As we drove from Ministro Pistarini International Airport into the city of Buenos Aires, my wife, Mara, and I noticed some of the signs of a country in crisis. They were small signs, but since I was looking, there they were. On the other side of a road, truck drivers stood aside their vehicles on the highway, as they protested the rise in gas prices. As we neared the city center, most of the billboards displayed no ads, just telephone numbers; few companies had the funds to advertise. But these were small signs on the road into the city.

Arriving in Recoleta, one of the posh areas of Buenos Aires, we felt distinctly like David the "bubble boy", seeing but not feeling the poverty and tumult engulfing the city and the country. Our hosts from the University of Palermo made us feel at home the moment we arrived. They scheduled events for us, invited us to dinner, and generally introduced us to the details of life in their home city. And Buenos Aires can be intimidating; it's not a planned nor a grid-like city, so you lose your way often in the maze of streets with names of the many soldiers, politicians, and artists of Argentine past. Having lived in Spain for a year, I had some understanding of universities in foreign countries and the uniqueness of the Anglo-American university campuses. So, the urban environment surrounding the University of Palermo surprised me very little, and I suppose Buenos Aires reminded me at times of Madrid, at other times of Rome, and still other times of Paris. It feels in many ways like a European city.

As we settled into our stay, my Spanish gradually returned and so did my capacity to delve into the more complex issues facing Argentina today. Argentina, to the casual observer, seems a lot like the United States. But it's the differences that I was searching for. Why was Argentina failing?

Sure there are the normal econo-speak explanations for Argentina's current crisis. Budget deficit, current account deficit, uncompetitive currency, etc. And surely these are important. But I was searching for something deeper, as there usually is. One thing that stands out is that Argentina appears to lack the range of private institutions and voluntary associations that one finds in the United States. Where the top five law schools in the United States are private institutions, one finds the public university of Buenos Aires dominating the field of legal education. Over 30,000 students attend the school at any one time, at no cost to them, and often for as long as ten years.
The university is sustained not by loyal alumni nor by students who have a financial stake in their studies, but by the general treasury of the state. So students, it seems, come to see their university not as an institution which requires the nurturing of students, alumni, and faculty alike, but as an organ of the state, which is required to extend the entitlement of education to all comers for any period of time.

This attitude of entitlement pervades the legal and political culture of Argentina, and, in my humble and superficial belief, lies at the root of the economic problems facing the country. It is also intimately connected to the failures of the Argentinean brand of federalism, which is altogether distinct from our own. In Argentina, the provincial governments spend their expenditures not primarily through their own taxes collected through their own infrastructures. Rather, the provinces rely on a "subvencion", which is basically a portion of the federal budget which is kicked back to the province. Now, I do not pretend to understand the intricacies of this system, but on its face it allows the provinces to spend far more funds than they are able to raise from within the four corners of the province, thereby creating a curious form of institutional dependency at the provincial level. By contrast, each of the states in the United States is responsible for balancing its books, and where temporary financial shortfalls may ensue, issuing debt on its own credit rating. This is not the case in Argentina, where the power and infrastructure of finance is centralized leaving the provinces in a state of constant dependency and immaturity.

Returning to the question of voluntary associations, one senses too that the traditional bureaucracy of the Catholic Church, through its intimate connection with the government, may have crowded out other voluntary associations that might have emerged, either religious or secular. All of these are impressions, but they provide one lens through which to understand the current institutional failures in Argentina, which have led to the economic problems we read about in the papers every day.

Perhaps, the situation in Argentina is best summed up by a conversation I had with an Argentinean friend, who had studied at Yale Law School. He remarked that the biggest surprise for him at Yale was that nobody ever cheated, even on 24 hour exams. By contrast, he said that cheating was rife throughout the law schools of Argentina, so commonplace that its existence was accepted by all and no longer scandalous to anyone. So if cheating and academic integrity is treated with so little concern in the universities of Argentina, I wonder how the IMF will ever expect to get the Argentineans to pay their taxes.

Many of our most enjoyable experiences came on trips with our fellow Yale students. We traveled to Iguazu falls where we examined the various woodworking wares of the Guarani Indians, made famous by The Mission. We imagined the perils of missionary work on foot in 16th century Argentina and Brazil, as we climbed aboard motorboats and trekked across extensive metal walkways to gain better views for 35mm snapshots of the falls. We attended Church in Iguazu and immediately noticed the smaller height of the people living there. Either diet, or perhaps native background were to blame -- perhaps the most palpable example of the disparity of wealth between Buenos Aires and the rest of the country.

And that was a common theme of the trip: the extent to which the wealth and power of the country was concentrated in Buenos Aires.
All commerce and politics seemed to run ultimately through Buenos Aires. Again, this contrasted with the United States which boasts many regional power centers. Buenos Aires is ten times larger than the next largest city in the country and consists of over 1/3 of the total population of the country. New York is not even double the size of LA or Chicago and is about 3% of the total population of the country.

Surely, part of this is a question of defining boundaries, but much of it is the reality of history -- geography, laws, and institutions -- that have conspired to disperse in America what they have concentrated in Argentina. Perhaps the Argentineans will follow through on the proposal to move the capital to a city other than Buenos Aires. I think it would be a good thing.

While we were there, Buenos Aires was filled with poor migrants who could find no work in the countryside. They had come to the city to gather paper waste for the purpose of recycling. These people live in shanties, separated from our neighborhood in Recoleta by just a few sets of railroad tracks. Every evening these migrants would come into the wealthy barrios with their bags and rollers and gather scraps of paper, digging deep inside of trash bags waiting for collection on the curb outside of apartment buildings. We heard that six months earlier the police were arresting them; now they don't even bother them. There is no other work for them. The first night we saw these poor folk, we thought they were looking for food, in the way the homeless in New York do, but we were told that this was how they made a living. And so we saw on subsequent evenings that the homeless of Buenos Aires, many of them migrants, had formed an elaborate support network that even included trucks and loading stations, all for the purpose of gathering waste paper for recycling, which in turn helped to put bread on the table at home -- in the shanty. When twenty-eight percent of the people lack a job in the reported economy, one supposes that few options remain.

The middle class in Argentina is disappearing, and that may signal the end of this government is nigh. Even the educated are losing their jobs at the same time that the government has frozen and chopped their savings down by 2/3. The wealthy who planned ahead stowed their funds outside of the country, and it will not be coming back anytime soon. Some of the wealthy are considering leaving the country until things cool down. Robberies, murders, and many forms of small theft are on the rise, even in the suburban neighborhoods of Buenos Aires.

Still with this dark cloud hanging over Argentina, we were able to enjoy a visit to Patagonia, where the deep blue lakes and snow capped peaks match the beauty and tranquility of any of America's national parks. One feels traces of Switzerland in the Lincoln Log architecture and the smells of chocolate and fondue in the air. We loved our time in Patagonia, and again were struck by the degree to which Argentina is blessed with natural resources of all types -- mountains, cattle, oil, not to mention the ultimate resource of all, friendly, intelligent people, still holding out hope for the future.

"and again (we) were struck by the degree to which Argentina is blessed with natural resources of all types -- mountains, cattle, oil, not to mention the ultimate resource of all, friendly, intelligent people, still holding out hope for the future."

Thomas Lehrman
This year, they had floods and earthquakes!

We're currently in Santiago, and having a great time, despite the floods, university strikes, and earthquakes we have experienced thus far. In our first two weeks in Santiago, our program at “Universidad de Chile” had to be held in alternative buildings because the students were on strike and had literally taken over the law school. In fact, just to attend a strike meeting, we had to leave our passports at the door with members of the student government. The students were striking for more educational funding in order to allow poorer students to attend the University. When the strike finally ended, our meetings were once again postponed due to torrential downpour and flooding. Santiago received more rain in twenty-four hours than it normally receives in an entire year; the city had not seen a rain storm this intense in over one hundred years. Most of the streets of Santiago were completely flooded, and although we all managed to stay above water, the water level in many homes reached the second floor. Not surprisingly, the poorest neighborhoods were most affected. Today, we awoke to an earthquake, which we have been told originated in the North of Chile. The food situation for vegetarians has been less than ideal, as most Chileans seem to equate vegetarianism with healthy eating; therefore, fish, chicken, and sometimes pork are considered vegetarian, whereas French fries are not.

Despite the aforementioned surprises, our trip has been wonderful. Our hosts have been amazingly hospitable, and the Universities have welcomed us with open arms. We've taken adequate advantage of the nightlife, and have found many opportunities to travel. We have been to San Pedro de Atacama, Uruguay, Buenos Aires, Valparaiso, and Vina del Mar. We are all sad to leave behind the excitement the linkages program has brought us thus far.

Anjum Gupta
Susan Lin