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THE ROLE OF THE MEDIA IN ARGENTINA'S ECONOMIC TRANSFORMATION

Argentina is a country where time deposits mature every 7 days. Is a country where in July 89 the rate of inflation was 4% per day. And is a country that last year had 6 ministers of economics and 5 presidents of the Central Bank. Never a dull moment!

That is why Argentina is a giant school of economics. Any cab driver, waiter or maid, knows the value of the dollar, the interest rate, and many of them have heard about quasi-fiscal deficit, M1 and the stand-by program of the IMF. Such a terrible waste of human energies is due to the fact that in a turbulent economy, the key of survival, and eventual growth, lies outside the firm, in the scenario in which the economic agent (firm, household) operates.

In a context where description as well as analysis of the scenario is crucial, information is a key input of decision making, as are labor, capital, credit, energy, etc. information is a very heterogeneous good, whose distribution among decision makers is normally regressive from the income distribution point of view (the rich, the powerful, share public sector information much more than the poor and the weak). From this point of the view, the information that is channeled through the media has an important democratic, equal opportunity factor.

Economics is a very important topic in the Argentine media, both in the specialized as well as in the general means of communication. On the former, in Buenos Aires 2 economic newspapers are published daily (much more detailed than 5 días of Spain and Australian financial news of Australia), while on the latter several pages are dedicated to economics in general papers (the dollar is quoted daily in the front page of the newspaper read by low wage earners), and main economic indicators are quoted several times a day on radio and television. Economics, also, is one of the main topics in opinion radio and T. V. programs (I personally have been involved in papers since 1968, in radio since 1977, and in television since 1981).

The media did not create the demand for economic information in Argentina. Reality did. The gradual room for economics in the Argentine media is the result of the increasing importance of economics in individual decision making.

Is information stabilizing or destabilizing? Many officials believe in the later hypothesis and, for instance, some of them prohibited the quotation of the dollar in the black market. The result, as usual, was an increase in the spread, with simultaneous loss of buyers and sellers. Information is destabilizing in the minds of those public officials that try to compensate technically unfeasibility of economic policies, with naiveness of the population through "wrong signals" channeled through the media.

The media, as suggested, played an important but passive role in disseminating information in Argentina in turbulent periods. Is it going to play a leading role in today's restructuration, or is it going to play the important but passive role it played before? Although generalizations are always dangerous, I feel the second hypothesis is closer to reality than the former. In other words, the current restructuring of the Argentine economy did not start as a result of the impact of the media. It started, like in Russia, from the evidence that the "old" ways of doing things, it not working any longer.

In Argentina there are 2 main news: 1) since 1983 there is a democratic regime; and 2) the government is bankrupt. In my country, in 1990, nobody is either thinking or dreaming with a military alternative, regardless of the difficulties. This implies a profound learning process of politicians, voters, lobbies, etc., regarding the functioning of a democratic system. In addition, as a result of the bankruptcy of the public sector, privatization and deregulation -in a very turbulent, "Argentine" way- are becoming reality. 2 T. V. channels were privatized by a Peronist government, and in few days more the telephone company will be transferred to private hands.

Just reflecting the unfeasibility of the continuation of the old modes of operation, the possibilities and the results of the newly privatized enterprises, the media will play a fundamental role in this, may be, historical period Argentina is living.