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Ref. Régime monétaire et conflit de répartition en Argentine (1976-1989) : comprendre l'hyperinflation de 1989.

It is this reviewer's strong impression that the present version of the paper is still far from publishable.

One main reason for such a blunt statement may be instantiated by quoting a short sentence from the Abstract: "Nous déduisons de nos observations que l'hyperinflation est un rejet complet de la monnaie domestique". This brings to the reviewer's mind that character in Molière who famously explained that the narcotic effects of opium are due to that substance's narcotic powers.

Indeed, the paper is plagued all through with pleonasm and circular reasoning; the latter being for the most part composed with common categories (such as, say, Inflation) taken naively at face value with no sign of the author's or the authors' awareness of the unavoidable conceptual problems these categories pose... As if to seriously characterize particular historical events (let alone to explain them) we could do without questioning and discussing conventional labels just picked up from past parlance. In a word, as if the exigencies of today could go unattended.

The same naïveté and lack of precision is displayed by the author(s) in regards to doctrinal adscription; when he (she, they) put on the neo-keynesian mantle and the structuralist mantle as well, hardly any awareness is shown regarding the intricate problem this involves. The main original authors of the adopted approach, notably Julio H. G. Olivera, go unmentioned. If only for this reason, the paper has to be redone. A well done critical revision of the literature would be the occasion for the author(s) to join those who are beginning to think economic theory anew.

Several other Argentine authors are profusely quoted for their opinions on questions that involve both situations in the short-run and structural transformation; but again, both our authors and those they quote seem to go along with less than due precaution towards the conceptual problem posed in passing to and fro between these approaches. Some of the authors quoted have been (so to say) brought up in the sequel of the late sixties' and early seventies' debate between schools (i.e., monetarists versus structuralists etc.); the reference to those debates seems to us a must –if only to fully understand the context and meaning of the phrases quoted.

And whatever economists may have thought about money, banking, etc., those last XX century decades were rife with such unusual international phenomena bearing upon the paper's subject matter, as the plethora of

petrodollars... Of which there is scant acknowledgement in the paper. Even the word Convertibility should evoke the historic event of August 15, 1971, when the US president even if symbolically put an end to the Bretton Woods arrangements declaring the dollar inconvertible into gold. Can we go on using the same words as if they kept an invariable meaning, looking over the necessary conceptual updating?

This reviewer is convinced that the problematic the paper addresses explicitly, together with the theoretical problems raised, are of great interest beyond the particularities of Argentina; that these have been insufficiently studied heretofore, and hence deserve indeed a fresh look. That he (she) has put an eye on this speaks on behalf of his (her, their) project.

Conventionally referred to as the “1989 hyperinflation” in Argentina, the particular event itself: the adoption (and very specially the prolonged maintenance) of a fixed dollar/local currency exchange rate, have hardly been discussed thoroughly. One obvious suggestion is that the author’s hypothesis of a distribution rivalry at the core of the phenomenon may hint at which were the short run political and “appropriative” (rather than distributive) stakes involved, moreover if corruption in the bowels of public powers is to be reckoned with. (Otherwise presenting an abstract model to explain monetary and fiscal policies begs too many questions).

Briefly, some further suggestions for an eventual revision. The hypothesis to the effect that: "qu'il faut analyser et interpreter l'instabilité macroéconomique observée en Argentine depuis le milieu des années 1970" should be further developed, and eventually linked (as seems to be promised by the authors) to the reasons why such a singular contraption as the Currency Board was adopted (and, let us insist on this point) why was it so stubbornly kept in force against all odds... till (or even a bit after) social catastrophe forced an end to it.

The narration in the paper of the chain of events supposedly leading to inflation etc., starts abruptly with the 1976 coup d'État. At this point the paper echoes some questionable opinions that suggest that the coup was triggered by an impending default... and seem to leave it at that. But here and elsewhere an arbitrary choice of the period to be studied is bound to conspire against its intelligibility.

Things can only be made worse by attributing the tendencies towards monetary disturbances to causes (like a distribution tug-of-war) between social agents of classes that remain unspecified, without discussing the circumstance that turns such cause on (say, the cause of such cause), and without carefully analysing the mediations between the supposed cause and its effect. Regarding distribution (of incomes, earnings, patrimonies), well informed colleges that studied the

period in depth are of the opinion that monetary evolution in the eighties is significantly accounted for by the monetization of the fiscal deficit. We hardly find a discussion of fiscal policies in the paper. Very much the same goes with the debates on the respective merits/demerits of fixed/floating exchange rates regimes; also, with the rather odd contraption of Martinez de Hoz (of whose very close bond with the IMF nothing is said): the authors of this paper somehow celebrate his “la tablita” as “original” (and still owe us a discussion on this point).

Rather surprisingly, for an interpretation rather unilaterally based on distribution social struggles, changing social structures, political parties, worker’s syndicates, corporative inside rivalries, go almost unmentioned.

In short, this reviewer finds that the paper is a promising draft for a project carrying original contribution *nasciturus*. To bring it all out a considerable elaboration is still required. We hope some of our suggestions may be found of help.