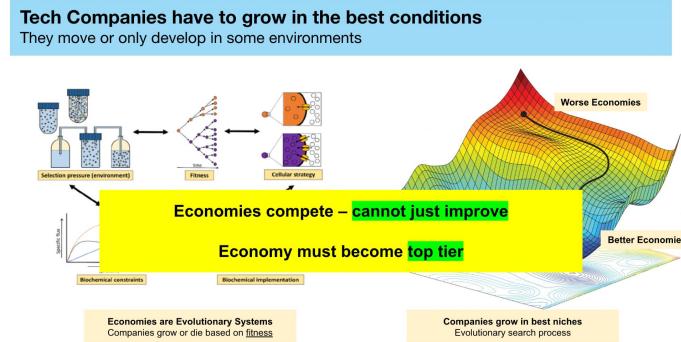
2000



1991



2010



Seoul, SK



Singapore



Dubai, UAE



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Next steps require a considered choice

Default Path: No change.



Fix Lots of Laws so Startups can form here



Fix Some Laws to Support Global Startups



Economic Zone with Longevity



- Startups continue to form in US, SP, KY, etc.
 - Most of the value is created outside
- Maybe they employ some argentinians.
 - Are they able to earn stock?
 - Is that income spent in AR or not?
- Startups target other markets first.
 - Do not prioritize Argentina's needs

- Identify & solve most of the problems
 - Huge effort, unclear results
- How do the changes persist?
 - What prevents change back?
- Startups may not trust changes enough
 - Will they bet on it? They're skeptical

- Solve key international frictions
 - Smaller effort, clearer results
- Startups continue to form in US, SP, etc.
 - Most of the value is created outside
- But increase employment & focus here
 - Create more value for Argentina

SBX → Mainstream

SBX → Mainstream

SEZ

Deep diving on options identifies a clear space to further explore

		Default Path: No change.	Fix Lots of Laws so Startups can form here	Fix Some Laws to Support Global Startups	Economic Zone with Longevity	What success looks like
Timeline	Speed	Very Slow	Slow-Medium	Fast-Very Fast (depends)	Very Fast	>20-30 years
Business Environment	Longevity	🔥	🔥	🔥	Thriving startup network	Huge investor network
	Common Law				Incentive structures	Sandbox, Special Zone(s)
	Access to Capital	Only if investor regs / incentives change			Co-working, incubators, accelerators	Capital, mentorship, experts
	Regulation				Community, pop-ups, coordination mechanisms	Millions of jobs
	Infrastructure				Large proportion of ownership by AR	Focus in AR
Startup Ecosystem	Startups				Capture more value than now	
	Talent Utilisation					
	Networks					
	Culture of Innovation					
Benefits for Argentina (AR)	Jobs created in AR					
	Wealth for AR					
	Products in AR					
	Taxes in AR					



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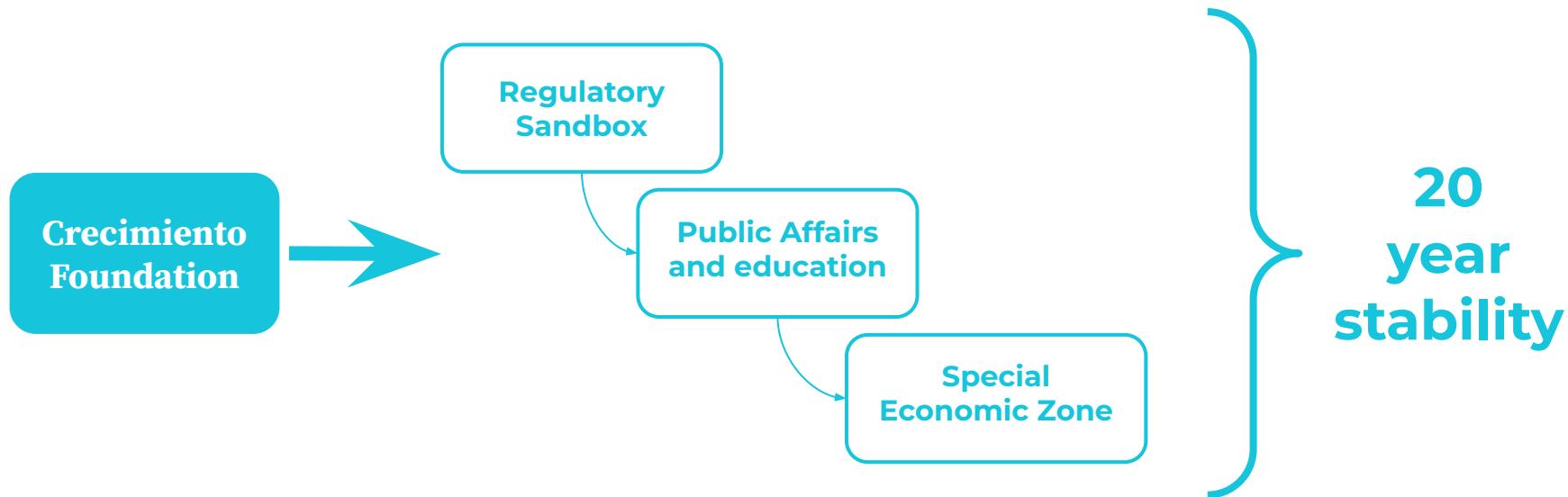


Introducing Crecimiento

Crecimiento is **transforming Argentina & Latin America** into a global hub for crypto innovation, **rebuilding the economy, fueling startups, and driving sustainable tech-enabled growth**

Drive regulatory change

The Foundation will have a dedicated Regulation team working to give Argentina and Crypto 20 year regulatory stability





Excited? Let's chat!

Telegram



Twitter
@crecimientoar



Instagram
@crecimientoar



Webpage
aleph.crecimiento.build



Contact us to learn more:

1. Email: info@crecimiento.build

Or

2. Telegram: Go to '*Partnering with Crecimiento*' topic
on the Crecimiento TG Group

