

The River Plate II

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Presented before the Chicago Literary Club
January 7, 1991

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(Robert W. Carton 1-7-91)

The river isn't a river at all, and it isn't silver the way its name (*Plata* "silver" in Spanish) says it is. It's really the big brown powerful outflow of dozens of river systems which irrigate and drain the center of South America. It was called "the river of silver" by the sixteenth century Spaniards (who were the first Europeans to see it) in the hopes that silver might be somewhere upstream. What actually was upstream was something much more important than a few tons of silver. Upstream were the future countries of Uruguay, Paraguay, and Argentina, bound together by the river system of the River Plate and by the Spanish heritage from its discoverers. The region also has been molded by outsized and flamboyant personalities: General Jose de San Martin (*El Libertador*), who brought independence from Spain; Dr. Jose Gaspar Rodriguez de Francia, known as *El Supremo*, who made a nation out of Paraguay in the early 19th century following the expulsion of the Jesuits; Jose Batlle y Ordonez, the maker of modern Uruguay, described as having the combined physical features of a judge, a professor, and a "Kentucky Colonel"; and Juan Manuel de Rosas, who with an army of gauchos brought unity to Argentina in the 1830's. This tradition of the charismatic

leader has persisted into the twentieth century. Even today Argentina lives under the shadow of one of them.

His name was Juan Domingo Peron. He has been dead now for sixteen years, and yet he still remains a nodal figure in Argentine history. The threads of the past lead up to him, and the course of events in Argentina after his death reflect his personality and views. The ruling party in that country is called by his name: "Peronist". To many people in Argentina he is still the hero who brought them out of a state of semi-feudalism, while to others in that country and abroad he is the hated demagogue who replaced economic order with chaos. Who was this man, how was he able to come to power, and to what extent was his career possible because of the special characteristics of Argentina in the middle of the twentieth century?

Juan Peron was born in Lobos, Buenos Aires Province, on October 8, 1895. His grandfather had been a distinguished physician and senator. His father, however, had declined the rigors and rewards of the grandfather's profession and had become a farmer. The family was of Sardinian, Basque, and Scottish ancestry. This mixed European heritage is typical for the Argentine population and sets it off from most of the other countries of Latin America, in many of which a sizable component of American Indian

ancestry is the rule. 98% of Argentines are of European descent. In this way, as in a number of others, Argentina resembles Canada, where 97% of the population has a European background. Most of the immigrants to Argentina have been Italians and Spaniards, and, as noted above, both of these strains were present in the heritage of Juan Peron.

Juan grew up in the company of his older brother, Mario Avelino. Years later, shortly after Juan had been sworn in as President of the Republic, this brother surfaced in Buenos Aires with his wife and six children, looking for a job. What to do? Finally some genius in the Peron entourage came up with the perfect suggestion, and Mario Avelino was appointed Director of the Buenos Aires Zoo, where he and his large and needy family could find shelter in the Director's house and share public rations with the animals.

In 1900 Father Peron moved Juan and Mario and their mother to a ranch called Chank Aike north-west of Rio Gallegos, at the southern tip of Patagonia. Four years later they moved to another ranch in the territory of Chubut in central Patagonia. Patagonia is a harsh, barren, and beautiful land, strikingly similar to the American West, or rather to the American West as it must have been seventy-five years ago. The bare hills are even now given over to large herds of sheep. Out in the countryside there are almost no people. The little dusty towns resemble the Laramies and

Cheyennes * of the early 20th century. In this ranch environment a boy could learn to ride and shoot and develop self-reliance.

Argentina reminds one of the United States in ways other than the similarity between Patagonia and the old West. The climate is temperate, although the winters in the south are cold, and the northern borders lie in the tropics. The central pampas constitute one of the world's richest agricultural regions, comparable to the American Midwest. The long Atlantic Coast allows for a rich fishery. Lead, iron, zinc, copper, and coal are found along the great cordillera of the Andes. * The Argentine enigma is this: Why, in the presence of great natural resources and a sturdy, energetic population, has the nation suffered such political and economic difficulties in the 20th Century? Why, to put it another way, haven't the Argentines been able to get their act together? Perhaps the story of Juan Peron will help us find the answer.

Originally Juan had thought of studying medicine, but when he was fifteen he sat for and passed the entrance examination for the Colegio Militar, the army's military academy, and from that time on his primary personal identification was with the armed forces. In 1913 he was commissioned a second lieutenant in the infantry. His first few years in the service were undistinguished, but in 1920, at the age of thirty-five, he

was transferred to work as an instructor in a school for noncommissioned officers at the big Campo de Mayo garrison outside Buenos Aires. There his special talents as a teacher and leader became apparent. The chief of his battalion commented:

"He is robust, has good presence and a correct military attitude; animated and determined, he transmits his military fiber to the troops he instructs. He lives his profession intensely and is always ready to do more. An outstanding instructor and a very good leader of troops. Good at gymnastics and drawing. He is prolific in his work.....An excellent comrade." (Page, Jos. 1983, 23)

The economic crash of 1929 and the subsequent Great Depression were felt with particular acuteness in Argentina, partly because of the configuration of the Argentine economy. Since the middle of the nineteenth century the Argentines had specialized in supplying agricultural products to Europe, and particularly to Britain. As England had become more and more industrialized and densely populated she had become less and less able to supply her own needs in foodstuffs. The Argentine pampas were ideally suited to grow beef cattle and grains for shipment abroad. By the end of the 1920's Argentina had "become the world's second largest exporter of wheat (20% of the market) and the largest of corn (66%), linseed (88%), and meat (61%)." Early in the twentieth century the Chicago meat packers had built

plants at Rosario, La Plata, and Buenos Aires, and by the 1920's Swift and Armour along with one other American company and two British firms dominated this trade and consequently a good part of the world market for meat. After the crash of 1929 this trade was disrupted by the decreased ability of the British and the Europeans in general to pay.

These economic changes played out against the special background of Argentine society, which can only be understood in terms of its history. After the American Indian tribes of the Pampas and upper Patagonia had been exterminated by the Argentine army in the 1870's and 1880's * the land which was thus freed up was distributed in large blocks to army officers. No homestead acts encouraged settlement by small farmers, as in the United States, Rather Argentina followed the Spanish model of settlement in great estates. Thus agricultural production came to be centered in huge ranches or estancias, and their proprietors formed a class of estancieros, who dominated Argentine society and government up to the era of Peron. In some cases their wealth was enormous. Last March my wife Jean and I visited one of these estancias, located in the agricultural country beyond San Antonio de Areco. The main house of the estate rises like a pink jewel box from the flat surrounding Pampas. The interior of the house is decorated with mounted game trophies and pictures of prominent members of the

family. One enjoys drinks on the terrace. Later the butler serves lunch at a table set on the lawn under beautiful old shade trees. We are talking here about living in the grand manner. The estancieros frequently owned mansions in Buenos Aires, where their headquarters was the Jockey Club on Calle Florida. Concentration of wealth and influence of this magnitude will awaken resentment among persons who are not members of the elite. The oligarchs were powerful but not popular. Many among the middle and lower classes resented them and looked for a more open society.

Argentine politics had been turbulent from the beginning, but the forms of democratic government had been observed for several generations up to the Great Depression. In 1930 the army became restless and overthrew the elected civilian government of Hipolito Yrigoyen. Captain Peron was only marginally involved, but with the ascendancy of the army his career went on to the fast track. He was appointed professor of military history at the War Academy and simultaneously held posts as adjutant to the chief of the general staff and as aide-de-camp to the minister of war. In 1939 and 1940 he was assigned abroad to observer status with the Italian army. During that period he conceived an admiration for Mussolini. Later he used with great success the Italian dictator's method of giant public spectacles as a political device. He also seems to have picked up from

Mussolini the notion of the corporate state, in which the interests of industrialists and labor would be balanced and orchestrated by the government. However, according to Joseph Page's magisterial study of Peron, he rejected Mussolini's anti-Semitism and his tendency toward armed conflict. (Page 1983 p. 90) During the Peron years the army was a factor in Argentine society but was not a threat to its neighbors.

During the late 1930's Argentina returned to the forms of democratic government, although the oligarchs continued behind the scenes pulling the strings. On June 4, 1943, however, the army again seized control in a second military coup, and this time Colonel Peron was close to the center of the action. When the maneuvering was over he had been installed as chief aide to the Secretary of War, and was in a position to start his drive for power.

We have spoken above about the Argentine rural elite or oligarchs as a power center.. We must now discuss two other blocs in Argentine society, the army and labor. The army in Argentina and throughout Latin America occupies a position quite different from that held by the armed forces in the United States. It is a social force, quite apart from its role in defending the nation. Its model is European and descends from Scharnhorst's* vision of the army as the school of the nation and medieval conceptions of the unity of governmental and military power and personnel. After all, European

monarchs were active heads of the army, and army officers populated the courts of kings up through the time of William and Mary in England, Frederick the Second of Prussia, and even Napoleon in France. In Argentina a military career has generally been recognized as desirable for sons of middle class families to a degree surpassing anything we know in the United States. A Colonel Peron could be seen publicly as following in the tradition of the cavalier, a figure to be taken seriously.

The great waves of immigration to Argentina in the late 19th and early 20th centuries brought millions of impoverished southern Europeans into the country. Initially the immigrants supplied the need for rural labor. Some aggressive individuals or their children found their way into the elite, but most joined a rural peasantry. As time passed more and more farm laborers moved into the cities, principally Buenos Aires, and became employed in industry. At first these workers were divided and weak. In 1930 the General Confederation of Labor (CGT) was founded. By the time of World War II labor had become a potentially explosive element in the population. However, its political potential had not been recognized during the ascendancies of the rural elite and the army.

As noted above, Colonel Peron was a player in the second army revolt of June 1943. In October of that year he was appointed Secretary of Labor and Social Welfare and immediately started building close ties with labor leaders. In this group of previously impotent persons he recognized the followers whom he would need if he were to become a political force in Argentina. When Swift and Armour were struck that summer and the police as usual arrested the leaders of the strike, Secretary Peron was able to orchestrate a settlement on terms favorable to labor and to effect release of the leadership from jail. He treated labor leaders with a respect which they had not enjoyed in previous administrations. At a meeting of railroad workers in Rosario in December 1943 Peron was introduced to the crowd as "Argentina's Number One Worker". He was finding his followers.

On January 22, 1944 Secretary Peron was the guest of honor at an extravaganza in Luna Park, Buenos Aires, in support of the victims of an earthquake at San Juan. Also present was a twenty-four year old actress, Evita Duarte. It is not known who accompanied Peron to this affair, but it is certain that he left with Evita. She moved fast. In a few weeks Evita had evicted from Peron's apartment and sent back to Mendoza Peron's teen age mistress, known as "Pirhana" because of her overbite, and had moved in herself. From then on, she and Peron were a team.

Evita had not had it easy. She was born in 1919 as the illegitimate daughter of a local rancher in the tiny town of Los Toldos about 200 kilometers from Buenos Aires. She suffered from poverty and social ostracism. When her father died in 1926 she and her mother and four siblings were barred from funeral services by his legal wife. In 1935, at the age of 15, Evita arrived in Buenos Aires in the company of a tango singer, Agustin Magaldi. From then on she clawed, bit, and scratched her way up through the world of radio and movies. By the time she met Colonel Peron she had become a recognized starlet, specializing in parts which conveyed suffering. Her association with Peron gave her the chance to play more varied roles on a larger stage.

Peron's flagrant relationship with Evita as well as his rising power in the government led to opposition to him in the conservative army. Early in October 1945 he was dismissed from his multiple governmental posts. In the ensuing power struggle he was arrested and confined to the state prison on the island of Martin Garcia in the River Plate. But his opponents had made a serious error. Prior to his confinement, on October 10th, he was allowed to make a farewell address to the workers of Buenos Aires. The speech was a sensational success. Union people linked in their minds Peron's removal from power with the denial of their hopes for better lives.

The events of the 17th of October 1945, play a crucial part in the Peron myth. When the day started Peron was in prison and his supporters scattered. Crucial labor leaders, however, were at work organizing a massive demonstration in Peron's support. As the day progressed Buenos Aires saw something quite new in its experience, a giant outpouring of the *descamisados*, the shirtless ones, the urban workers who had been ignored and neglected by all previous administrations. The legend states that Evita scoured the city encouraging the masses to take to the streets, but apparently nothing of the kind happened. Her whereabouts on October 17 is quite unknown. What is known is that by late afternoon workers had filled the center of Buenos Aires and were agitating in front of the President's house, the Casa Rosada. By 9:00 in the evening the President had agreed to call for Peron to quiet the crowd, which numbered over 300,000 persons. Peron was introduced by the President from the balcony of the Casa Rosada as "the man who has won everybody's devotion". In a speech which remains part of the legend, Peron called the demonstration "a fiesta of democracy" and a "rebirth of worker self-awareness". He expressed a desire "to press all of you against my heart, as I would do with my mother.". (This seems to have been the last time in his public life that Peron ever mentioned his

mother). As the crowd disbursed it was evident that Juan Peron had become the leading politician in the country and a prime candidate for the Presidency.

Over the next few months Peron campaigned actively . He also married Evita. On June 4, 1946, the third anniversary of the revolution of 1943, Juan D. Peron took office as 29th chief executive of the Republic of Argentina.

The slogan of the new administration was the "New Argentina", just as Franklin Roosevelt's had been the "New Deal" and John F. Kennedy's would be "New Frontier". What did this mean: "New Argentina". It meant basically two thrusts, towards nationalism and towards social democracy - otherwise known as "populism" or "egalitarianism".

The roots of Argentine nationalism go deep, back in fact to the efforts to build a new nation in the 19th Century. With their confidence in the future, Argentine elites had the idea that their country, with all its advantages, had a "Manifest Destiny", similar to that believed in by people in the United States in the era of Theodore Roosevelt. In Argentina there was the suspicion that foreigners, particularly the British were taking more out of the country than they were giving in return. For many years the Argentines have cherished a love-hate relationship toward England,

manifested most recently in the war for the Malvinas-Falklands in 1982. The British Bell Tower, donated by the British merchants to the City of Buenos Aires, is a prominent architectural feature of the Capital. The typical Argentine has been described as "an Italian who speaks Spanish and thinks he is English". Peron was determined to reduce this sense of dependence and get the Argentines standing on their own feet.

Almost immediately after the inauguration Peron's people set about nationalizing utilities which had been built by foreign capital. The railroads, power plants, and telephone system all were taken over from their overseas owners and made institutions of the Argentine state. In fact the British owners of the railroads may have gotten the better of the deal. The purchase price was 150 million pounds, far below Britain's initial valuation of 250 million pounds but higher than the London Stock Market valuation of 130 million (Rock p. 279). Half the rolling stock predated 1914 and large sections of the system were in disrepair. With this purchase Argentina dissipated much of the foreign capital which had been built up during World War II.

Argentine nationalism under Peron also was responsible for the international non-alignment of Argentina. His country had only entered World War II on the Allied side in March 1945. As hostility developed

between the United States and Russia, Peron did his best to remain a neutral party. With the passage of time "non-alignment" translated into "isolation", and Peron was forced to change some of his stands. To the end, however, his actions in the field of foreign affairs were guided by a strong sense of Argentine national identity. .

Social democracy was also a major plank in the platform of the "New Argentina". The government intervened aggressively in the workplace. Workers received pensions and protection against layoffs. The length of the working day was defined. Paid vacations were instituted, and vacation resorts were built in order to make these vacations memorable. In labor disputes arbitration procedures were compulsory and binding. New housing was subsidized by the government, and annual bonuses were decreed. Wages were increased by fiat and were ornamented with fringe benefits. All of this served to enlarge and strengthen Peron's working class base and to enhance the power of the unions.

Simultaneously the power of the oligarchs fell. The elite had a particularly hard time with Evita. In June 1946 Peron's enemies among the oligarchs denied Evita the position of head of the *Sociedad de Beneficencia*, a patrician charitable organization whose head, by custom, was the wife of the president of the Republic. Evita's response was to arrange that the

government take over this organization. Persons in it hostile to her were dismissed. She soon after founded her own Eva Peron Foundation, using extensive state subsidies as well as contributions from the Federation of Labor. Both the *Sociedad* and the Foundation funded clinics and hospitals, organized handouts of food and clothing, and provided for disaster relief. It's easy to imagine the enthusiasm with which the estancieros and their wives referred to this dynamic, tough, sometimes vulgar, and powerful woman.

Peron's handling of the agriculture sector of the economy illustrates his methods and successes. As part of his first five year plan a state purchasing and marketing board, the IAPI was formed. This body would announce at planting time the prices which it would pay farmers for farm produce at harvest. After the harvest, with the goods in hand, the IAPI would sell Argentine grain abroad. This system was profitable for the government but hard on the farmers. Between 1947 and 1949 wheat farmers were paid less than half the prevailing world prices for their products. The IAPI also took over meat purchases and sales. It pushed down the incomes of the ranchers and meat packers and generated enormous profits on the spread between the cost of meat and the sale price overseas. These profits were spent on import purchases, loans to manufacturers, and governmental

welfare programs (Rock p. 276) When the government froze agricultural rentals the landowners withdrew from new tenancy contracts and allowed people to drift away from the land; between 1943 and 1952 tenant farms shrank for 44% to 33% of the total. Simultaneously the government increased farmers' costs by extending minimum-wage legislation to rural laborers. Simultaneously the Argentine public developed the appetite for meat which visitors to Buenos Aires notice today. In 1914 41% of the Argentine meat production was exported; by 1951 this had fallen to 14%. Before World War II Argentina provided 40% of Britain's meat imports, in 1950 only 28%. In 1947 Britain was Argentina's second largest trading partner; by 1952 Britain's position had fallen to eighteenth. During the early Peron years the ninety-year old Anglo-Argentine connection blew away leaving no substitute behind (Rock p. 297-8).

Opponents of the regime were not treated sympathetically. When Peron came to power he purged the universities, dismissing some 1,500 members of the faculties. Freedom of the press was restricted by rationing newsprint and favoring Peronista tabloids. In 1949 the police raided the leading metropolitan dailies, *La Prensa*, *La Nation* and *Clarín*. New treason and espionage laws broadened the definition of crimes against the state. Many prominent members of the opposition fled to Montevideo as Peron

resorted more and more to repression to deal with widespread discontent.

Initially Peron and his people had been on friendly terms with the Roman Catholic Church. In Argentina the Church has a privileged position. For example, the President of the Republic by law must be a Catholic. In 1954 Peron maneuvered himself into direct confrontation with the hierarchy. The Church objected to Evita's political exploitation of organized charity. After her death it refused to support efforts to have her canonized. "In May 1955 the government announced a plan to introduce a constitutional amendment to establish a formal separation of Church and State; soon after Peron began imprisoning priests." But the public mood was no longer that of 1944. The annual Church procession in Buenos Aires to celebrate Corpus Christi attracted 100,00 participants, "who marched silently through the street bearing the papal flag." (Rock 315)

The army too had been one of Peron's allies when he assumed the Presidency in 1945. Gradually the friendship cooled. In September 16, 1955 military revolts erupted in Cordoba and Bahia Blanca. At first the rebellious soldiers were contained by forces from Buenos Aires, but simultaneously the garrison at Cuyo revolted. The Navy also went into opposition and threatened to shell oil installations in Buenos Aires and La Plata. On the 19th of

September Peron resigned the Presidency and escaped on a Paraguayan gunboat in the River Plate.

Of course Peron did not disappear following his flight to Paraguay and his subsequent exile in Spain. In an astonishing comeback he again won the Argentine Presidency in October 1973 and died in office on July 1, 1974. But the latter history of Peron and Peronism, while interesting, is simply an appendix to the structure which had been erected in the crucial years 1944-1955.

We have stated that Juan Peron was a nodal figure in Argentine history, toward whose career previous trends led and from whom later events may be derived. Let's see how this notion works out in fact.

While Peron, at the end of his first period in office, was deposed by the military, still he participated in the resurgence of the army in politics in the 1930's and profited by it in his career. To the end of his life he was above all an army man, and happiest when in uniform. This interference by the military in the political process has persisted up to the present. Early in December 1990 "employees of the Bank of New York and Banco Rio in Buenos Aires were jolted by stray bullets shattering office windows" (WSJ 12-5-90 p. A10) The "*carapintadas*" or painted faces - arch nationalist military elements - were at it again, attempting to stage a coup. This time they

attracted no mass following and were easily suppressed. There seems now to be evidence that the country might be tiring of rebellious soldiers and at last might be willing to put the military under control of the civilian government.

Any visitor to Argentina will be shocked by the inflation, which of course started with Peron's government-dictated wage and benefit policy and has persisted to the present time. Last February Jean and I crossed the River Plate and landed in Buenos Aires. The exchange rate stood at 4600 Astrals to the dollar. We left town for a week and returned to find that the rate was now 5000 Astrals to the dollar. Recently, however, the government of Carlos Menem, although nominally Peronist, has broken with the Peronist tradition of liberality to labor and has taken steps to bring inflation under control. The state telephone company is up for sale, as is the state owned airline, Aerolineas Argentinas. Efforts are being made to privatize the enterprises taken over by Peron in order to stop the losses and reduce the public payroll. Both of these effects may in time stabilize the currency and restore confidence in the economy.

In the news from Argentina in the 1990's one social element is missing. The estancieros, who for years dominated the Argentine scene, have disappeared as a cohesive social force. The Jockey Club has been

rebuilt (at another location) following its sack by the Peronist mob in 1953, but no longer are its members in charge of the government. Gradually the remanent of feudalism, inheritances of the Spanish colonial tradition, seem to be disappearing from Argentina.

But for all its changes, Argentina is still not the United States. Peron in his personal style was the quintessential Latin male, macho, colorful, energetic, and careless of some of the Puritan values which still command respect up north. So are his successors. President Menem prides himself on his physical nature and recently suited up to play for a quarter or so on an Argentine soccer team making the European tour. How did Presidential Adviser Marian Julia Alsogaray, charged with the sale of state owned telephone company, seek to divert the public attention from economic hardship? She appeared full blown on the cover of a popular magazine, clad only in a fur stole. Evita could hardly have created more of a sensation. And Argentines seeking more diversion than this can go to the Liceo Theater in Buenos Aires where for the past six years monologist Enrique Pinti has been satirizing Argentines for their middle class values and inability to maintain a middle class standard of living.

As the traveller from North America swings down in his 747 over the River Plate on the final approach to Ezeiza Airport he must realize that he is

approaching one of the most fascinating countries in the world. Ahead are the boulevards and restaurants of a world city, Buenos Aires. Out beyond the city limits the pampas start and stretch for hundreds of miles. Further still one encounters the barren hills of Patagonia, and beyond the hills lie the high Andes. No one really knows what lies ahead for this beautiful rich land, but whatever happens, Argentina will never be the same as it had been before it was taken by storm by Evita and Juan Peron.

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