

Milei goes ahead with his plan to privatize state-owned companies



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by María Josefina Arce

The Argentine President, Javier Milei, continues with his plan to reduce the state to its minimum expression, with the argument of reducing the fiscal deficit and controlling inflation. As part of this strategy, he has not only closed ministries and reduced the budget in essential areas, but he is also betting on the privatization of state-owned companies.

Thus, in the last few days the government issued a decree authorizing, through a national and international public bidding process, the sale of the shares of the state-owned ENARSA, Energía Argentina S.A., created in 2004 by then President Néstor Kirchner to promote strategic works in hydrocarbons and energy.

ENARSA is engaged in the study, exploration and exploitation of hydrocarbon deposits, as well as in the transportation, storage, distribution, marketing and industrialization of this raw material and its derivatives.

The governmental decision has unleashed controversy and criticism from experts and former officials of the area, due to its impact on energy sovereignty and equitable access to basic services.

Quoted by the digital media, Federico Basualdo, former Undersecretary of Electric Energy, said that the privatization of ENARSA implies that the State loses strategic assets and the capacity to regulate key markets, such as gas and electric energy.

He also recalled that the state-owned company has been essential for guaranteeing the self-supply of natural gas for the domestic industry and the Argentine economy as a whole, especially with the construction of the gas pipeline known as Néstor Kirchner.

This project has the potential to transport 21 million cubic meters of gas daily from *Vaca Muerta*, in the province of Neuquén, to Buenos Aires. It allows the country to stop importing gas and supply the economy with local production which is 3 times cheaper, according to specialists.

Many have also expressed concern about the future of works such as the hydroelectric dams on the Santa Cruz river, essential, they have recalled, for the economic and energy development of Argentine Patagonia.

But President Milei's government is going ahead with its plan: early this year the authorities initiated the privatization of the metallurgical company IMPSA, which manufactures turbines, cranes and components for reactors.

Milei's plan to privatize state-owned companies has been widely criticized. For many Argentines, the president is putting the country up for sale and therefore risking its sovereignty.

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