

# EPOCH TIMES

## Cristina Kirchner Is Argentinian Peak Insanity

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The *Argentina in Therapy* documentary (2009) chronicles how Buenos Aires became the world's capital for mental-health treatment, with twice as many therapists per capita as New York. The ominous election of Cristina Kirchner as president was another manifestation of Argentine insanity.

Fact is stranger than fiction in Argentina, and Kirchner is a larger-than-life villain—previously in office from 2007 to 2015, following her late husband into the presidency. Her established criminality, corruption, drama-queen antics, economic folly, fiscal default, and unapologetic failure embody all that plagues a nation long in decline.

Yet the senator is comfortably the most popular opposition leader set to challenge embattled President Mauricio Macri on October 27. This weekend she announced she would partner with Alberto Fernández as his vice-presidential running mate after widespread speculation she would even try and run for the top spot again.

One of the chief assertions in *Argentina in Therapy* is that the people suffer an identity crisis which fosters depression and a fear of facing reality.

On the one hand, they see themselves as a refined European colony, akin to Australia, Canada, and New Zealand. There is a kernel of truth to this assessment, particularly if we cast our eyes back a century. That means prior to the rise of President Juan Domingo Perón and his centralization legacy, which Kirchner “militantly” promotes.

On the other hand, Argentines cannot deny what they see before their eyes: an isolated country of 45 million inhabitants in Third World Latin America, falling further into mediocrity and irrelevance on the world stage. Even neighboring Chile's relative economic development and modern infrastructure put Argentina to shame.

A glaring slum, for example, sits right in the heart of Buenos Aires and next to the Retiro train and bus stations. Run by organized-crime slum lords, Villa 31 has 40,000 squatters who occupy public land. It is just one of many slums in the capital home to 700,000 of the city's 3 million residents. Kirchner, in true class-warfare fashion, has made Villa 31 a campaign stop and center for her support.

The flipside of the poverty, insecurity, and paralyzed infrastructure is the nation's proliferating gated communities. At least 800 of these elaborate, heavily protected developments—many with their own shops, schools, sports clubs, and even hospitals—are an

admission of failure, of an upper class that has given up on the rest of the nation. They are islands of the First World and remnants of what Argentina once was.

Bart Simpson has pertinent wisdom to share. When placed in a remedial class, he asked his teacher, “Let me get this straight, we’re behind the rest of the class and we’re going to catch up to them by going slower than they are? Cuckoo.”

Far from seeking to emulate and compete directly with major economies, Argentina’s elected officials have for decades resorted to a mind-boggling array of protectionism and industrial central planning. Argentina has some of the world’s most burdensome taxes and is third to last on the Fraser Institute ranking of economic freedom, ahead of only Libya and Venezuela.

Legislative denial of economic reality has fomented the informal sector and brought on an extremely unstable currency with inflation among the world’s highest. This month, Steve Hanke of the Cato Institute’s Troubled Currency Project gauged peso annual inflation at 123 percent.

Argentina’s response during the Kirchner era was to fudge inflation numbers, set an overvalued exchange rate, and fix “careful” prices on household items. The incompetence of the central bank, combined with inflation, meant there often was not enough physical cash to keep ATMs supplied. A black market thrived for currencies with many exchange houses operating in plain sight but without receipts. Even the ferries to Montevideo, Uruguay, got in on the “blue dollar” action by offering currency exchange on the water.

The artificial numbers concealed the fiscal rot, which climaxed with a default in 2014. Not only did Kirchner not learn her lesson and reduce spending, she doubled the national debt in eight years and boosted the deficit by 1 percent of gross domestic product in 2015 alone. She brags about this in her new memoir, laughably titled Sincerely. She admits she did so to buy votes in a failed bid to get her successor, Daniel Scioli, elected over Macri.

Unfortunately, Macri has lacked the mettle to reverse many of the Kirchner interventions, although he did away with the artificial exchange rate. He has expanded the price-control program and lacked a clear vision for deregulation and overdue austerity. Daniel Duarte, a journalist based in Paraguay, notes that even though Macri inherited crisis conditions from Kirchner, he now faces problems of his own making: Macri’s “bogus austerity package ... includes cosmetic cuts and new taxes that will harm Argentina’s economic recovery.”

### Crooked Cristina

This ideological cowardice and economic failure from Macri has opened the door for a woman facing a judicial investigation and not less than 11 criminal charges. If the “crooked” moniker fit Hillary Clinton, “mafia” Kirchner fits for someone who has covered for terrorists, laundered money, received commissions for government contracts, used public assets for personal purposes, and stolen historic documents. No doubt this list is the tip of the iceberg in a nation where cheating has become accepted as the fastest path to status, and Kirchner is hiding behind parliamentary immunity to avoid prison time.

Her policy proposals should send chills down the spines of Argentines: a return of currency controls, more quotas on imports, and an even higher income tax. She has promised to lower user fees and, like magic, reduce inflation, not that she managed to do that during her past tenure.

A lesser-known candidate, José Luis Espert, has the right ideas: liberalized markets, fiscal austerity, and labor-market reform. However, he is polling at 3 percent under the Libertarian Party banner, presumably because austerity doesn't bring freebies for political patronage.

Neuquén, the largest city in Patagonia and where I lived in 2016–2017, is emblematic of the need for reform. The two most modern buildings in the blighted city are the petroleum-workers union and the provincial legislature. The fanciest gated community in town is immediately behind the legislature, so government workers and politicians barely need to mix with the common people.

Meanwhile, local *Kirchnerista* youths who know no better write graffiti decrying the supposed imperialism of U.S. vulture funds, the scapegoat lenders who bailed out Argentina and had the audacity to want to be paid back. The parasitic enemies of the youths' liberation are within a stone's throw, not in a faraway land.

As much as Kirchner might brand herself as a firebrand or social-justice warrior, she is a protector of the visibly corrupt status quo, and she is as corrupt as they come. If Argentines fall for her deception, they will have no one to blame for their malaise but themselves. They will also need a lot more than therapy and great wine to get their country out of its many decades of regression.