

Crude, identity, and nation: The quest for oil in Peronist Argentina (1946-1955)

Petróleo, identidade e nação: A campanha energética na Argentina Peronista (1946-1955)

DOI: <https://doi.org/10.22456/2178-8839.146811>

Luiz Marcelo Michelon Zardo
Instituto de Pesquisa Econômica Aplicada, Brasília, Brasil
luizmarcelomz@gmail.com  

Abstract

This article aims to grasp why Perón's administration concluded a millionaire agreement with Standard Oil of California for the exploration of dozens of oil fields in Southern Argentina. Acknowledging the contradictory nature of this sudden move in view of the president's populist and nationalistic rhetoric, it does so by emphasizing the constraints imposed by the social, political, and economic structure of the country, including the way it is inserted in the international system. As our main findings, after resorting to both primary and secondary sources, it was identified that the incipient and fragile character of the union movement in the petroleum industry, along with vulnerabilities in strategic areas and pressures from anti-nationalist sectors within the military, corresponded to the main social and political determinants pushing for a shift away from oil nationalism. Furthermore, the framework of Argentina's insertion into the global economy equally proved to be an important factor for the increasing role of private capital in its energy sector. In particular, such a scenario can be attributed to the external constraints provoked by the legacy of an agro-export economic model as well as YPF's delicate situation regarding operating costs, productivity, and technological development.

Keywords: Argentina; Peronism; oil nationalism.

Resumo

Este artigo busca compreender por que o governo de Juan Domingo Perón optou por um contrato de grandes dimensões com a *Standard Oil of California* para a exploração de dezenas de campos petrolíferos na Argentina meridional. Reconhecendo o caráter contraditório desse movimento brusco, haja vista a retórica populista e nacionalista do presidente, buscam-se enfatizar os constrangimentos impostos pela estrutura social, política e econômica do país, inclusive a forma como se dava sua inserção no sistema internacional. Como nossos principais resultados, após consulta a fontes primárias e secundárias, identificou-se que vulnerabilidades em áreas estratégicas e pressões de setores anti-nacionalistas das Forças Armadas, em conjunto com a natureza incipiente e frágil do movimento sindical na indústria petroleira, corresponderam às principais determinantes sociais e políticas a pressionarem por um desvio do nacionalismo energético. Ademais, o contexto da inserção argentina na economia global provou ser, igualmente, um importante fator para o maior papel desempenhado pelo capital privado no setor energético do país. Em particular, pode-se atribuir tal cenário a constrições de ordem externa provocadas pelo legado de um modelo econômico agroexportador assim como à delicada situação da YPF no que concerne a custos operacionais, produtividade e desenvolvimento tecnológico.

Palavras-chave: Argentina; Peronismo; nacionalismo energético.

Received: 08 April 2025
Accepted: 15 September 2025

Conflicts of interest: The author did not report potential conflicts of interest



This is an article published in open access and distribution under the terms of the [Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License \(CC BY-NC-SA 4.0\)](https://creativecommons.org/licenses/by-nc-sa/4.0/), which permits its use, distribution and reproduction in any medium as well as its transformation and creations from it, as long as the original author and source are credited. Also, the material cannot be used for commercial purposes, and in the case it is transformed, or serves as a basis for other creations, these must be distributed under the same license as the original

Introduction

In Latin America, the 1930s and the 1940s are well known for the proliferation of populist regimes, led by charismatic leaders that promoted an increasing participation of the state in the economy while espousing a strong nationalist rhetoric. Although this was a complex and multifaceted phenomenon, its consequences on energy policies are crystal clear, with various interventionist measures being justified by the necessity of regulating this strategic sector and preserving “national sovereignty” over natural resources, thereby also reinforcing the patriotic discourse (Gudynas, 2016).

A first landmark took place in 1938, when Lázaro Cárdenas expropriated all oil resources and facilities in Mexican territory, taking over foreign companies and creating Pemex, a state-owned enterprise that would hold a monopoly in exploration, refining, and distribution (Salinas, 2016). Similarly, in 1953, the Vargas government in Brazil created Petrobras, equally providing the new company with a total monopoly (Acker, 2020). In Argentina, in turn, the earliest tendencies of the Perón administration indicated that the government would act likewise; in a major constitutional revision in 1949, for instance, an important clause (Article 40) was included to transfer the possession of all mines and oil fields, until then subject to the regulations of each province, to the federal government (Gadano, 2010).

Nevertheless, contradicting expectations, in 1955 President Perón reached an extensive agreement with Standard Oil of California (Socal) that allowed the American company to explore a vast area of oil reserves in the south of the country, where most of the crude was concentrated. This measure not only challenged the official rhetoric but also went against the prevailing trend towards oil nationalization verified in most South American countries, generating political reactions that would culminate in Perón being ousted from power shortly afterwards. Given its remarkable repercussions and apparent contradictory nature, understanding what is behind such an event corresponds to the main aim of this paper, and, in this regard, it will be sought to tackle its social, political, and economic determinants.

That being said, the research question to be addressed here is: why did Peronist Argentina increase the role played by foreign capital in its oil sector, unlike what happened in other Latin American countries? Our main hypothesis is that the answer to such a question must be searched not only in the short-term dynamics of party politics and personal idiosyncrasies but mainly in the particularities of Argentina’s post-colonial context and how it differed from neighboring nations.¹ After all, the country had an exceptionally high GDP per capita for regional standards despite the imminent exhaustion of its economic model anchored in agricultural exports, while also counting with a significant number of immigrants in its population and an already consolidated trade union movement. Hence, given the magnitude of these peculiarities vis-à-vis Brazil and Mexico, understanding each of them along with their implications for energy policies is undoubtedly key to fulfilling our research goals. In order to do so, we adopt a qualitative methodology based on historical analysis, drawing on both primary and secondary sources, including official documents, legislation, government reports, speeches and personal accounts by key political actors, as well as previously published papers and books.

Concerning the structure of this article, in the next section we provide some historical context on oil nationalism in Argentina, from its rise to the Perón era, with emphasis on the creation of YPF and the role played by Enrique Mosconi. Subsequently, we intend to shed light upon the social and political aspects of Perón’s shift from oil nationalism to pragmatism, highlighting the evolving dynamics of the country’s social fabric during this period, in particular the influence of trade unions and political elites. In doing so, we draw on the traditional literature on populism, elites and authoritarianism in Latin America, which can help explain the governability challenges faced by the government and how they constrained its capacity for action. In the fourth segment, our main goal is to examine the economic determinants of this liberal turn by focusing on the role played by oil in the national development project conceived by Perón, whose main pillar undoubtedly consisted of industrialization. To this end, we will delve into some key concepts related to

¹ Although there is already some research on this change of course, it highlights the personal features of the incumbent authorities and other circumstantial facts. By stressing the structural level as well, namely Argentina’s position in a capitalist world economy endowed with a particular social, political, and economic logic, this work will pursue an original and innovative approach, distinguishing itself from the existing literature.

developmentalism and import-substitution industrialization, which shaped economic policy at the time. Lastly, in the fifth section, we present our conclusions and final remarks.

Oil Nationalism in Argentina: From Yrigoyen to Perón

Jorge Luis Borges, Argentina's most famous writer, spent an important part of his life trying to figure out what being a *rioplatense* meant. As a nation constituted by immigrants from diverse parts of the world, with a history of civil wars and strong federalism preventing the emergence of a cohesive and unified social and political entity, it was clear, when Borges started his career in the early 1920s, that the development of an "Argentine identity" was still contingent on the conception and implementation of a complex nation-building project (Williamson, 2020).

Such a venture was gestated by the radical² president Hipólito Yrigoyen (1916-1922; 1928-1930), who ended the conservative regime that had lasted more than forty years and, for being committed to the interests of the rural elite, only deepened the country's provincialism and fragmentation. Pioneer of a cohesive nationalist movement, Yrigoyen sketched the fundamentals of a development project in which Argentina's vastness of natural resources was constantly highlighted as one of its main potentialities as well as a source of pride. In such a fashion, while strengthening the notion of national identity by stressing the country's uniqueness for its "natural blessings", the "father of the poor" was also the first president to stand for an increase in the role played by the state in the exploration of mineral and energy resources (Kaplan, 1972). This is well exemplified by his famous speech to the Congress on October 16, 1920, in which he explicitly supported state-led "exploitation of natural sources of wealth, whose products constitute vital elements for the general development of the country, in the manifold aspects that indicate the progress of modern life" (Yrigoyen, 1920, our translation).

It is in this context that, in 1922, the *yrigoyenista* government created Yacimientos Petrolíferos Argentinos (YPF), the first entirely state-owned oil company outside the Soviet bloc, even though no monopoly was granted at this initial stage. Under the lead of General Enrique Mosconi, YPF was portrayed by the official rhetoric as a means to achieve the country's economic sovereignty through the reduction of its energy dependence vis-à-vis British coal, deemed one of the main obstacles for the industrialization project delineated by the radical administration to recover the pace of growth recorded in the late 19th century (Gadano, 2010; Clementi; Carrizo, 2016). Therefore, switching from coal (almost not present in Argentina) to oil (with significant reserves in Neuquén, Salta, and Chubut) was seen as key for Argentina's economic autonomy, and having its exploitation under state control would allegedly help hasten such a process. This is precisely what Mosconi (1938, p. 172, our translation) meant when he compared the creation of YPF with the legacy of independence martyrs like San Martín and Bolívar, in one of the most notorious passages of his *Dichos y hechos*:

This is the task we have not accomplished yet, which is waiting for us and has petroleum as its foundation; [...] our goals [...] must be as inflexible as our sovereignty, so that, just as the political emancipation of the continent was sealed with the two liberating chains of Bolívar and San Martín, we can accomplish our economic independence by achieving our principles and symbols, making possible for Latin America to fulfill the mission assigned to it in human history. Only then will we have fully completed the mandate of our liberators, ensuring the happiness and well-being of our people.

Indeed, Mosconi, besides the crucial role played in the establishment of YPF as a vital element of Argentina's oil sector, was also the first major theorist of oil nationalism in the country, with his conceptual legacy exerting remarkable influence in the decades to come (Solberg, 1979). In the masterpiece *El petróleo argentino*, his support for the state leadership in the development of an oil industry is explicitly correlated with imperatives of strategic nature – a common view in the military, given the importance of petroleum in fueling a structured industrial complex (essential for survival during a conflict), including the war industry (Forte, 2003). This is therefore in line with his background as an experienced

² Radical, here, by no means implies "extremist". It only indicates that Yrigoyen was a member of the moderate Radical Civic Union, a traditional party in Argentina.

military engineer, also explaining what is often pointed out as an ambiguity between his nationalism and the defense of some authoritarian ideas, especially when it comes to trade unions and the political involvement of YPF workers and executives (Carrizo, 2012). As a matter of fact, this allegedly dubious profile was one of the reasons that allowed Mosconi to remain in power even when President Yrigoyen was replaced by more conservative Marcelo Alvear, creating a window of opportunity for the company's consolidation that would potentially have been undermined were its director more sympathetic to left-wing social movements, like most integrants of the Yrigoyen administration (Carrizo, 2012).

Hence, under Mosconi YPF implemented a governance model that praised military values such as discipline, submission, and patriotism, which is well exemplified by the harsh sanctions imposed on those who violated its internal rules, and equally by the common practice of hiring military officers to work as assistants in all sorts of activities (Carrizo, 2012). As such, notwithstanding the alleviation of the nationalist discourse during the conservative period that corresponds to the so-called Infamous Decade (1930-1946), the advancements carried out by Mosconi's management were not affected, and in this time frame the share held by YPF in the Argentine oil industry kept increasing, having grown from little more than 55% to about 70% (Dachevsky, 2013; Fitzsimons, 2017).

It is in this context that Juan Domingo Perón rose to power in 1946, reactivating the oil nationalist component in the official rhetoric. Right after his inauguration, the justicialist president³ started advocating for an increase in the role of the state in the oil sector, giving an explicit sign towards this direction in his speech on December 13, 1947, when he declared that "Argentine oil policy [...] must be based on the same principles as the rest of our economic policy: absolute preservation of Argentine sovereignty over our subsoil wealth and rational scientific operation carried out by the state" (Perón, 1947 *apud* Solberg 1979, p. 164). This position was also reinforced by the aforementioned Article 40 of the 1949 Constitution, which enshrined the principle of state monopoly over all oil resources - even though including this as a constitutional rule was much more a symbolism than an actual change, since, as Perón himself has underlined, the fact they were considered as public property did not rule out the possibility for their exploration to be passed on to the private sector under concession arrangements (Dachevsky, 2014). In any case, there was a clear commitment to the strengthening of YPF, which, between 1946 and 1955, increased its production by close to 80% while the output of private companies stagnated at around 1 million and then fell to around 800 thousand m³/year, with, at the end of Perón's government, YPF already accounting for nearly 85% of the crude produced (Solberg, 1979; Dachevsky, 2013; Fitzsimons, 2017).

In short, although the practical changes were much smaller than in other sectors like the railway system - which was under British property until its thorough nationalization in 1948 (Cardozo, 2016) -, Perón recurrently resorted to oil nationalism as a major discursive attribute during his first years of government. This nationalistic rhetoric strategically fueled the divisive narrative inherent to populism, one of the traits most often attributed to Perón's rule. Indeed, while populism represents an opposition between a self-interested elite and what would be the actual people (us vs them), nationalism does the same regarding internal and external actors (Singh, 2021). Nationalism, therefore, can reinforce the antagonistic narrative embedded in populism, and one of its most consolidated variants is precisely resource nationalism, characterized by an "alleged rightful reclamation of precious national resources from the clutches of rapacious colonial and imperial interests" (Singh, 2021, p. 264). It was thus an unquestionable surprise, both to his supporters and opponents, when in 1955 the president announced the conclusion of a large-scale agreement with Standard Oil of California for the exploration of vast reserves in the Santa Cruz province, reversing a continuous trend of YPF's increasing participation in the Argentine oil industry. Under the 40-year contract, Standard Oil would have full control over operations while committing to a series of parameters, such as investing 13.5 million dollars in the first four years. In return, the company was entitled to technical information held by YPF and to imports of machinery and equipment exempt from duties, being also worth noting that the state was responsible for providing, at no cost, any property and territorial use rights required

³ Here, again, the term "justicialist" only refers to the fact that Perón was a member (and founder) of the so-called Justicialist Party.

for Solca's exploration activities. The crude produced under the agreement should be sold to YPF, under international prices (Contrato, 1955). Identifying what is behind this sudden move is the object of the two following sections.

Change of Course: Social and Political Aspects

Regarding the sociopolitical determinants of Perón's turn towards a greater role of international oil companies (IOC) in the Argentine petroleum sector, a first factor to be highlighted was the power of trade unions and their importance in the Peronist movement. As is widely known, the working class represented the nucleus of the president's support base, and consequently meeting the demands of a rising labor movement was essential for the government to preserve this backing unchanged. In the case of hydrocarbons specifically, unions were allowed for the first time since their proscription by Mosconi's top-down leadership, and their incipient rise was certainly not devoid of challenges. Carrizo (2013) shows how, from its very gestation in the mid-1940s, oil unionism was marked by insurmountable internal divisions, as exemplified by the conflicts between SOyEYPF, representative of workers from Comodoro Rivadavia (responsible for 75% of national production), and SUPE, which operated at the national level. Even though SOyEYPF was not frontally Anti-Peronist, its desire to keep some autonomy vis-à-vis the government and its official union confederation (CGT) - which SUPE integrated - led to a split in 1947, with the parallel creation of SPYPF, more directly aligned with the president (Carrizo, 2013). It follows that this lack of cohesion did not make oil unions a potential threat to the government, as in other sectors, where an already consolidated labor movement often empowered "subversive" groups such as communists and anarchists, with greater capacity to resist Perón's strategies of cooptation.

Whilst the weak nature of oil syndicalism allowed Perón to contradict unions' interests by leveraging ties with foreign capital, ensuring their support was key to the government's strategy of political legitimacy, heavily reliant on its hegemony among the working class, including in main regions for the oil industry such as Chubut and Neuquén. It is in this framework, therefore, that one must understand the social investments of unprecedented magnitude carried out by Perón in producing zones, following the same formula developed by Mosconi: granting social benefits in exchange for securing order and avoiding unrest (Carrizo, 2013). A 1951 yearbook published by a local newspaper from Comodoro Rivadavia gives an accurate idea of how this strategy worked; just to cite a few examples, it is mentioned that YPF universalized access to housing for all its workers, at the same time also providing them with cultural and leisure services, as well as with quality schools for their children (El Rivadavia, 1951). Nonetheless, it is clear that, while this approach was a resounding political success, it also came at a very high fiscal cost, which prevented the company from expanding its productive capacity and pushed for a more proactive participation of the private sector (Gadano, 2006), as will be discussed in the next section.

Moreover, and now entering the strategic realm, it is also true that the reason most often raised to legitimize the nationalization of the energy sector corresponds to considerations of national sovereignty; yet, in the case of Argentina, the lesson taught by World War II was the exact opposite, exposing the high vulnerability of its predominantly public oil industry. In this bellicose context, all exporting nations redirected their production to the combat, rendering consumer countries like Argentina in an extremely critical situation. In 1940, the South American nation still had a gap of about 37% between domestic supply and demand for oil (Solberg, 1979), and, given the sudden necessity to suspend imports, a considerable part of its industrial sector was forced either to shut down or to sharply reduce its efficiency by replacing oil with emergency fuels like corn, wheat, and rice husks, which largely deprived its economic performance (Gadano, 2006).

Therefore, without having achieved energy self-sufficiency, Argentina was still far from economic autonomy - a problem that, it is worth noting, was not being effectively addressed by the state-led model adopted, in particular because of YPF's chronic budget difficulties that were further aggravated by Perón's generous social package to oil workers (Gadano, 2006). This vulnerable situation had long been perceived by the populist president, who, during all of his

government, maintained the region of Comodoro Rivadavia under military rule,⁴ so that in the event of an emergency, for example, a new world war, the State would be able to quickly intervene and mitigate the supply problem (Carrizo, 2009). Our understanding, hence, is that it was in the light of this juncture that Perón sought to attract Standard Oil of California to Santa Cruz, thereby minimizing this worrisome strategic scenario that the prevailing model centered in YPF was not being able to tackle.

Finally, a last factor to be mentioned is Argentina's tumultuous political background. The interregnum between Yrigoyen's second inauguration and Perón's rise to power (1928-1946) had been marked by three successful coups d'état, which illustrates the country's instability and the active role played by the Armed Forces in politics, even greater than in other Latin American countries, e.g. Brazil or Mexico. Even though Perón himself came from the military, his nationalist rhetoric was not well regarded by the majority of its cadres, mainly in the Navy, where most high-ranking officials revealed a strong liberal position reflected in close ideological ties with foreign capital and the United States (Holgado, 2016). As a consequence, an escalating tension between the government and the military took place, with its apex being given by a failed coup led by General Benjamín Menéndez in 1951, as well as by the famous bombing of Casa Rosada, in June 1955. In face of this undeniable threat, our argument is that the pressure exerted by the Armed Forces is also part of the explanation for why Perón refrained from his nationalist behavior vis-à-vis the oil sector, ultimately accepting the demands of Socal in what many considered a betrayal to YPF.

Ironically, it was precisely for compromising that Perón ended up being ousted from power. His nods to the privatization of the oil industry dissatisfied even his closest allies and were equally seen as a window of opportunity for most opposition parties, including the moderate Radical Civic Union (UCR), to put an end to the regime. Resentment with the president now also included some radical wings previously sympathetic to him (the "intransigents"), as exemplified by then congressman (and future president) Arturo Frondizi, who published the classic *Petróleo y política* to denounce Perón's treason and call for a "battle of petroleum", aimed at achieving self-sufficiency and to be pursued by granting YPF a monopoly in all stages of the oil industry, along the lines of Petrobras and Pemex (Frondizi, 1954; Szusterman, 1993). Encountering resistance both among its supporters and adversaries, the impasse faced by the regime set the ground for its end, long planned by the Argentine generalate; following the agreement with Standard Oil of California, the nationalist wing in the military also decided to join the liberal-conservative (pro-USA) factions in their coup attempt. In September 1955, nationalist and liberal officials finally ousted Perón in the so-called *Liberating Revolution*, and, through the influence of the former – mainly General Eduardo Lonardi -, the contract with the American company was revoked with immediate effect (Dachevsky, 2014; Spinelli, 2005).⁵

Change of Course: Economic Aspects

Having dissected the sociopolitical aspects of Perón's shift from oil nationalism to pragmatism, we are now in a position to discuss its economic causes as well. First, it might be useful to grasp Argentina's situation as one of "dependent development", drawing on Cardoso and Faletto's (1977) terminology. According to the authors, growth in peripheral nations was often subordinate to an economic model conceived and run by countries occupying a core position in the international political economy. In other words, their development performance was reliant on external investment and technology, which implied that, even though there was economic improvement, this was not an autonomous process but rather one reliant on a relation of deep and structural subordination vis-à-vis the core economies.

⁴ Nonetheless, the military zone of Comodoro Rivadavia had been created already in 1944, before Perón's rise to power.

⁵ It is important to notice that the contracts with Standard Oil were for sure not the only reason for the military coup that ousted Perón, being rather a window of opportunity that enabled it – as they are almost unanimously portrayed by the relevant literature.

Even though the austral country was still one of the top 10 economies worldwide (per capita) when Peronism rose to power, this was certainly not without problems. In the immediate post-war, for instance, the primary sector still had the same weight as manufacturing in the Argentine GDP (Sowter; Mason, 2021), a situation particularly worrisome in view of the continuous trend towards the fall of agricultural prices, leading to a deterioration of terms of trade pointed out by ECLAC economists in what came to be known as the “Prebisch-Singer hypothesis”. In other words, the country’s apparent prosperity hid a clearly peripheral position in the international division of labor, with its agro-export structure being clearly subservient to the necessities and dynamics of a few core economies in Europe and North America. Such a scenario implied that Argentina’s development model was doomed to be left behind, further exacerbating the social problems provoked by its extreme land concentration.

In order to avoid this primary sector trap, Perón espoused the import-substitution industrialization (ISI) process as his main economic project, ensuring the continuity and deepening of what Yrigoyén had started some decades earlier, with some advances and setbacks in the meantime (Belini; Badoza, 2014). This developmentalist approach,⁶ however, could only be fully accomplished were the country’s external constraints effectively overcome, inasmuch as the purchase of fuels and capital goods from abroad was inescapably needed to power a growing manufacturing sector. And it was crystal clear that Argentina was still far from doing so; in his review of the economic legacy of the Perón administration, Raúl Prebisch (1956) sustained that the country found itself in the midst of the worst crisis of its history, in which high inflation and low growth rates were added to a framework of explosive foreign debt, whose stock of 757 million dollars in 1955 largely exceeded the currency reserves of only 450 million.

In such a context, it is noteworthy that the pursuit of an industrializing project would unambiguously imply a further worsening of the external constraint in the short run, especially for being contingent on a corresponding increase in fuel consumption - in particular oil, since the state-of-the-art of technological development had rendered coal-based processes obsolete. It is thus possible to envisage a paradoxical relationship between petroleum and industrialization: after all, whilst the former was a *sine qua non* of the latter, the excessive imported amount aggravated trade deficits and consisted of a major hindrance to the country’s economic program, so that, due to the energy requirements of industrialization, becoming self-sufficient in oil was of paramount importance for the very sustainability of the referred developmentalist project. In the short term, therefore, the priority of the government should be indisputably to reach self-sufficiency, even if, to this end, it had to admit an increase in the participation of the private sector in the oil industry.

In this sense, our diagnosis is that this was exactly the situation of the Peronist regime, one in which the quest for energy independence reinforced the need for a greater role of foreign companies. The fact is that YPF, for its nature as a state-owned enterprise, had to face myriad extra costs not levied by their private counterparts; in effect, in addition to the generous social benefits mentioned in the previous section, the stable labor contracts inherent to the public sector made YPF inflate personnel expenses, with its payroll reaching the impressive level of 30,000 workers in 1954 (Favaro, 1999). As expected, with most of its budget compromised with salaries and social welfare, the company was not able to satisfactorily increase its productive capacity and failed to meet the targets delineated by Perón’s two five-year plans (1947-1951 and 1952-1957), which intended to leverage production by 50 and 100%, respectively, whilst the actual results were far lower than that (YPF, 1949 *apud* Favaro, 1999; Argentina, 1953; Fitzsimons, 2017).

In the same vein, YPF’s output was also limited by another pressing issue, namely its technological gap vis-à-vis multinational corporations. Far from the main knowledge-producing centers and facing a shortage of capital, the Argentine state-owned company was left out of the main innovations undertaken in central economies, being notable the example of two major advancements in oil extraction methods introduced in the 1940s, namely secondary extraction and

⁶ In accordance with Latin American literature on growth and industrialization, the term “developmentalism” is used to designate the set of economic ideas aimed at overcoming dependency and reaching an actual situation of development.

offshore drilling, which could only be adopted by YPF some decades later and thus amplified its productivity differential compared to private competitors (Fitzsimons, 2017). It follows that this insufficient productivity, significantly lower than that of foreign companies, alongside the excessive costs examined in the last paragraph, made it virtually impossible for YPF to attain the results expected by the government (Fitzsimons, 2017).

Therefore, the format of Argentina's insertion in the global economy inevitably required the achievement of energy independence as early as possible, were the industrialist model advocated by Perón actually meant to be accomplished. This has proved to be incompatible with an oil sector centered in YPF, given the high costs, low productivity, and technological backwardness of the state-run enterprise. Hence, even if we assume that the president had indeed an ideological preference for oil nationalism, it is a fact that its materialization in tandem with national industrialization was factually impossible, and, having to choose, the Argentine leader opted for the latter. In effect, the constraints imposed by this dependent economic structure were so acute that even Arturo Frondizi - congressman who took the lead in the fierce opposition to Perón regarding the contracts with Socal -, in his turn to hold the presidency as of 1958, was accused of betraying the cause just like Perón, as he substantially expanded partnerships with private oil companies during the years in power (Solberg, 1979).

Finally, in light of this panorama, it is also interesting to note how, some years later, Perón himself came up with a diagnosis very similar to the one developed in this section. In the third chapter of his *La fuerza es el derecho de las bestias*, the justicialist president reasoned as follows:

I think YPF has neither organizational capacity nor technical financial capacity [...] The systems employed in Argentina are far from the new methods of exploration, prospecting, search and rational exploration of modern deposits. YPF's production costs are absolutely uneconomical. Making this a question of self-love is dangerous and stupid [...] These deplorable nationalists have caused as much harm to the country with their stupidities as colonialists with their vivacity. Some for their negativity and others for their excessive positivity - two scourges for the economy of the country (Perón, 1958, p. 93, our translation).

Conclusion

In summary, this paper has strived to shed light on the oil policy of the Peronist regime, often accused of betraying the nationalist cause on behalf of the interests of multinational corporations. Following a brief discussion on the history of oil nationalism in Argentina, from Yrigoyen to Perón and passing through Mosconi's strong grip over YPF during his period ahead of the company, it was aimed to identify which factors made Perón shift from oil nationalization to pragmatism, ultimately concluding a millionaire concession agreement with Standard Oil of California.

In the political arena, some potential reasons for the president's change of behavior lay in the pressure from the military, dominated by anti-Peronist groups, and also in the strategic imperatives of achieving energy self-sufficiency, mission that a state-centered model for the oil industry was not being able to complete. With regard to the economic determinants, we detected an incompatibility between import-substitution industrialization and oil nationalism, essentially due to the external constraint imposed to Argentina by the structural dependency that characterized its insertion in the world economy. When combined with YPF's high costs, low productivity, and obsolete technology, such a framework obliged Perón to choose between one of these pillars, with him not hesitating to embrace the industrial goal. Last but not least, our analysis on trade unions also pointed out that their relative fragility in the petroleum sector functioned as a window of opportunity for the president to go ahead with this change of path, since their remarkable fragmentation and lack of organization would prevent a strong and recalcitrant response on their part.

In a nutshell, in this work it was demonstrated that the main reasons for Perón's move towards foreign capital had much more to do with Argentina's political and economic structure than with the short-term dynamics of party politics or personal idiosyncrasies of its leader. This can be further corroborated by the fact that other interventionist or

developmentalist governments, like Arturo Frondizi (1958-1962), when faced to the same challenges as Perón, were equally constrained to abandon the nationalistic rhetoric and cooperate with major international oil companies (IOC). Thus, even though a particular conjuncture of events might be an important explanatory element as for why such a phenomenon happened at a specific moment, its deep and utmost causes cannot be fully understood but through a comprehensive analysis that considers its very own historicity at the national, regional, and global levels.

References

- ACKER, Antoine. A Different Story in the Anthropocene: Brazil's Post-Colonial Quest for Oil (1930-1975). **Past & Present**, v. 249, n. 1, p. 167-211, 2020.
- ARGENTINA. **Segundo Plan Quinquenal**, 1953. Available at: <http://cdi.mecon.gov.ar/greenstone/collect/planesde/index/assoc/HASHf8f1.dir/doc.pdf>. Accessed on: 20 dec. 2022.
- BELINI, Claudio; BADOZA, Silvia. El impacto de la Primera Guerra Mundial en la economía argentina. **Cuadernos de História**, v. 24, n. 139, p. 21-26, 2014.
- CARDOSO, Fernando Henrique; FALETTO, Enzo. **Dependência e desenvolvimento na América Latina: Ensaio de interpretação sociológica**. Rio de Janeiro: Zahar Editores, 1977.
- CARDOZO, Daniel Carlos. **La política ferroviaria del primer peronismo (1946-1952)**. 2016. 185 f. Dissertação (Mestrado em História) – Instituto de Altos Estudos Sociales, Universidad Nacional de San Martín, San Martín, 2016.
- CARRIZO; Gabriel. La Patagonia argentina en el período de entreguerras. Acerca de los orígenes de la Zona Militar de Comodoro Rivadavia. **Antíteses**, v. 2, n. 4, p. 669-691, 2009.
- CARRIZO; Gabriel. De militar autoritario a héroe del nacionalismo petrolero. Acerca de los usos políticos de Mosconi en la Argentina contemporánea. **Sociedad y Economía**, n. 23, p. 17-36, 2012.
- CARRIZO; Gabriel. El sindicalismo durante el primer peronismo en el interior del país. El caso del sindicato de obreros y empleados de YPF de Comodoro Rivadavia. **Revista Pilquen-Sección Ciencias Sociales**, v. 2, n. 16, p. 1-14, 2013.
- CLEMENTI, Luciana; CARRIZO, Silvina. Diversificar la generación en la emergencia eléctrica argentina del siglo XXI: viejos protagonistas, nuevas metas y dinámicas territoriales. **Energética**, n. 47, p. 31-43, 2016.
- CONTRATO entre el Gobierno de la Nación Argentina y la Cia. California Argentina de Petróleo, 25 abr. 1955. Available at: <https://miningpress.com/pdfs/web/viewer.php?file=/public/archivos/mfV3SmrPyedHlMwtXTIdg5GhXtVCvhDElvgtPxJ.pdf&title=D OCUMENTO:+EL+LEGENDARIO+CONTRATO+PETROLERO+DE+PER%C3%93N+Y+LA+CALIFORNIA>. Accessed on: 14 sep. 2025.
- DACHEVSKY, Fernando Germán. **Tierra y capital en la industria petrolera argentina**. El desarrollo de la propiedad nacional de los hidrocarburos (1907-1975). 2013. 373 f. Tese (Doutorado em História) – Facultad de Filosofía y Letras, Universidad de Buenos Aires, Buenos Aires, 2013.
- DACHEVSKY, Fernando Germán. Nacionalismo petrolero y peronismo: De la nacionalización de la tierra al régimen de contratos (1946-1955). **Trabajo y sociedad**, n. 23, p. 267-286, 2014.
- EL RIVADAVIA. **Cincuentenario de Comodoro Rivadavia, 1901-1951**. Comodoro Rivadavia, 1951. Available at: <http://deila.dickinson.edu/patagonia/newsite/es/centro/biblioteca/CCR1951/CCR1951sp.htm>. Accessed on: 10 dec. 2022.
- FAVARO, Orieta. Estado y Empresas Públicas: El Caso YPF (1922-1955). **Estudios Sociales**, v. 9, n. 16, p. 57-57, 1999.
- FITZSIMONS, Alejandro. **Estado y acumulación de capital en Argentina: La expansión de las empresas extranjeras entre 1958 y 1963**. Buenos Aires. 2017. Dissertation (PhD in Economics) – Universidad de Buenos Aires, Buenos Aires, 2017.
- FORTE, Ricardo. Militares, cultura política y proyecto económico en la Argentina de la primera mitad del siglo XX. **Anuario de Historia Regional y de las Fronteras**, v. 8, n. 1, p. 1-20, 2003.
- FRONDIZI, Arturo. **Petroleo y política**. Buenos Aires: Editorial Raigal, 1954.
- GADANO, Nicolás. **Historia del petróleo en la Argentina. 1907-1955: Desde los inicios hasta la caída de Perón**. Buenos Aires: Edhasa, 2006.

GADANO, Nicolás. Urgency and Betrayal: Three Attempts to Foster Private Investment in Argentina's Oil Industry. *In*: HOGAN, William; STURZNEGGER, Federico. **The Natural Resources Trap: Private Investment without Public Commitment**. Cambridge: MIT Press, 2010.

GUDYNAS, Eduardo. Natural Resource Nationalisms and the Compensatory State in Progressive South America. *In*: HASLAM, Paulo; HEIDRICH, Pablo. **The Political Economy of Natural Resources and Development: From Neoliberalism to Resource Nationalism**. Londres: Routledge, 2016.

HOLGADO, Benjamín. Vencedores y vencidos: surgimiento y éxito de la coalición golpista antiperonista dentro de las Fuerzas Armadas (1946-1955). **Postdata**, v. 21, n. 1, p. 85-128, 2016.

HOLGADO, Benjamín. Política Del Petróleo En La Primera Presidencia de Hipólito Yrigoyen (1916-1922). **Desarrollo Económico**, v. 12, n. 45, p. 3-24, 1972.

MOSCONI, Enrique. **Dichos y hechos**. Buenos Aires: El Ateneo, 1938.

MOSCONI, Enrique. **El Petróleo Argentino**. Buenos Aires: Ferrari, 1941.

PERÓN, Juan Domingo. **La fuerza es el derecho de las bestias**. Buenos Aires: Punto de Encuentro, 1958.

PREBISCH, Raúl. Informe Preliminar Acerca de la Situación Económica de Argentina. **El Trimestre Económico**, v. 23, n. 89, p. 1-41, 1956.

SALINAS, Omar. El discurso patriótico y el aparato propagandístico que sustentaron a la expropiación petrolera durante el cardenismo. **Estudios de historia moderna y contemporánea de México**, n. 52, p. 88-110, 2016.

SINGH, Perna. Populism, nationalism, and nationalist populism. **Studies in Comparative International Development**, v. 56, n. 2, p. 250-269, 2021.

SOLBERG, Carl. **Oil and nationalism in Argentina: a history**. Stanford: Stanford University Press, 1979.

SOWTER, Leonardo; MASON, Camilo. El avance de la sustitución de importaciones (1930-1952). *In*: RUGLIER, Marcelo. **La industria argentina en su tercer siglo: una historia multidisciplinar (1810-2020)**, Buenos Aires: Ministerio de Desarrollo Productivo, 2021.

SPINELLI, María Estela. **Los vencedores vencidos: el antiperonismo y la "revolución libertadora"**. Buenos Aires: Editorial Biblos, 2005.

SZUSTERMAN, Celia. **Frondizi and the Politics of Developmentalism in Argentina, 1955-62**. New York: Springer, 1993.

WILLIAMSON, Edwin. Borges and the Question of Argentine Identity. Chapter. *In*: FIDDIAN, Robin. **Jorge Luis Borges in Context**. Cambridge: Cambridge University Press, 2020.

YRIGOYEN, Hipólito. **Speech to the National Congress on the 16th of October of 1920**, 1920. Available at: <https://revistas.unlp.edu.ar/ReDeA/article/view/9867/8625>. Accessed on: 20 dec. 2022.

Author's Contributor Roles

Luiz Marcelo Michelon Zardo:

Conceptualization; Methodology; Validation; Data Curation; Project Administration; Visualization; Formal Analysis; Resources; Funding Acquisition; Software; Investigation; Supervision; Writing (Original Draft Preparation); Writing (Review & Editing);

Information provided by the author according to the [Taxonomy of author contributions \(CRediT\)](#)
