

# Understand Buenos Aires

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Economic ups and downs, 'Queen Cristina' and culinary novelties – Buenos Aires never bores.

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Spanish colonialism, fierce independence, the golden years and the Dirty War – and all that *before* the roller-coaster economic years.

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Tango is only one facet of Buenos Aires' music; there are also rock, folk, jazz and electronica.

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Over the last century, Argentina has produced many famous writers (think Jorge Luis Borges), along with two Oscar-winning movies.

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Arts runs rampant in Buenos Aires, from sophisticated street graffiti to abstract installations. And BA's gorgeous European architecture often surprises newcomers.

# Buenos Aires Today

**Buenos Aires has two faces: it's a city that harbors both decline and prosperity. You'll see dirty, neglected buildings everywhere – yet the rebirth following the economic crash of 2001 keeps on going. Puerto Madero continues to grow, Palermo's best restaurants still attract queues, and malls are full of shoppers. Public transportation is improving and the city's restaurants keep evolving – and though president Cristina Kirchner's popularity goes up and down, you should never count her out.**

## Best in Print

**Kiss of the Spider Woman** (Manuel Puig; 1976) Two prisoners and their developing relationship in a Buenos Aires prison; made into the Oscar-winning 1985 film.

**And the Money Kept Rolling In (and Out)** (Paul Blustein; 2005) How the IMF helped bankrupt Argentina.

**On Heroes and Tombs** (Ernesto Sábato; 1961) A complex plunge into Buenos Aires' society, aristocracy and family dynamics in the 1950s.

**The Tango Singer** (Tomás Eloy Martínez; 2006) An American graduate student travels to Buenos Aires and tracks down a legendary tango singer.

## Best on Film

**La historia oficial** (The Official Story; 1985) Oscar-winning film on the Dirty War.

**Nueve reinas** (Nine Queens; 2000) Two con men chasing the big score.

**El secreto de sus ojos** (The Secret in Their Eyes; 2009) Thriller that won the 2010 Oscar for best foreign-language film.

**Pizza, birra, faso** (Pizza, Beer, Cigarettes; 1998) Four BA gangster youths try to survive on the city streets.

## Economic Roller Coaster

Argentina's currency devaluation in 2002 caused surging demand for its suddenly-cheap agricultural products. Helped along by skyrocketing government spending and strong growth in Brazil and China, this economic boom lasted through 2007 and revved up again in 2010. But high inflation (unofficially hovering at around 25%), a stronger peso and lower commodity prices have reined in the economy.

In October 2011, in an effort to curb capital from heading overseas, the government started requiring Argentines to substantiate their purchases of US dollars. This created a *mercado azul* (literally, 'blue market') for US dollars, which are highly sought after as a stable currency. The real-estate market stalled, since purchases were pretty much always transacted in US dollars. Calle Florida is now even more full of *arbolitos* (or 'little trees', since they stand around), who target tourists with dollars to change – at nearly double the official rate.

Many economists believe that the government needs to reduce spending and stop borrowing from its central bank and public pension system; control inflation; and maintain foreign-exchange reserves. Moreover, government policies need to become more transparent to encourage both domestic and foreign investment. These are tall orders and go against the traditional Argentine economic flow, but recession and even devaluation are increasing risks. Who knows – maybe another crash is just what Argentina needs to get on top again.

## Cristina's Reign

In 2011 Cristina Kirchner was re-elected president by a landslide majority of 54%. She ran on a platform that appealed to the populist vote, promising to raise