

Argentina Faces Down WTO Starvation Plan

by Cynthia R. Rush

In April 1982, Argentina defied the British Empire by retaking the Malvinas Islands in the South Atlantic, and reasserting its sovereignty over a territory which Britain had illegally seized from it in 1833. The Empire wasn't about to let such action go unpunished, especially from a country it had always considered its colony. With NATO backing, the British militarily assaulted Argentina, and defeated it in June of that year, after a two-month conflict.

Today, Argentina is once again standing up to the same financier oligarchy that sought to make a "horrible example" of it in the Malvinas War; but this time the issue is food. The government of President Cristina Fernández de Kirchner is boldly resisting London's fascist globalization policy, by asserting its right to an agricultural strategy that is in the best interests of the Argentine nation. That includes the right to regulate the market so that people may eat, and take action against those forces that would starve their fellow citizens for their own profit.

With this declaration of economic and political sovereignty, Argentina has become a crucial flank in the global war against the mass starvation policies promoted by the World Trade Organization (WTO) and allied agencies.

Argentina's stand is reflected in its March 11 announcement raising taxes on exports of soybeans and sunflower seeds, designed to curb—albeit modestly—the cartel-dominated soybean monoculture that has taken hold in the country over the past ten years. As Fernández de Kirchner explained, the measure's primary goal was to *protect the internal market*, ensuring that high international commodity prices were not passed on to the domestic market.

Secondarily, the higher taxes were also intended to guarantee a more just distribution of the nation's income, while encouraging production of more traditional food crops which soybeans have displaced in recent years. Argentines need a diversified diet to remain healthy, the President emphasized, and soybeans can't provide that.

Adding weight to the President's remarks is a confidential report prepared by the Finance Ministry, and recently made available to selected media. It paints an alarming picture of the advance of soy monoculture over the past ten years, to the point that today, the Ministry warns, it threat-

FIGURE 1

Argentina Major Soybean Crop Area



Source: EIRNS/2004

ens the country's food security. Soybean production accounts for a whopping 54% (16.6 million hectares) of the 30.2 million hectares currently dedicated to agricultural production, compared to less than 5 million hectares ten years ago.

Large international food cartels—Cargill, Dreyfuss, Bunge, Monsanto, and others—and speculators such as George Soros, have made a killing in Argentina's soybean business, literally taking food out of the mouths of more vulnerable citizens.

One Man for Every Four Cows?

It's lawful that it was the Argentine Rural Society (SRA), the producer entity historically identified with British interests, that immediately rose to challenge the government's action, charging that it constituted undue interference in the

“market.” The SRA speaks for the Jockey Club set, the landed oligarchs who, true to their British pedigree, see the vastly underpopulated Argentina as too overpopulated—with human beings!

According to the revered late nationalist writer Arturo Jauretche, one past SRA president argued that an appropriate population for Argentina would be one man for every four cows. That would put the population today at no more than 20 mn. people, instead of the current 40 mn.

On March 12, a day after the export tax increase was announced, the SRA and three other producer entities—Rural Confederations (CRA), also representing large landowners; Coninagro; and the Argentine Agrarian Federation (FAA), representing small and medium-sized producers—began a lockout of the country’s agricultural markets to protest the higher taxes. Producers’ road blockades prevented food, including beef and poultry, from getting to market, causing acute shortages and higher prices.

Although producer spokesmen insisted that the four entities formed a solid “united front,” there was little doubt that the SRA was the driving force behind the strike, and that its goal was political—to destabilize, even overthrow, the Fernández de Kirchner government. Perhaps for that reason, the so-called united front began to show cracks, forcing the organizers to call a 30-day truce on April 2, before disagreements from within began to surface publicly.

The FAA, representing small producers, seemed wedded to the SRA out of convenience, not because of any shared interests. Labor unions and political activists attacked it for allying with an entity so clearly identified as the British-controlled enemy. The SRA’s sordid history of support for military coups, and the destructive free-market policies they have imposed, is a well-known fact in Argentina. Equally well known is its contempt for the “lower” classes, especially those with darker skin.

In a recent article discussing the lockout, respected agronomist Alberto Lapolla pointed to the racist mentality of the SRA and the allied CRA, one of whose leaders proclaimed in 2007 that “I don’t want them to take my money away just so the urban poor can eat steak!” It is the well-heeled backers of these racists who showed up in public demonstrations during the 21-day strike to try to whip up anti-government sentiment, by banging on their very expensive pots and pans, and shouting “bring back the military ... bring back Videla.”

In an Argentina whose collective memory is seared with the horrific deeds of the 1976-1983 military dictatorship, only the SRA would be stupid enough to call for a return of its leaders, such as the now-imprisoned junta president Gen. Jorge Videla. The dictatorship’s Finance Minister, British agent José Martínez de Hoz, was a past president of the SRA, and in the name of “economic freedom,” he decimated Argentina’s once-productive economy, wiping out a minimum of 200,000 family farms in the process.

No Concessions to the IMF and World Bank

Both Fernández de Kirchner and her husband, former President Néstor Kirchner, have minced no words in describing the producers’ lockout as a virtual coup attempt.

Speaking April 24 in Buenos Aires, in his capacity as the new president of the Justicialista (Peronist) Party, Néstor Kirchner directly referenced the SRA, warning that there is “historical continuity” between those who organized the coups of 1955 and 1976, and the leaders of last month’s lockout.

“It’s always the same people,” he said. “They don’t care about the stomachs or pocketbooks of Argentines.” They blocked the roads, and “food prices rose due to scarcity.... [They sought] to destroy the internal market and consumption. They think only of themselves. They want to export everything, taking advantages of the high prices in the international markets.”

The former President also pointedly attacked “those economists who want to cool off the economy, so that we don’t consume, and everything is exported.” This was a clear message to the International Monetary Fund and World Bank, which demand that Argentina abandon such policies as export taxes, and instead adopt discredited austerity policies to “cool off” an economy supposedly “overheated” by inflation.

Kirchner’s remarks were also clearly directed at Finance Minister Martín Lousteau, who had been recommending just such “cooling off” measures after returning from the IMF/World Bank annual meeting two weeks earlier. Just hours after hearing the former President’s speech, Lousteau handed in his resignation, realizing that the President had no intention of heeding his advice.

The resignation drove Wall Street and the City of London wild, provoking howls of despair over Argentina’s refusal to change its economic model.

It also provoked panicked commentary from the right-wing daily *La Nación*, an ally of the Rural Society, that “more official controls of the entire food chain” might be forthcoming. The possibility that the government might try to push through a bill for the creation of a state agency, empowered to buy, sell, warehouse, and distribute food, to stabilize prices and guarantee food security, “shouldn’t be ruled out,” the daily warned darkly.

Looming large in the minds of the British Empire’s local networks is the memory of the IAPI, the state agency set up in 1946 by President Juan Domingo Perón, which established state control over the entire agricultural marketing process, leaving the grain cartels in the lurch. According to media reports, deputy Alberto Cantero Gutiérrez, head of the Agriculture Commission in the Lower House of the Argentine Congress, has proposed a bill calling for the creation of just such an agency, and debate on the bill is currently taking place.