

INTERNATIONAL MARKETS NEWSLETTER

Atlanticists Fantasize On Collecting Third World Debt; Plan Argentina Triage As Lesson On Moratoria

Feb. 29 (IPS) — The Third World's increasing cohesiveness and willingness to carry out debt moratoria and the creation of a new international institution for development have brought forth from the U.S. Atlanticists some demented and fantasy-filled plans for assuring the continuation of imperialism over the next few weeks — i.e. the collection of their fraudulent debts.

Uppermost in their plans is the attempt this weekend to make Argentina an example for the rest of the Third World of what will happen to them if they can't or won't pay their debts. With a slew of top International Monetary Fund and Chase Manhattan officials currently in Argentina, the Atlanticists will try to have the Argentinian Finance Minister Mondelli announce a "radical" new economic plan that according to Folhade Sao Paulo, the Brazilian newspaper tied to pro-development currents among industrialists, will be the equivalent to the shock treatment" that the Atlanticist allies imposed on West Germany immediately following World War II. This would include having Argentina go through "bankruptcy," default on the more that \$200 million debt-service and debt payments now coming due, a massive devaluation and the removal from the circulation of huge amounts of the Argentine peso. In short, the engineered moratorium would mean the complete triage of every sector of the Argentinian economy; a "debt moratorium" that will not appear attractive to anyone.

The Argentinian situation provides the clearest proof of just how fantasy-filled, although dangerous, the Atlanticists' plans are. It is doubtful whether such shock treatment can be carried out even in Argentina, at this point. On the left, such a program would give the Montoneros and other guerrillas the massive and total support of the working class, thus exploding a possibly uncontrollable civil war. In the military, armed forces commander Gen. Videla and his coterie would be more than reluctant to allow such a program to go through. The reason being that such a program would give the pro-Brazilian and pro-Chilean minority factions in the armed forces the upper hand at that point, making Argentina merely a puppet of the fascist Brazilian gorillas.

The Third World Advances

The advances in the Third World that are driving the Atlanticists to the breaking point were highlighted this week by Jamaican Prime Minister Michael Manley's call for the dumping of the IMF and World Bank and for the creation of a new institution that would provide the basis of Third World

development. Manley was in fact echoing the more explicit call for the debt moratorium and the creation of the International Development Bank made by Guyanese Foreign Minister Wills at the recent Manila meeting of the Group of 77 developing nations. Simultaneously, a similar focusing on the dissolution of the IMF and World Bank was made by the Patriot, the independent leftist daily of India, thus lending credence to the reports that the meeting of Commonwealth nations now going on in London is seriously discussing the carrying out of debt moratoria and the creation of a new institution. India, Jamaica and Guyana are all members of the Commonwealth.

Orville Freeman for the Atlanticists

An important indication of the vicious fantasies of the Atlanticists was a recent interview, leaked to IPS, with former Secretary of Agriculture Orville Freeman. Freeman, currently head of Business International, a consulting firm, serves as a top Atlanticist mediator between the Third World, the Federal government and the New York banks. His most notable recent "mediation" was to help hustle the Mexican finance ministry into imposing austerity. Laying his cards on the table, Freeman stated that "If one country declares a debt moratorium it will turn into a big hole, it will become completely isolated. If several countries, or the whole of the Group of 77, declare debt moratoria, then there will be complete economic chaos, depression and war." He went on to state that the current blackmail being waged against the Third World consists of trying to force those countries to implement suicidal slave-labor agricultural policies at which point the banks would consider providing more credits. The content of this policy was laid out by Freeman: "They have not had the right agricultural policy. They have refused to implement it...It will take a famine situation to get them to do this." In short, collection of debts and triage is the only policy of the Atlanticists, with promises of more credit as the hustle.

Freeman stated that what has to be guaranteed is that no debt moratoria occur during the next few months. According to Freeman's fantasy, by later this year and into 1977, the full effects of the U.S. recovery will allow for expansion of credit and thus end the crisis of Third World debt. Of course the fact is that there has been no recovery and there will be no recovery. Those who choose to believe Freeman's imaginings are setting themselves up to be subjected to genocidal triage.