

***Conflicting Economic Interest. State
and Social Actors in Argentina.***

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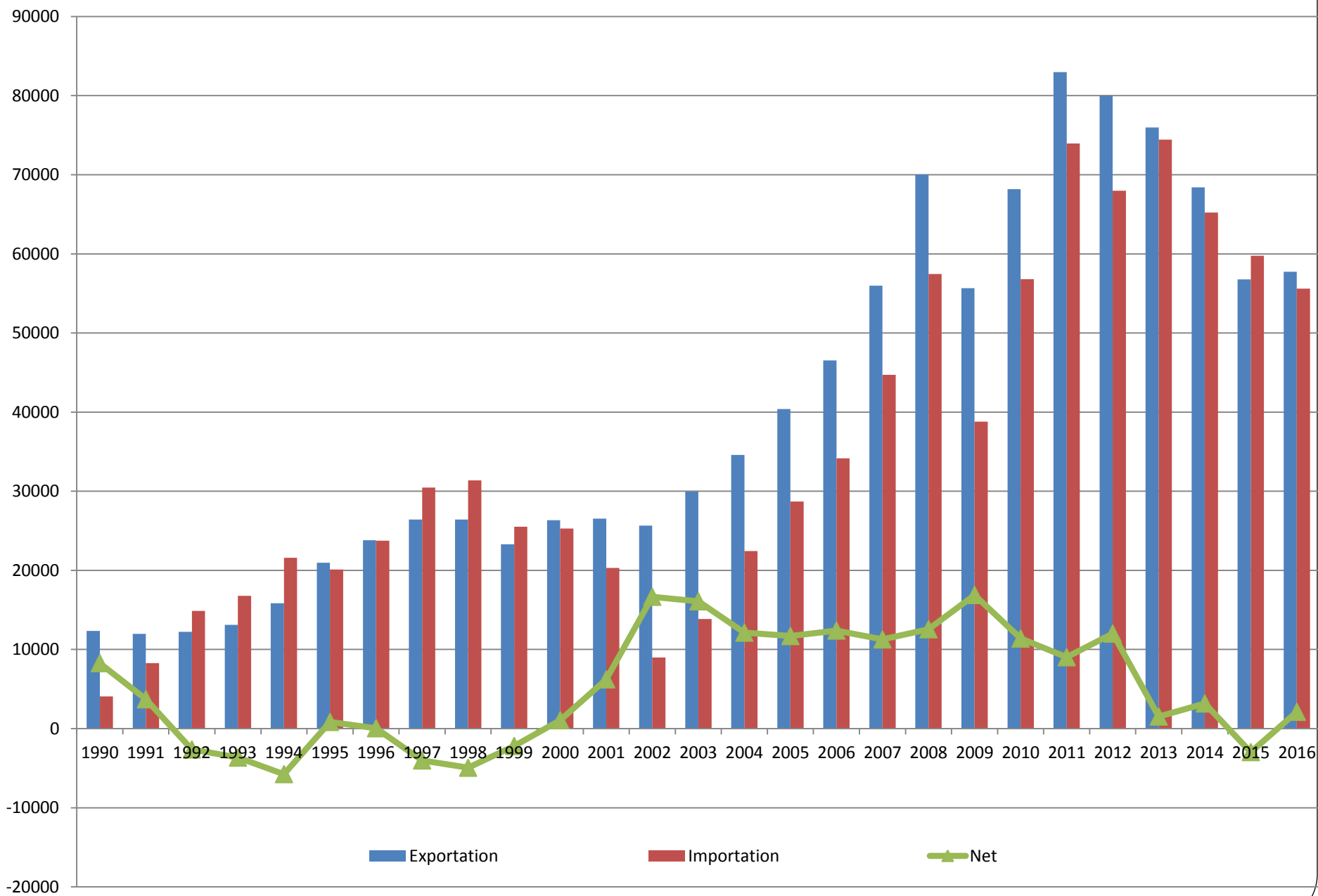
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- 2- Argentina's macroeconomics (external restriction and Dutch disease).
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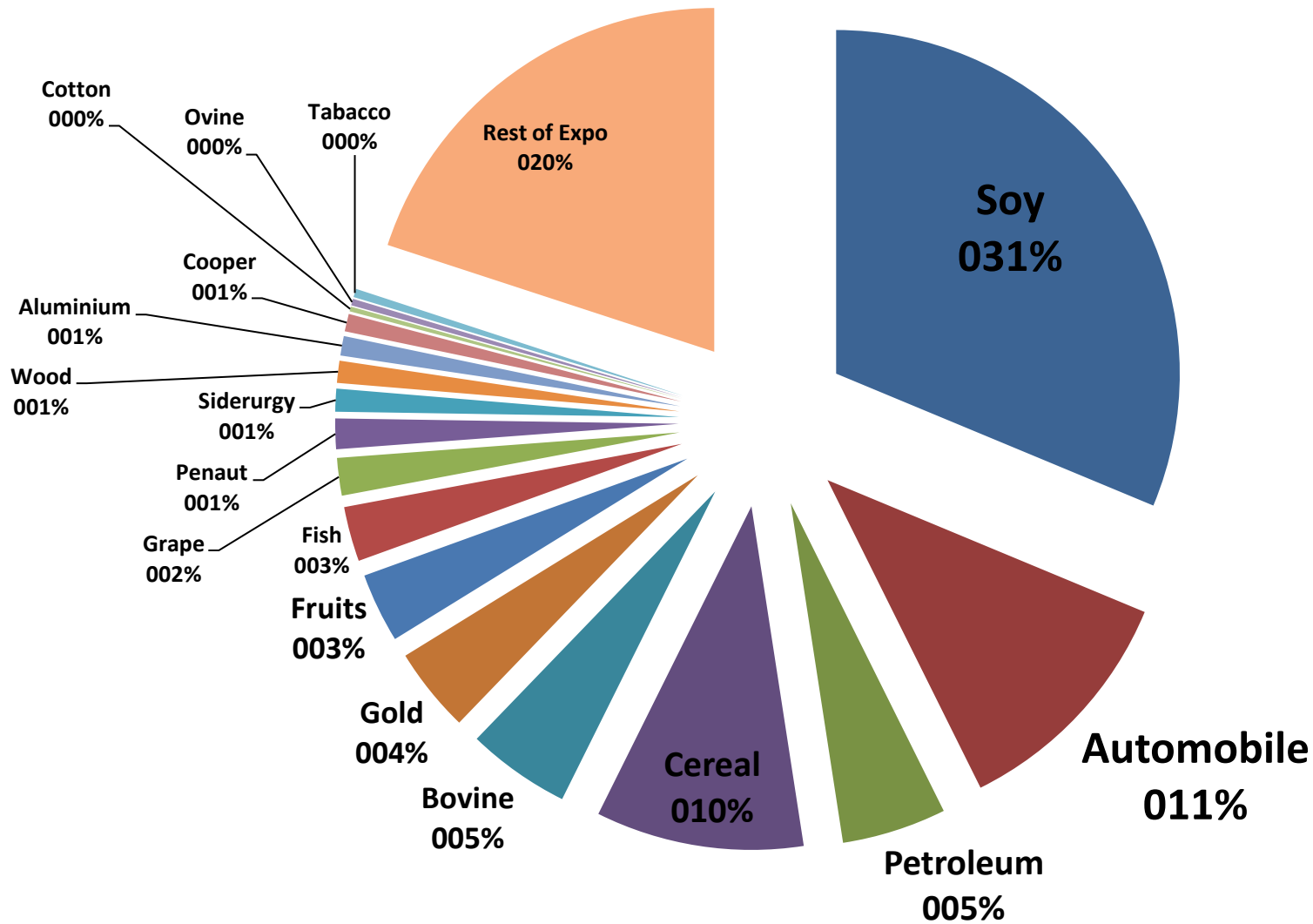
A theoretical approach to development as a conflict process

- A- Underdevelopment is a structural problem for Latin America
- B- Many social actors are economically benefited by this situation
- C- The State and Public Policies intervention is the only way of overcoming the underdevelopment
- D- The public policies directed to overcome underdevelopment are likely to face the resistance from social actor that obtain profits from this situation.
- E- Development is a conflicted process

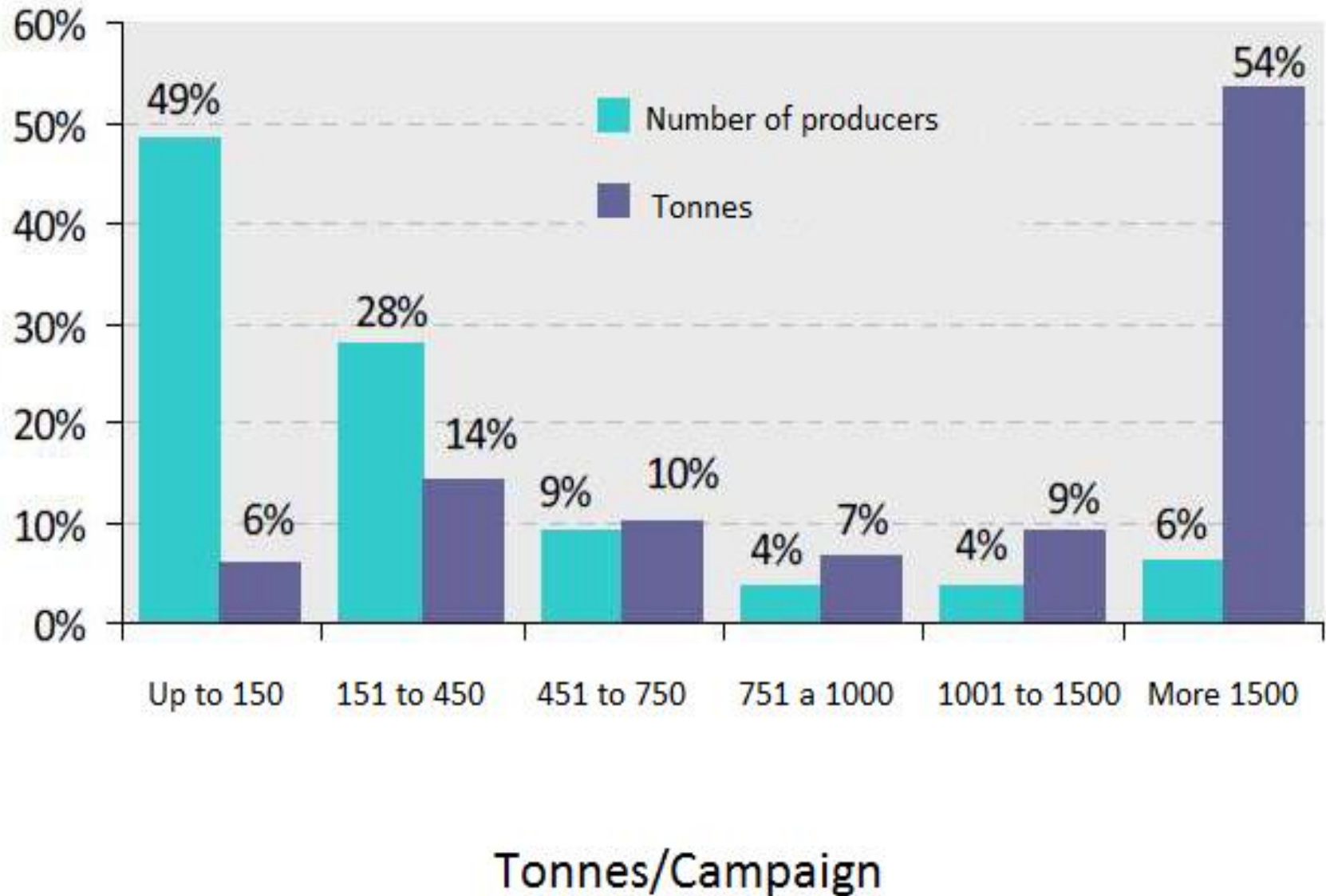
Trade balance (1990-2016)



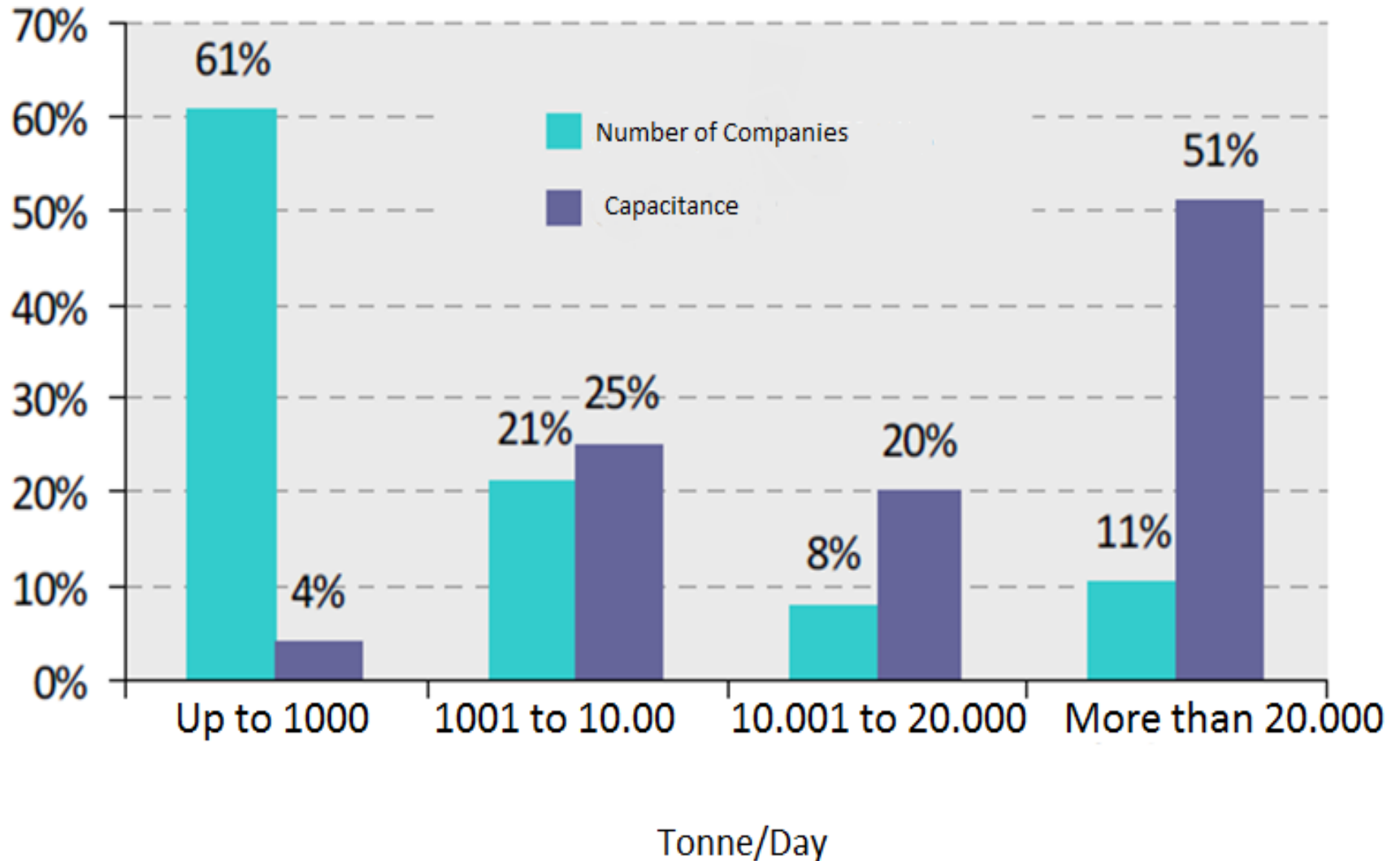
Exportations by exporter complex (2015)



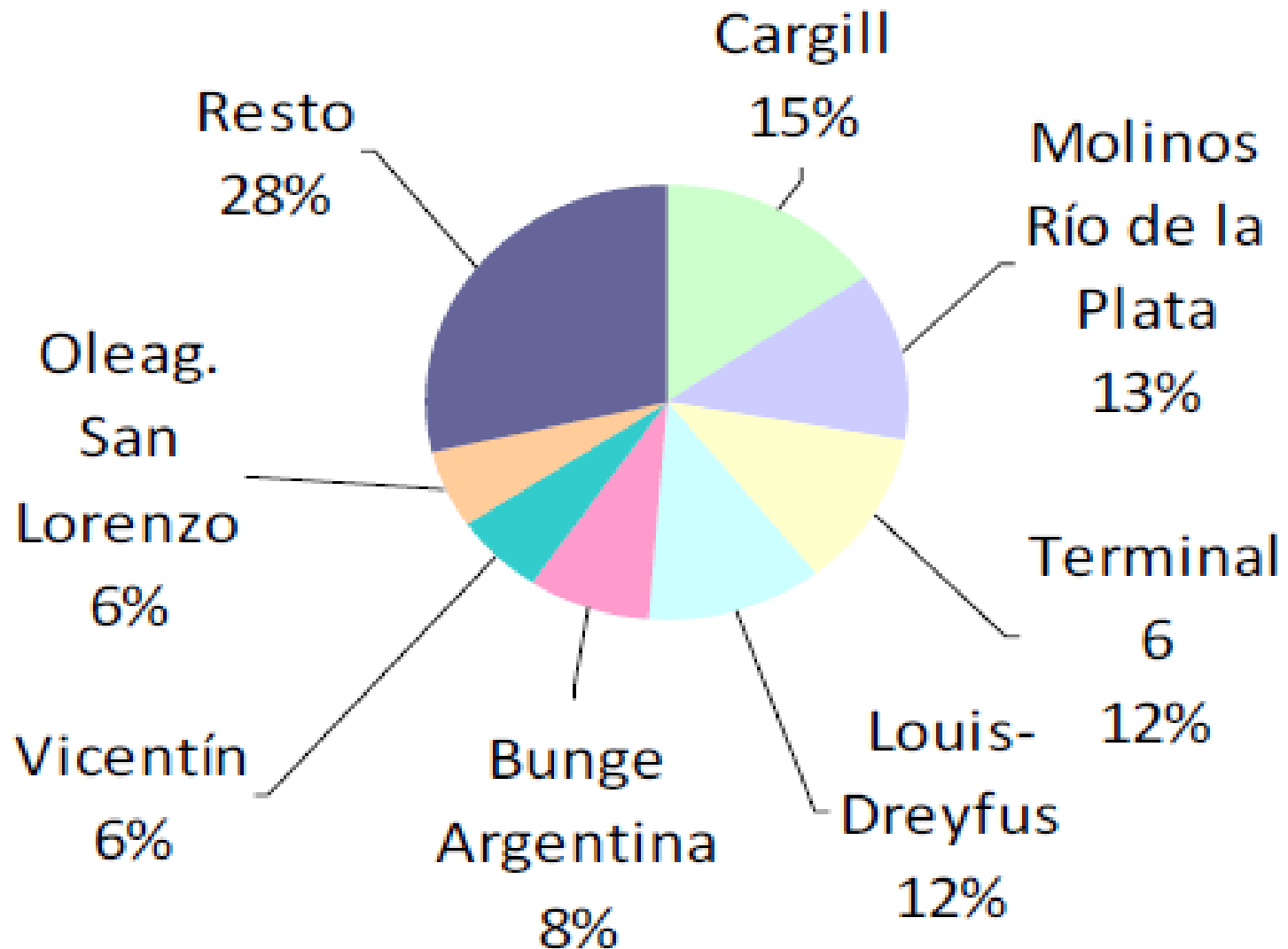
Soy production by number of producers (2010)



Milling capacity on soybean and sunflower by number of companies (2010)



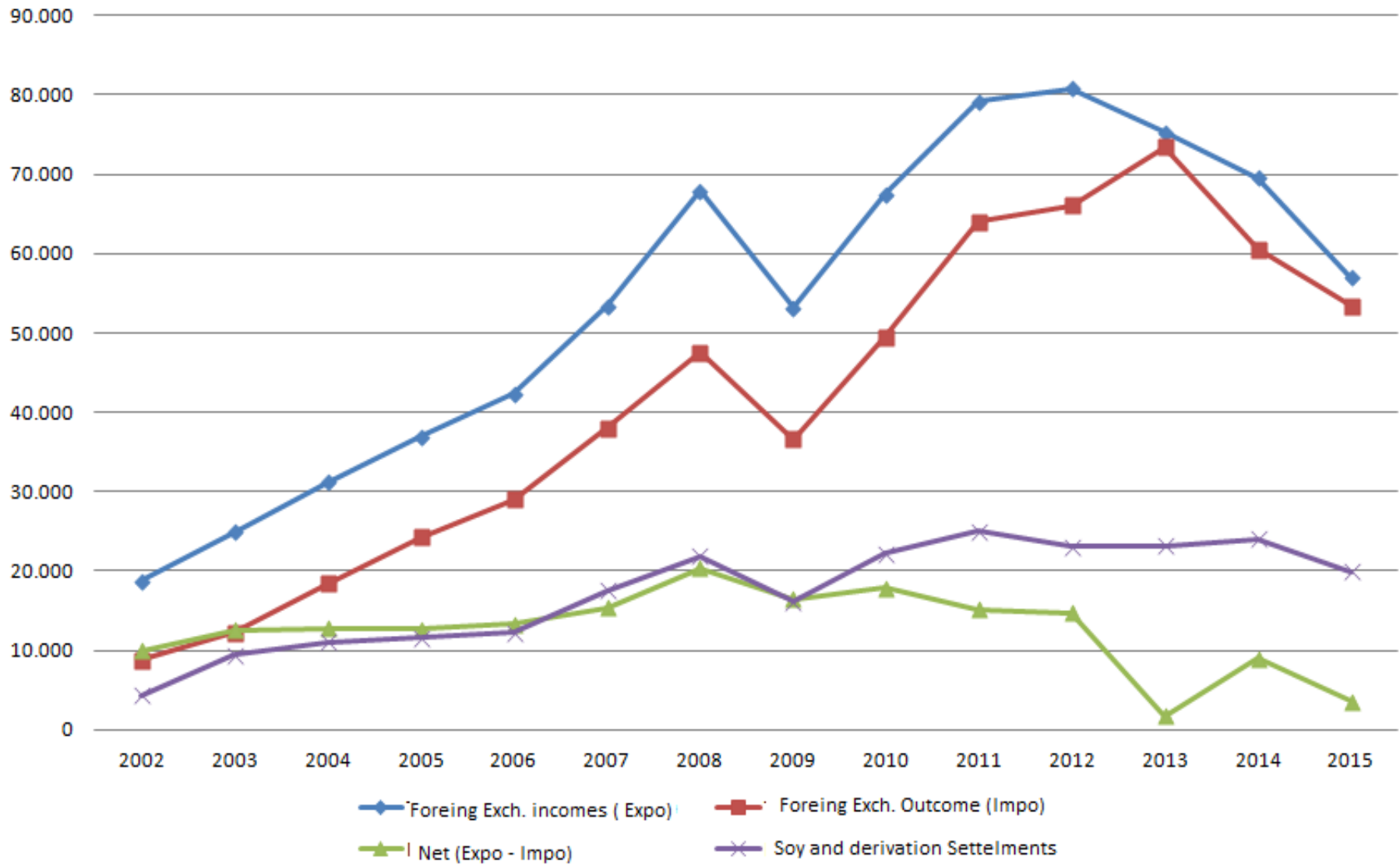
Oil Production by Company (2010)



Exportations of soy oil, soy flour and soy beans by company in tonnes

Firms	Flour			Soy oil			Soy beans		
	Tn.	%	Position	Tn.	%	Position	Tn.	%	Position
Aceitera Gral. Deheza	3.925.238	15,40	1	559.684	11,64	3	90449	0,79	7
Vicentin	3.491.740	13,70	2	631.408	13,13	2			
Cargill	3.178.505	12,47	3	695.462	14,47	1	2329058	20,44	1
Bunge Argentina	3.123.740	12,26	4	546.833	11,38	4	1453704	12,76	4
Dreyfus	2.306.475	9,05	5	254.864	5,30	9	1195605	10,49	5
Mol. Río de la Plata	2.054.589	8,06	6	380.697	7,92	6			
Oleag. Moreno	1.649.703	6,47	7	305.455	6,35	8			
Nidera Arg.	1.576.159	6,19	8	382.923	7,97	5	1462194	12,83	3
Noble Arg.	1.377.827	5,41	9	326.282	6,79	7	1499346	13,16	2
Cia. Argentina de Granos	474.541	1,86	10	115.137	2,40	10			
YPF	444.642	1,74	11	80.931	1,68	12			
A.F.A.	328.397	1,29	12	86.609	1,80	11			
A.C.A.	252.689	0,99	13	65.273	1,36	13	659194	5,79	6
Mol. Cañuelas	190.520	0,75	14	47.501	0,99	14			
Subtotal	24.374.763	95,65		4.479.058	93,17		8.689.550	76,26	
Rest	1.108.562	4,35		328.137	6,83	7	2.705.028	23,74	
Total	25.483.324	100		4.807.195	100		11.394.578	100	

Outcomes and incomes of foreign exchange and soy settlements, by year.



Public policies demanded by CIARA - CEC



*"We have insisted a lot on the issue of **temporary admission**, which allows us to process the soybean that neighboring countries export. The fact that we can process those grains and export the processed products has recently been corrected this year, after 5 or 6 years in which it was not allowed. We are convinced that this can give great benefits for the sector"* (Alberto Rodriguez, President of CIARA – CEC, 8/8/2016).

- *"In Argentina, we historically had a few situations in which the government urged us to **settle currencies**: in early nineties, with de hyperinflation process and in 2002, in full economic crisis. But for de latter four years it was a regular issue. This is unacceptable because the income of currencies in our activity has a cycle, but well, the government wanted it arbitrarily to be more regular. Normally, they used extortionist mechanisms by retaining VAT (Value added tax) for export, keeping huge amounts of money. Later, came de negotiation: "you bring thee settles and I'll return de VAT back. Nowadays, this problem is luckily solved and the cycle of our activity in been respected".* (Alberto Rodriguez, President of CIARA – CEC, 8/8/2016).

Demands of CIARA - CEC

	Kirchner's Administration (2015)	Macri's Administration (2016)
Temporaly admission of soy beans	<i>No</i>	<i>Yes</i>
Time until the obligation to settle	<i>1 Month</i>	<i>10 Years</i>

Amount of settlements in million of U\$D

Jan and Feb 2016	Jan and Feb 2017	Dif %
<i>4,123,440,846</i>	<i>3,150,765,725</i>	<i>-23.59</i>

Public policies demanded by SRA



- *“The current value of the dollar, with export retentions, is not suitable for producers. The agricultural dollar is extremely low and that is why it is vital to balance the agricultural income with **exchange rate improvement**”*
(Hugo Biolcati, President of SRA, 4/14/2008)

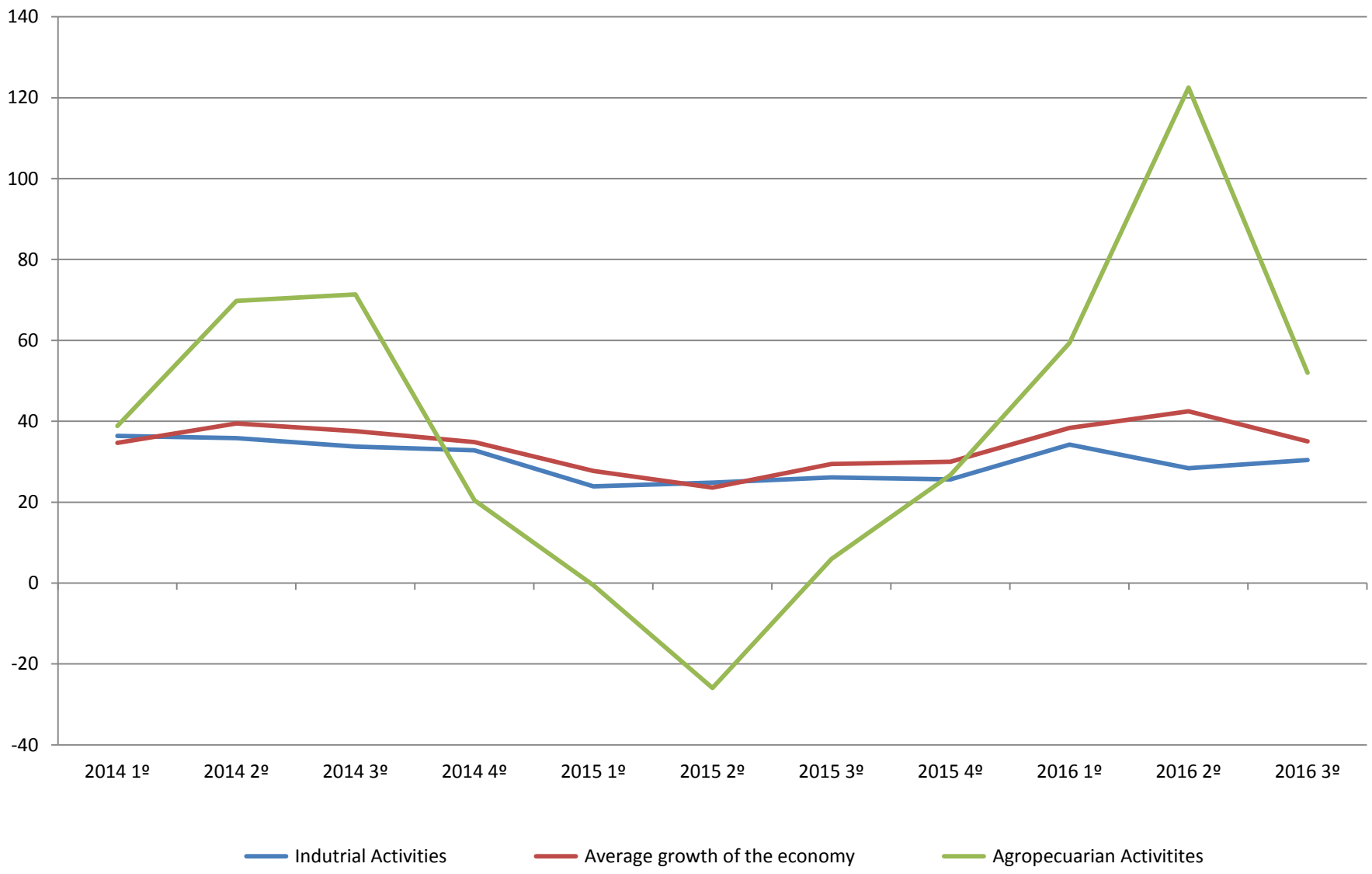


- *" Argentina could double its production, but it depends strictly on the removal of ROE (export permissions) and the **tax on agricultural exports**. The current government lives from the agricultural sector and does not let the agricultural sector live".* (Luis Miguel Etchevehere, president of SRA, 06/04/2014).
- *"**Unification of the exchange rate** is great news for the agricultural sector, especially for the thousands of people in Argentina who depend commercially on agricultural and agro-industrial activity. The agricultural sector will be able to express its potential"* (Luis Miguel Etchevehere, President of SRA, 12/17,2016)

Demands of SRA

	Kirchner's Administration (2015)	Macri's Administration (2016)
Tax on Exportations on soy Beans	<i>35%</i>	<i>30%</i>
Exchange Rate Pesos/Dollars	<i>9,75</i>	<i>15,9</i>

Participation by sector in the total value added in the Economy.



"From the blind and exclusive belief in the market, the goal advised or imposed to reduce the role of governments, to make the state disappear and to advance in the degradation of politics, we must move to a new strategy of sustainable growth, with equity, institutional quality, exercise of representation, control and citizen participation"

President Nestor Carlos Kirchner, during the inauguration of the IV Summit of the Americas, in Mar del Plata, Argentina, 2005.

