In the early in the twentieth century Argentina became the world’s fifth largest wine producer. From the industry’s inception in the 1880s, the strategy of an overwhelming majority of wineries was to produce massive amounts of mediocre wines for what was perceived as an ever-growing undifferentiated consumer market largely composed largely of the massive wave of recent immigrants from Italy and Spain. The intransience of that model for most of the 20th century meant that exports were never part of the winery equation, and as a result until very recently the country’s wines were little known and even less appreciated outside of the country. Beginning in the 1990s, Argentina’s wine isolation would come to an end. In the words of the world’s most influential wine critic, Robert Parker, “a new generation of Argentinean vigneron [has] begun to realize this country’s, and particularly the province of Mendoza’s, extraordinary potential….Now their finest wines can compete on the world stage…one after another breakthrough wines have pushed Argentina to the forefront of the modern winemaking revolution.”

The sharp rise in the export of Argentine wines demonstrates that Parker’s enthusiasm has been shared by international consumers. The leading protagonist of Argentina’s appearance on the international stage has been its numerous, highly appreciated Malbecs. Of bottled wines
sent abroad, Malbec has more than doubled all others; in its main export market, the U.S., it has become the fastest growing varietal.

In large part the success of Argentina’s export development has resulted from the convergence of possessing an attractive grape variety and producing appealing wines with it. But that is far from the whole story. This paper analyzes the reasons for the international emergence of Argentine wines, and specifically of the country’s emblematic Malbec. To understand the industry’s success, I examine various questions:

1. When did Argentina, historically a country that exported only an infinitesimal percentage of its total wine production, begin to make an effort to reach international markets? Judging by their success, the Argentines made the right decisions, but, why, and who made them?

2. Does Argentina possess unique comparative advantages that have contributed to the growing exports of its wines?

3. How have the Argentines achieved export growth and specifically built Malbec as an emblematic grape? In other words, what have been the successful elements of the industry’s export business and marketing strategy?

4. To what extent has the Argentine strategy been inspired by those of other emerging New World exporters such as Chile and Australia?

5. Is Malbec’s success a temporary fad? Is it likely to continue in the medium and long-term?