

APPENDIX
9

Timeline of Selected Events, 1991–2002

Date	Events
1/30/91	Domingo Cavallo takes office as Minister of Economy. An exchange rate band is established, with the lower band of 10,000 australes and the upper band of 8,000 australes to the dollar.
3/27/91	Argentina, Brazil, Paraguay, and Uruguay sign treaty establishing Mercado Común del Sur (MERCOSUR).
3/28/91	The Convertibility Law is approved by Congress.
4/1/91	The Convertibility Law takes effect, with the parity of 10,000 australes per dollar.
7/29/91	IMF Executive Board approves Stand-By Arrangement with Argentina.
11/1/91	President Carlos Menem announces a broad program of economic deregulation and trade liberalization.
11/14/91	The Employment Law is approved by Congress, authorizing temporary contracts and capping indemnity.
1/1/92	The peso replaces the austral at the conversion rate of 10,000 australes per peso.
3/31/92	IMF Board approves extended arrangement with Argentina.
5/27/92	Port services are privatized by decree.
9/23/92	The new Central Bank Law is approved by Congress, establishing independence and mandating price stability as its primary objective.
9/24/92	Sale of State Oil Company (YPF) is authorized by law.
11/9/92	First general strike is organized by labor unions against President Menem.
11/11/92	An agreement is reached with creditor banks.
12/6/92	Argentina enters the Brady Plan. The IMF Managing Director congratulates Argentina on the agreement.
1/4/93	Use of dollars for current and checking accounts is authorized.
1/20/93	Last day to exchange australes for new pesos.
3/10/93	The Radical party, labor unions, and retirees demonstrate in protest of the pension reform.
3/16/93	Peronist governors approve the constitutional reform, allowing a second presidential term.
9/23/93	Senate approves the pension reform law.
10/3/93	Lower House elections. Peronists increase seats in Congress.
11/14/93	Olivos Pact: Carlos Menem of the Peronist party and Raúl Alfonsín of the Radical party reach agreement on the framework for constitutional reform, allowing a second presidential term of four years.
8/1/94	Constitutional Convention approves the new Constitution.
8/4/94	MERCOSUR is created, comprising Argentina, Brazil, Paraguay, and Uruguay.
11/22/94	Senate approves the privatization of Encotesa (Federal Post and Telegraph Company).
12/23/94	Mexico devalues its currency.
1/1/95	MERCOSUR comes into effect.
3/11/95	VAT rate is raised to 21 percent from 18 percent.
3/27/95	IMF Executive Board approves extension of Argentina's extended arrangement.
4/14/95	Government suspends five banks with liquidity problems.
5/14/95	Presidential elections. Carlos Menem is reelected as President.
11/29/95	Lower House grants Minister Cavallo special powers for a year to balance federal budget.
4/12/96	IMF Executive Board approves Stand-By Arrangement with Argentina.
7/18/96	Minister Cavallo threatens to resign if his fiscal adjustment program is not approved.
7/26/96	Domingo Cavallo is replaced by Roque Fernández as Minister of Economy.

Date	Events
7/29/96	Minister Fernández formally takes office.
1/2/97	A judge declares the labor reform decree unconstitutional.
3/24/97	Postal system is privatized by decree.
4/9/97	Press reports of increasing tension between President Menem and Governor Duhalde.
4/24/97	National and provincial airports are privatized by decree.
5/9/97	A labor reform plan is agreed with unions, introducing flexibility in labor contracts, but protecting union medical systems from competition.
8/2/97	The Radical and FREPASO parties make an alliance, subsequently to be known as the <i>Alianza</i> .
8/14/97	National strike is called.
9/15/97	President Menem promises an increase in pension benefits.
9/21/97	President Menem promises an increase in teachers' pay.
11/19/97	<i>Alianza</i> expresses public support for the convertibility regime.
2/4/98	IMF Board approves extended arrangement with Argentina.
2/17/98	Eduardo Duhalde relaunches his candidacy for 1999 presidential elections.
2/20/98	Press reports of accord between Governor Duhalde and President Menem.
3/28/98	<i>Alianza</i> launches a campaign against a second presidential reelection.
4/3/98	Fernando De La Rúa is proclaimed presidential candidate for 1999 elections in Radical party convention.
4/21/98	Eduardo Duhalde reaffirms his candidacy for 1999 presidential elections.
7/8/98	<i>Alianza</i> rejects the labor reform plan.
7/12/98	President Menem seeks Peronist support for a popular referendum regarding a second reelection. The idea is rejected by both the <i>Alianza</i> and the Peronist party.
7/17/98	President Menem seeks Peronist support for a second reelection. Press reports of a split in the party.
7/25/98	Eduardo Duhalde launches his presidential campaign and affirms the need for a change in the economic model.
9/2/98	Labor reform is approved by Congress and becomes law.
10/1/98	The IMF Managing Director praises the Argentine economy.
10/5–7/98	President Menem attends the IMF–World Bank Annual Meetings.
10/9/98	President Menem reaffirms his desire for a second reelection term.
11/29/98	Fernando De La Rúa wins the nomination of the <i>Alianza</i> as presidential candidate.
12/2/98	Carlos Álvarez is chosen as the <i>Alianza</i> 's vice presidential candidate.
12/5/98	Press reports that President Menem seeks a constitutional reform but faces stiff opposition.
1/11/99	The court denies President Menem constitutional permission for a second reelection.
1/13/99	Brazil devalues its currency.
1/15/99	Press reports of President Menem reaffirming commitment to maintain the peso-dollar parity.
2/8/99	Press reports of President Menem proposing dollarization.
2/27/99	President Menem reportedly withdraws his bid to run for the presidential election.
4/16/99	Domingo Cavallo is reported to suggest a need to modify the convertibility regime.
5/12/99	Minister Fernández demands agreement with Congress to guarantee fiscal solvency.
7/14/99	Governor Duhalde is reported to consider debt restructuring.
10/24/99	Presidential and Lower House elections. Fernando De La Rúa and Carlos Álvarez of the <i>Alianza</i> win, with 48.5 percent of the votes. <i>Alianza</i> increases its seats to 125 (from 105), while the Peronist party retains 101 seats, a loss of 19 seats.
12/10/99	De La Rúa takes office as Argentina's president, with José Luis Machinea as Minister of Economy.
2/24/00	A strike is called against the labor market reform proposal, stipulating decentralization of collective labor contracts.
3/10/00	IMF Board approves Stand-By Arrangement with Argentina.
4/26/00	Labor reform is approved by the Senate with some modifications. Labor unions call for a national strike.
5/5/00	A national strike is called against the labor reform.
5/11/00	Labor reform is approved by the Lower House and becomes law.
6/6/00	A national strike is called.
8/17/00	Responding to public denunciations, President De La Rúa creates a special commission, chaired by Vice President Carlos Álvarez, to investigate the bribery charges associated with the Senate approval of the labor reform law.
9/4/00	President De La Rúa affirms that the government has not paid bribes to get the labor reform law approved.

Date	Events
10/6/00	Vice President Carlos Álvarez resigns.
1/12/01	IMF Board approves augmentation of Stand-By Arrangement and completes second review.
3/2/01	Minister Machinea resigns.
3/4/01	Ricardo López Murphy is appointed Minister of Economy.
3/16/01	FREPASO members of the cabinet resign in protest over a proposed fiscal austerity program. Alliance between the FREPASO and the Radical party is broken. Labor unions call for a strike.
3/19/01	Minister López Murphy resigns.
3/20/01	Domingo Cavallo is appointed the new Minister of Economy.
3/26–28/01	International rating agencies lower Argentina's long-term sovereign rating.
3/29/01	Minister Cavallo secures "emergency powers" from Congress.
4/14/01	Minister Cavallo announces a modification of the convertibility law, with the replacement of the dollar by an equally weighted basket of the dollar and the euro.
4/16/01	Minister Cavallo requests major businesses to purchase "patriotic bonds" for \$1 billion.
4/26/01	The Central Bank Governor is replaced over alleged money laundering charges.
5/8/01	Standard & Poor's lowers Argentina's long-term sovereign rating further from B+ to B.
5/21/01	IMF Board completes third review of Argentina's Stand-By Arrangement.
6/3/01	Authorities announce the completion of the "mega-swap."
6/15/01	Minister Cavallo announces package of tax and trade measures, including a trade compensation mechanism for exporters and importers of nonenergy goods.
6/20/01	The Senate approves the revised convertibility law.
7/11/01	A zero deficit plan is announced, with a mandatory reduction in expenditures to balance the budget.
7/30/01	The zero deficit plan becomes law.
8/10/01	Press quotes market sources to report that an IMF package will only delay the default.
8/21/01	IMF announces planned augmentation of Stand-By Arrangement by \$8 billion.
9/5/01	Press reports that FREPASO is proposing an end of the convertibility regime.
9/7/01	IMF Board approves augmentation of Stand-By Arrangement and completes fourth review.
10/14/01	Upper and Lower House elections. The Peronist party controls both houses of Congress.
10/30/01	FREPASO breaks the <i>Alianza</i> coalition in the Lower House.
11/6/01	Standard & Poor's lowers Argentina's long-term sovereign rating from CC to SD (selective default).
12/1/01	The government introduces a partial deposit freeze (<i>corralito</i>) and capital controls.
12/6/01	Minister Cavallo travels to the United States to meet with IMF management.
12/8/01	Private pension funds are forced to buy national bonds.
12/12/01	A national strike is called, setting off a series of demonstrations against the government's economic policies.
12/19/01	Minister Cavallo resigns.
12/20/01	President Fernando De La Rúa resigns over death of demonstrators. Ramón Puerta, President of the Senate, becomes interim President.
12/23/01	Adolfo Rodríguez Saá is elected president by the Legislative Assembly. He announces partial default on external debt.
12/30/01	Rodríguez Saá resigns. Eduardo Camaño, head of Lower House, becomes interim president (as Ramón Puerta resigns as Senate president).
1/1/02	Eduardo Duhalde is elected President by the Legislative Assembly to serve until December 2003.
1/3/02	President Duhalde announces the end of convertibility, and the introduction of a dual foreign exchange regime.
1/6/02	The convertibility law ceases to be in effect. A dual exchange rate regime is introduced, one fixed at 1.40 pesos to a dollar for foreign trade, and the other determined in the free market.
2/3/02	The government decrees the unification of the exchange rate regime and the asymmetric pesoization of bank balance sheets (assets at Arg\$1/US\$1, and liabilities at Arg\$1.40/US\$1).
2/11/02	The foreign exchange market opens for the first time under a unified regime; the peso depreciates to Arg\$1.8 to the dollar.
3/8/02	The pesoization of government debt under Argentine law is decreed.
3/25/02	The peso reaches a peak of Arg\$4 per dollar.

Sources: Pablo Gerchunoff and Lucas Llach, *El ciclo de la ilusión y el desencanto*, Ed. Ariel, 2003; Luis Alberto Romero, *Breve historia contemporánea Argentina*, Fondo de Cultura Argentina, 2001; Luis Alberto Romero, *Argentina: una crónica total del siglo XX*, Ed. Aguilar, 2000; *Anuario Clarín*, various years, Editorial Atlántida; *Clarín*, 1997–2002, on-line version; *La Nación*, 1991–2002, print version; and *La Nación*, 1997–2002, on-line version.