

US foreign policy**Argentine company accuses US of meddling in Huawei project**

Incident underscores duelling pressures on rightwing president Javier Milei from Washington and Beijing



Javier Milei has deepened ties with the US but also relies on China as a creditor and customer for Argentina's exports © Mandel Ngan/AFP/Getty Images

Ciara Nugent in Buenos Aires

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An Argentine grid operator has accused US officials of inappropriately pressuring it to cancel an infrastructure project with Huawei, as Donald Trump widens efforts to limit Beijing's influence in Latin America.

CALF, a regional electric grid co-operative, said on Wednesday that a US embassy official in July asked one of its executives "if there was a possibility of cancelling the project" with the Chinese technology group, citing a "US government policy restricting or revoking visas" for directors of Huawei-linked projects.

A spokesperson for the Chinese embassy in Buenos Aires said later on Wednesday that the US had “blatantly hindered normal co-operation” between the Argentine and Chinese companies by threatening to revoke executives’ visas.

The US ambassador in Buenos Aires on Thursday denied that the messages represented inappropriate pressure.

“Every country protects its house, the United States isn’t the exception,” Peter Lamelas said on X. “Denying or revoking a visa isn’t a punishment, it’s a decision to protect the nation’s security and interests.”

A US state department spokesperson on Friday said the agency wanted its partners “to make informed choices” as it pertained to China’s 2017 National Intelligence Law, which can require Chinese companies to disclose information to Beijing.

“We work with partners around the globe, including in Argentina, to safeguard critical infrastructure and secure digital ecosystems against risks posed by untrusted telecommunications vendors,” it said.

The episode underscores the duelling pressures on rightwing president Javier Milei, a staunch ally of the US president.

While Milei has deepened ties with the US and received a \$20bn credit line from the Trump administration last year, he also relies on China as a major creditor of Argentina’s central bank and customer for its agricultural exports. Milei has yet to comment on the dispute.

US Treasury secretary Scott Bessent in October said Milei was “committed to getting China out of Argentina” after bailing out his government amid a run on the peso ahead of midterm elections last year.

CALF said it reported the messages to Argentina’s government for taking place “outside of institutional channels” and threatening personal consequences against its staff.

Milei, a libertarian economist who referred to the Chinese government as “murderers” on the campaign trail, has avoided criticism of Argentina’s second-largest trading partner since taking office in 2023. He called China “a fabulous partner” the following year.

On Wednesday Argentine officials secured a five-year extension of a \$19bn currency swap line with China, which constitutes a large portion of the South American country’s \$50bn in foreign currency reserves.

Foreign minister Pablo Quirno said in a recent radio interview that he expects to visit China with economy minister Luis Caputo soon, ahead of a possible trip by Milei.

CALF oversees the grid in the capital city of Neuquén, an oil-rich Patagonian province at the heart of Argentina’s shale boom. The province is also home to a deep-space station run by China’s government that opened through a bilateral agreement in 2014.

The facility has drawn fierce criticism from Washington, which has warned that China could use it in global surveillance efforts.

Milei’s government sent a delegation to inspect the facility in 2024 but has since insisted that no further action is needed.

Milei has expanded defence co-operation with the US and has sided with the Trump administration in the vast majority of its votes at the UN and in other international forums since his return to Washington.

Additional reporting by Steff Chávez in Washington

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