

17 April 2012 Last updated at 14:14 GMT

YPF Repsol: Argentina under fire in press

The decision by Argentine President Cristina Fernandez de Kirchner to nationalise South America's largest oil company, YPF, is criticised by the country's two main newspapers, La Nacion and Clarin.

However, the centre-left Pagina 12 is more supportive of the move, saying it goes some way towards rectifying the economic failures of the 1990s.

The Spanish press have roundly condemned the decision, with one commentator predicting a period of economic hardship and international isolation for Argentina.

ARGENTINA

La Nacion

"[The expropriation of the YPF stake] is a new move into the private sector for a government which has comprehensively shown itself to be incapable of running commercial companies... It is also a faithful demonstration of the Kirchner government's failed energy policy, characterised by a clear lack of direction, as shown by the sharp fall in oil and gas production and the loss of self-sufficiency in production... The cure for the unfortunate energy policy of the last few years could be much worse than the disease."

Clarín

"The government has decided to pay the price of a crisis with Spain and even Europe, and the possibility of scaring off investors who are needed to build up YPF. The price is not just the court cases but the risk of ending up a little further away from the rest of the world... None of this resolves the structural problem: the lack of gas and oil which has hit the balance of trade and the public finances."

Pagina 12

"The expropriation of 51% of shares in the national oil producer YPF from Spain's Repsol is going to be one of the principal initiatives to put right the devastating effects of the neo-liberal restructuring of the 1990s... The threats from *nouveau riche*, and now bankrupt, Spain express only their state of despair at finding out they are now no longer what they imagined they were. Mariano Rajoy's conservative government has much more significant problems than the future of an oil company which devastated Argentina's oil wells to fund its global expansion."

SPAIN

La Razon

"President Fernandez has staged a *coup de theatre* which covered up, as far as possible, her failure at the Summit of the Organization of American States, held last week in Cartagena de Indias, Colombia. Cristina failed in all her objectives: she did not even get support over the Falklands, and neither did she reach any agreement over her protectionist trade policy, which clashes with the World Trade Organization... It is the ugly face of Argentina, which can lead the country into an unprecedented trade war, in which the same Argentines who today hail the voice of the Peronist demagoguery will, as always, suffer the consequences."

El Pais

"Argentine citizens should be aware that the expropriation of YPF is not about preserving the country's oil reserves, but rather the effects of an erroneous policy which has succeeded in pushing the country's energy trade balance into the red. It is not hard to foresee that a YPF dominated by Argentina's governing clique will lose any possibility of making a profit, and will become another sterile subsidy instrument which will in the end deplete the country's resources. The expropriation of YPF is a leap in the dark which places Argentina outside the international financial community."

El Mundo

"Cristina has finally dared to steal YPF from Repsol 'in the national interest'. Only such a corrupt political class so fond of larceny can explain that one of the world's richest countries can end up in the playpen."