

LaRouche's Argentina Role Alarms Wall Street

by Cynthia R. Rush

The fact that U.S. Democratic Presidential pre-candidate Lyndon LaRouche has set the policy agenda for Argentina—his proposals for national banking and the creation of a sovereign currency have been read from the floor of the Congress and are circulating widely in the country—has unnerved the Anglo-American financial oligarchy. On Jan. 28, one of its Argentine mouthpieces, the financial daily *Ámbito Financiero*, better described as the *Wall Street Journal* of Argentina, published a libelous diatribe against LaRouche, voicing hysteria at the extent of his influence in this crisis-wracked nation.

Under the headline “The Strange Marriage of ‘Lilita’-Seineldín,” the daily, which reflects the Mont Pelerin Society’s fascist worldview, complained that individuals from such different ends of the political spectrum as Congresswomen Elisa Carrió (“Lilita”), of the Alternative for a Republic of Equals Party (ARI), and jailed Malvinas War hero Mohamed Alí Seineldín, are inspired by LaRouche. The latter is “a shady leader of the U.S. extreme right wing, whose bizarre style and racist harangues, similar to neo-Nazi groups, have placed him on the fringes of his country’s political life,” *Ámbito* lied.

Columnist Damián Ferrer, who wrote the attack on LaRouche’s influence, admits that *Ámbito*’s real concern lies elsewhere, however. During the Jan. 5-6 Congressional debate on the Emergency Law proposed by President Eduardo Duhalde’s government, the ideas of “economic interventionism” predominated, he laments. It was during that debate that Elisa Carrió extensively quoted LaRouche on the global financial crash, and his recommendations for Argentina. In the midst of the country’s current economic upheaval, *Ámbito Financiero* worries, such dangerous ideas could lead to “the resurgence of populist proposals,” and the strengthening of “nationalist and anti-U.S. sentiments.”

In other words, LaRouche’s proposals to put Argentina through bankruptcy reorganization, are being taken seriously. They have been widely disseminated inside the country, and were elaborated during his Jan. 24 webcast to an international audience, in response to a question by a prominent Buenos Aires judge (see below). There he named “the International Monetary Fund system” as the cause of Argentina’s bankruptcy.

In a Jan. 29 response to *Ámbito*’s slander, Lyndon

LaRouche wrote that the real reason for the attack is that Argentina is “hopelessly bankrupt,” and “there are those in Argentina who would wish to deny that fact, or create a wild diversion in the effort to distract attention from what remains a simple clear fact of financial accounting.”

IMF Says, ‘Suffer’

Ámbito Financiero published LaRouche’s reply on Feb. 1. The reply stands in stark contrast to the bestial outlook *Ámbito* shares with the Anglo-American bankers. IMF Managing Director Horst Köhler reflected that outlook when he recently warned that only if Argentina shows a “willingness to suffer”—to kill more people—can it hope for international financial assistance.

Similarly, in its Jan. 23 edition, the piggish *Wall Street Journal* editorialized that “Argentina deserves to be treated like any other banana republic,” or get the “Haiti treatment,” unless it bends to Anglo-American demands.

Under enormous pressure from London and Wall Street, the desperate Duhalde government is, suicidally, moving toward complying with the Fund’s demand for a “sustainable,” austerity-based economic program (more budget cuts), including an immediate free-float of the peso, in hopes of getting between \$15 and \$20 billion in financial aid.

When Foreign Minister Carlos Ruckauf travelled to Washington for meetings with the Bush Administration on Jan. 29-30, he carried a letter from President Duhalde to President George Bush, in which Duhalde slavishly promised to abandon “as rapidly as possible, temporary measures of a dirigist nature” he had been “forced to take.” His government, he said, is fully committed to “the free-trade system.” Ruckauf told Treasury Secretary Paul O’Neill and Secretary of State Colin Powell, that Duhalde would also remove exchange controls as soon as possible.

Any deal with the IMF is inimical to Argentina’s national interests and will only intensify popular rage over the freeze of bank deposits, and disintegration of jobs and living standards. Government inaction has given free rein to goon-squads of terrorist provocateurs to operate freely in the midst of generally peaceful “*cacerolazos*”—pots and pans demonstrations—smashing bank ATM machines and shop windows, and causing violent clashes with police.

Government vacillation is also encouraging the financial networks that have historically looted Argentina, to more aggressively defend their right to continue doing so. The Hong-kong and Shanghai Banking Corp. (HSBC), the London-based flagship bank of the global drug-trafficking enterprise known as Dope, Inc., has been lobbying the government, through its Argentine director Emilio Cárdenas, to accept a plan to “help” the government put an end to the deposit freeze, and the mass protest it has provoked. However, the government must be willing to officially adopt dollarization, and allow the foreign banks to increase their hold on the banking system, 67% of which they own already.



Representatives of Wall Street in Argentina have issued shrill attacks on Lyndon LaRouche and on imprisoned Malvinas War hero former Col. Mohamed Alí Seineldín (above), fearing that LaRouche's recovery strategy will destroy their own power.

'Get Seineldín'

In this environment, the financial circles for which *Ámbito* speaks also fear that imprisoned nationalist Mohamed Alí Seineldín, "like Carrió, closely follows LaRouche's economic ideas," and has issued documents supporting LaRouche's proposals "for the creation of 'a new international monetary system,' which would dispense with the foreign debt, eliminate the IMF, and abandon projects like the FTAA [Free Trade Area of the Americas]."

Ámbito explicitly warns Carrió to stay away from LaRouche. She could jeopardize her political career—until now she has been cultivated as an up-and-coming national political leader by the Anglo-American establishment—should she continue to allow the "shady" LaRouche be her "source of inspiration."

Ferrer and his superiors worry that Seineldín, in prison, still inspires people to act. Not surprisingly, as the military hero has himself denounced, there have been increasing attempts to implicate him in recent acts of violence, to discredit him. One day after *Ámbito Financiero* published its slander, former prosecutor Luis Moreno Ocampo, Transparency International's President for Latin America and the Caribbean, joined the act. Claiming that someone had painted the name "Seineldín" on the door of his house, and saying he had received a death threat from people associated with Seineldín,

Moreno filed a complaint with police, and called for an investigation.

Speaking with Radio Mitre the same day, Mrs. Marta Labeau de Seineldín called the ex-prosecutor's charges "nonsense." Seineldín, she said, "is behind bars, incomunicado after 12 years of outstanding conduct as a prisoner. This is gossip. . . . My husband thinks big, about his nation, [not about] stupidities. . . . I believe this was done on purpose," Moreno Ocampo, who helped prosecute Seineldín in 1991, admitted his real concern: "Given what's going on in Argentina today, we can't afford the luxury of letting [Seineldín's] group conspire. We must investigate."

LaRouche's 'Reply To A Message From Laputa'

U.S. Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. issued the following on Jan. 29, to "that libellous rant," by author Damian Ferrer, which appeared in the Jan. 28 edition of the Argentine financial daily Ámbito Financiero.

To the Publisher and Editors

Gentlemen!

Implicitly, according to your Jan. 28th publication of a libellous piece by your writer Damian Ferrer, I have, in his eyes, committed the offense of mentioning the rope in the house of the hanged. The reality of the situation in which that piece appears, is the following.

Argentina is currently featured among a growing list of national economies, on all continents—excepting perhaps Antarctica—which are already gripped by the terminal phase of a threatened collapse into national bankruptcy. In my experience as a management consultant, and otherwise, I have often had the opportunity of observing the behavior of those who put themselves through unnecessary further suffering, by hysterical attempts to deny a simple, inescapable fact: they are bankrupt. As in many analogous cases of bankruptcy, by private firms, or governments, the bankrupt himself could be saved, but the financial system is doomed in its present form of organization.

Such is precisely the character of your publication of the mentioned item by Ferrer. Under recent decades' IMF conditionalities—and present IMF policies—Argentina is, and would remain, hopelessly bankrupt. There are those in Argentina who would wish to deny that fact, or create a wild diversion in the effort to distract attention from what remains a simple, clear fact of financial accounting.