
The Chainsaw President

Video Length: 6:08

Lesson Description:

Can drastic budget cuts save a struggling economy? This video explores how Argentina's President Javier Milei defied critics by slashing government spending, reducing inflation, and restoring economic stability—offering a powerful case study in free-market reforms.

Objectives:

Students will be able to:

- identify the economic challenges Argentina faced before Javier Milei's presidency.
- explain the key libertarian policies Milei implemented to reduce government spending.
- analyze the effects of Milei's budget cuts on inflation, employment, and economic stability.
- assess the potential benefits and drawbacks of applying similar economic policies in other countries.

Concepts & Key Terms:

Budget surplus: when a government earns more in revenue than it spends, allowing it to save money or pay off debt.

Deregulation: the process of removing government rules and restrictions on businesses and industries.

Inflation: the rise in prices over time, which decreases the purchasing power of money.

Libertarian: a political philosophy that emphasizes individual freedom, limited government, and free-market economics.

Preview Activity:

Use Think, Pair, Share to have students answer and discuss these preview questions: What happens when a government spends more money than it brings in? What are some possible benefits and risks of cutting government programs and services? How might different political views influence opinions on government spending and economic policies?

OR

Distribute copies of the K-W-L worksheet to the class. Have students fill in the K and W sections. After showing the video, have students complete the L section and answer the questions at the bottom of the worksheet.

Viewing Guide:

We recommend that teachers show the video twice: first to allow students to view the video and focus on the issues presented, and second to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs to share and verify answers.

Answers to Viewing Guide

1. less
2. 200%
3. chainsaw

4. financial
5. control

The Chainsaw President

Viewing Guide

Name _____

Date _____

Class _____ Per _____

Teacher _____

Directions: As you watch the video, fill in the blanks with the correct words.

1. Milei mainly wants government to do _____.
2. When Milei came into power, there was a 40% poverty rate. There was annual inflation of over _____.
3. It's why, when campaigning, Milei brandished this _____ to illustrate how much government needs to be cut.
4. Cuts by the libertarian government plunged the region into a _____ crisis. There was no way to avoid that because of the mess the previous governments had left.
5. When Milei lifted rent _____, the supply of apartments in Argentina tripled and their price fell by about half.

Take a few moments to reflect on the video and answer these questions.

What challenges did Milei face in trying to cut government spending? _____

How did removing rent controls impact the availability and cost of apartments in Argentina? _____

Discussion and Analysis

1. What economic problems did Argentina face before Javier Milei became president?
2. What were some of the major government programs and policies that Milei cut?
3. How did the media describe Milei's political views, and was that description accurate?
4. Why did Milei use a chainsaw as a symbol during his campaign?
5. How did Milei's budget cuts affect inflation and Argentina's economy?
6. What challenges did Milei face in trying to cut government spending?
7. Why did some people protest Milei's policies and how did he respond?
8. How did removing rent controls impact the availability and cost of apartments in Argentina?
9. What is the difference between libertarian economic policies and other economic approaches?
10. How did Argentina's economic problems develop over time, and what role did government spending play?
11. Do you think Milei's cuts were too extreme, not extreme enough, or just right? Why?
12. How might similar budget cuts work (or not work) in other countries, like the United States?
13. What are the potential long-term effects of Milei's policies on Argentina's economy and society?
14. If you were in charge of fixing an economy with high inflation and government debt, what approach would you take?
15. Should politicians be willing to make unpopular decisions if they believe those decisions will improve the economy? Why or why not?
16. How does Milei's approach compare to the approach Donald Trump is taking in his second term?

Discuss These Lines from the Video:

Liberty! Liberty!

The far-right wants to ban most immigration, ban drugs, ban sex work, and impose tariffs. But Milei is a libertarian.

Milei mainly wants government to do less.

The best path out is through freedom.

His radical plan to save Argentina's economy seems to be working.

Milei really does understand free market economics.

Freedom can work. If only our politicians will learn from Javier Milei.

Quotes for Discussion:

A new study offers more evidence that cutting spending is less harmful to economic growth than raising taxes. – Alberto Alesina

The simple truth is: No matter how hard you work, no matter how strong this economy grows, no matter how much more tax money comes to Washington, it won't amount to a hill of beans if government won't curb its endless appetite to spend. – Ronald Reagan

Fiscal cuts and austerity measures just deprive the economy of precious funds that can circulate and add to a poor economy. – Paul Krugman

The only way out of poverty is with more freedom. – Javier Milei

Libertarianism proposes a society of liberty under law, in which individuals are free to pursue their own lives so long as they respect the equal rights of others. – David Boaz

Keep your eye on one thing and one thing only: how much government is spending, because that's the true tax ... If you're not paying for it in the form of explicit taxes, you're paying for it indirectly in the form of inflation or in the form of borrowing. – Milton Friedman

Today's looming fiscal mess is the predictable consequence of politicians' ability to spend today and to stick our children and grandchildren with the bill. – Donald J. Boudreaux

Activities:

1. Have students complete the K-W-L chart in class or for homework. (Recall that the K and W sections are to be completed before watching the video and the L section after watching the video.)
2. Have students complete the political cartoon activity in class or for homework.
3. Have students complete the PMI chart in class or for homework.
4. Have students complete the Cloze activity in class or for homework.

5. Have students complete and submit the Exit Ticket as they leave class.
6. Have students create a chart comparing Argentina's economic situation before and after Milei's budget cuts. They should focus on inflation, government spending, poverty, and overall economic stability.
7. Students will research and analyze different political labels (libertarian, far-right, socialist, etc.) and determine whether Milei was labeled correctly by the media. They will write a short response defending their position.
8. Students will work in pairs to create a flowchart showing how government overspending led to Argentina's economic problems and how Milei's policies attempted to reverse them.
9. Divide the class into two groups — one arguing for government spending and one arguing for major budget cuts as the better economic policy. Each side must use evidence from the video and outside research to support their claims.
10. Provide students with real economic data from Argentina before and after Milei's policies. They will create graphs or charts illustrating key changes in inflation, employment, or government spending.
11. Have students investigate a country currently facing economic struggles due to inflation or debt. They will write a short report explaining what caused the economic crisis and propose potential solutions.
12. Students will analyze different news articles covering Milei's presidency, identifying differences in tone, word choice, and framing. They will then write a reflection on how media bias can influence public perception.
13. Students will write a persuasive letter to a government leader, either supporting or criticizing Milei's approach to economic reform, using evidence from the video and their own research.
14. At the end of the lesson, have students write a quick paragraph answering: "What surprised you the most about Milei's policies, and do you think they would work in other countries? Why or why not?"
15. In groups, students will create informational posters explaining different types of economic policies (free market, socialism, mixed economy) and how they relate to Milei's approach.
16. Ask students to write a short essay predicting what Argentina's economy might look like in five years if Milei continues his policies. They must support their predictions with evidence from the video and research.

Name _____

Date _____

Class _____ Per _____

Teacher _____

The Chainsaw President

Cloze Activity

Directions: Read the entire passage first. Then fill in the blanks with words from the box.

libertarian	boosted	government	plunge
stabilization	administration	layoffs	regulation
surplus	crazy	free-market	economy
cuts	overstimulate	assets	GDP
below	improve	upgrading	growth

Argentine President Javier Milei received a major vote of confidence as the _____ introduces sweeping reforms to transform South America's second largest economy.

Credit rating agency Moody's sees less risk of a debt default, _____ the country on Friday one notch to Caa3 from Ca and boosting its outlook to positive from stable.

While Argentina's new rating remains in junk territory, the upgrade represents the first in five years and comes as Milei has vastly improved the country's _____ just a year after taking office.

"Argentina's credit fundamentals have improved over the past year, as a result of the effective and forceful policy adjustments that have led to a _____ of the macroeconomic environment," Moody's said.

Inflation is cooling sharply, _____ spending has been slashed, and deficits are narrowing, it noted. In fact, the government showed a year-to-date _____ in November of 0.1% of GDP, reversing from a shortfall of 4.4% of GDP at the same time a year earlier.

That's brightening the debt outlook too. After debt reached 156% of GDP in 2023, Moody's estimated it sank to 77% last year and predicted it will _____ further to 50% by 2026.

Milei's _____ shock therapy for Argentina, which has historically been plagued by high inflation, anemic growth, onerous red tape, and debt defaults, has earned him the nickname "el loco," or the _____ one.

In addition to massive spending _____ and government _____, he boasted after Donald Trump's inauguration on Monday that he has eliminated more than 900 regulations.

They include a rule for some government workers that guaranteed their children would get their jobs after they died as well as a _____ on selling "normal" potatoes that allowed vegetable stands to get a bonus, according to the *Wall Street Journal*.

Milei even created a Ministry of Deregulation and State Transformation, earning him fans on the right like Elon Musk, who is leading the Department of Government Efficiency under the Trump _____.

To be sure, Milei's sudden reductions in government spending have slammed the economy. Moody's estimated _____ shrank 3.5% in 2024. But it also sees a quick rebound with growth of 3% this year.

Meanwhile, inflation is still high but well _____ previous levels. The annual rate was a whopping 211% when Milei took office at the end of 2023. It slowed to 166% in November, and Moody's expects it to slip to 40% this year.

A tax amnesty that helped bring \$20 billion in _____ from abroad and new measures to attract foreign currency inflows have allowed Argentina to build up its international reserves, Moody's added.

"The forceful shift in fiscal and monetary policies, the stabilization of external finances, and adoption of market-oriented reforms have _____ domestic private sector confidence and rekindled dynamism in domestic credit and financial markets," it said.

There is more work to be done. Moody's pointed to the easing of capital controls without sparking sudden volatility in inflows or outflows. Too much optimism could also _____ the economy and create other imbalances, it warned.

Still, a new deal with the International Monetary Fund would further bolster investor sentiment and help diversify Argentina's funding sources, which could feed into key _____ sectors of the economy, according to Moody's.

"An acceleration of foreign investment inflows related to various projects in the energy sector to tap into the country's vast natural hydrocarbon resources, would _____ Argentina's medium-term export and growth prospects, further strengthening the sovereign credit profile," it said.

This Cloze Activity is based on "Javier Milei's free-market shock therapy to transform Argentina's economy gets huge endorsement as sudden growth rebound seen" by Jason Ma <https://fortune.com/2025/01/25/javier-milei-free-market-shock-therapy-argentina-economy-moodys-upgrade-gdp-growth-outlook/>

Name _____

Date _____

Class _____ Per _____

Teacher _____

The Chainsaw President

Cloze Activity - ANSWER KEY

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Name _____

Date _____

Class _____ Period _____

Teacher _____

The Chainsaw President K-W-L Chart

Directions: Complete the **K** and **W** sections prior to watching the video. After you have seen the video, complete the **L** section and answer the questions below the K-W-L chart.

K	W	L
What I know about President Milei and libertarian policies...	What I want to know about President Milei and libertarian policies...	What I've learned about President Milei and libertarian policies...

What are some possible long-term effects of Milei's economic policies on Argentina? _____

How might the lessons from Argentina's economic situation apply to other countries? _____

Name _____

Date _____

Class _____ Period _____

Teacher _____

The Chainsaw President PMI Chart

P = Plus: What might be some pluses of Milei's economic policies?

M = Minus: What might be some minuses of Milei's economic policies?

I = Interesting: What is interesting about Milei's economic policies?

+ Pluses +	- Minuses -	I

Do you think Milei's cuts were too extreme, not extreme enough, or just right? Why? _____

If you were charged with fixing an economy with high inflation and government debt, what approach would you take? _____

Name

Admit One

Do you think President Milei's policies have been good for his country? Why or why not?

Admit One

EXIT TICKET

Name

Admit One

Do you think President Milei's policies have been good for his country? Why or why not?

Admit One

EXIT TICKET

Name

Admit One

Do you think President Milei's policies have been good for his country? Why or why not?

Admit One

EXIT TICKET

Name _____

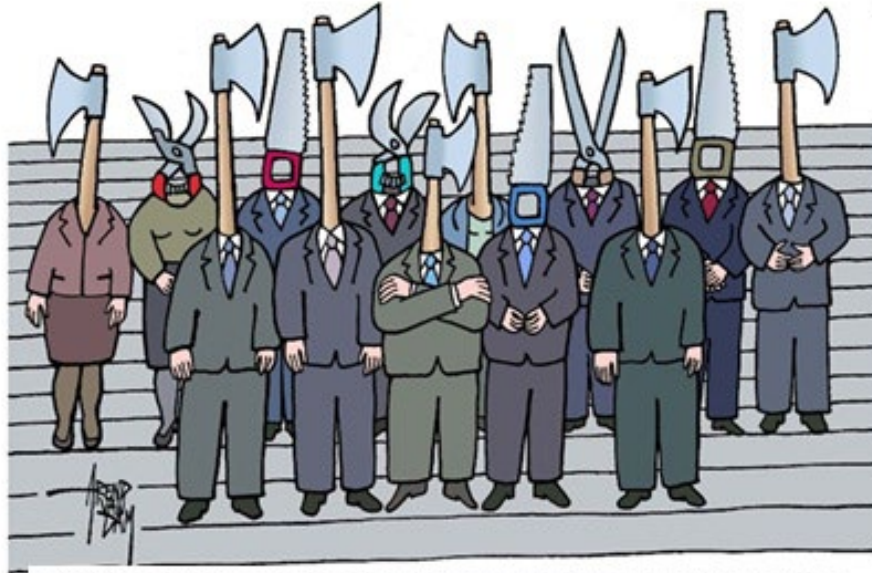
Date _____

Class _____ Period ____

Teacher _____

The Chainsaw President **Political Cartoon Activity**

Directions: Use the political cartoon to answer the questions.



British Government proposes big spending cuts

CartoonStock.com

What message does this cartoon send about government spending cuts and how does it compare to Milei's approach in Argentina? _____

Why do you think the artist chose different tools (axes, saws, scissors) for the politicians? What might these symbolize? _____

How do media and political opponents typically react to large-scale government budget cuts, and does this reaction align with what happened to Milei? _____
