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Research on the Atlas Network and Argentina's Economic Policy: The Logic Behind Milei Government's Reform Bill

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Received: 8 December 2024 Accepted: 25 February 2025 Published: 25 March 2025

Abstract: This study investigates the pivotal role of the Atlas Network, a global free-market advocacy organization, in shaping Argentina's economic reforms under President Javier Milei. While existing scholarship has focused on the structural and social impacts of Milei's "Law of Bases and Starting Points for the Freedom of Argentiniens," this research offers a novel contribution by uncovering the transnational ideological mechanisms through which external actors influence domestic policymaking. By integrating Austrian School economic principles with the Atlas Network's financial and political strategies, this study reveals how the Atlas network embedded its neoliberal agenda into Argentina's reform bill via local think tanks, policy lobbying, and direct political alignment with Milei. Theoretically, this study enriches the discourse on transnational advocacy networks (TANs) by demonstrating how non-state actors exploit ideological and financial leverage to reshape national economic sovereignty. Practically, the risks of overreliance on external capital-driven reforms become particularly pronounced when such policy frameworks are operationalized within developing economies characterized by structural inequalities. The findings underscore the tension between global neoliberal agendas and localized socioeconomic needs, offering critical insights for policymakers navigating similar challenges in an era of increasing economic globalization.

Keywords: Atlas Network; Reform Bill; Argentina; Milei; Austrian School

1. Introduction

In recent years, Argentina has faced severe economic challenges including high inflation, national debt pressure, and a sluggish investment climate which compelled the new government to implement urgent reforms. On November 19, 2023, following the conclusion of the second round of voting, Javier Milei, a congressman and candidate from the far-right electoral alliance "La Libertad Avanza" (Liberty Advances), was officially elected as Argentina's new president. As a "non-traditional politician," Milei has been controversial for his radical libertarian economic proposals, including abolishing the central

bank, full dollarization of the economy, downsizing government departments, cutting social welfare benefits, as well as his decision to withdraw from Argentina's planned entry into the BRICS. These positions have caused significant international political reverberations. In June 2024, the Milei government's comprehensive "Law of Bases and Starting Points for the Freedom of Argentiniens" (Ley Bases, hereinafter referred to as the reform bill) passed the Senate by a one-vote margin, marking his administration's first legislative victory since taking office. The bill aims to drive Argentina's economic reform through a top-down approach, attempting to revitalize the economy through new methods. Understanding the logic behind this reform bill helps reveal its potential driving forces and possible future implications.

Existing research primarily focuses on the profound impact of the Milei government's economic reform bill on Argentina's economic structure and its complex social repercussions. From a supportive perspective, scholars argue that the reform takes timely and necessary measures to address the core issues of inflation and fiscal deficit. Particularly, monetary stabilization policies and labor market flexibility could provide robust safeguards for economic recovery. Research also suggests that these reforms could attract more international investment and restore market confidence. These bold economic reforms, focusing on fiscal reform and monetary stability, are viewed as key pillars in resolving Argentina's economic predicament. However, critics argue that these reform plans overemphasize neoliberal economic thinking while ignoring the risk of exacerbating social inequality. Some scholars worry that austerity measures and privatization might lead to a decline in public service quality, severely impacting the lives of middle and low-income groups. Furthermore, some studies point out that the lack of comprehensive consultation with various stakeholders during the reform implementation process could trigger further social unrest, posing potential threats to long-term economic development.

While existing research primarily focuses on the impact of the Milei government's reform bill on Argentina's economic structure and public response, there has been insufficient examination of the reform's underlying motivations and basic logic. Since this reform bill originates from the national development blueprint proposed during Milei's campaign, this paper attempts to uncover clues about reform motivations from his campaign background. Notably, Milei received financial support and policy recommendations from the Atlas Network during his campaign. The close collaboration between Atlas Network and Milei has continued after Milei took office. The Atlas Network continues to influence the direction of the Milei government's reforms through policy advocacy, think tank recommendations, and public opinion guidance, thereby shaping Argentina's future economic development path to some extent. Based on this, the following research questions are proposed: How does the Atlas Network promote and influence the Milei government's reform bill through economic and political means? And how will this shape the future direction of Argentina's economy?

The author employs literature analysis and case study methods to explore the influence mechanisms of the Atlas Network in the Milei government's reforms. The author first introduces the

background of the Atlas Network and its policy influence; then analyzes the proposal and specific content of the Milei government's reform bill. Subsequently, we discussed the interest connections among the government, the network, and think tanks. Finally, the political resistance to Milei's reforms and their future implications are summarized.

2. Operating Logic of the Atlas Network

Since the 1980s, the U.S.-based Atlas Network has consistently influenced international political thought across multiple dimensions, including ideology and action. Through money politics, mass media, and public advocacy, it has created a roadmap of "money-thought-advocacy". By continuously winning what Colleen Dyble calls the "war of ideas," the network has expanded its organizational influence in the cognitive domain. Today, both academic and policy circles are paying increased attention to this "mysterious" organization and the international social dynamics it represents. Therefore, it is essential to conduct a systematic review of this organization and analyze its evolutionary process, core concepts, key areas, and impacts to understand contemporary neoliberal international movements and political trends.

2.1 Historical Development and Core Concepts of the Atlas Network

The Atlas Network was established in 1981 in Virginia by British entrepreneur Anthony Fisher, initially known as the Atlas Economic Research Foundation and the Atlas Foundation. Currently, it is a U.S. 501(c) (3) organization. In practice, however, it functions simultaneously as a think tank, foundation, and civil society advocacy organization, earning it the title "think tank of think tanks." According to the "2020 Global Go To Think Tank Index Report", the Atlas Network ranked 54th among "Top Think Tanks in the United States," demonstrating its significant position in the intellectual sphere.

The Atlas Network has maintained close ties with neoliberal thought throughout its history. The network evolved from the Institute of Economic Affairs (IEA), established by Fisher in 1955. The institute maintained close connections with prominent neoliberal scholar Hayek and had numerous personnel exchanges and relational ties with the neoliberal elite group "Mont Pelerin Society (MPS)". Under this ideological influence, Fisher participated in establishing various think tanks, including the Manhattan Institute and National Center for Policy Analysis in the United States, the Fraser Institute in Canada, and the Centre for Independent Studies in Australia. During the economic crisis of the early 1980s, capitalizing on the international momentum of "Reaganomics," he launched lobbying activities for British elections. Through integrating campaign platforms and shaping economic policies, he helped Margaret Thatcher rise to power. Economist Milton Friedman publicly stated, "Fisher deserves significant credit for the policy transformation implemented by Margaret Thatcher in Britain." Subsequently, using this model, Fisher registered and established the Atlas Research Foundation in the United States, calling to "spread free market think tanks worldwide." Around 2005, the network focused on expanding partnerships in Africa, the Middle East, Asia, and Europe. It launched initiatives such as the "Atlas Freedom Corps (IFC)" as "a free market alternative to the Peace Corps," announced the

“Teach Freedom Initiative (TFI),” and established the “Freedom Champions Summit.” In 2011, it officially renamed itself as a “network,” becoming an “ideas-advocacy network” in the think tank sphere. According to its publicly released 2023 annual report, its operational scope has expanded to 103 countries, encompassing nearly 589 partner institutions, including think tanks, advocacy organizations, and universities. A significant portion of right-wing think tanks are partner members of the Atlas Network, such as the Cato Institute, Heartland Institute, Heritage Foundation, and American Legislative Exchange Council.

In terms of organizational mission and principles, the Atlas Network’s vision is “to create a world of freedom, prosperity, and peace where the principles of individual liberty, property rights, limited government, and free markets are secured by the rule of law.” The current president is Matt Warner, who served as the Penn Kemble Fellow at the National Endowment for Democracy during 2019-2020. Under his leadership, the Atlas Network has focused its international operations on alleviating poverty, protecting human rights, fostering a free society, ensuring government accountability, and growing small business. It has systematically formalized its operational procedures and developed a comprehensive system to “cultivate those who align with its expectations.”

2.2 Financial Support and Policy Advocacy of the Atlas Network

Based on publicly available information, the Atlas Network’s funding comes from two main sources: conservative foundations and interest groups, and certain multinational corporations. Through combined donations from both sources, the Atlas Network’s funding increased from \$150,000 in the 1980s to approximately \$10 million in 2010. Under the leadership of current CEO Brad Lips, their financial income has continued to rise significantly in recent years, reaching \$28 million by 2023. In the first place, support from conservative billionaires like the Koch brothers, the John Templeton Foundation, the U.S. State Department, and the National Endowment for Democracy (NED) not only provided economic assistance but also lent political legitimacy to their activities. In the second place, the network received long-term funding from traditional oil, petrochemical, mining, and high-pollution multinational corporations including Shell Oil Company, Pfizer, Procter & Gamble, Shell, ExxonMobil, and British American Tobacco. The corporate funding lead the Atlas Network’s inherent anti-climate narrative tendency.

In terms of organizational strategy and specific advocacy areas, the Atlas Network has developed clear action plans and advocacy guidelines. Their organizational strategy is primarily summarized as the “3Cs”: “Coach, Compete, and Celebrate.” Specifically speaking, the “Coach” pillar helps partners and allies develop ideas and actions aligned with Atlas Network’s principles while “adapting to local conditions” and increasing their organizational impact. The “Compete” pillar rewards innovative, influential, and locally designed projects through competitive grant processes, creating “Best Practices” for influence dissemination. The “Celebrate” pillar serves as an essential part of reputation shaping and network construction, strengthening identity through annual forums and dinner events. In practice, under the guidance of the “3Cs,” the Atlas Network leverages its position as the network’s “Gatekeeper.”

It provides funding, operational guidance, and performance monitoring feedback to think tanks as norm entrepreneurs, producing pro-Hayek and Austrian economics public knowledge, and cultivating cognitive communities with shared consciousness. Additionally, it focuses on nurturing universities and advocacy NGOs with local foundations. It primarily achieves its political objectives by employing methods such as infiltration, defamation, and social movement mobilization to challenge political opponents, while promoting its own “Contentious Repertoire” while shaping public opinion.

In terms of specific advocacy areas, the Atlas Network’s main political operations focus on two domains: “anti-climate action” and “anti-government action.” First is anti-climate action. One strategy is denying climate change facts and actively engaging in struggles against civil society groups advocating for climate politics. Green Peace once exposed the Atlas Network’s sponsorship of activities aimed at promoting “climate change is not a crisis.” It has supported organizations like the John Locke Foundation in attacking election officials’ efforts to work with climate strategy centers and has “demonized environmental protesters as ‘extremists’ and ‘terrorists.’” The second strategy involves deeply aligning with oil, chemical, and other interest groups to delay and postpone climate change goals. For example, undermining support for UNFCCC, promoting technological optimism about negative carbon technologies, and advocating the notion that fossil fuels are essential for humanity and climate action. Second is anti-government action. This includes collaborating with petrochemical groups to manipulate elections, mobilizing right-wing libertarian movements, leading de-governmentalization and anti-socialist international movements, and advocating for complete privatization of public affairs. For instance, in May 2017, the Atlas Network’s Latin American Liberty Forum was held in Buenos Aires. Argentine President Mauricio Macri attended the forum, discussing how to defeat socialism at various levels, from university campuses to mobilizing nationwide acceptance of constitutional overthrow. It can be concluded that the Atlas Network continues to align with “Like-minded partners,” actively seeking policy planning rights in real-world politics.

3. Theoretical Foundation and Main Content of the Reform Bill

Argentina’s economy has been trapped in persistent instability in recent years. From 2018 to 2020, Argentina’s GDP per capita continuously declined. Particularly in 2020, COVID-19 led to a severe economic recession, with GDP falling by 10.5%. The “economic recovery” in 2021 primarily relied on pandemic control and widespread vaccine availability. Although economic conditions improved over the following two years, Argentina’s inflation problem worsened, reaching 138.3% in 2023. Therefore, the public urgently needed a president with an economics background to alleviate the country’s long-standing pressures. As the newly elected president, Milei bears the heavy responsibility of stabilizing Argentina’s political and economic situation. The Milei government is attempting to attract foreign investment and promote economic recovery through a series of investment incentives and policy adjustments.

3.1 The Austrian School and Economic Foundation of the Reform Bill

As an economist of the Austrian School, Milei's reform bill has a distinct theoretical background. Before discussing the economic background of the reform bill, it is necessary to analyze the Austrian School. The school is a branch of economics that focuses on studying why economic cycles of prosperity and depression occur. In the 19th century, building on economist Knut Wicksell's concepts of "natural rate of interest" and "loan rate," Ludwig von Mises, the founder of the Austrian School, examined the comparison between the loan rates issued by national banks and the natural rate. He argued that "the longer the period by which the loan rate falls below the natural rate, and the greater the extent to which indirect production processes inconsistent with the loan market situation are adopted, the more severe the crisis and its impact on market prosperity trends." In other words, "the cause of capitalist market economic crisis lies in the banks' expansion of credit intermediation."

As a key figure in the Austrian School, Friedrich August von Hayek proposed his "Hayekian Triangle" theory based on the theories put forward by these two earlier economists. The more roundabout the production, which means the more intermediate product stages needed to produce final consumer goods, the more capital input is required, and thus a greater total money supply is needed. For government, creating a "market economy free from artificial disturbances in bank money and circulation media" and allowing people's preferences to spontaneously influence the "natural rate" represents the ideal state of the national economy. When central banks directly intervene in controlling loan rates, it makes the entire society's production process more roundabout. This leads to artificial "economic prosperity" that will inevitably end in depression.

Notably, as an economic theory that focuses on "human beings" as its main subject, the Austrian School does not use any mathematical models as theoretical references. This is because the basic characteristics analyzed in Austrian School theory, such as subjective perception of time and entrepreneurial creativity, cannot be measured by simple numbers. Similarly, most arguments proposed by the Austrian School are derived through logical reasoning. Many Austrian School scholars believe that this theory lacks practical operability. For example, Hayek mentioned that "successful politicians need not have original ideas but rather be able to express the ideas of the majority. This implies a conflict between genuine social research and political activity."

Milei, the preeminent figure of the Austrian School theories, has broken the barrier between Austrian School theory and practice. From Milei's campaign, it is evident that many of his governing ideas as a politician, such as changing government structure, reducing public spending, and cutting individual taxes, are theoretically grounded in Austrian School principles. Milei's election victory demonstrates that some of his ideas have successfully resonated with the public. The Argentine people have shown unprecedented patience and optimism toward Milei, creating an important administrative foundation for promoting his reform bill rooted in Austrian School thinking. The ultimate goal of Milei's reform bill is to facilitate Argentina's smooth and healthy economic revival in the future, emphasizing industries "self-determined" by the Argentine people to move toward prosperity. Therefore,

the true objective of Milei's reform bill is Argentina's future, that is, creating conditions for rapid economic growth through current reforms.

3.2 Main Content of the Reform Bill

In July 2024, the Argentine government officially released the reform bill passed by the Senate. Before detailing the bill, the document declared a "public emergency in administrative, economic, financial, and energy sectors" for a duration of one year. The economic foundation of the reform bill is to create a free market without government intervention, thereby implementing a relatively thorough "shock therapy" in Argentina. However, unlike Russia's behavior after the end of the Cold War, Milei maintains binding political and legal commitments, respecting Argentina's private property rights. Therefore, for the Milei government, maintaining state power during the "shock therapy" period is particularly important. In exchange for its extensive powers, the Milei government offered oversight rights to the National Congress, to some extent ensuring the legitimacy of Argentine democracy.

In specific terms, the reform bill passed by the Senate involves four aspects: national department reform, departmental privatization, administrative procedure simplification, and promotion of public employment. The two aspects that best reflect Austrian School economic thinking are individual tax reductions and government department streamlining. Firstly, the reform bill adjusts the previously established personal income tax limits for single and married individuals with children and reduces personal property tax to between 0.5% and 1.5%. For small-scale taxpayers, the Argentine Federal Tax Administration adjusts taxpayer categories every six months according to the Consumer Price Index and encourages small-scale taxpayers to engage in real estate rental work and join the tax registration system through a series of benefits. Secondly, the first article of the reform bill mentions government department adjustments. Except for 35 departments explicitly specified as non-dissolvable in the bill, other government departments can be merged through reorganization, modification, or transformation of their legal structure. It should be noted that these 35 departments involve nationally important strategic areas such as science and technology, healthcare, finance, and culture. The bill particularly emphasizes continued funding for institutions related to science, technology, and innovation within the framework of the 2030 National Science and Technology Innovation Plan. Meanwhile, the reform bill also sets a series of requirements for civil servants, such as simplifying administrative procedures, implementing the "administrative silence" principle, prohibiting partisan activities during work hours, and reorganizing civil servant functions.

These two aspects aim to reduce government intervention and resource misallocation in economic activities, promote free market mechanism operation, and reduce intermediate product stages for consumer goods. Through tax rate reductions and tax registration incentives, the bill intends to lower tax costs for businesses and individuals, stimulating economic vitality. Meanwhile, policies related to small-scale taxpayers guide more economic entities toward legalization, thereby expanding market participation and capital allocation efficiency. The streamlining and functional adjustment of government departments reflects the Austrian School's advocacy for reducing government size and

administrative barriers, to release resources into production and innovation sectors. This series of measures attempts to promote the formation of spontaneous market order by reducing additional costs in market transactions and optimizing supply and demand chains.

4. The Interests Network Among Milei, Atlas Network, and Argentine Think Tanks

The previous two chapters examined the Atlas Network and Milei's reform bill separately. How are these two elements interconnected? The Atlas Network's long-term operations in Argentina are directly linked to Milei's radical neoliberal policies. So when *The Guardian* asked "what connects Rishi Sunak, Javier Milei, and Donald Trump," the answer was "the Atlas Network." For Argentina, there exists a vast network of interests among Milei, the Atlas Network, and Argentine libertarian think tanks. The Atlas Network connects Milei with Argentine libertarian think tanks, ultimately attempting to exert its influence in many key economic sectors of Argentina.

4.1 The Atlas Network and Milei: An Important Foundation for Economic Intervention

Milei's election victory represents a signature event in the Atlas Network's economic influence. Overall, the Atlas Network has influenced Argentina's libertarian political thought and laissez-faire economic policies emphasizing markets over government through direct and indirect pathways.

Firstly, through direct pathways, the Atlas Network has repeatedly used its communication channels to promote the personal charisma of Milei and other Argentine libertarian scholars and politicians. It aims to create "key individuals" for election campaigns and public policy influence through both legal-rational and charismatic personalities. For example, Axel Kaiser, Executive Director of Fundación para el Progreso in Chile, wrote on the Atlas Network's blog that Milei "accurately predicted Argentina's economic disaster" and established "a cultural and political movement that became the third way" in Buenos Aires. Furthermore, as early as 2018, the Atlas Network awarded Milei with a liberty award, strongly praising his economic thinking. Additionally, the Atlas Network has used its participation platforms to promote the political policies of Milei's advisers and provide political defense for them. The Atlas Network's member institution "Libertad y Progreso" prominently featured Alberto Benegas Lynch, a former Argentine congressman and advisor after Milei took office. This aimed to provide academic justification and political legitimacy for Milei's plans to restore dollarization in Argentina and reform the Argentine Central Bank.

The second is indirect pathways. Due to its nature of "non-profit organization", the Atlas Network needs to minimize its involvement in political advocacy to reduce the possibility of being "assaulted" by target countries. Therefore, it has established "deep" ties to influence Argentina's economic policies, where libertarian politicians expand their sphere of activities through the Atlas Network, while the Atlas Network helps determine action paths for libertarian politicians through funding and ideological support. The first aspect involves Milei's participation in Atlas Network events, using them as hubs for spreading his ideas and as safe platforms for advancing his agenda debates. Milei serves on the advisory board of the Atlas member Fundación Libre, an Argentine far-right think tank that has been dedicated to opposing

the so-called “hegemonic progressive ideology and political correctness empire” for over thirty years. Former Argentine President Mauricio Macri, who also supports libertarian economic policies, attended their 30th anniversary celebration in 2018. Additionally, Milei frequently appears as a guest at conferences and debates hosted by Atlas Network member institutions in Argentina and other Latin American countries, such as Fundación Libertad y Desarrollo and Federalismo y Libertad, to promote his economic ideas. The second aspect shows how the Atlas Network helps Milei fulfill a “self-fulfilling prophecy” by continuously strengthening ties with libertarian interest groups. For instance, the “Libertad y Progreso” received funding from the Atlas Network in January 2024 after Milei took office to promote neoliberal reform agenda projects with the traditional Cato Institute. His “shock therapy” reform program has been reported to coincide with Atlas Network’s positions across multiple domains. Furthermore, Milei’s political actions have helped the Atlas Network expand its influence in other Latin American countries. Metaphorically speaking, the surge in climate denialism debates in Latin America in 2024 is closely related to Milei’s election and the Atlas Network’s advocacy.

Whether direct or indirect, the Atlas Network requires certain “key nodes” to implement economic ideas in practice. Argentina’s high taxation in recent years has become a major target of criticism for both Milei and the Atlas Network. According to World Bank, before Milei’s reforms, Argentina had the world’s second-highest tax burden and a 221% inflation rate. In response, the Atlas Network supported the establishment of the Asociación Argentina de Contribuyentes (AAC) in 2020. Its purpose is to achieve overall tax reduction and establish tax systems based on administrative divisions. This initiative essentially encourages extreme regional economic competition leading to unbalanced development. The Atlas Network has provided multiple training activities and financial support for this organization. With its help, before Milei took office, AAC worked with a multi-party coalition to eliminate monthly taxes on credit card statements. Milei publicly expressed support for AAC’s investigation of the Argentine government to examine how the federal government distributes its collected taxes among provinces. After Milei’s election victory, AAC gained greater political legitimacy and domestic status, even being viewed by the Argentine Congress as a “center of excellence” for public policy formulation, enabling it to aggressively advance its lobbying strategy for tax reduction measures. In summer 2024, the Atlas Network released a report analyzing the economic conditions under Milei’s government in Argentina. The report specifically mentioned the crucial roles of AAC and Fundación Libertad y Progreso in formulating the reform bill. The Atlas Network also awarded AAC the “Latin American Liberty Award” for 2024, providing further funding and prestige to support its expansion into Peru, Brazil, and so on. It can be concluded that through “sweeping” reforms of the tax system, the Atlas Network has connected “thought and advocacy,” achieving influence over Argentina’s economic policies.

4.2 The Atlas Network and Argentine Think Tanks: Key Channels for Economic Intervention

Since its establishment, Latin America has been a key focus region for the Atlas Network. Between 2020-2023, Latin America consistently ranked first in regional funding expenditure. Historically, Fisher

used his interpersonal relations of Mont Pelerin Society to penetrate Latin America, with his neoliberal activities in the region dating back to the 1980s. At that time, Atlas was already collaborating with various agricultural groups in Brazil to oppose environmental policies established by the Brazilian Workers' Party, and in 1984 funded the establishment of the Center for the Dissemination of Economic Information in Venezuela. The social movements sparked by this center laid the foundation for the subsequent overthrow of Hugo Chávez. In 2018, the Atlas Network established its Center for Latin America, led by Dr. Roberto Salinas León, dedicated to promoting peace, justice, and development for all people in the region during turbulent changes. It utilizes a partner network of more than 80 independent civil society organizations in Latin American countries to implement "local solutions" for poverty and other public policy challenges.

Currently, the Atlas Network has 121 partners in Latin America. According to DeSmog's analysis of U.S. tax filings, Atlas donated approximately \$12 million to think tanks in the region between 2010 and 2021, primarily for "economic education". Their key initiatives include: 1. Training and empowering new leaders: Dedicated to developing the next generation of leaders to drive change across the region. By providing these groups with necessary skills and knowledge, they help ensure that principles of liberty continue to thrive in Latin America. 2. Supporting organizations that promote freedom: Providing crucial support to organizations at the forefront of the struggle for liberty in their respective countries. These organizations play vital roles in promoting freedom and combating authoritarian tendencies that threaten open societies and liberal democratic values. 3. Streamlining the bureaucratic state: Working to reduce inefficiencies in state bureaucracies that hinder business operations. By advocating for more flexible and responsive government, they aim to create an environment where individuals and businesses can operate efficiently and contribute to sustained and inclusive growth. 4. Collaborating on public policy proposals: Working with various organizations to develop and advocate for innovative public policy proposals that align with the Atlas Network's core principles. This collaboration ensures their initiatives are influential and have broad-based support. In sum, the Atlas Network has made substantial efforts in advancing the free market agenda in Latin America, particularly becoming a "diffusor and connector" organization in the anti-high taxation agenda.

The Atlas Network's strategic partnership approach has taken clear shape in Argentina. Given Milei's limited political experience, his proposed reform bill could face unprecedented resistance. In this context, the Atlas Network recognized the need to extend its influence throughout the Argentine government to ensure smooth implementation of the reform bill. In Argentina, twelve think tanks have forged close partnerships with the Atlas Network. These think tanks strengthen their policy advocacy by engaging government officials and influential economic policy advisors. Beyond Milei himself, key figures including Argentine Vice President Victoria Villarruel, former Foreign Minister Diana Mondino, Eduardo Filgueira Lima (who advocates for healthcare system privatization), and Emilio Ocampo (the economic advisor responsible for promoting Argentina's dollarization policy) are either important members of these think tanks or receive funding from the Atlas Network. This strategic model has

indeed played a crucial role. During the Senate vote, supporters and opponents were virtually deadlocked. It was Senate President Villarruel's affirmative vote that secured the passage of the reform bill. Through integrating academic resources and policy influence, these think tanks have played a vital role in advancing Argentina's economic liberalization reforms, further demonstrating the Atlas Network's policy intervention capabilities in Argentina.

5. Political Challenges in Advancing the Milei Government's Reform Bill

Overall, the Milei government's reform bill narrowly passed the Senate review and gained formal legislative approval. However, legislative passage is merely the beginning of reform. The more challenging task lies in implementing these policies through a top-down approach. In this process, the Milei government must not only navigate complex power balances and party dynamics within Congress but also face multiple obstacles from public opinion, interest groups, and local political forces. These challenges may not only weaken the reform's implementation but could also trigger new political conflicts in key areas, thereby placing higher demands on the Milei government's governance capabilities and policy coherence.

The Atlas Network has attempted to support Freedom Advances party members in securing key cabinet positions. However, Milei's status as a political outsider means all his proposed bills face challenges. Statistics show that Freedom Advances holds only 7 seats in the Senate, less than 30% of the 37 senators. This means the party must engage in close negotiations with other parties to initiate sessions in either the Senate or House of Representatives and secure enough votes to pass any legislation. More importantly, although Argentina established a federal republican system in 1853, nepotism remains widespread in the country's politics. A small political elite has maintained explicit monopolies over national and state powers for decades. For example, former President Mauricio Macri recommended his cousin for the position of Buenos Aires mayor during his term. In some states, there have been cases where governors were succeeded by their spouses. This characteristic of family politics means that almost every congressman in Argentina's parliament represents their family's political interests in their respective states. Against this backdrop, the negotiation and reconciliation among different political forces within Argentina's Congress add more uncertainty to Milei's reform agenda. Even when certain bills pass at the congressional level, their implementation in various states may be hindered by local political interests, making comprehensive implementation difficult. This disconnect between legislation and execution further highlights the structural challenges facing the Milei government in advancing policy reforms.

In addition, although the Atlas Network played a crucial role in supporting Milei's presidential campaign and providing theoretical blueprints for his reform bill, it lacks forward-looking assessment of Argentina's actual domestic economic development trends. The Atlas Network prides itself on being able to "reach lower and middle classes that other far-right groups find difficult to reach." However, when these classes elect candidates, they believe represent their interests to the political stage, the Network does not take practical responsibility for these groups' future wellbeing. In other words, the

Network focuses more on promoting ideological dissemination and policy design while showing relative inadequacy in addressing voters' long-term interests and structural socioeconomic issues. Since Milei took office, he has shown considerable effectiveness in controlling inflation and has performed well in fulfilling campaign promises. However, Argentina's lower and middle classes have not increased their wealth. In the first half of 2024, Argentina's poverty rate reached 52.9%, an increase of eleven percentage points since the second half of 2023 and Milei's inauguration in December. While Argentine citizens may be able to endure the economic pain brought by Milei's administration in the short term, as the reform bill is gradually implemented, social pressure on the Milei government will inevitably intensify if people's living standards fail to improve significantly or continue to stagnate. Meanwhile, dissatisfaction surrounding the reform bill may further ferment and culminate in protests and demonstrations in public spaces.

In response to these challenges, the Milei government introduced the Large Investment Promotion Regime (RIGI) in the reform bill to attract foreign investment to Argentina. The bill covers sectors including agribusiness, infrastructure, forestry, mining, natural gas and oil, energy, and technology. To enhance the system's effectiveness, the Milei government has also adjusted its foreign policy, shifting from a completely pro-Western stance to engaging with China and discussing Argentina's infrastructure matters. After Trump, who also has Atlas Network connections, became the next U.S. president, Milei immediately traveled to the United States to congratulate Trump in person and used this opportunity to align existing economic cooperation between the U.S. and Argentina. While this system attempts to help Argentina gain much-needed investment support, it faces significant obstacles. The first major concern is that the benefits provided by this system are substantial and extend for too long (30 years), potentially causing Argentina to lose policy mobility in the future and further deplete its rich natural resources. The second significant issue involves the bill's use of the word "invite" regarding the implementation of incentive systems in various states, indicating that the ultimate usage rights and interpretation rights stem from state governments. These state officials and their nepotistic local enterprises have their own interest preferences, suggesting that the system's implementation might be significantly compromised and fail to achieve its expected effect.

6. Conclusion

The Atlas Network, leveraging its extensive academic and policy networks, has actively promoted free market economic ideas and influenced the policy direction of the Milei government. By collaborating with policymakers and academia, the Atlas Network has provided Milei with a theoretical and practical roadmap, thereby shaping Argentina's economic policy framework. The network's deep involvement in Argentine economic policy has elevated it from a mere policy advocate organization to a key multistakeholder in shaping the country's economic policymaking process. Through close cooperation with the Milei government, the Atlas Network has embedded its economic interests into national policies, influencing the direction of national economic structural adjustment. This profound

penetration of external forces into domestic policymaking highlights the growing complexity of interactions between global capital and local governments.

Although the reform bill has brought economic vitality to Argentina, the Milei government still faces enormous challenges. In the short term, the inflow of foreign capital may provide some support for Argentina's economy, but long-term effects remain uncertain. The Atlas Network's deep influence on Argentine economic policy marginalized the country's social and economic sustainability needs. This not only exacerbated social inequality but may also limit the government's policy independence when facing global economic fluctuations.

For China, the evolving dynamics in Argentina offer a dual framework of strategic opportunities and instructive lessons. First, China should deepen pragmatic cooperation with Argentina by aligning infrastructure and technology investments with Argentina's reform priorities, such as energy, mining, and agribusiness, while ensuring mutual benefits and safeguarding against overreliance on external capital. Second, China could leverage multilateral platforms like the Belt & Road Initiative (BRI) to foster sustainable development partnerships, emphasizing green energy and poverty alleviation projects to counterbalance the social disparities exacerbated by neoliberal reforms. Third, strengthening policy dialogues between Chinese and Argentine think tanks would promote a better understanding of Argentina's reform challenges and enable China to offer tailored solutions that respect local socioeconomic contexts. Finally, as Argentina navigates its dependence on Western-aligned networks like the Atlas Network, China should advocate for a multipolar global economic order that prioritizes equitable development, thereby providing Argentina with alternative pathways to balance external influences.

How the Milei government balances external capital control with domestic economic autonomy will directly impact Argentina's foreign policy choices. For China, Milei's sudden shift in attitude is not driven by ideological conviction but rather represents a pragmatic response to Argentina's economic realities. Although China-Argentina relations may improve in the short term due to economic interests, the underlying reason for this transformation remains rooted in Argentina's domestic economic inertia and deep dependence on external capital. The turbulence of Argentina's economic underscored that the competition among multiple forces within Latin American countries will continue to influence the region's long-term stability.

Acknowledgement

None.

Funding Statement

This research is a research outcome of the 2023 China Foreign Affairs University Graduate Research Innovation Project (Type B) "Research on Factors Affecting Latin American Sub-regional Security Cooperation Mechanisms from Non-traditional Security Perspective".

Author Contributions

Chengchen Li: Writing & editing, Conceptualization, Methodology, Supervision, Funding acquisition. Yimin Zhu: Conceptualization, Writing–review, Methodology, Supervision.

Availability of Data and Materials

None.

Conflicts of Interest

The authors declare that they have no conflicts of interest to report regarding the present study.

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