

# ARGENTINE DEVELOPMENT IN A COMPARATIVE PERSPECTIVE

*Juan Carlos Korol*  
PEHESA-CISEA

- ARGENTINA, AUSTRALIA, AND CANADA: STUDIES IN COMPARATIVE DEVELOPMENT, 1870-1965.* Edited by D. C. M. Platt and Guido Di Tella. (New York: St. Martin's Press, 1985. Pp. 237. \$29.95.)
- THE PRAIRIES AND THE PAMPAS: AGRARIAN POLICY IN CANADA AND ARGENTINA, 1880-1930.* By Carl E. Solberg. (Stanford, Calif.: Stanford University Press, 1987. Pp. 297. \$39.50.)
- LA CLASE DOMINANTE EN LA ARGENTINA MODERNA: FORMACION Y CARACTERISTICAS.* By Jorge F. Sabato. (Buenos Aires: CISEA-GEL, 1988. Pp. 280.)
- THE POLITICAL ECONOMY OF ARGENTINA, 1880-1946.* Edited by Guido Di Tella and D. C. M. Platt. (New York: St. Martin's Press, 1985. Pp. 217. \$30.00.)
- REVERSAL OF DEVELOPMENT IN ARGENTINA: POSTWAR COUNTERREVOLUTIONARY POLICIES AND THEIR STRUCTURAL CONSEQUENCES.* By Carlos H. Waisman. (Princeton, N.J.: Princeton University Press, 1987. Pp. 329. \$40.00 cloth, \$14.50 paper.)

Argentina may be included in a small category of countries—namely, Canada, Australia, and New Zealand—known as “regions of recent settlement.” By the end of the nineteenth century, all these countries were characterized by an abundance of land relative to labor and capital. Three factors helped them to develop capitalist economies that were highly integrated into the world market through the export of staples: immigrants of primarily European origin, foreign capital, and a reduction in the costs of trans-Atlantic transportation. During the twentieth century, most of these countries became modern industrial societies. In Argentina, however, economic and political performance since the 1920s has clearly differed from the achievements of the other countries. Argentina has been unable to build the society that most Argentines envisioned, nor has its economic growth matched that attained by countries of comparable standing at the beginning of the twentieth century.

Since the 1960s, studies comparing Australia, Canada, and Argentina have been increasing, a trend related somewhat to questions posed

by the Argentine experience. Some of them will be explored in this essay in an effort to consider the issues raised about uneven Argentine development in recent works dealing with these issues.<sup>1</sup>

In *Argentina, Australia, and Canada: Studies in Comparative Development, 1870–1965*, D. C. M. Platt and Guido Di Tella present a collection of thirteen essays by U.S., Argentine, Australian, British, and Canadian participants in a symposium held at the University of Manchester in 1982. Contributions by John Fogarty, Guido Di Tella, and Warwick Armstrong discuss the more general problems of economic growth in newly settled areas. Carl Solberg compares patterns of land tenure and government policies in Canada and Argentina before 1930. Carlos Díaz Alejandro contrasts the economies of Argentina, Australia, and Brazil during the same period. Platt examines the financing of urban expansion in Buenos Aires and Montreal. Roberto Cortés Conde focuses on Argentine and Canadian industrial development in the 1920s. Charles Jones searches for the fiscal motive for monetary and banking legislation in Argentina, Australia, and Canada before 1914. Articles by Peter Alhadeff and Michael Twomey focus on economic policies and economic fluctuations in Argentina, Australia, and Canada during the 1930s. J. C. M. Ogelsby examines the search for a national identity in these three countries. The last two essays limit their comparisons to Australia and Canada: Ian Drummond discusses marketing boards in these dominions, and Christopher Armstrong and H. V. Nells analyze the provision of electricity.

*Argentina, Australia, and Canada* begins with Fogarty's important discussion of the limits of staple theory in understanding economic growth in these "new countries." The staple approach contends that the pattern of development in areas of recent settlement will depend on a combination of natural resources, external demand, and the technology of staple production. Once economic growth starts, it will then spread from the export sector throughout the entire economy. Fogarty tests the limits of the staple approach by analyzing huge staple industries in Australia, Canada, and Argentina that were highly developed in each country. His comparison of Australian wool, Canadian wheat, and Argentine beef production shows that while this "theory" can be a useful tool in tracing forward and backward linkages within an economy, it offers no help in understanding the reasons why some undertakings succeed in a particular country but not in others that seem to share the same base of natural resources. In this sense, the theory leaves unanswered the question of

1. Some comparative studies, particularly between Australia and Argentina, draw on a long tradition going back to the nineteenth century. Scholarly work on this subject has expanded since the 1960s. For a bibliography, see Tim Duncan and John Fogarty, *Australia and Argentina: On Parallel Paths* (Melbourne: Melbourne University Press, 1984); see also John Fogarty, Ezequiel Gallo, and Héctor Diéguez, *Argentina y Australia* (Buenos Aires: Instituto Torquato Di Tella, 1979).

why Canadian wheat or Australian wool outstripped Argentina's production of the same staples. Fogarty concludes that although the staple approach "purports to explain how demand for an export staple, through the spread effects of production, determines the shape of a region's economic development, explanation must in the end be sought outside the model" (p. 30). Explanations are to be found instead in supply-side factors like entrepreneurship and capacity for innovation or in non-economic factors like the institutional environment and government policies.

Guido Di Tella is less skeptical about the staple theory than Fogarty and tries to find an explanation for economic growth or stagnation in a more sophisticated version of his thesis regarding the effects of the closing frontier in Argentina.<sup>2</sup> An open frontier implies the possibility of making more land available, a fixed factor of production in classical theories of growth, and this option explains economic growth in "new countries." The closing of the frontier results in a search for new paths. In Canada or the United States or even Australia, innovative and risk-taking entrepreneurs of the Shumpeterian kind led the way to steady economic growth. In contrast, Argentine entrepreneurs sought collusive rents, which proved to be a path of limited growth. Collusive rents were related to government policies. They implied that entrepreneurs could extract some "scarcity rights" from the government, like subsidies or legal monopolies. Why did Argentine entrepreneurs choose this path? If this is the right question to ask, then Di Tella's answer is less than convincing. In his view, this option represents the normal and predictable behavior of an entrepreneurial class accustomed to a system of capital accumulation based on rents. In this sense, the American or Canadian experience was an exception rather than the norm for capital accumulation once the frontier was closed. But Di Tella's interpretation also points toward supply-side factors that lie outside the model of the staple theory. In explaining the Argentine decline, Di Tella finds that the factors that led to a cycle of economic expansion and stagnation are similar and can be traced back to the period of export-led growth.

Warwick Amstrong's essay places the development of the "new countries" in a wider framework by contrasting the staple theory with dependency theory. He believes that the dichotomous world envisaged in dependency-dominated analyses cannot explain the new countries' economic diversification, a task better achieved with the staple theory. Nevertheless, the ultimate explanations of contrasting patterns of development must be found in the social structures and social relationships of each country. But if this is the case, then the relationship between dependency and staple theories becomes less interesting.

2. Compare Guido Di Tella and Manuel Zimmerman, *Las etapas del desarrollo económico argentino* (Buenos Aires: Eudeba, 1967).

The essays most pertinent to the topic under discussion are those by Díaz Alejandro and Cortés Conde. Díaz Alejandro shows that Argentina was never as rich a country as Australia, although its rate of growth was remarkably high (especially when compared with that of Brazil). His estimates of per capita gross domestic product from 1880 to 1939 for the three countries support his argument. The three countries also differed in economic policies and factor endowment. Tariffs were lower in Argentina than in Australia or Brazil. But for Díaz Alejandro, the more important differences between Argentina and Australia are found in their immigration policies. The result of Australia's more restrictive immigration policy was higher wages, which affected the growth and distribution of GDP. Moreover, Argentina lacked mineral resources like those in Australia, and this different factor endowment had long-range effects on backward and forward linkages and the composition of exports. This contribution reflects Díaz Alejandro's changing attitude toward the Argentine economy before the 1930s, a shift of special significance due to the strong influence of his earlier work.<sup>3</sup>

Cortés Conde finds great differences between the industrialization paths followed by Argentina and Canada during the 1920s. Canada, situated close to the broad U.S. market, developed an export-oriented pattern. Argentina, in contrast, started an import-substitution program even before 1930. Industrial production was directed toward the internal market, and this strategy proved to be an obstacle to further growth due to market limits. Yet Cortés Conde disagrees with Solberg about the beneficial effects on industrialization of a protectionist policy in Canada, as contrasted with more of a free-trade policy in Argentina. In his view, the beneficial effects of a lower Argentine tariff were offset by devaluation of its currency. As shown in Arturo O'Connell's contribution to Di Tella and Platt's *The Political Economy of Argentina*, the debate over the effects of Argentine tariffs is still open.

Despite the useful introduction by the editors, *Argentina, Australia, and Canada* lacks a comparison of the external relationships of each of the three countries.<sup>4</sup> The work also lacks a comparison of the economies of the three countries after the 1930s. In this sense, the dates in the subtitle are

3. Compare Carlos F. Díaz Alejandro, *Essays on the Economic History of the Argentine Republic* (New Haven, Conn.: Yale University Press, 1970).

4. On Argentina's relationship with Great Britain and the United States, see, among others, H. S. Ferns, *Britain and Argentina in the Nineteenth Century* (Oxford: Clarendon Press, 1960); Jorge Fodor and Arturo O'Connell, "La Argentina y la economía atlántica en la primera mitad del siglo XX," *Desarrollo Económico* 13, no. 49 (Apr.-June 1973):3-65; Carlos Escudé, *Gran Bretaña, Estados Unidos y la declinación argentina, 1942-1949* (Buenos Aires: Editorial de Belgrano, 1983); and Mario Rapoport, *Gran Bretaña, Estados Unidos y las clases dirigentes argentinas, 1940-1945* (Buenos Aires: Editorial de Belgrano, 1981). On the period of export-led growth, an especially relevant work is Roger Gravil, *The Anglo-Argentine Connection, 1900-1939* (Boulder, Colo., and London: Westview, 1985).

somewhat misleading. It is nonetheless a very useful collection of articles on the problems of the Argentine economy during the era of expansion, and to some extent during the depression. The volume is less helpful in understanding the issues raised by the Argentine decline. It is not necessary to agree with dependency analysts to see the relevance of foreign relationships for understanding the economies of the new areas. In this sense, the well-founded critique of staple theory may lead indirectly to emphasizing supply-side factors without taking into account the limits posed by the trends in external demand and political relationships with buyer countries.

In *The Prairies and the Pampas: Agrarian Policy in Canada and Argentina, 1880–1930*, the late Carl Solberg made a final contribution to Argentine studies with this useful comparative work. His book is based on the assumption that different growth paths are better explained by differences in government policies. Policies are in turn determined by social structure and the role played by the state. Solberg identified the large pampa landowners tied to cattle raising as the dominant class in Argentina. In contrast with the Canadian experience, this class helped consolidate a pattern of land tenure that made medium and small proprietor-farmers more the exception than the rule on the Argentine pampas. Rather, a system of itinerant tenant farmers made possible the rise of grain cultivation in Argentina. This system, however, was undermined by government policies that made it almost impossible for farmers to buy land and did nothing to lower railway rates or to improve agricultural research, technology, and market systems.

Some points still need further analysis. Among them are the costs of wheat production and Solberg's characterization of the working conditions of Argentine tenant farmers. Readers may remain skeptical of his estimates of lower costs of wheat production in Canada when compared with Argentina.<sup>5</sup> On the second point, the relationship between Argentine tenant farmers and the merchants who provided supplies and bought their crops may have been exploitative, but it is difficult to agree that it was "a kind of debt peonage" (p. 143). Despite these caveats, Solberg's book is a fine study of agricultural development in the pampas. It belongs to a well-established tradition that has perceived in the patterns of land tenure and the free-trade policies supported by the state and the landowners the main obstacles to the development of Argentine capitalism.<sup>6</sup>

5. On this point, see Vicente Vázquez-Presedo, *El caso argentino: migración de factores, comercio exterior y desarrollo, 1875–1914* (Buenos Aires: Eudeba, 1971), 164–65. Vázquez-Presedo refers to 1909, Solberg to the 1920s. For an appraisal of the situation during the 1930s, see also Solberg's "Land Tenure and Land Settlement: Policy and Patterns in the Canadian Prairies and the Argentine Pampas, 1880–1930," in Platt and Di Tella, *Argentina, Australia, and Canada*, 53–75.

6. For a recent assessment of Argentine agrarian expansion until the 1930s, compare Al-

For an Argentine reader, Solberg's most appealing chapters discuss the interplay of politics and social structure between 1900 and 1930. Here the deep difference between the diversified Canadian dominant class and Argentine landowners reveals its significance. In Canada, mercantile, financial, and eventually industrial interests based in the east had to find a compromise with western agrarian groups on issues ranging from immigration to tariff policies. Argentine landowners viewed that kind of agreement as unnecessary because cattle raising was their main concern. This shortsighted policy finally undermined wheat production. Since the 1930s, as Solberg points out in his conclusion, the weakness of agriculture development thwarted even "an ill-advised large-scale industrialization program (largely financed by various taxes on the agrarian sector)."

Jorge Sabato's *La clase dominante en la Argentina moderna: formación y características* takes a completely different view of the Argentine social structure. Although Sabato too finds an explanation of Argentine history in the behavior of its social elites, his conception of these elites contrasts markedly with that of Solberg. This study of the "Argentine dominant class" perceives high rates of economic growth as having been supported by a unified and dominant social sector. Its overreaching and diversified interests extended beyond land. The upper echelons also had commercial, financial, and even industrial interests. But unlike the Canadian or Australian bourgeoisie, in Argentina there were no merchant, industrial, or landowner groups opposing each other or another sector. The Argentine dominant class was thus unified (having no opposition within the upper echelons of society) as well as diversified.

These traits of the Argentine dominant class affected the economy in various ways. Its members tried to obtain the highest return on their investment at every moment. This approach was the expected rational behavior in a capitalist world. But in Argentina, it led to searching for capital liquidity and to avoiding specialized investment, such as railway building. Even more important, capital could move freely from one sector of the economy to another, depending on how different opportunities for making profits were perceived.

In the agrarian sector, this approach meant that members of the upper class were able to choose between cattle raising or grain cultivation according to external conditions and to avoid risks beyond their control (such as fluctuating international prices for wheat, corn, or beef). It also meant that Argentine agriculture was land-intensive because land was abundant relative to capital and labor and because specialized investment would have made changes in patterns of production difficult. These

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fredo R. Pucciarelli, *El capitalismo agrario pampeano, 1880-1930* (Buenos Aires: Hyspamérica, 1986); and Hilda Sabato, "La cuestión agraria pampeana: un debate inconcluso," *Desarrollo Económico* 27, no. 106 (July-Sept. 1987):291-301.

patterns implied the possibility of using land for raising livestock or growing grain according to market conditions. This flexibility in patterns of land use peculiar to the pampas was also pointed out by Solberg.

For the economy as a whole, the result was a high rate of economic growth, but after the 1930s, it led to stagnation due to the lack of long-run capital investment. In this sense, the main factor in the Argentine economic decline was the pattern of economic development chosen by the dominant class during the period of export-led growth.

Sabato's sociological interpretation as well as Di Tella's points to the behavior of the dominant groups as the main explanation for Argentine decline. In both cases, however, the explanation of economic growth is more convincing than that of the decline. What remains unclear is how changes in the Argentine economy after the 1930s affected the composition and functioning of the "dominant class."

Platt and Di Tella's *The Political Economy of Argentina* also examines topics pertaining to the Argentine economy from 1880 to the 1940s. This work contains ten papers presented at a conference held at St. Antony's College in Oxford in 1981. Contributions by Platt, Joseph Tulchin, Tulio Halperin, David Rock, and Arturo O'Connell focus on the Argentine economy before 1930. Peter Alhadeff reexamines economic policies during the 1930s. Guido Di Tella analyzes Argentine debates on economic policies from the 1920s to the 1940s. Jorge Fodor and C. A. MacDonald deal with the Argentine export sector in the 1940s. An item of exceptional interest is Raúl Prebisch's recollections of Argentine economic policies during the depression. This intriguing essay reveals how the policies implemented during the 1930s were perceived more than fifty years later by one of their most prominent designers.

The articles on Argentina before the 1930s are helpful in different ways in offering a vision of the period that is more nuanced than the one associated with the concept of regions of recent settlement. In this sense, the pampa is often taken as a proxy for the entire Argentine economy. But as David Rock shows, although the pampa was the leading export region, it was not the entire country. Moreover, by 1914 the regional economies of the interior were not wholly integrated into the capitalist economy developed along the coast. Even within the pampa region, as Joseph Tulchin explains, differences existed among capital and labor endowments. Tulio Halperin reveals the existence of an undercurrent of pessimism about Argentina's future at the height of the period of export-led growth. If those perceptions could not change the economic course the country had already taken, it was due more to the success of the growth pattern than to unforeseen long-term consequences. Platt emphasizes the magnitude of domestic finance in the growth of Buenos Aires, in contrast with the more conventional view of the importance of foreign capital. Finally, Arturo O'Connell points out a worldwide trend of rising protectionist practices

during the 1920s. In that world, Argentine free-trade policies became an obstacle to industrialization. He supports his arguments with a revision of previous estimations of tariff level and structure for that period.

*The Political Economy of Argentina* treats two other important topics in reassessing economic policies after the depression and analyzing Argentina's export sector and foreign relations after World War II. On the first, Peter Alhadef presents a favorable revisionist view of economic policies carried out after the depression.<sup>7</sup> On the second topic, contributions by Jorge Fodor and C. A. MacDonald reveal the limits imposed by external constraints on Argentine economic policies. But they also show that despite these constraints, Argentina could have chosen better alternatives.

This collection makes up for some of the shortcomings found in Platt and Di Tella's volume of comparative studies on Argentina, Australia, and Canada. The reason is that most of the contributions to *The Political Economy of Argentina* focus on Argentina's peculiar conditions. Ideally, the two books should be read together.

Carlos Waisman's *Reversal of Development in Argentina: Postwar Counterrevolutionary Policies and Their Structural Consequences* presents a well-argued sociological interpretation of the Argentine past that seeks to explain the reasons for the country's decline. Perhaps its main contribution is its emphasis on the political leadership's perception of reality. In Waisman's view, Argentina was a region of recent settlement until the 1930s, when it became underdeveloped as the unintended outcome of two major policies carried out by the Peronist government: radical industrial protectionism and inclusionary state corporatism. The autonomy attained by the state in the 1940s made these policies possible, while the governing elite's misperception of an imminent revolutionary threat helped to institutionalize them. In the long run, a corporatist society coupled with an autarchic model of industrialization led to economic stagnation and political instability.

Waisman's arguments are built around the probability of more positive outcomes of alternative paths not taken by Argentina. For example, a more open economy during the 1940s would have meant a more competitive and efficient pattern of industrialization. Had inclusionary corporatism not been attempted, organized labor would have been less able to sustain a social stalemate that made restructuring of the Argentine economy unfeasible during the 1960s and 1970s.

The issues raised by Waisman's book will probably rekindle the old debate about the role of Peronism in Argentine history. Moreover, his

7. For an example of a contrasting view, see the important article by Arturo O'Connell, "La Argentina en la depresión: los problemas de una economía abierta," *Desarrollo Económico* 23, no. 92 (Jan.-Mar. 1984):479-514.



characterization of Argentina before the 1930s as a region of recent settlement raises questions of its own. "New countries" are expected to develop along the lines of modern, democratic, industrial societies. But because they have a high ratio of land to labor and a consequent shortage of labor, workers' mobilization may be perceived as more dangerous by the dominant classes than in typical underdeveloped countries with a large labor reserve. This conception is central to Waisman's analysis and sustains the view that Argentina prior to the 1930s was not an underdeveloped land, much less a typical Latin American country. Argentina's lack of social integration helps to explain the rise of the ruling elite's mistaken cognitive framework.

*Reversal of Development in Argentina* is thus a strong reformulation of the earlier thesis that found Peronism to be the culprit for Argentine despair. Waisman's study also concludes that the period of export-led growth met most of the requirements for transforming Argentina into a modern, democratic, stable, and industrialized society. This argument presents several problems on both counts.

Waisman is well aware of the differences between Argentina and the more typical regions of recent settlement. He points out some of them: land tenure, industrialization patterns, and the lack of raw materials like iron and coal. Waisman comments that "eventually they became a brake on the country's development," but he does not pursue the subject any further (p. 66). Moreover, he believes that Argentina was no more "dependent" than other regions of recent settlement and less so than other Latin American countries. But it can also be argued that Great Britain's foreign policy toward Argentina was not the same as British policy toward Australia or Canada, nor did it have the same effects.<sup>8</sup> Furthermore, counterfactual hypotheses can be applied to various government policies in different periods. No doubt, they would also show different possible outcomes if applied to Argentina before the 1930s. Finally, there seems to be no built-in mechanism that automatically triggers development processes in regions of recent settlement. Thus to place Argentina in this category in order to explain its cycles of development and decline obscures the same issues that were raised during the period of export-led growth.

Assessing Peronist policies is no less controversial. Although consensus is developing about the shortcomings of Peronist policies implemented during the 1940s, two different sets of issues should be stressed: the alternatives open to government policymakers and the long-run effect of the policies that were actually chosen.<sup>9</sup>

8. Compare Grivil, *The Anglo-Argentine Connection, 1900-1939*.

9. A bibliography is growing on Peronist economic policies. See, among others, Javier Villanueva, "Economic Development," in *Prologue to Perón: Argentina in Depression and War, 1930-1943*, edited by Mark Falcoff and Ronald H. Dolkart (Berkeley and Los Angeles: Uni-

In the first instance, the perception of external constraints held by the political elites coupled with problems arising from the stagnation of agricultural production seem to have played an important role in decisions finally made by the Peronist government. If conditions after World War II were thought to be similar to those prevailing during the war, autarchy would seem to have been a more rational path to follow. In fact, attempts were made to change economic policies in the 1950s. They were probably insufficient, but some of the reactions they set off seem to demonstrate the limits on choosing an alternative path.<sup>10</sup>

Peronism has also been blamed for agricultural stagnation, but the reasons behind agricultural decay remain an open question.<sup>11</sup> Yet the economic effects of the stagnation of grain cultivation on an industry dependent on foreign materials and machinery are well known. They produce cyclical bottlenecks in the balance of payments.<sup>12</sup>

In the long run, industrial production directed toward a relatively small internal market could not develop. Some evidence indicates that the model has changed since the middle of the 1970s, however. Exports of industrialized goods have been growing.<sup>13</sup> Moreover, if corporatist policies could have been avoided, it is far less clear why the power of organized labor was not checked by the otherwise authoritarian governments in power during the 1960s and 1970s.

*Reversal of Development in Argentina* has the virtue of presenting a clear image of the Argentine past. Waisman's vision contrasts markedly with an older image of Argentina as the victim of imperialism and free-trade policies during the period of export-led growth, policies that were reversed under Peronism.

Waisman and Solberg both demonstrate that these contrasting and enduring images can be nuanced. What emerges from the books and

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versity of California Press, 1976), 57–67; and Juan E. Corradi, *The Fitful Republic: Economy, Society, and Politics in Argentina* (Boulder, Colo.: Westview, 1985), 47–79.

10. For example, changes in oil policies were under heavy attack by the opposition to the government.

11. For a recent assessment of different explanations on the Argentine agricultural stagnation from 1944 to 1960, see Osvaldo Barsky, "Reflexiones sobre las interpretaciones de la caída y expansión de la agricultura pampeana," in Osvaldo Barsky et al., *La agricultura pampeana: transformaciones productivas y sociales* (Buenos Aires: Fondo de Cultura Económica, Instituto Interamericano de Cooperación para la Agricultura, Centro de Investigaciones Sociales sobre el Estado y la Administración, 1988).

12. See, among others, David Rock, *Argentina, 1516–1987: From Spanish Colonization to Alfonsín* (Berkeley and Los Angeles: University of California Press, 1987), 327–70; and Duncan and Fogarty, *Australia and Argentina: On Parallel Paths*, 130.

13. See, among others, Jorge Schvarzer, *La política económica de Martínez de Hoz* (Buenos Aires: Hispamérica, 1986); Adolfo Canitrot, "La disciplina como objetivo de la política económica: un ensayo sobre el programa económico del gobierno argentino desde 1976," *Desarrollo Económico* 19, no. 76 (Jan.–Mar.):453–76; and Bernardo Kosacoff and Daniel Azpiazu, *La industria argentina: desarrollo y cambios estructurales* (Buenos Aires: Centro Editor de América Latina, CEPAL, 1989).

articles reviewed here, however, is a somewhat different and more balanced view of Argentine history. This perspective is perhaps less appealing because it cannot explain Argentine decline as the result of a simple set of causes, but it is also probably more accurate.

It seems clear that problems were inherent in expansion prior to the 1930s, which did not assure a process of long-term self-sustained growth. And in a *laissez faire* country, government policies on taxes, tariff, credit, immigration, and land seem to have affected the economy deeply. Alternative policies undoubtedly could have been developed, but it is far less obvious that a social base existed to support them or that they would have been viable in the international context of the times.

There were problems with Peronist policies too. They did not ensure complete industrialization either. The origin of Argentina's import-substitution policy can be traced further back in the country's history. Furthermore, this policy was not unique in Latin America during the 1940s, and such a commonality suggests the existence of a shared environment.

Rather than exemplifying a reversal of development, Argentina seems to represent a case of failed development. That is, although it possessed some requisites for becoming a modern country—not the least being its high rate of economic growth between 1880 and 1930—those conditions did not suffice. Government policies during the 1940s were shortsighted, and the political instability that followed made matters worse. Moreover, past economic growth helped raise expectations that could not be met. As a result, mythical views of the past tended to prevail. Some consensus can be achieved by further research on Argentine agrarian and industrial policies, but discussions of economic policies should not be isolated. A better understanding of the Argentine past requires more complete knowledge of Argentine economic and social history. A number of issues remain unilluminated. No consensus exists on such complex subjects as the characteristics of the Argentine dominant class, government policies during the depression, or the effects of tariffs during the 1920s. Nor will debates over Peronist policies in the 1940s and 1950s be easily settled.

Finally, it should be added that comparative studies seem to be a useful tool for pointing out problems, research themes, and patterns of change. They seem to be less useful in explaining the history of a particular country, a conclusion reached by Ezequiel Gallo ten years ago.<sup>14</sup> Today government policies are regarded as more powerful tools for shaping an economy, and differences among "new countries" are clearer. But from the historian's point of view, each national history remains unique. Answers

14. Ezequiel Gallo, "El método comparativo en historia: Argentina y Australia (1850–1914)," in Fogarty, Gallo, and Diéguez, *Argentina y Australia*, 3–18.

must be found in each country and in each society's peculiar history. No doubt, alternative paths existed. But studies like those of Solberg, Díaz Alejandro, and Cortés Conde make it clear that the histories of Australia and Canada were not alternative paths that Argentina could have followed. Argentina's past, like any other country's, may have been different. But in the end, explanations about the way actually chosen by a country should be sought within its society and in the interplay between this unique society and an ever-changing international context.