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EMBASSY OF ARGENTINA, WASHINGTON, D.C.

ARGENTINA IN FOCUS

FEBRUARY 2024 // NEWSLETTER 186



Presidente Javier Milei at CPAC Conference. Photo: CPAC.

PRESIDENT JAVIER MILEI CRITICIZED NEOCLASSICAL THEORY ON MARKET FAILURES AT CPAC

In the context of a short private visit he made to National Harbor, Maryland, where he was invited to speak at the CPAC Conference last weekend, President Javier Milei delivered a one-hour speech in which he expressed a thorough and technical critique of what is in his view, the flawed foundations of neoclassical theory, especially regarding market failures and its detrimental effect on growth and poverty as a result of policy responses prescribed by this theory.

As President Milei himself highlighted at the beginning of his presentation, the technical approach of his presentation at CPAC was motivated by the impact generated by a speech he gave last January at the World Economic Forum in Davos, which had a more political tone. At CPAC, President Milei set out the technical foundations and methodological critiques of the neoclassical theory of economic growth that underpin

the statements he made in Davos.

In his speech Milei argued that the discrepancy or contrast between the economic growth model of neoclassical theory and the real world, instead of leading to correctly reject that model, led to an ad hoc formulation of the theory: that the existence of market failures such as monopolies, externalities, public goods and asymmetric information justify a state's intervention in the economy, which in President Milei's view is always harmful, particularly in terms of economic growth and poverty.

Among other arguments, the President questioned the postulate of the neoclassical theory that attributes to a monopolistic market structure a lower production than is socially optimal, with higher prices for consumers than those that would result if there was no monopoly. He

IN HIS SPEECH AT THE CPAC CONFERENCE, THE PRESIDENT ADVOCATED FOR FREE TRADE AND, PARAPHRASING FRENCH ECONOMIST FRÉDÉRIC BASTIAT, NOTED THAT “WHEN GOODS CROSS BORDERS, BULLETS WON’T”.

characterized this postulate as flawed, as it is a partial equilibrium approach and as such, fails to consider the impacts on other markets or of future impacts on that market.

Likewise, the President pointed out that if monopolies were regulated as neoclassical theory prescribes, with quasi-rent or extraordinary profits that regulations would bring down to zero, there would be no incentives for growth, resulting in a state intervention to regulate the companies’ profits, economic stagnation and increasing poverty.

In his speech at the CPAC conference, the President advocated for free trade and did so by not only stating that it enables consumers to have access to products and services of better quality or at lower prices, but also added that it has a positive impact to promote peace among nations, and paraphrasing French economist Frédéric Bastiat, he noted that “when goods cross borders, bullets won’t”.

President Milei arrived in National Harbor, Maryland on a commercial flight on Saturday morning, February 24, and returned to Argentina on Sunday, February 25th. ■

MINISTER DIANA MONDINO PARTICIPATED IN AN ATLANTIC COUNCIL CONFERENCE

On February 26, Minister of Foreign Affairs Diana Mondino participated virtually in a conference entitled “Redefining the United States strategy towards Latin America and the Caribbean for a new era,” organized by the Atlantic Council, a U.S. think tank.

The Minister’s presentation took place during the first panel of this event and dealt with our country’s bilateral relationship with the United States of America and Argentine foreign policy towards Latin America and the Caribbean. Minister Mondino highlighted that Argentina aspires to deepen, expand and diversify the relationship with the United States, and through a strategic partnership, promote cooperation on all the issues included in the broad agenda of both countries, which ranges from the

political to the economic and trade, at a bilateral, regional and global level.

On the other hand, the Minister explained that Argentine foreign policy towards Latin America and the Caribbean is based on the defense of freedom, democracy, human rights, economic development, the promotion of trade and investments, and the promotion of regional integration processes.

Asked about the economic transformations currently underway in our country, she explained: “in Argentina we began a new stage marked by an open market economy, promoting investments, reinforcing the rule of law, encouraging free competition among economic actors,

(From left to right) Dr. Megan Reiss, Minister Diana Mondino, Juan González and Jason Marczak.



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and a full integration with the global economy.”

Likewise, she added that “this is part of a global scenario that presents multiple challenges, in view of which we believe that it is crucial that we cooperate and work together with Western countries, including the United States, as well as the international organizations of the financial system, such as the IMF, and the World Bank.”

The event was attended by government officials from the United States, Latin America and the Caribbean, such as the Special Assistant to President Joe Biden and Senior Director for the Western Hemisphere at the National Security Council, Juan González; the Principal Deputy Assistant Secretary for Western Hemisphere Affairs of the State Department, Mark Wells, and the Vice President and Senior Director at the Adrienne Arsht Latin American Center of the Atlantic Council, Jason Marczak; among other panelists. ■



Argentine soccer team: Copa América 2021. Photo Credit: AFA.

HEADING TOWARDS COPA AMÉRICA 2024, THE ARGENTINE SOCCER TEAM CONSOLIDATES ITS PRESENCE IN THE UNITED STATES

This week, it was informed that the Argentine soccer team will play four friendly matches prior to the Copa América in the United States. In March, Argentina will face El Salvador (on Friday the 22nd in Philadelphia), and Costa Rica (on Tuesday the 26th in Los Angeles). In June, the team will face Ecuador (on Sunday the 9th in Chicago), and Guatemala (on Friday the 14th, in Washington DC). The team led by Lionel Scaloni is ready to focus on defending the title it won in Brazil in 2021.

The continental competition will be held this year in the United States, where a very interesting symbiosis has been generated with the national team and the AFA, especially taking into account that its captain, Lionel Messi, joined the MLS, as well as the fact that the World Cup will also take place in the U.S. in 2026, and the Training

Center project in Miami launched by the Argentine Soccer Association in August of last year.

Since Messi joined the ranks of Inter Miami, the popularity of the Argentine star generated a media and economic hype in the U.S. that undoubtedly goes far beyond the club itself and the state of Florida. His image and the interest he continues to generate in each soccer match attracts many in the United States, even those to whom "soccer" is considered foreign. For example, it is typical to see sold out stadiums whenever Inter Miami plays as a visitor throughout the country.

On the other hand, it is worth noting that Messi joining the MLS, and the fact that the 2024 Copa América and the 2026 World Cup will take place in the United States,

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has generated a very positive economic impact on the Argentine Soccer Association (AFA), which expanded its partnerships in North America. For example, under diverse agreements, AFA will have licensed merchandise in different retail chains in the United States, which will multiply the presence of the AFA brand throughout North America.

AFA has been promoting several brand expansion programs and, through an agreement signed with Fanatics in February 2024, will incorporate a new business unit and improve the brand positioning of the Argentine National Teams throughout the world, especially in the United States. Likewise, in January 2024 American Express became the official credit card of the national team.

Leandro Petersen, Commercial and Marketing Director of AFA, points out: "The global development of the Argentine National Team brand and the expansion of the AFA in the world is a priority for us. We now offer high-quality official products to our fans in every corner of the world, wherever they are. By providing an easy and dynamic access, we give our fans the possibility of getting closer to the Argentine National Team. Wearing our colors, identifying with the

products ,and being part of our team, is one of our key brand objectives."

Argentina's upcoming friendly matches in the United States are the following:

- vs El Salvador. Friday, March 22, at Lincoln Financial Field, Philadelphia
- vs Costa Rica. Tuesday, March 26, at the Memorial Coliseum, Los Angeles
- vs Ecuador. Sunday, June 9, at Soldier Field, Chicago
- vs Guatemala. Friday, June 14, at FedEx Field, in Landover (just outside Washington DC).

Likewise, Argentina will participate in the Copa América in the following places and dates:

- vs Canada or Trinidad and Tobago. Thursday, June 20, at the Mercedes-Benz Stadium in Atlanta (the opening match of the Copa América)
- vs Chile. Tuesday, June 25, at MetLife Stadium, New Jersey
- vs Peru. Saturday, June 29, at Hard Rock Stadium, Miami.

Finally, Inter Miami will be in Washington DC next Saturday, March 16, at 2pm, at Audi Field. ■