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Chair and managing director of the IMF, Kristalina Georgieva and Minister of Economy, Martín Guzmán

PROGRESS IN DIALOGUE WITH THE IMF AFTER MARTÍN GUZMÁN'S VISIT TO WASHINGTON

Martín Guzmán, Minister of Economy, visited Washington D.C. this week, where he held in-person meetings with Kristalina Georgieva and the IMF team that is working on negotiating a new program with Argentina.

Once again, it represented an opportunity to make progress in reaching a mutual understanding as part of an ongoing constructive dialogue, as has happened in previous meetings on these ongoing negotiations.

The IMF also appreciated this dialogue; in a statement issued yesterday, it recognized that “the Argentine authorities and the IMF team made progress in defining some key principles that could underpin an economic program to help address Argentina’s near- and medium-term challenges.”

Normalizing the economy is an objective of Minister Guzmán and his team: the idea is to create stability conditions that generate a healthy



Once again, I share with you the latest edition of our Embassy Newsletter. This edition includes an article about the visit of Minister of Economy, Martín Guzmán to Washington D.C. this week and the progress in the ongoing dialogue with the IMF.

In this edition we include an article of the meeting organized by the Embassy of Argentina, Brazil, Paraguay, and Uruguay, along with the Inter-American Development Bank to diagnose the gender gap in science and technology.

Finally, an article on the first meeting of the G20 Trade and Investment Working Group (TIWG) in which the representatives exchanged their views on the unprecedented challenges facing COVID-19.

Jorge Argüello
Ambassador to the United States

THE IMF ALSO APPRECIATED THIS DIALOGUE AND RECOGNIZED THE PROGRESS MADE IN DEFINING SOME KEY PRINCIPLES TO UNDERPIN A NEW PROGRAM.

environment for Argentina's economic and social development. In this regard, the national government defined its priorities to secure conditions that enable a strong economic recovery in 2021, after three years of recession and a pandemic.

One of the priorities is to coordinate expectations. This is a collective task which requires engagement by all sectors, as well as a dialogue that leads to understandings as the basis for a stronger pattern of agreements and consensus among Argentine society. This necessary coordination has already started to emerge, for example, in collective negotiations that establish salary increases that are in line with budget estimates. The budget is the cornerstone of the economic program and is therefore a key pillar of macroeconomic policy.

Another priority consists in improving the purchasing power of Argentines impacted by the recession, as well as by the unprecedented shock caused by the pandemic. Creating real jobs, and improving the purchasing power of wages, are prerequisites for the economy to recover.

A third priority is to promote a more virtuous and vigorous export dynamics that sustains economic growth. In this regard, progress has been made in coordinating efforts, thanks to the contribution of strategic sectors that generate foreign exchange: the Knowledge Economy, Agroindustry, Mining, Oil & Gas and other tradable sectors will play a key role in this year's agenda.

The authorities' fourth priority is to ensure fiscal sustainability as a fundamental pillar of macroeconomic stability. Argentina is making efforts to establish a path towards a fiscal consolidation compatible with the growth of the economy. In fact, the fiscal dynamics of this year's early months have shown a path consistent with the objectives sought by the national government. First, the expansion of primary spending with a higher incidence of capital expenditures can enhance the recovery of economic activity. At the same time, the significant improvement in revenues is making it possible to progressively strengthen the sustainability of public finances. The 2021 budget is proving to be a powerful tool to gradually put accounts in order and to strengthen the State.

The fifth and last component in the list of policy priorities, but no less important than the ones previously mentioned, is to ensure debt sustainability. Maintaining debt sustainability should be a state policy in Argentina, which is why since 2020 the government has involved Congress, as well as society as a whole, in the pursuit of these objectives. At the same time, progress has taken place and efforts are being undertaken to expand the public debt market in pesos, a crucial element for developing the capital market.

Policy priorities, the progress made in the agenda, and the remaining challenges, were all an important part on the agenda for Minister Guzmán and his team in Washington, with authorities from the IMF and the World Bank, Treasury officials, and members of Congress of the United States, in a visit whose outcome was clearly positive.

STRENGTHENING GENDER EQUALITY IN STEM: A CONVERSATION WITH MERCOSUR COUNTRIES

During the past decades, the gender gap reduced significantly in science, technology, engineering, and mathematics (STEM) and the Latin American region ranked second worldwide, accounting for 45.8% of women's participation in science. Nonetheless, disparities linger. When we look at the data of females in STEM employment, the salary gap, the share of women in articles publications, their access to grants and financial support, we see that there is still a long way to go in terms of gender equality in the science and technology system.

Taking this diagnosis into consideration, in the occasion of the Woman Month Celebration and the 30th Anniversary of the constitution of MERCOSUR, the Embassy of Argentina, Brazil, Paraguay, and Uruguay, together with the Interamerican Development Bank (IDB) decided to invite experts for a round table on the subject to analyze the situation in each country and jointly analyze the future agenda. The event included as panelist the main policy makers in the MERCOSUR countries related to Science and Technology, such

as Fernando Peirano, President, National Agency Investigation, Technology Development and Innovation Promotion (Agency I+D+I), Argentina, Cynthia Delgado, Executive Secretary, National Council of Science and Technology (CONACYT), Paraguay, Ximena Usher, Manager of Evaluation and Monitoring, National Agency of Research and Innovation (ANII), Uruguay, Christiane Correa, Secretary for Articulation and Promotion of Science at the Ministry of Science, Technology and Innovations (MCTI) and Adriana Maria Tombini, Director of Engineering, Exact, Human and Social Sciences of the National Council for Scientific and Technological Development (CNPq), Brazil.

In its opening remarks of the event, Argentina's Ambassador to the United States expressed that: "We need to implement substantial reforms and analyze more complex data so that we can obtain a precise diagnosis to implement effective public policies, policies of care so that we can translate in concrete numbers the share of women participation and visibility on STEM."

MERCOSUR policy makers in Science and Technology



IT IS ESSENTIAL THAT THE REGION'S COUNTRIES ASK THEMSELVES HOW THEY CAN CREATE COMPETITIVE ADVANTAGES FROM THE HIGH SHARE OF WOMEN'S PARTICIPATION IN SCIENCE AND TECHNOLOGY.

The Inter-American Development Bank (IDB) presented its latest studies on the subject. Gonzalo Rivas, Chief of the Division of Competitiveness, Technology, and Innovation mentioned that the critical issue is justice; how can we create the conditions so that all human beings can develop to their full potential. He also expressed that with all four MERCOSUR countries, the IDB has cooperation agreements in the subject matter and that they are looking forward to extending this type of collaboration. Matteo Grazi, the Senior Specialist from Mr. Rivas Division, presented the latest data and highlighted that biases are relevant not only because they are unfair but also because they are inefficient. He concluded that public policy plays a substantial role in creating equal opportunities, raising awareness, and increasing the possibilities of doing better science through gender equity and diversity.

On behalf of Argentina, Dr. Fernando Peirano, President of the National Agency for the Promotion of Investigation, Development, and Innovation. Public policies respond to the social demands that want a new development model, based on new values, sustainable development, and that generates all he mentioned. Dr. Peirano presented the 2020 "Diagnose about women's situation in science and technology" and said, "there is a glass ceiling. It is indeed harder for women. The numbers show that there is, in fact, a relation with gender". After presenting the different instruments

implemented in Argentina towards gender equality, Mr. Peirano concluded that it is essential that the region's countries ask themselves how they can create competitive advantages from the high share of women's participation in science and technology. Notably, Dr. Peirano presented the latest report from Elsevier (Scopus Data), which shows that in Argentina, women's involvement in science surpassed men, with 51% versus 49% in 2020.

Concerning future agenda, the biases that affect how women participate and grow within the science and technology system, Mr. Peirano mentioned the importance of working on new data categories to take specific actions. For example, he said the concept of "academic age" instead of the "biological age" to enable access to grants and strengthen women's participation in open calls for research and innovation projects.

The representatives of the MERCOSUR countries presented the current situation of the gender perspective in STEM in their own countries and the policies they are implementing to improve it. They all agreed that, although important advances have been made in recent years, it is necessary to redouble the effort and implement new policies that make it possible to achieve the objectives of achieving equality.

The main takeaways from the round table with its objective were several. The inter-institutional and transversal analysis of the subject matter enables the implementation of more effective public policies and the importance of working jointly among the MERCOSUR countries to have more women in science and better science. There are still many roads to travel, but collaboration is most definitely the way to go through those roads.



[G20 Italy 2021-Official site.](#)

THE SITUATION OF GLOBAL TRADE AND INVESTMENT IN RESPONSE TO COVID-19

On March 2nd and 3rd, the G-20 virtually held its First Meeting of the Trade and Investment Working Group (TIWG) under the current Italian Presidency. Its 20 members, invited countries and international organizations, exchanged their views on the unprecedented challenges facing trade and investment in light of COVID-19.

The slowdown in the global GDP caused by the pandemic revealed the weakness of global value chains (GVCs) in a globalized and interdependent world, which has mostly affected the most vulnerable sectors, as well as micro, small and medium-sized enterprises (MSMEs). Trade and investment flows have experienced enormous impacts: the World Trade Organization (WTO) estimated a 9.2% drop in the trade of global goods in 2020, and the United Nations Conference on Trade and Development (UNCTAD) projected a drop of 30-40% in investment in 2020-2021. The evolution of these indicators is marked by a high

uncertainty given possible future scenarios of the pandemic, which will depend on whether the present inequality in the distribution and access to vaccines can be reversed.

Today it is more important than ever to increase international cooperation and solidarity to mitigate the effects of COVID-19 on trade and investment. Only by working collectively can an inclusive and sustainable post-pandemic recovery be achieved, one that leaves no one behind, and is in line with the United Nations 2030 Agenda.

As the main forum for economic coordination, the G-20 plays a key role in response to this crisis, as in 2008-2009, including in trade and investment matters. Under this framework, during the Saudi Presidency the Trade Ministers agreed on the “G20 Actions to Support World Trade and Investment in Response To COVID-19”, which is currently being implemented by its members.

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Based on the 3 P's, "People, Planet, and Prosperity" slogan promoted by the Italian Presidency to guide the cross-cutting work of the G-20 in 2021, at the TIWG March virtual meeting the discussions focused on the following four issues: (i) the global business and economic outlook in light of the impacts of COVID-19; (ii) strengthening the resilience of GVCs for medical and pharmaceutical products; (iii) promoting services and facilitating investments as channels for growth; and (iv) an increase in the global presence of MSMEs.

The Argentine Delegation, chaired by the Undersecretary for Multilateral and Bilateral Economic Negotiations, Ambassador Carola Ramón, highlighted the need to include a development dimension in the debates, as developing countries bear the brunt of the pandemic's economic and social impacts.

"Strengthening global value chains for medical and pharmaceutical products related to COVID-19, as well as an equitable and accessible access to treatments and vaccines are crucial, especially

in developing countries. Assistance to MSMEs in their integration in international trade is key, given their contribution to employment and development," said the Undersecretary.

In turn, several members, including our country, expressed interest in advancing in a strengthened and reformed WTO that responds to the present and new challenges of international trade, after the appointment of its new Director General, Ngozi Okonjo-Iweala. Argentina expressed its hope that as the first woman and African as head of the WTO, she can supply new oxygen to an organization that needs to be revitalized. She also supported the view that it is important to strengthen the rules-based multilateral trading system to ensure predictability of trade flows and contribute to a reactivated and reformed WTO that can help overcome the health emergency.

The G-20 has the opportunity to lay the foundations for a fairer and more efficient international trade system that can help overcome the recession caused by the pandemic, considering the contribution of trade and investment to an inclusive growth and development, job creation, and the eradication of poverty. Argentina will continue to participate actively and constructively with a view to the next TIWG meetings and the October Trade Ministerial Meeting, with a firm call for global solidarity that allows us to leave behind the economic and social crisis caused by COVID-19.



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