

Camdessus praises Argentine reform moves

By John Barham in Buenos Aires

MR Michel Camdessus, the International Monetary Fund's managing director, gave Argentina's economic reforms further support during a one-day visit to Buenos Aires this week. He said on Wednesday that in spite of some deviation from agreed targets, Argentina's market-based economic policies were on the right track.

Appearing relaxed and in high spirits, Mr Camdessus said he was "enchanted" to visit Argentina when monthly inflation had fallen below 1

per cent. However, he warned that despite impressive recent advances, Argentina must still work hard to consolidate its reforms and achieve full stability.

In July Argentina signed its 15th standby agreement with the IMF. A key stipulation of the one-year \$1.04bn programme is compliance with progressively tougher budget surplus targets. It is widely believed that the economy minister, Mr Domingo Cavallo, cannot attain the \$1.43bn budget surplus tar-

get in the fourth quarter.

Although Argentina has never fully completed any of its IMF programmes, Mr Cavallo is determined to comply with the current standby and convert it into a three-year \$3bn extended fund facility (EFF) loan. The US government has also interceded with Mr Camdessus on Argentina's behalf.

Mr Camdessus indicated that the targets would be reviewed, and officials say a compromise will be found enabling Argentina to begin drawing

down the first tranche of the EFF loan in the spring. Argentine and IMF officials are negotiating terms and macroeconomic targets for an EFF.

Nonetheless, Mr Camdessus called on Mr Cavallo to do more to control spending both at federal and local government level, improve revenues by widening the tax base rather than by increasing tax rates, and by deepening existing reforms designed to reduce government intervention in the economy drastically.

Gay rights campaign makes little headway

Growing official tolerance has not extended to homosexuals, reports John Barham

ARGENTINA, struggling to become a modern democracy, has stumbled over the troubling question of homosexuals' rights. This week Argentina's Supreme Court rejected a request for legal recognition by a gay rights group, arguing that it would create a "grave conflict with moral, family, social, religious and juridical principles".

Mr Rafael Freda, leader of the Argentine Homosexual Community (CHA), has been seeking official recognition ever since its foundation in 1984. Legally, only officially sanctioned organisations can own property, open bank

accounts, hire staff and receive donations.

The rejection of freedom of association and free speech for a widely despised minority underlines yet again both the intolerance of Argentine society and how limited its political culture remains. Homosexuality is taboo in a country permeated by conservative Catholicism, reinforced by aggressive machismo and a deeply conformist culture.

The attitude to homosexuality contrasts with Argentina's return to democracy and political stability. President Carlos Menem is fond of repeating: "Never before has Argentina

enjoyed so much freedom." There are reasonably free and fair elections, there is no press censorship and the once formidable powers of the military and church have been greatly reduced.

Awkward issues like sexuality and drug use are being discussed more openly today than five years ago, but are still likely to attract near-hysteria. In September, a 16-year-old boy was expelled from school for submitting an "obscene" comic as part of his homework. His fate was decided at ministerial level amid frantic media coverage.

Discussion of subjects that

challenge established mores are often stifled as much by prudish reserve as by the Catholic church's still considerable moral hegemony. Opposition from the bishops has prevented the distribution of free condoms to prevent the spread of Aids. Even Mr Freda admits he feels uncomfortable discussing sex in public.

However, despite being dismissed from his job as a TV script writer (he now teaches literature at a state school) is hopeful. He says: "I am 43 and the last eight years are the longest time I have lived in a democracy. There is not total freedom, but things are

starting to move. It is a formal democracy that lacks substance, where people are still waiting to see what the chief will say."

The message from Mr Menem and the supreme court justices he appointed appears unequivocal. But Mr Freda says he has received heartening support from colleagues and the general public. He believes that sooner or later the government will concede CHA legal status, marking a big step forwards for an outcast minority and a yet another advance towards a more tolerant, mature and democratic society.

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