How Javier Milei's shock therapy could not save Argentina

Argentina's economy, recently hailed by some as a poster child for radical free-market reform, has suddenly plunged into a new crisis. In 2024, the Economist Intelligence Unit offered the following optimistic forecast of the Argentine economy:

"Looking ahead to 2025, we forecast a robust economic recovery on the back of a more supportive business environment. Moreover, a gradual lifting of currency controls will boost investment, and disinflation will spur a recovery in private consumption. Milei's more radical plans, such as dollarisation and the closure of the central bank, are unlikely to materialise."

The Chainsaw Effect

What was the key reason behind the above optimism from the Economist Intelligence Unit? I posit it was rooted in the symbolic chainsaw effect of Javier Milei—a leather jacket-wearing supporter of free-market capitalism, who swept into power as Argentine President in December 2023 on a platform of price stabilisation, debt reduction, and slashing what he called a bloated state.

Milei brandished a chainsaw during his campaign—symbolic, he said, of his ruthless desire to cut public spending and federal bureaucracy.

Darling of the Bourse

After years of inflationary chaos had crippled South America's second-largest economy, Milei's bold approach to free-market reforms made him the darling of the markets. Argentina's Merval Index soared by a whopping 170 per cent in peso terms in 2024, dwarfing the modest 23 per cent gain of the S&P 500 during the same period.

The international community took notice as well.

Flying High

A former TV personality and self-proclaimed 'anarcho-capitalist', Milei rose to power with promises to shrink Argentina's bloated bureaucracy, end spiralling inflation, open the economy to global markets, and attract foreign investors after years of stagnation and isolation.

Less than a year into his presidency, Milei was flying high—Trump's favourite and Musk's inspiration.

US President Donald Trump dubbed Milei his "favourite president"—Milei was even the first foreign leader to meet Trump in his new Trump 2.0 avatar.

Milei also inspired Elon Musk during his brief symbolic tenure as head of the Department of Government Efficiency (DOGE).

Miracle Unfurled

But what made Milei, Trump's favourite and Musk's muse?

After assuming office in December 2023, Milei surfed a wave of optimism. For much of the next 20 months, he appeared on the brink of delivering an economic miracle in Argentina—the second-largest economy in South America, which has repeatedly plunged into crisis over the last five decades.

I will return to that. First, a look at Milei's achievements.

The spirited Milei—a self-proclaimed radical libertarian—ruthlessly delivered on his campaign promises: taming out-of-control inflation and slashing a bloated budget. For a moment, it seemed he might succeed where his predecessors had stumbled time and again—pulling Argentina out of chronic economic dysfunction.

Brutal and Controversial

Unlike politicians of yesteryear who avoided angering the masses, Milei embraced austerity head-on. He wielded his symbolic chainsaw against the state—firing tens of thousands of public employees, dissolving or downgrading a dozen ministries, gutting the education sector, cutting inflation adjustments for pensions, freezing public works projects, lifting price controls, and slashing subsidies.

Milei's crowning achievement was bringing inflation down to 1.9 per cent in August 2025, from 25.5 per cent when he took office.

This was achieved through the aforementioned brutal cost-cutting measures, which not only controlled inflation but also brought Argentina's budget back into surplus.

But that very success became his undoing.

Once again, Argentina finds itself in the throes of fresh economic turmoil. Here's the story in brief.

Bharti Airtel announces a strategic partnership with IBM to augment Airtel Cloud

Ahmedabad, Bharti Airtel, one of India's leading telecommunications service providers has entered into a strategic partnership with IBM (NYSE:IBM) to augment its recently launched Airtel Cloud. The partnership is expected to bring together the telco-grade reliability, high security, and data residency of Airtel Cloud with IBM's leadership in cloud solutions, and advanced infrastructure and software technologies designed for AI inferencing. Together, Airtel and IBM will aim to enable enterprises in regulated industries to scale AI workloads more efficiently, delivering interoperability across infrastructure including on-premise, in the cloud, across multiple clouds and at the edge. Through this partnership, Airtel Cloud customers will be able to deploy the IBM Power systems portfolio as-a-Service, including the latest-generation IBM Power11 autonomous, AI-ready servers for mission-critical applications in regulated industries like banking, healthcare, government and others. The Power11 hybrid platform will also support critical enterprise workloads including IBM Power AIX, IBM i, Linux and SAP Cloud ERP. Additionally, this partnership will help enable SAP customers on IBM Power with their enterprise resource planning transformation to SAP Cloud ERP on IBM Power Virtual Server. (13-9)

Airtel partners with Google

Ahmedabad, Bharti Airtel ("Airtel"), today, entered into a strategic partnership with Google to set up India's first Artificial Intelligence (AI) hub in Visakhapatnam, Andhra Pradesh. This landmark initiative will accelerate the adoption of AI across India, strengthen the country's digital backbone and bring Google's full AI-stack and consumer services closer to Indian businesses. Google's AI hub in Visakhapatnam is a multi-faceted investment of approximately $15 billion (USD) over five years (2026-2030) comprising gigawatt-scale data center operations, supported by a robust subsea network and clean energy, to drive the most demanding AI workloads in India. It will be brought to life in close collaboration with ecosystem partners including Airtel and AdaniConneX. Airtel and Google will jointly establish the purpose-built data center in Visakhapatnam, as well as a state-of-the-art Cable Landing Station (CLS) to host Google's new international subsea cables that will join its extensive global terrestrial and subsea infrastructure. Airtel will also create a robust intra-city as well as inter-city fibre network as a part of this project. This high-capacity, low-latency network will deliver faster experiences to Google users and customers; increase the resilience and capacity of India's digital backbone; as well as drive digital inclusivity and transformation across India, bringing the benefits of AI to more people and businesses nationwide. (13-9)

Amazon MX Player's latest - I-POPSTAR! Trailer Out Now!

Ahmedabad, Amazon MX Player today unveiled the trailer of its weekly music reality series I-POPSTAR, a one-of-a-kind independent music talent hunt that celebrates originality and creativity. The show brings together 12 budding musicians from across the country, performing Pop, Rap, EDM, Rock, and R&B, infused with regional flavours from Hindi, Punjabi, Haryanvi, and Gujarati. Over six weeks, 25 contestants will battle it out through auditions, with 12 making it to the Gala Rounds, culminating into the Grand Finale, vying for the title of India's first I-POPSTAR, celebrating India's rich and diverse musical talent. The show's mentor panel reflects the diversity of India's independent music scene. Mentors King, Aastha Gill, Aditya Rikhari, and Parmish Verma will guide contestants, evaluate their performances, and push them to explore new creative heights. Taking collaborations to newer heights, Amazon MX Player has joined hands with Warner Music and Spotify as music partners, setting the tone for a musical experience never seen before. (13-9)

Romance takes MAX spotlight

Ahmedabad, Musical love stories are rare cinematic experiences that seamlessly fuse heartfelt romance with soul-stirring melodies, evoking deep emotions that resonate long after the film concludes. Metro... In Dino is one of those special few, capturing the complexities of modern relationships through interwoven narratives and timeless music. With Anurag Basu's direction, it doesn't just tell love stories—it makes you feel them, earning its place among the greats of the genre. Sony MAX is all set to bring audiences an unforgettable cinematic experience with the world television premiere of Metro... In Dino on Sunday, 19th October at 8 PM. Metro... In Dino is a sequel to Anurag Basu's Life in a... Metro that uses a hyperlink narrative to explore the complexities of modern relationships across Indian cities. The movie has earned widespread critical acclaim for its poignant writing, stellar ensemble cast, and emotionally rich music. Critics have lauded the performances of Pankaj Tripathi, Konkona Sen Sharma, Ali Fazal, Fatima Sana Shaikh, Neena Gupta, Anupam Kher, Aditya Roy Kapur, and Sara Ali Khan, praising their authenticity and depth in portraying intertwined tales of love, loss, and redemption.

J&K L-G promises justice to terror victim families of Kupwara

Srinagar, J&K Lt Governor, Manoj Sinha, on Wednesday promised justice to the terror victim families of Kupwara district, which has been one of the worst suffering districts due to terror let loose by Pakistan-backed terrorists in the 1990s. The Lieutenant Governor, Manoj Sinha, visited Dardpora and met the families of civilian martyrs killed by Pakistan-backed terrorists. He also addressed terror victim families at Government Degree College Kupwara and assured the family members of proper rehabilitation and strictest punishment to the culprits. The Lieutenant Governor said justice, respect and dignity to family.