

GAGGERO, Alejandro; Martín SCHORR and Andrés WAINER, 2014, *Restricción eterna: el poder económico durante el kirchnerismo*, Buenos Aires, Futuro Anterior. 176 pp.

This book, by researchers Alejandro Gaggero, Martín Schorr, and Andrés Wainer, provides an exhaustive analysis of economic power in Argentina during the post-convertibility period. It constitutes a detailed study of the profile of large national and international enterprises during the 2000s, as well as their most significant economic strategies. This analysis makes it possible to establish points of continuity with and rupture from tendencies consolidated during the preceding period – the structural reforms of the 1990s – and, at the same time, encourages us to think about the possibilities of constructing a path to development in the future.

Ever present in this study is the question of continuities and ruptures, and the authors make clear from the outset that the former are more important than the latter. It is precisely this evidence that make it possible to open up the debate regarding the most important questions for understanding restrictions to development in Latin American countries. Some that stand out are: What is the role of national bourgeoisies in explaining underdevelopment in the region? Were the changes in the character of state intervention in the economy able to produce structural transformations in the profile of economic power, or were they insufficient? Is the state capable of disciplining capital to guarantee the reinvestment of profits and the fulfillment of goals established in subsidy schemes?

- 1) The authors argue that the process of concentration and foreignization of the Argentine economy has continued during the last ten years, despite the changes in the orientation of public policies implemented during Kirchnerism. Although the factors that provide an explanation for this are not analyzed in detail, it is clear that Argentine economic power continues to be primarily in foreign hands and is more and more concentrated. In addition, the authors point out something very interesting that, to some extent, can aid in understanding this phenomenon: beyond the changes in the general orientation of state economic intervention between 2003 and 2013, legal frameworks inherited from previous periods remain in effect, especially laws approved during the last dictatorship that regulate foreign investment and the functioning of financial institutions.
- 2) The degree of foreignization of top enterprises (the 200 firms with the highest sales) is not the result of a larger presence of foreign firms due to the sale of national assets, as was the case in the 1990s, but rather the expansion of these types of firms into more sectors. Thus, the number of foreign enterprises among the top 200 has not grown since 1990; rather, the relative performance of these firms is better than that

of domestic firms, much more so than in the past. The authors define this process as the intensive expansion strategy of foreign capital aimed at increasing productivity in key niches, most of which are oriented to international markets.

- 3) The contribution of this research to the study of domestic firms is very valuable. Until now, there have been practically no academic studies dedicated to defining the profile and performance of local economic groups or other large national firms during the Kirchnerist period. The authors note that the most traditional domestic groups maintained their leading position in the 2000s, operating primarily in key sectors – principally linked to agribusiness – and with strong links to exportation. Meanwhile the new groups that are now top enterprises – some created during those years – are chiefly linked to activities that are more regulated by the state (gambling and public services) or directly linked to the public sector (large construction projects, civil engineering works, etc.). This allows us to understand the continuity from the transformations that occurred in the 1990s, as the reconversion of domestic groups in those years was oriented to the production of commodities and agroindustry, but it also goes back further in time, to the "**contract homeland**" (*patria contratista*). What is new in these firms and the groups that developed and/or were consolidated in the post-convertibility period, if most of their activities are carried out in markets that were highly protected, regulated, or directly controlled by the state? The expansion of domestic capital inspired by the formation of privileged spaces for accumulation sustained by the state is a characteristic of Argentina that goes back to at least the end of the 1960s.
- 4) The characteristics of both fractions of capital – foreign and domestic – revive old politico-academic discussions about economics that ought to lead the process of development. This book demonstrates that whatever the origins of capital, the structural tendencies in the behavior of these fractions are similar and are maintained over the decades, no matter the changes in government and the orientation of public policies.

In addition to their valuable contribution to the understanding of developments related to economic power in recent years, the results presented by Gaggero, Schorr, and Wainer open the doors to new research that seeks to understand, in a more comprehensive way, the characteristics and activities of this economic power. On one hand, it is necessary to study the behavior of firms on different levels: microeconomic, corporative, and political. On the other, arguably, changes in the political activities of entrepreneurs have become more relevant in recent years. In effect, public opposition to diverse actions taken since 2008 and the fear manifested by the large business sector in relation to what it considers the implacable advance of the state in the economy has recently united the most diverse

fractions of large capital in the so-called Forum for Entrepreneurial Convergence (Foro de la Convergencia Empresaria). These types of movements do not happen by chance and do not occur often. Generally, it is sectoral representation that is the most important and thus, when the business sector unites to present demands that go beyond sectors, we are facing a phenomenon that needs to be studied. At the same time, it is essential to carry out in-depth analyses of economic elites (leaders of corporations and enterprises) in order to determine the character of the relationship between economic-structural and political-institutional changes and to complement this with the study of the way that economic power and the state relate to each other. Finally, it is necessary to establish the variety of actions taken, maps of actors, the existence of informal networks, etc., in order to understand the persistence of many of the tendencies described in the book.

In conclusion, *Restricción eterna: el poder económico durante el kirchnerismo* is an essential study because it refreshes the political and economic debate, providing new evidence about economic processes that have received little attention and, especially, because it puts economic power at the center of thinking about the obstacles to development in Argentina.

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