

# Mr. Taylor: Argentina Already Paid Its Debt!

by Cynthia R. Rush

U.S. Treasury Undersecretary John Taylor on July 15 told a gathering at the neo-conservative Cato Institute that Argentina *must* negotiate with foreign creditors—by which he meant the vulture fund front group, the Global Committee of Argentina Bondholders (GCAB), and also prove that its 2001 debt default was “a one-time event that won’t be repeated.” Taylor warned that Argentina’s creditworthiness in the eyes of the world will be determined by “the way in which it restructures its debt, and how it negotiates with its creditors.”

Responding to a question from the Argentine daily *Clarín*, Taylor insanely asserted that unless the government of Néstor Kirchner negotiates “responsibly” with the funds that speculated on the country’s debt to make a financial killing, and agrees to give them more than the 25% he is offering on \$99 billion in defaulted debt, Argentina’s commitment to “economic freedom” will be suspect. He neglected to say that the Cato Institute defines economic freedom as unbridled looting.

Briefed on these remarks, U.S. Presidential candidate Lyndon LaRouche suggested that President Kirchner respond to Taylor this way: “Without going into too much detail, Mr. Taylor, as Vice President Dick Cheney said on the floor of the Senate, go ‘f\*\*\* yourself.’ ”

LaRouche had more to say on the mentality that Taylor represents in a July 20 interview with the state-run Radio Nacional of Córdoba, which we publish below. He told listeners in the country’s second largest city that governments could use “the sovereignty of the nation-state as a principle which is higher in power than any financial business,” to fight the financial oligarchs who will resort to “economic cannibalism” around the globe rather than give up their power.

## Synarchist Offensive

Inside Argentina, Kirchner is walking a very fine line between banker-controlled synarchist fascists of the left and right, who are both out to destabilize his Presidency.

Exemplary was the July 16 attack on the Buenos Aires Legislature building by 400 shock troops, protesting changes in a municipal code scheduled to be debated inside. Although the protesters included unemployed, street vendors, prostitutes, and other “self-employed,” the core group leading the attack with steel poles, clubs, and molotov cocktails reportedly belonged to three radical leftist groups. They smashed windows, doors, and nearby cars before being subdued by police.

In dealing with these and other incidents by Jacobin groups of unemployed known as *piqueteros*, Kirchner has ordered police to control the situation, but not to resort to harsh repression that could unleash worse violence. In a situation of high unemployment and poverty rates, in which the fastest growing new “jobs” are those found in the “informal” economy with no benefits of any kind, the potential for orchestrated violence is great. It wasn’t difficult for radicals to whip up those poor who are trapped in such degrading “employment,” against proposed changes in the municipal code, intended to restrict their activity in the name of “keeping the streets safe.”

It is noteworthy that the author of the proposed changes in the municipal code is Mauricio Macri, a darling of Washington’s neo-con bases at Cato and the American Enterprise Institute. He and his co-thinker, former Presidential candidate Ricardo López Murphy, are part of the right-wing synarchist apparatus allied with Washington’s neo-cons, who accuse Kirchner of being a communist or closet terrorist, and want him overthrown. The fascist gang around *Maritornes* magazine, led by Antonio Caponnetto, lines up with this crowd.

López Murphy, who was trained in fascist economics at the University of Chicago, has charged that the July 16 events were “the logical consequence of the government’s attitude, which has decreed that people have the right to do what they want.”

An opposing and more intelligent view came from Col. Mohamed Alí Seineldín (ret.), a hero of the 1982 Malvinas War. Kirchner “is fighting,” he said in an interview published July 15 in the daily *La Capital*, adding that “we’ll have to see how things evolve.” While he characterized the *piqueteros* as “part of the national movement,” because they represent the “remnants of the trade unions” which former President Carlos Menem dismantled, they should “revise their methods,” Seineldín said. “The causes they pursue are just, but they are led by people who should review their ideas and thinking. This is not the way to get our country back.”

As for the foreign debt, Seineldín said it “has been paid five times over, and it’s therefore an issue that should be put to rest. . . . If we continue paying, we are going to continue being poor.” He pointed to 1975-76 as the beginning of the country’s economic decline, with the Wall Street-dictated policies that did away with small and medium-sized productive enterprises. This policy was continued by President Raul Alfonsín, and then by Menem, whom Seineldín labeled “a traitor.”

LaRouche commented that Colonel Seineldín “may have his weaknesses, but unlike some of his friends at *Maritornes*, he’s obviously not infantile when it comes to strategic questions. Seineldín is weak and emotional about many of his judgments, but he does think strategically, like a military commander,” whereas those babbling synarchists who surround him, do not. “They are incurably underlings, who are strategically stupid. That’s the difference,” LaRouche said.