

DOMESTIC ORDER AND ARGENTINA'S FOREIGN POLICY: THE ISSUE OF THE BIOFUELS

Cristian Lorenzo¹

Introduction

This work contributes to the understanding of the recent Argentina's foreign policy, focusing on its domestic order. For that, it is analyzed how the domestic political support of Argentina's foreign policy to Latin America in biofuels has been configured.

The study of the interrelation between the domestic framework and international relations has solid pillars in the US as well as in Europe (Gourevitch 1978; Putnam 1988; Duroselle 1998). In Latin America, this phenomenon was also approached in both theoretical and empirical perspectives. There is an interesting contribution from van Klaveren, in this regard, who summed up a ranking of theoretical approaches generally used. Even though he exposed that there was no consensus on which variable had more explanatory power, he pointed out that foreign policy behavior was usually linked to internal and external factors (van Klaveren 1984).

In Argentina, the foreign policy issue was analyzed as a result of a permanent feedback between the international and the domestic fields. For instance, Figari indicated that: "if a nation's foreign policy is inserted in a certain international context that has influence on its cultural, political, social and economic fields, it can be considered that foreign policy, within those limits imposed by the international context, also constitutes the expression of

1 BA in International Relations (Universidad del Salvador), MA in Political Science and Sociology (Flacso, Argentina) and PhD in International Relations (Universidad del Salvador). Postdoctoral researcher at the Consejo Nacional de Investigaciones Científicas y Técnicas de Argentina (Conicet). Institutional affiliation: Centro Austral de Investigaciones Científicas (Cadic) - Conicet, at Ushuaia city, Argentina. E-mail: clorenzo.ar@gmail.com

the objectives –values and interests– that the nation intends to promote in the world” (Figari 1993, 43). It’s worth mentioning that this author distinguishes two phases, one domestic and other external that allows us to consider the main elements of the mentioned quote. He says: “all foreign policies have two phases. One is domestic, and relates to the Nation’s resources, for promoting its values and interests in the foreign arena” (Figari 1993, 44).

Ana Seitz, for its part, exposed that foreign policy “far from being just a bureaucratic policy, is the result of a dynamic vector of strengths and pressures that occur inside the countries and that stem from the international scenario in all its complexity and that is finally summed up in the mentioned bureaucratic decisions” (Seitz 2010, 2). With this definition, this author incorporated the idea of the phenomena’s “duration”, in accordance with the Annales School’s.

For this work, those researches which emphasize in the domestic order as causes to the Argentina’s foreign policy are of particular interest. At this point a distinction could be made. Some have focused on the influence of domestic actors’ in foreign policy. An example of this can be found in the work of Roberto Miranda, who analyzed the formulation of policies in relation to the Southern Common Market (MERCOSUR) in the period of 1995-2011. First of all, the conclusions of the author that domestic policy did not have a significant influence on the making of policies regarding regional integration. In fact, he noted that the sub-state and non-state actors of Argentina’s political life were not included in the decision-making process of the Executive. For Miranda, there was no articulation between the Executive and the Chancellery, on one hand; and sub-state and non-state actors, on the other. This disconnection rested, ultimately, on a feature that lasts through the time in Argentina: external decisions are concentrated in the Executive (Miranda 2001).

Also, there are works that focus more in the internal order’s context and not in the actors’ behavior, specifically. For example, Anabella Busso noted that in Argentina foreign policy is the public policy that has changed more times since the return of democracy. Its future has not depended so much on systemic variables but relied mostly on domestic order. This author said: “the main causes that explain the comes and goes of foreign policy in the democratic regimes are the political/economic crises, the tensions between the different development models and their respective strategies for international insertion and the changes in the conception of democracy” (Busso 2014).

Considering these interpretations, it is argued that the domestic political support was one of the main grounds of Argentina’s foreign policy to Latin America in biofuels during the governments of Néstor Kirchner (2003-

2007) and Cristina Fernández (2007-2011). According to this statement, first some characteristics of the historical context of the agribusiness sector in Argentina are presented. Later, it is verified how it was possible to gain domestic political support, from the existence of confrontational interests. To do this, the stances of actors in the National Congress in the discussion on a project submitted by Senator Luis Falcó of the Radical Civic Union (*Unión Cívica Radical*), which proposed to promote the development of biofuel production in Argentina, are analyzed. Then, the positioning of the National Institute of Industrial Technology (*Instituto Nacional de Tecnología Industrial – INTI*) and the National Institute of Agricultural Technology (*Instituto Nacional de Tecnología Agropecuaria – INTA*) around the environmental dimension of the development model of biofuels of Argentina, its relationship with other actors and their perceptions on the international trends are also studied. Finally, Argentina's foreign policy in biofuels to Latin America is presented.

1. Exports, the agricultural and livestock policy and science

According to the trade data of the Argentina Chamber of Biofuels (*Cámara Argentina de Biocombustibles*), organization that gathers the interests of the major exporter enterprises of this type of energy in Argentina, Argentina has maintained a steady and significant growth of its exports in biofuels, as indicated in Table 1. When comparing the years of 2007 and 2011, these exports grew by 1000 percent.

Table 1 - Argentina's Biofuels Exports in tons

	2007	2008	2009	2010	2011
Total	168.364	724.792	1.149.663	1363.506	1.692.891

Source: Cámara Argentina de Biocombustibles 2014.

This is a sector, concentrated in companies with large scales production capacity, which received investments of national and foreign companies. In Table 2, the presence of international companies' in the sector is indicated:

Table 2 - Production capacity of Biofuels Industries

Company	Group	Capacity of Industry (tons/year) 2010
Renova S.A.	Grupo Pérez Companc (Argentina), Grupo Glencore (Switzerland); Grupo Vicentín (Argentina)	480.000
LDC Argentina S.A	Grupo Louis Dreyfus (France)	240.000
Ecofuel	Grupo AGD (Argentina); Bunge Limited (USA)	240.000
Cargill	Cargill (USA)	240.000
Explora	Grupo Meck (Chile)	120.000

Source: Marín and Pérez Constanzó 2011.

To put the trends of this sector of the economy in a broader context, the year of 2010 is taken as a reference. This year, that represents the year before this study ends, is considered as reference since it presents a global vision of the structure of its exports in Argentina. Considering large items exports, exports of agricultural and livestock origin (33,3%) were slightly below those of industrial origin (35%). Focusing on the first component, the most important sector was the oilseed one, with an estimated participation of 25% (13.963.732 dollars) of the total Argentine exports (55.672.097 dollars). This highlights the importance of this product for Argentina's economy and also the existence of a high availability of soybean oil, raw material for producing biofuels in Argentina. If such oil was sold directly on the international market or transformed into biodiesel, it depended on the international price and on internal factors, such as the Argentine state's charge of exports.

It is also necessary to present two additional aspects: the exports of the oilseed sector were mainly from the province of Santa Fe, located in the coastal zone of the country (Instituto Nacional de Estadísticas y Censos 2010). To this geographical concentration of the production it was added that such exports were concentrated in a few companies of a large scale production capacity, such as Cargill, Noble Grain, ADM and Bunge (Marín and Pérez Constanzó 2011, 22).

Regarding agricultural and livestock policy, governmental relations with the countryside were influenced by scenarios of intense political clashes. The creation of taxes on these exports through the Resolution 125/2008 during the month of March 2008 represented a reduction of profits of the rural

sector, that led to several strikes in different parts of the country. That policy was into effect until July, when it was finally repealed. In the intervening period the sectors which represented interests of the agricultural and livestock sector led to several strikes and demonstrations in the country. In the biofuels' area, the resolution 126/2008 increased the volume of holdbacks to 20%. Even today, this is a sensitive issue for the sector because it affects its profits.

It's worth adding that in this context of confrontation between the national government and the representative entities of the agricultural and livestock sector's interests, the Ministry of Environment and Sustainable Development (*Secretaría de Ambiente y Desarrollo Sustentable*) went against the interests of the agricultural and livestock sector. It published a report concluding that: "The expansion of soy represents a recent and powerful threat to biodiversity in Argentina ... The production of soybeans resistant against herbicides also leads to environmental problems such as deforestation, soil degradation, pollution with severe concentration of land and income, banishment of rural populations to the Amazon frontier or to urban areas, encouraging the concentration of the poor in the cities" (Secretaría de Ambiente y Desarrollo Sustentable 2008).

This had implications in the scientific field. During April 2009, the conclusions to which Dr. Andres Carrasco, researcher at the National Council of Scientific and Technical Research (*Consejo Nacional de Investigaciones Científicas y Técnicas – CONICET*), had arrived evoked controversies. His criticism aimed at the effects of glyphosate on human health. This was against the foundation of an agricultural and livestock model whose productivity was influenced by the use of this herbicide. This was said by such researcher:

Amphibian embryos were used, a traditional study model, ideal for determining concentrations that can alter physiological mechanisms that produce cellular injury and/or disturbances during the development. And due to the conservation of the mechanisms that regulate the embryonic development of the vertebrates, the results are totally comparable with what would happen to the development of the human embryo (Página 12 2009).

Days after that, the Argentine Minister of Science and Technology, Dr. Lino Barañao, was interviewed by Héctor Huergo, a journalist with long experience in the rural area and that was in favor of the development of biofuels in Argentina. In the programme "The countryside, the green industry" (*"El campo, la industria verde"*), he said:

Maybe we should relativize a little these results because they are not directly extrapolated to what might happen in the countryside situation, that is to say, that a substance placed in direct contact with a tissue can have effects that are not checked when this occurs in normal environmental conditions. On the other hand, there is another quantity of studies in the same way of exposing animal cells to different used substances that demonstrate an effect but that is not, repeat, is not directly extrapolated. What I believe is the positive aspect, is justly to emphasize that there is no harmless substances, that must take the necessary precautions for handling any product used (La Política On Line, 1 de mayo de 2009).

His statements clearly meant an endorsement of the direction that the agro-industrial policy of the Argentine government had taken. This was confirmed by a report developed by an Interdisciplinary Scientific Council (*Consejo Científico Interdisciplinario*) created in the framework of CONICET. It's worth at least mentioning that the questions to the dominant agricultural-exporting model also came from non-governmental organizations. As an opposite of this process of the exporting agricultural and livestock model, there were domestic actors critical to the Argentine "soy" model. The Rural Reflection Group (*Grupo de Reflexión Rural*) was one of them, who promoted the "Stop the Spraying" ("*Paren de Fumigar*") campaign. As a result of the testimonies collected from different points of the country, this organization published in 2009 the book "Peoples fumigated. The effects of the pesticides on the soy regions" ("*Pueblos Fumigados. Los efectos de los plaguicidas en las regiones sojeras*"), denouncing the consequences on human health of glyphosate (Rulli 2009).

2. Discussions in the Nation's Congress

In June 2004, Senator Luis Falcó of the Radical Civic Union party (Unión Cívica Radical) submitted a project of law under the name of "Promotional regime for research, development, generation and use of biocombustibles and oleochemical derivatives" (*Régimen promocional para la investigación, desarrollo, generación y uso de los biocombustibles y derivados oleoquímicos*). This was not the first time that a project referring to biofuels was presented in the Congress of the Nation, but unlike the others, this project prospered and became law.

When Senator Falcó presented his project it had the support of 49 Senators, belonging to different parties and provinces. This created expectations in higher spheres of power. In fact, on July 3rd, the Nation's Vice-president in office published an article in the newspaper *Clarín* highlighting the

strategic importance that this policy had. This allows to size the political relevance of biofuels. Its support came from the Nation's Vice-president, member of the ruling and opposition political party, who said: "We can say that we are facing a major strategic initiative, which has the sufficient political consensus to place the production of biofuels as one of those big state policies that Argentina needs to build a fortunate future for all" (Scioli 2004).

On December 1st, the Senate gave half sanction to the project presented by Senator Falcó and this project turned to 6 commissions of Deputies. The last of the commissions that presented its opinion was that of Budget and Finance, with modifications on its fiscal and tax issues. After sanctioned on March 22nd, 2006, this project went back again to Senators, until it was signed into law on April 19th, under the name of "Regime for regulating and promoting sustainable production and use of biofuels" (*Régimen de regulación y promoción para la producción y uso sustentable de biocombustibles*). Finally, it was ruled in February 2007.

In this section, the positions of actors in the National Congress regarding the possibility of regulating the production and consumption of biofuels in Argentina are analyzed. The period of study is restricted to the one from the presentation by Falcó of the referred project until its regulation. And for that, a dilemma that was transversal to the legislative discussion is addressed: was it necessary or not to grant benefits and incentives to the development of this industry? As part of the bid of interest, the Secretary of Agriculture, in a publication of the newspaper Clarín in October 2004, clearly stated its position, which would directly affect the emergence and deployment of the biofuels' sector:

Probably, before the end of the year we can count on half the sanction of a biofuels' project, to continue its legislative processing next year. So, we would have a national law project which would forecast at least a minimum a ten year fiscal stability for investors of this sector, and with the mandatory cut of gasoline and naphthas with biodiesel and ethanol to 5%, the release of the IVA to projects that qualified for the Authority of Application (*Autoridad de Aplicación*), as an essential fiscal tool to soften the current price difference between fossil fuels and the pure biofuels, and the public promotion of development of this new sector (Campos 2004).

Likewise, another key player in this process was the Argentine Association of Biofuels and Hydrogen (*Asociación Argentina de Biocombustibles e Hidrógeno – AABH*). This organization highlighted the social, environmental and economic benefits that would result from that industry that was in its initial stages. In this regard, the importance of the fiscal and tax component

for its development was highlighted:

Without tax incentives it is not possible to build a permanent offer of biofuels that reaches a level of optimal quality. Therefore, we should consider beforehand the question of the fiscal cost that such incentives will generate. This question becomes relevant in countries, such as Argentina, very sensitive to the tax situation. However, as the analysis deepens, surprising conclusions arise (Molina 2004).

On the legislative ambit, among those that were favorable to sanction a law for biofuels, we can find that in particular case of Senator Urquía, in addition to belonging to a ruling political party with representation in Congress, he was the president of an important enterprise which produces oil in Argentina. “Without tax incentives it is not possible to build a permanent offer of biofuels that reaches a level of optimal quality” (Urquía 2005), he bluntly affirmed in a publication in the Rural issue, part of the Argentine newspaper Clarín. This fact was essential because it expresses the interest of the oil sector in positioning the biofuels as an alternative source of energy in the country because they represented an additional demand for their products. One aspect that has to be taken into account is that, once the law of biofuels was sanctioned, it was possible to notice that the company that he was presiding -Oil General Deheza (*Aceite General Deheza*)- obtained from the Ministry of Energy (*Secretaría de Energía*), an authorization to commercialize its biofuel production in the domestic market. Although his designation was in accordance with the bureaucratic proceeding suited for such reason, it did not make clear the limits for the representation of interests.

Facing the fiscal and tax aspects of the matter in question, the Chamber for the Oil Industry of the Argentine Republic (*Cámara Aceitera de la República Argentina - CIARA*) sent a note directly to the Chamber of Deputies (*Cámara de Diputados*) questioning the grant of fiscal and tax benefits without restrictions:

Finally, it is worth exposing that if with all the benefits the project of law establishes... the projects presented are not economically viable, it is our understanding that the question should be reconsidered with a more exhaustive evaluation of the benefits such projects would bring and, eventually, if the conclusion that an additional input is necessary was reached, such input should arise from an disbursement in the form of a subsidy that considers the viability of the project as well as the grants proposed. (Clarín 2005).

This process of including or excluding fiscal and tax benefits was only

defined by the ruling of the Congress Commission on Revenues and Treasury. This Commission requested a number of changes to the project to narrow the fiscal cost that it would bring to the country (Cronista.com 2006). Actually, it did not request the removal of benefits but its restriction. In a report that the Federal Association of Public Revenue (*Asociación Federal de Ingresos Públicos*) sent to Deputies the decision was expounded like this:

The implementation of this type of benefits is considered inconvenient and it is considered much more appropriate to grant direct subsidies to the agents that realize these activities that one intends to promote. This last mechanism is much more transparent and of easier control, and does not pervert the current tax regime (Clarín 2005).

As result of the negotiations, finally the interests of the Ministry of Economy (*Ministerio de Economía*) predominated, over those that were trying to include in the project fiscal and authoritative benefits. In this sense, some lawmakers of the Senator voiced their opposition to the reforms proposed by the Deputies. According to Senator Falcó, who had originally presented the project, "was changed from the standpoint of its framework till its title." This was not a light question, and it reflected a number of changes, that were the product of clashing interests.

We talked about a project of research and development of the industry of the biofuels and its derivatives; and the Chamber of Deputies (*Cámara de Diputados*) titled it as a regime of regulation and promotion, which finally - in our opinion - was a pseudo promotion of the biofuels industry. This is slightly related to the original goals of structural changes proposed by the project, as even its title was changed substantially (*Cámara de Senadores de la Nación* 2006, 13).

This project finally was sanctioned by the Senate in April 2006 and was regulated in February 2007.

In short, what was developed in this section shows that the conflict of interests in the Argentine Congress was represented by the different views on how to develop this industry. In this sense, one of them was favorable to the implementation of fiscal and tax benefits; and the other supported a project without fiscal and tax benefits. In both cases, it directly affected the configuration of an internal market. Also, it can be pointed out that oil sector was over represented on some cases. It should be added that the project with fiscal and tax benefits that were in the interest of the Argentine Association of Biofuels and Hydrogen (*Asociación Argentina de Biocombustibles e Hidrógeno - AABH*), next to the office of Senator Falcó (UCR-Río Negro) had a significant role in

its promotion until they clashed with the interests of the Ministry of Economy (*Ministerio de Economía*) that were focused on aiding the sector without such incentives.

3. Internal disputes

In February 2007, a law was regulated to control the internal market of biofuels, as it was referred previously. The policy path that this sector was taking generated disputes between two decentralized agencies of the Argentinian State. One of them was the National Institute of Industrial Technology (INTI, in Spanish), today located under the Ministry of Industry; the other was the National Institute of Agricultural Technology (INTA, in Spanish), an agency that depends of the Ministry of Agriculture.

In this section, we will analyze the positions of both institutions regarding the environmental dimension of this development model, their links with other actors and their perceptions on international trends. For the first institution, we will analyze the position of its President regarding these topics, Enrique Martínez. For the second one, the opinions of Jorge Hilbert, head of INTA's National Biofuel Program. They were selected for their participation in the discussions in the domestic order and in the building of this energetic alternative. For this analysis, we used institutional positioning documents, published within the context of internal discussions regarding biofuels.

INTI questioned the development model in biofuels. Its president raised that the environmental balance of biofuels (biodiesel and ethanol) was negative. This consideration allowed him to raise and open a broader debate, targeted to involve other alternative energetic options. A document published in 2007 declares the organization in favor of decentralizing the production and consumption of this kind of energy domestically:

There is no equal media promotion or, in many cases, institutional for decentralizing the energy sources, the production of biodiesel for the use at 100% scale of a farm. There is already a great number of decentralized production and consumption options, which would make less necessary the current highly concentrated systems of production and distribution (Martínez 2007a).

These ideas about the development of biofuels placed the INTI against both public and private sector actors within Argentina. In the former case, it is clearly different from the position adopted by the INTA.

If the energetic equation does not close from ethanol or when made from corn, we must not be fools. There is not one business there. If there is not net energy generation, the whole business is absurd, but, beyond that, we should not cheerfully buy alternatives like the ones painfully chosen by INTA when analyzing biofuels alternatives. I have a lot of respect for the INTA staff, and I have participated in many panels. I believe that there are plenty of serious people, who have studied deeply this subject, but are forced to invent alternatives like *jatropha* because of their exposition to executives in the field (Martínez 2007b).

He also criticized the Argentinian Association of Biofuels and Hydrogen (AABH, in Spanish), an organization that promoted the development of biofuels in Argentina and participated during the process of the biofuels law sanction.

An organization like ours has to improve the society's technological flow in the subjects that it believes to be convenient, but we should also pause for a minute to have a global perspective. If we stay with a specific perspective, we will suffer the same as Claudio Molina, who travels abroad and return in shock because biodiesel is cheaper than soy oil. Poor Claudio! (Martínez 2007c).

On the international sphere, Enrique Martínez did a critical reading of the global biofuels industry. He pointed out that agricultural producers benefited by securing a new world demand, similar to what happened in the United States; and those who had to import maize to human consumption were affected because, on an international level, maize has a new purpose: energetic conversion. From this diagnosis of the food and energetic international trade, there were two concrete consequences: 1- a rise in food prices; 2- the possibility that the United States will take a dominant position in the ethanol world market chain (Martínez 2007b). He also posed this question in the framework of a global environmental problem, associating it with the richest countries consumption patterns. Finally, Martínez connected the issue to other aspects that represent challenges, such as a growing demand for land to support food production in face of population growth projections (Martínez 2007c).

Regarding INTA, its involvement in the development of alternative sources of energy it was not a new phenomenon. Its development over time was interrupted by a set of variables, some market and other socio-environmental. Since its inception, it included a range of alternative energies, including biodiesel (Jorge Hilbert in interview, July 7 2008).

In March 2008, INTA published an institutional document. Different from INTI, the environmental dimension of the biofuels development model was not questioned. From the alleged abundance of the country's natural resources, they were concerned about certain aspects regarding energetic balances, conserving the biodiversity and the general impact on water and soil. On what basis was this "environmental agenda" important? This is a central question to understand the way of thinking of INTA in this subject. This project was not oriented to develop a process of decentralization of the biofuels production and consumption. Instead, the main concern was to improve the country's exporting offers:

"Argentina has the necessary conditions to generate a part of the biomass that will be required in a global level" is an eloquent phrase, in that sense... The current production of grains, oil and vegetal protein places our country among the world leaders in these exports. The use of these resources for conversion in bioenergy, like other products such as protein, vegetable and animal flours, will generate the opportunity to export with higher aggregated value in a short time. By improving the country's exporting offer, market alternatives could be offered to promote a higher activity level, with the purpose of increasing competitiveness, productivity, sustainability and equity in agricultural production (Instituto Nacional de Tecnología Agropecuaria 2008, 3-4).

This "exporting vocation" of Argentina, because of the availability of a series of natural resources, projected transformations in its use and in the purpose of its production. According to this conception, agriculture not only produces food but also energy. Beyond that, forestry is also considered a source of raw material to produce energy through forest residues. This would generate changes in the domestic order, so the INTA projected to create a land use plan. In this sense, one of the objectives was to define a national map of available soil types and agroecological zones. The institute also considered necessary to introduce an Environmental Impact Evaluation, which secured that environmental benefits were brought.

When linking with other actors, INTA's strategy was divided in two fronts. On one side, it sought strategic alliances in the national scope to work on a development strategy. The focus was articulating energy, food and the environment. For INTA, "the policy of promotion for generation biofuels from national agricultural and forestry raw materials should be taken as a country project as a whole, which will be complemented with the food security strategy (food availability) and with the strategy to convert Argentina in a relevant agro-industrial player. A basic principle of this approach was that the neces-

sity of using natural resources, such as soil and water, for the production of bioenergy should not affect their availability or compete with food production for national consumption and exports" (Instituto Nacional de Agropecuaria 2008, 5).

Another strategy consisted in promoting international cooperation. In this paper, some fundamental axes of development of the National Bioenergy Program are presented. One of them is defined as "research and development". It is informed that the institution's activities are oriented to develop technology to achieve a total use of the biomass. Within this framework, there is an institutional link to the United Nations, specifically with one of its agencies: the United Nations Food and Agriculture Organization (FAO). Though there is not an explicit mention of its international ties, it can be connected to the dynamics of international politics. In this sense, one of the projects was called "Woodfuel Integrated Supply/Demand Overview Mapping" (WISDOM). In this framework, it was generated a document with the goal of having available information on the amount and placing of biomass in Argentina (United Nations Food and Agriculture Organization 2009).

Regarding these perceptions on the international trends, some of this went ahead on how they conceived the environmental dimension of the development model. In the document analyzed, the idea of a change of the energetic paradigm is present – one that industrialized countries are going through, from "fossil" economies to "green" ones. The document signs that: "Bioenergy is called to perform a role together with other non-conventional sources in the shift from an economy based in fossil fuels to another one based in a wide range of sources. Agriculture and forestry will be the main sources of biomass to develop bioenergy in different vector such as wood, carbon, briquettes, biogas, bioethanol, biodiesel and bioelectricity, among others" (Instituto Nacional de Tecnología Agropecuaria 2008, 2). It is important to note that this concept does not only reference biodiesel or ethanol. What is being raised is wider in terms of energetic options. In the search of a carbon free economy, biomass gains a central importance by enlarging the possibilities of raw materials that could be used to generate energy. In the end, this represents generating changes in the use and purpose of the natural resources in Argentina.

This section, in short, analyzed the positions of both INTI and INTA in three axis: the environmental dimension of the biofuels industry, their links with other actors and their perceptions on international trends. It should be highlighted that these actors maintained antagonist positions, with INTA's vision being the one projected in the foreign policy of Argentina towards Latin America regarding biofuels. In this context, progress was made to a lesser extent in promoting cooperation experiences to encourage the production and

consumption of this kind of energy in a decentralized form.

4. Latin America

Alongside these discussions, in December 2006, the Common Market Council decided to approve a Memorandum of Understanding to create an Ad Hoc Group to Biofuels, and recommended its signature. The objective was to stimulate both the production and the consumption of biofuels; its interests included promoting technical cooperation among parties. The first meeting took place in March 2008. One of the main decisions was an agreement to have a workshop about technical aspects of the physico-chemical properties of biofuels, and to map companies who were doing research about any point of the biofuels production chain in MERCOSUR. This was the beginning of this regional integration space.

A few months later, MERCOSUR presented its institutional position regarding the international polemic relation between food and biofuels. The presidents of MERCOSUR dissociated the connection between the biofuels production and the increase in food prices. They also positioned themselves against developed countries that used agricultural raw materials to produce energy. At the same time, they confirmed the path regional policies was following: energy was considered a strategic resource to MERCOSUR. This was clear in the section 36 of the document that reads: “they also recognized the importance of promoting the use and the production of biofuels as a renewable and alternative energy source, able to contribute to the diversification of the regional energy matrix. Likewise, they registered with satisfaction the progress made in the Ad Hoc Group about Biofuels framework and highlighted the importance of implementing the MERCOSUR Action Plan for Cooperation in Biofuels (MERCOSUR 2008).

Returning to the progress made by the Ad Hoc Group about Biofuels, by the end of the studied period, their fifth meeting took place. According to what can be observed at the final records, the sustainability of biofuels was a topic of major concern for the member states. In this sense, as a future line of action, it was defined that the countries should establish together an environmental sustainability criterion to support their production. Questions with a clear political component also appeared. They decided that the countries should agree on joint positions before engaging in international forums; likewise, they defined that it was necessary to actively participate in the Global Bioenergy Partnership, an association of public and private actors from around the world.

Another space in the regional integration scope is the Southern Agri-

cultural Council (CAS, in Spanish), formed by Argentina, Bolivia, Brazil, Chile, Paraguay and Uruguay, with the goal of coordinating public policies for agriculture. One of its Work Groups was, precisely, about Bioenergy. The technical and operative support of its activities was a responsibility of the Inter-American Institute for Cooperation on Agriculture (IICA) and the CAS Secretariat. In the VIII Ordinary Meeting, that took place in November 2005, it was insisted that its creation should be promptly and coordinated by Brazil (Consejo Agropecuario del Sur 2005). Later, in December 2007, it was decided that the work group would collaborate with the MERCOSUR Ad Hoc Group about Biofuels (Consejo Agropecuario del Sur 2007). In March 2008, with food prices rising in the international market, CAS issued a release endorsing the regional policy. They considered that the countries forming CAS had enough raw materials available to produce both food and energy. Differing from the MERCOSUR specialized group, their message included a special mention to familiar agriculture. This reference is relevant because expresses a different project from the one presented by MERCOSUR, in which the production scale would be much smaller: the main beneficiary would be cooperatives of small producers (Consejo Agropecuario del Sur 2008).

In another framework, Venezuela and Cuba kept a critical position towards the cooperation agreement between the United States and Brazil to stimulate biofuels production development in the American continent, especially in Central America. In this context, the South American Energetic Summit was held in Venezuela, in April 2007, within the South American Nations Community, where much was accomplished in the sense of Latin-American integration. The South American Nations Community changed its name to South American Nations Union (UNASUR), and it was also created the Energetic Council of South America. Regarding biofuels, the regional conflict was settled and oriented toward the development of this kind of energy: "to promote the development of renewables energies, that already have an important role in the diversification of the primary energetic matrix, the energetic security, the promotion of universal access to energy and environmental preservation" (Comunidad Suramericana de Naciones 2007).

Three years later, progress was registered. In the extraordinary summit of 2010, held in Los Cardales (Argentina), the Energetic Council of South America approved a series of documents, product of meetings since its creation as a council. The important thing here was the development of the guidelines of the South American Energy Strategy and Action Plan for Regional Energy Integration, as well as the establishment of the structure of the South American Energy Treaty (Unión Suramericana de Naciones; Organización Latinoamericana de Energía 2012, 15-16). In concrete terms, some of the guiding criteria that

were defined regionally were: securing energy supply in the region; promoting regional energy exchange; strengthening regional energy infrastructure; encouraging cooperation activities between state oil companies; promoting the exchange and transfer of technologies; and developing a regional plan to energy use. In this framework, they defined an action plan for each kind of energy, along with a number of detailed activities. Regarding renewables energies, there is a specific reference to biofuels, in which the main goal is to promote its production and use in order to have a more diverse regional energetic matrix (Unión Suramericana de Naciones; Organización Latinoamericana de Energía 2012, 15-30).

Conclusions

As part of foreign policy studies, this paper was concentrated in the recent foreign policy of Argentina and, particularly, in the relations between the domestic order and foreign policy. More concretely, it was analyzed how it was possible to build domestic political support for the Argentinian foreign policy towards Latin America regarding biofuels.

As an approach strategy, two different important areas that served as the basis of the Argentinian foreign policy were selected, national legislature and scientific-technical. In the first one, the positions of actors in the legislative discussions were analyzed, based on a law project that ended up being the one that nowadays regulates the production and consumption of biofuels in the Argentinian market. In the second one, this paper advanced on the polemics between two specialized state agencies, INTA and INTI. At last, the Argentinian foreign policy towards Latin America was examined. It is concluded, from what was analyzed and developed in each section, that domestic political support was one of the pillars of Argentina's foreign policy towards Latin America regarding biofuels, during the administrations of Néstor Kirchner (2003-2007) and Cristina Fernández (2007-2011).

These conclusions allow us to corroborate some aspects of the diagnosis made by other authors, that have researched the same topic, and, at the same time, allow the presentation of new aspects. According to what Miranda has observed, regarding the decision making process in Argentina, when it comes to foreign policy decisions they remain concentrated in the Executive, that is to say, the Chancellery and the Executive do not open to other governmental and non-governmental actors to engage in this process. In this sense, Argentinian foreign policy towards Latin America regarding biofuels exposed this dynamics. Finally, it is necessary to add that, although the investigation did not focus on the changes or adjustments in foreign policy and its relationship with do-

mestic factors as did Busso, what this work suggests is the existence of internal fundamentals of foreign policy that allows tracing continuities between internal order and the guidelines of Argentina's foreign policy towards Latin America on biofuels.

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ABSTRACT

The domestic political support was one of the main grounds of Argentina's foreign policy to Latin America in biofuels, during Néstor Kirchner (2003-2007) and Cristina Fernández's (2007-2011) governments.

KEYWORDS

Foreign Policy; Biofuels; Environment.

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