

Argentina Offered Alternative To National Economic Suicide

by Gretchen Small

As a new wave of financial crisis engulfed the countries of South America, *EIR*'s Ibero-America Editor, Dennis Small, representing U.S. Democratic Party Presidential pre-candidate Lyndon LaRouche, delivered a critically needed message of optimism, and a kick to some backsides, in a visit at the end of May to Argentina and Uruguay.

Argentina's extraordinary crisis has not only ripped apart its physical economy, once one of Ibero-America's most productive. As a result of the sudden descent into mass poverty, and the disintegration of national institutions, the Argentine people are succumbing to a deep cultural pessimism which, if not reversed, will make the country's disintegration unstoppable.

Political ferment in Argentina is enormous, but it is largely characterized by rage, and dominated by an overriding concern for people's personal money—stolen by the banks, with what remained then frozen by a government desperate to keep the banking system from disappearing.

The seeds of this moral decay were laid in the 1990s, when Argentines went along with economic policies which gutted the physical economy, simply because they stopped (for a time) the hyperinflation which had made money worthless by 1989.

Rather than impassioned concern over how to defend the general welfare of the nation itself, an "every man for himself" attitude has taken hold. Citizens banging impotently on lamp posts with hammers, as occurs at regular intervals in Buenos Aires on any given day, or barging into banks with blow torches and hammers to try to retrieve frozen savings, typify the protests of the enraged populace.

The political class, by and large, is no better. Eduardo Duhalde is still the President because when he threatened to resign, no one wished to replace him. The same goes for the head of the Central Bank. Neither the President, nor Congress,

nor provincial leaders deny that the International Monetary Fund (IMF) policies they try to impose are murdering Argentines and Argentina; but they repeat, zombie-like, that they must kill themselves as demanded, because "to break with the IMF system would be suicidal."

It Has Been Done Before

Thus, when *EIR* organized a seminar in Buenos Aires for Dennis Small to speak, on "There *Is* an Alternative to Economic Suicide: The LaRouche Plan," more than 200 people attended on May 23. European and Asian diplomats, military officers, judges, members of different political parties, students, and many subscribers and old friends who have followed LaRouche since the 1980s, were present.

"There once was a country where one in three people were unemployed, and its banks were closed," Small told them. "It had been a proud country, which had made many contributions, but its people were demoralized and frightened—until a President came forward to provide leadership. That country was the United States, and the President was Franklin Delano Roosevelt."

Small identified the critical issue crippling the country, as a lack of intellectual courage. People admit IMF policies have destroyed the country, but argue that the policies of LaRouche demand a leap into the unknown: "Better stick with the evil we know, the IMF. Let us not risk ourselves." This Hamlet-like cowardice is captured in a pernicious Spanish saying, "a known evil is better than an unknown good."

Small urged Argentines to examine how FDR rescued an economically devastated and demoralized United States in the 1930s, by exerting *moral* leadership, and mobilizing the economy on the basis of Hamiltonian reforms. The same thing can be done in Argentina today, if people join LaRouche's international movement for a New Bretton Woods.



Dennis Small addressed EIR's largest public forum in years in Buenos Aires, as Argentina's national collapse crisis was clearly spreading effects into Brazil and Uruguay.

Grounds for optimism exist. On May 26, Small was invited to give a radio interview jointly with Msgr. Héctor Aguer, Roman Catholic Archbishop of La Plata. Aguer is no Hamlet, but the most outspoken bishop of the Argentine Church on the debt issue. He issued an open letter on "The Debt Explosion" on Dec. 20, 2001, in the midst of the crisis which brought down the government of President Fernando De la Rúa. In that letter, Msgr. Aguer reminded his countrymen that he had warned them Argentina would soon be buried, should it continue paying foreign debt, most of which it had never even received, but represented debts simply "multiplied through financial alchemy" and "murky accounting entries." The Small-Aguer interview on the popular "Dos Reinos" program on Radio Provincia was heard throughout the province where more than a third of Argentina's population lives, and in the nation's capital (Interview follows).

Those willing to fight in Argentina are gathering around LaRouche. This was the message conveyed by Malvinas War hero Col. Mohamed Alí Seineldín in his greetings to LaRouche's May 28 webcast (see *EIR*, June 7). From his prison cell, where he has been held since receiving a life sentence in 1991—a prisoner not of any Argentine government, but of the British government, as he often points out—Seineldín is inspiring others to take a bold stand. The ferment for his release has grown so extensive, that on May 28, Defense Minister Horacio Jaunarena commented to the press that it were "prudent," in his view, to pardon Seineldín, "to calm spirits."

A Pack of Fools

The issue of leadership is being called across the region, as every South American nation faces imminent Argentine-style breakdown. The latest wave of crisis has drowned the

self-deluding, oft-repeated lie that Argentina could be left to disintegrate, without significant effects upon other countries, even its immediate neighbors. Brazil, Ibero-America's biggest debtor with \$500 billion in foreign obligations, begins to look the way Argentina did in July 2001, when the final fall into financial disintegration began. The *Miami Herald's* Ibero-American commentator, Andrés Oppenheimer, admitted on June 3 that a debate has begun in the hemisphere, over whether Ibero-America faces "a generalized collapse."

For months, Ibero-American leaders pompously blamed the Argentines as responsible for what hit them. They and their countries, other leaders said, would never make the same mistakes. Heaven forbid that they would admit that there never was an "Argentine" crisis, per se, but that Argentina was felled

by the crisis of the global system to which they, too, have tied the fate of their nations.

Now, some of those leaders are disintegrating faster than their economies. Take the case of Jorge Batlle, President of Uruguay, where the financial system is melting down. Foreign reserves have dropped by over 40% since the Argentine crisis detonated, bank deposits by a fifth. In a June 3 interview with Bloomberg wire service, Batlle banged on the table, and shouted at reporters sitting across from him, "Don't compare Argentina with Uruguay, or you're absolutely ignorant! . . . Argentines [are] a bunch of thieves from the first to the last." The next day, after the Argentine government and his own, Argentine-born 96-year-old mother had demanded an apology, Batlle flew to Buenos Aires. He appeared on national television next to a stony-faced Duhalde, wiped his eyes in tearful contrition, and made the excuse that he was under pressure, having "just come from five continuous months of stress and pressure in which Uruguay was really on the edge of an almost unredeemable situation."

No wonder there was such interest in Small's May 27 presentation to Uruguay's Center for National Advanced Studies (CALEN), the country's strategic studies graduate school for civilians and military. Some 85 people attended, as the word went out that "LaRouche's rep" would be speaking. Small's presentation, similar to that given at the Inter-American Defense College in Fort McNair, Virginia on April 26 on the "World Economic Crisis and Its Effects on Continental Security," addressed the nature of the world crisis; the significance of Sept. 11 and the way it has been used by the utopian "permanent war" faction in the U.S.; the West Point tradition versus the utopians; and LaRouche's solution. Attendees received copies of *EIR's* Spanish translation of Alexander Hamilton's 1791 *Report on Manufactures*.