

= Carlos Menem =

Carlos Saúl Menem (born July 2 , 1930) is an Argentine politician who was President of Argentina from 1989 to 1999 . He has been a Senator for La Rioja Province since 2005 .

Born in Anillaco , he became a Peronist during a visit to Buenos Aires . He led the party in his home province of La Rioja , and was elected governor in 1973 . He was deposed and detained during the 1976 Argentine coup d'état , and was elected governor again in 1983 . He defeated the Buenos Aires governor Antonio Cafiero in the primary elections for the 1989 presidential elections , which he won . Hyperinflation forced outgoing president Raúl Alfonsín to resign early , shortening the presidential transition .

Menem supported the Washington Consensus , and tackled inflation with the Convertibility plan in 1991 . The plan was complemented by a series of privatizations , and was a success . Argentina re-established diplomatic relations with the United Kingdom , suspended since the 1982 Falklands War , and developed special relations with the United States . The country suffered two terrorist attacks . The Peronist victory in the 1993 midterm elections allowed him to force Alfonsín to sign the Pact of Olivos for the 1994 amendment of the Argentine Constitution . This amendment allowed Menem to run for re-election in 1995 , which he won . A new economic crisis began , and the opposing parties formed a political coalition that won the 1997 midterm elections and the 1999 presidential election .

Menem ran for the presidency again in 2003 , but unsure of winning against Néstor Kirchner , he resigned . He was elected senator for La Rioja in 2005 .

= = Early life and education = =

Carlos Saúl Menem was born in 1930 in Anillaco , a small town in the mountainous north of La Rioja Province , Argentina . His parents , Saúl Menem and Mohibe Akil , were Syrian nationals from Yabroud who had emigrated to Argentina . He attended elementary and high school in La Rioja , and joined a basketball team during his university studies . He visited Buenos Aires in 1951 with the team , and met the president Juan Perón and his wife Eva Perón . This influenced Menem to become a Peronist . He studied law at the National University of Córdoba , graduating in 1955 .

After President Juan Perón 's overthrow in 1955 , Menem was briefly incarcerated . He later joined the successor to the Peronist Party , the Justicialist Party (Partido Justicialista) (PJ) . He was elected president of its La Rioja Province chapter in 1973 . In that capacity , he was included in the flight to Spain that brought Perón back to Argentina after his long exile . According to the Peronist politician Juan Manuel Abal Medina , Menem played no special part in the event .

= = Governor of la Rioja = =

= = = 1st term (1973 ? 1976) and detainment = = =

Menem was elected governor in 1973 , when the proscription over Peronism was lifted . He was deposed during the 1976 Argentine coup d'état that deposed the president Isabel Martínez de Perón . He was accused of corruption , and having links with the guerrillas of the Dirty War . He was detained on March 25 , kept for a week at a local regiment , and then moved to a temporary prison at the ship " 33 Orientales " in Buenos Aires . He was detained alongside former ministers Antonio Cafiero , Jorge Taiana , Miguel Unamuno , José Deheza , and Pedro Arrighi , the unionists Jorge Triaca , Diego Ibáñez , and Lorenzo Miguel , the diplomat Jorge Vázquez , the journalist Osvaldo Papaleo , and the former president Raúl Lastiri . He shared a cell with Pedro Eladio Vázquez , Juan Perón 's personal physician . During this time he helped the chaplain Lorenzo Lavalle , despite being a Muslim . In July he was sent to Magdalena , to a permanent prison . His wife Zulema visited him every week , but rejected his conversion to Christianity . His mother died during the time he was a prisoner , and dictator Jorge Rafael Videla denied his request to attend her funeral . He was

released on July 29 , 1978 , on the condition that he live in a city outside his home province without leaving it . He settled in Mar del Plata .

Menem met Admiral Eduardo Massera , who intended to run for president , and had public meetings with personalities such as Carlos Monzón , Susana Giménez , and Alberto Olmedo . As a result , he was forced to reside in another city , Tandil . He had to report daily to Chief of Police Hugo Zamora . This forced residence was lifted in February 1980 . He returned to Buenos Aires , and then to La Rioja . He resumed his political activities , despite the prohibition , and was detained again . His new forced residence was in Las Lomitas , in Formosa Province . He was one of the last politicians to be released from prison by the National Reorganization Process .

= = = 2nd and 3rd terms (1983 ? 1989) = = =

Military rule ended in 1983 , and the radical Raúl Alfonsín was elected president . Menem run for governor again , and was elected by a clear margin . The province benefited from tax regulations established by the military , which allowed increased industrial growth . His party got control of the provincial legislature , and he was re @-@ elected in 1987 with 63 % of the vote . The PJ was divided in two factions , the conservatives that still supported the political doctrines of Juan and Isabel Perón , and those who proposed a renovation of the party . The internal disputes ceased in 1987 . Menem , with his prominent victory in his district , was one of the leading figures of the party , and disputed its leadership .

= = Presidential elections = =

Antonio Cafiero , who had been elected governor of Buenos Aires Province , led the renewal of the PJ , and was considered their most likely candidate for the presidency . Menem , on the other hand , was seen as a populist leader . Using a big tent approach , he got support from several unrelated political figures . As a result , he defeated Cafiero in the primary elections . He sought alliances with Bunge and Born , union leaders , former members of Montoneros , and the AAA , people from the church , " Carapintadas " , etc . He promised a " revolution of production " and huge wage increases ; but it was not clear exactly which policies he was proposing . The rival candidate , Eduardo Angeloz , tried to point out the mistakes made by Menem and Alfonsín . Jacques de Mahieu , a French ideologue of the Peronist movement (and former Vichy collaborator) , was photographed campaigning for Menem .

The elections were held on May 14 , 1989 . Menem won by a wide margin , and became the new president . He was scheduled to take office on December 10 , but inflation levels took a turn for the worse , growing into hyperinflation , causing public riots . The outgoing president Alfonsín resigned and transferred power to Menem five months early , on July 8 . Menem 's accession marked the first time since Hipólito Yrigoyen took office in 1916 that an incumbent government was peacefully succeeded by a president from an opposition party .

= = Presidency = =

= = = Economic policy = = =

When Menem began his presidency , there was massive hyperinflation and a recession . Most economists of the time thought that the ideal solution was the Washington Consensus : reduce expenditures below the amount of money earned by the state , and open international commerce to free trade . Alfonsín had proposed similar plans in the past , alongside some privatization ; but those projects were resisted by the PJ . The plan was resisted by factions benefiting from the protectionist policies , but the magnitude of the crisis convinced most politicians to change their minds . Menem , fearing that the crisis might force him to resign as well , embraced the Washington Consensus and rejected the traditional policies of Peronism . He invited the conservative politicians Álvaro Alsogaray

and María Julia Alsogaray into his cabinet , as well as businessmen from Bunge and Born .

Congress sanctioned the economic emergency law and the state reform law . The first allowed the president to reduce or remove subsidies , and the latter to privatize state enterprises ? the first being telephones and airlines . These privatizations were beneficial to foreign creditors , who replaced their bonds with company shares . Despite increased tax revenue , and the money from privatizations , the economy was still unstable . The Bunge and Born businessmen left the government in late 1989 , amid a second round of hyperinflation . The first measure of the new minister of economy , Éрман González , was a mandatory conversion of time deposits into government bonds : the Bonex plan . It generated more recession , but hyperinflation was reduced .

His fourth minister of economy , Domingo Cavallo , was appointed in 1991 . He deepened the neoliberal reforms . The Convertibility plan was sanctioned by the Congress , setting a one @-@ to @-@ one fixed exchange rate between the United States dollar and the new Argentine peso , which replaced the Austral . The law also limited public expenditures , but this was frequently ignored . There was increased free trade to reduce inflation , and high taxes on sales and earnings to reduce the deficit caused by it . Initially , the plan was a success : the capital flights ended , interest and inflation rates were lowered , and economic activity increased . The money from privatizations allowed Argentina to repurchase many of the Brady Bonds issued during the crisis . The privatizations of electricity , water , and gas were more successful than previous ones . YPF , the national oil refinery , was privatized as well , but the state kept a good portion of the shares . The project to privatize the pension funds was resisted in Congress , and was approved as a mixed system that allowed both public and private options for workers . The national state also signed a fiscal pact with the provinces , so that they reduced their local deficits as well . Buenos Aires Province was helped with a fund that gave the governor a million pesos daily .

Although the Convertibility plan had positive consequences in the short term , it caused problems that surfaced later . Large numbers of employees of privatized state enterprises were fired , and unemployment grew to over 10 % . Big compensation payments prevented an immediate public reaction . The free trade , and the expensive costs in dollars , forced private companies to reduce the number of workers as well , or risk bankruptcy . Unions were unable to resist the changes . People with low incomes , such as retirees and state workers , suffered under tax increases while their wages remained frozen . The provinces of Santiago del Estero , Jujuy and San Juan had their first violent riots . To compensate for these problems , the government started a number of social welfare programs , and restored protectionist policies over some sectors of the economy . It was difficult for Argentine companies to export , and easy imports damaged most national producers . The national budget soon slid into deficit .

Cavallo began a second wave of privatizations with the Correo Argentino and the nuclear power plants . He also limited the amount of money released to the provinces . He still had the full support of Menem , despite growing opposition within the PJ . The Mexican Tequila Crisis impacted the national economy , causing a deficit , recession , and a growth in unemployment . The government further reduced public expenditures , the wages of state workers , and raised taxes . The deficit and recession were reduced , but unemployment stayed high . External debt increased . The crisis also proved that the economic system was vulnerable to capital flight . The growing discontent over unemployment and the scandals caused by the privatization of the Correo led to Cavallo 's removal as minister , and his replacement by Roque Fernández . Fernández maintained Cavallo 's fiscal austerity . He increased the price of fuels , sold the state shares of YPF to Repsol , fired state employees , and increased the value @-@ added tax to 21 % . He also undertook more privatization . A new labor law was met with resistance , both by Peronists , opposition parties , and unions , and could not be approved by Congress . The 1997 Asian financial crisis and the 1998 Russian financial crisis also affected the country with consequences that lasted longer than the Tequilla Crisis and started a depression .

= = = Domestic policy = = =

Menem began his presidency assuming a non @-@ confrontational approach , and appointing

people from the conservative opposition , and business people to his cabinet . To prevent successful legal cases against the projected privatizations , the Supreme Court 's numbers were increased from five to nine judges ; the new judges ruled in support of Menem and usually had the majority . Other institutions that restrained or limited executive power were controlled as well . When Congress resisted some of his proposals , he used the Necessity and Urgency Decree as an alternative to send bills to it . He even considered it feasible to dissolve Congress and rule by decree , but this step was never implemented . In addition , he developed a bon vivant lifestyle , taking advantage of his authority . For instance , he made a journey from Buenos Aires to Pinamar driving a Ferrari Testarossa in less than two hours , violating speed limits . He divorced his wife Zulema Yoma and expanded the Quinta de Olivos presidential residence with a golf course , a small zoo , servants , barber , and even a buffoon .

The swiftgate scandal broke out in 1990 , as American investors were damaged by a case of corruption , and asked for assistance from the United States ' Ambassador Terence Todman . Most of the ministers resigned as a result of it . Cavallo was reassigned as minister of economy , and his successful economic plan turned him into a prominent figure in Menem 's cabinet . Cavallo brought a number of independent economists to the cabinet , and Menem supported him by replacing Peronist politicians . Both teams complemented each other . Both Menem and Cavallo tried to be recognized as the designer of the convertibility plan .

Antonio Cafiero , a rival of Menem in the PJ , was unable to amend the constitution of the Buenos Aires province to run for a re @-@ election . Duhalde stepped down from the vice presidency and became the new governor in the 1991 elections , turning the province into a powerful bastion . Menem also selected famous people with no political background to run for office in those elections including the singer Palito Ortega and racing driver Carlos Reutemann . The elections were a big success for the PJ . After these elections , all of the PJ was aligned with Menem 's leadership , with the exception of a small number of legislators known as the " Group of Eight " . The opposition from the UCR was minimal , as the party was still discredited by the 1989 crisis . With such political influence , Menem began his proposal to amend the constitution to allow a re @-@ election . The party did not have the required super majority in the Congress to call for it . The PJ was divided , as other politicians intended to replace Menem in 1995 , or negotiate their support . The UCR was divided as well , as Alfonsín opposed the proposal , but governors Angeloz and Massaccesi were open for negotiations . The victory in the 1993 elections strengthened his proposal , which was approved by the Senate . Menem called for a non @-@ binding referendum on the proposal , to increase pressure on the radical deputies . He also sent a bill to the Congress to modify the majority requirements . Alfonsín met with Menem and agreed to support the proposal in exchange for amendments that would place limits on presidential power . This negotiation is known as the Pact of Olivos . The capital city of Buenos Aires would be allowed to elect its own chief of government . Presidential elections would use a system of ballottage , and the president could only be re @-@ elected once . The electoral college was abolished , replaced by direct elections . The provinces would be allowed to elect a third senator ; two for the majority party and one for the first minority . The Council of Magistrates of the Nation would have the power to propose new judges , and the Necessity and Urgency Decrees would have a reduced scope .

Despite of the internal opposition of Fernando de la Rúa , Alfonsín got his party to approve the pact . He reasoned that Menem would be supported by the eventual referendum , that many legislators would turn to his side , and he would eventually be able to amend the constitution reinforcing presidential power rather than limiting it . Still , as both sides feared a betrayal , all the contents of the pact were included as a single proposal , not allowing the Constituent Assembly to discuss each one separately . The Broad Front , a new political party composed of former Peronists , led by Carlos Álvarez , grew in the elections for the Constituent Assembly . Both the PJ and the UCR respected the pact , which was completely approved . Duhalde made a similar amendment to the constitution of the Buenos Aires province , in order to be re @-@ elected in 1995 . Menem won the elections with more than 50 % of the vote , followed by José Octavio Bordón , and Carlos Álvarez . The UCR finished third in the elections for the first time .

Growing unemployment increased popular resistance against Menem after his re @-@ election .

There were several riots and demonstrations in the provinces , unions opposed the economic policies , and the opposing parties organized the first cacerolazos . Estanislao Esteban Karlic replaced Antonio Quarracino as the head of the Argentine Episcopal Conference , which led to a growing opposition to Menem from the Church . The teachers ' unions established a " white tent " at the Congressional plaza as a form of protest . The first piqueteros operated in Cutral Có , and this protest method was soon imitated in the rest of the country . His authority in the PJ was also held in doubt , as he was unable to run for another re @-@ election and the party sought a candidate for the 1999 elections . This led to a fierce rivalry with Duhalde , the most likely candidate . Menem attempted to undermine his chances , and proposed a new amendment to the constitution allowing him to run for an unlimited number of re @-@ elections . He also started a judicial case , claiming that his inability to run for a third term was a proscription . Several scandals erupted , such as the scandal over Argentine arms sales to Ecuador and Croatia , the Río Tercero explosion that may have destroyed evidence , the murder of the journalist José Luis Cabezas , and the suicide of Alfredo Yabrán , who may have ordered it . The PJ lost the 1997 midterm elections against the UCR and the FREPASO united in a political coalition , the Alliance for Work , Justice and Education (Alianza) . The Supreme Court confirmed that Menem was unable to run for a third re @-@ election . Duhalde became the candidate for the presidential elections , and lost to the candidate for the Alianza ticket , Fernando de la Rúa .

= = = Armed forces = = =

Argentina was still divided by the aftermath of the Dirty War . Menem proposed an agenda of national reconciliation . First , he arranged the repatriation of the body of Juan Manuel de Rosas , a controversial 19th century governor , and proposed to reconcile his legacy with those of Bartolomé Mitre and Domingo Faustino Sarmiento , who also fought in the Argentine Civil Wars . Menem intended to use the reconciliation of these historical Argentine figures as a metaphor for the reconciliation of the Dirty War . However , although the repatriation and acceptance of Rosas was a success , the acceptance of the military regime was not .

The military leaders of the National Reorganization Process , convicted in the 1985 Trial of the Juntas , received presidential pardons , despite popular opposition to them . This was an old request of the Carapintadas in previous years . However , Menem did not apply their proposed changes to the military . The colonel , Mohamed Alí Seineldín , who was also pardoned , started a new mutiny , killing two military men . Unlike the mutinies that took place during the presidency of Alfonsín , the military fully obeyed Menem 's orders for a forceful repression . Seineldín was utterly defeated , and sentenced to life imprisonment . This was the last military mutiny in Argentina .

The president effected drastic cuts to the military budget , and privatized military factories . Menem appointed Lt. Gen. Martín Balza , who had performed well during the repression of Seineldín 's mutiny , as the Army 's General Chief of Staff (head of the military hierarchy) . The death of a conscript soldier in 1994 , victim of abuses by his superiors , led to the abolition of conscription in the country . The following year , Balza voiced the first institutional self @-@ criticism of the armed forces during the Dirty War , saying that obedience did not justify the actions committed in those years .

= = = Terrorist attacks = = =

The Israeli embassy suffered a terrorist attack on March 17 , 1992 . It was perceived as a consequence of Argentina 's involvement in the Gulf War . Although Hezbollah claimed responsibility for it , the Supreme Court investigated several other hypotheses . The Court wrote a report in 1996 suggesting that it could have been the explosion of an arms cache stored in the basement . Another hypothesis was that the attack could have been performed by Jewish extremists , in order to cast blame on Muslims and thwart the peace negotiations . The Court finally held Hezbollah responsible for the attack in May 1999 .

The Argentine Israelite Mutual Association suffered a terrorist attack with a car bomb on July 18 ,

1994 , which killed eighty @-@ five people . It was the most destructive terrorist attack in the history of Latin America . The attack was universally condemned and 155 @,@ 000 people manifested their concern in a demonstration at the Congressional plaza ; but Menem did not attend . The legal case stayed unresolved during the remainder of Menem 's presidency . Menem had suggested , in the first press conference , that former Carapintada leaders may be responsible of the attack , but this idea was rejected by the minister of defense several hours later . The CIA office in Buenos Aires initially considered it a joint Iranian @-@ Syrian attack , but some days later considered it just an Iranian attack . Menem and Mossad also preferred this line of investigation . As a result of the attack , the Jewish community in Argentina had increased influence over Argentine politics . Years later , the prosecutor Alberto Nisman charged Menem with covering up a local connection to the attack , as the local terrorists may have been distant Syrian relatives of the Menem family . However , Menem was never tried for this suspected cover up .

= = = Foreign policy = = =

During his presidency , Argentina aligned with the United States , and had special relations with the country . Menem had a positive relation with US president George H. W. Bush , and maintained it with his successor Bill Clinton . The country left the Non @-@ Aligned Movement , and the Cóndor missile program was discontinued . Argentina supported all the international positions of the US , and sent forces to the Gulf War , and the peace keeping efforts after the Kosovo War . The country was accepted as a Major non @-@ NATO ally , but not as a full member .

Menem 's government re @-@ established relations with the United Kingdom , suspended since the Falklands War , after Margaret Thatcher left office in 1990 . The discussions on the Falkland Islands sovereignty dispute were temporarily given a lower priority , and the focus shifted to discussions of fishing rights . He also settled all remaining border issues with Chile . The Lago del Desierto dispute had an international arbitration , favourable to Argentina . The only exception was the dispute over the Southern Patagonian Ice Field , which is still open .

In 1991 Menem became the first head of state of Argentina to make a diplomatic visit to Israel . He proposed to mediate between Israel and Syria in their negotiations over the Golan Heights . The diplomatic relations were damaged by the lack of results in the investigations over the two terrorist attacks .

= = Post @-@ presidency = =

Menem ran in 2003 and won the greatest number of votes , 24 % , in the first round of the April 27 , 2003 presidential election ; but votes were split among numerous parties . 45 % is required for election (or 40 % if the margin of victory is 10 or more percentage points) . A second @-@ round run @-@ off vote between Menem and second @-@ place finisher , and fellow Peronist , Néstor Kirchner , who had received 22 % , was scheduled for May 18 . By that time , Menem had become very unpopular . Polls predicted that he faced almost certain defeat by Kirchner in the runoff . Most polls showed Kirchner taking at least 60 percent of the vote , and at least one poll showed Menem losing by as many as 50 points . To avoid a humiliating electoral defeat , Menem withdrew his candidacy on May 14 , effectively handing the presidency to Kirchner .

Ángel Maza , the elected governor of La Rioja , was allied with Menem , and had campaigned for him . However , weak provincial finances forced Maza to switch his support to Kirchner , which weakened Menem 's influence even further . In June 2004 Menem announced that he had founded a new faction within the PJ , called " People 's Peronism . " He announced his intention to run in the 2007 election . In 2005 , the press reported that he was trying to form an alliance with his former minister of economy Cavallo to fight in the parliamentary elections . Menem said that there had been only preliminary conversations and an alliance did not result . In the October 23 , 2005 elections , Menem won the minority seat in the Senate representing his province of birth . The two seats allocated to the majority were won by President Kirchner 's faction , locally led by Ángel Maza .

Menem ran for Governor of La Rioja in August 2007 , but was defeated . He finished in third place

with about 22 % of the vote . This was viewed as a catastrophic defeat , signaling the end of his political dominance in La Rioja . It was the first time in 30 years that Menem had lost an election . Following this defeat in his home province , he withdrew his candidacy for president . At the end of 2009 he announced that he intended to run for the presidency again in the 2011 elections. but ran for a new term as senator instead .

= = = Corruption charges = = =

On June 7 , 2001 , Menem was arrested over a weapons export scandal . It was based on exports to Ecuador and Croatia in 1991 and 1996 . He was held under house arrest until November . He appeared before a judge in late August 2002 and denied all charges . Menem and his second wife Cecilia Bolocco , who had had a child since their marriage in 2001 , moved to Chile . Argentine judicial authorities repeatedly requested Menem 's extradition to face embezzlement charges . This request was rejected by the Chilean Supreme Court as under Chilean law , people cannot be extradited for questioning . On December 22 , 2004 , after the arrest warrants were cancelled , Menem returned with his family to Argentina . He still faced charges of embezzlement and failing to declare illegal funds in a Swiss bank . He was declared innocent of those charges in 2013 .

In August 2008 , the BBC reported that Menem was under investigation for his role in the 1995 Río Tercero explosion , which is alleged to have been part of the weapons scandal involving Croatia and Ecuador . Following an Appeals Court ruling that found Menem guilty of aggravated smuggling , he was sentenced to seven years in prison on June 13 , 2013 , for his role in illegally smuggling weapons to Ecuador and Croatia ; his position as senator earned him immunity from incarceration , and his advanced age (82) afforded him the possibility of house arrest . His minister of defense during the weapons sales , Oscar Camilión , was concurrently sentenced to 5 and a half years .

In December 2008 , the German multinational Siemens agreed to pay an \$ 800 million fine to the United States government , and approximately ? 700 million to the German government , to settle allegations of bribery . The settlement revealed that Menem had received about US \$ 2 million in bribes from Siemens in exchange for awarding the national ID card and passport production contract to Siemens ; Menem denied the charges but nonetheless agreed to pay the fine .

On December 1 , 2015 , Menem was also found guilty of embezzlement , and sentenced four and half years to prison . Domingo Cavallo , his economy minister , and Raúl Granillo Ocampo , Menem 's former minister of justice , also received prison sentences of more than three years for participating in the scheme , and were ordered to repay hundreds of thousands of pesos ? worth of illegal bonuses .

= = Public image = =

In his initial times , Menem sported an image similar to the old caudillos , such as Facundo Quiroga and Chacho Peñaloza . He also groomed his sideburns in a similar style . His presidential inauguration was attended by several gauchos . Contrary to Peronist tradition , Carlos Menem did not prepare huge rallies in the Plaza de Mayo to address the people from the balcony of the Casa Rosada . Instead of that , he took full advantage of mass communication media , such as television .

= = Honour = =

= = = Foreign honour = = =

Malaysia : Honorary Recipient of the Order of the Crown of the Realm (1991)