

ARGENTINA'S KIRCHNER SPEAKS OUT

Only the 'Activist State' Can Defend General Welfare

by Cynthia R. Rush

In a series of speeches over the past month, including during his trip to Spain, Argentine President Néstor Kirchner has forcefully identified the same fundamental point that American statesman Lyndon LaRouche has made repeatedly: Only the "activist state," which promotes and supports industrial development and public investment in vital infrastructure, is capable of defending the General Welfare of the population.

The Argentine President's insistence on this point, combined with his leadership of the informal "Presidents' Club" of Ibero-American heads of state, has made him almost as unpopular as LaRouche among the financiers of the Synarchist International, who are becoming unhinged at his boldness in challenging their right to loot entire economies and populations. Finding intolerable his echo of the ideas of Franklin Delano Roosevelt, they have unleashed their Argentine and international assets to attack Kirchner as a megalomaniacal "authoritarian."

What further unnerves these financial vultures is that Kirchner is naming names, going to the heart of the synarchist apparatus, which has dismantled Argentina's once-vibrant industrial capability over the past two decades—as has also occurred in other countries of South America's Southern Cone. This same apparatus has openly promoted the Nazi repression typified by the Operation Cóndor machine that kidnapped, tortured, and "disappeared" tens of thousands of people during the 1970s, to enforce the military dictatorships' neo-liberal economic policies.

Working through its so-called "Catholic" networks, which meshed with Argentina's own anti-Semitic "Catholic nationalism," the French synarchy leadership had crucial input into these brutal governments, on both the military and economic fronts, as *EIR* will demonstrate in future articles. It

is noteworthy that to drive home his point, Kirchner has singled out the role of the private French utility company Suez, on whose international board of directors, until recently, sat Felix Rohatyn, agent of the Lazard Frères synarchist banking conglomerate. This is the same Rohatyn who helped overthrow Chilean President Salvador Allende in 1973, to install fascist dictator Augusto Pinochet, and whose Lazard Frères bank was hired by then-President Eduardo Duhalde in 2002 to "advise" Argentina on its debt negotiations with the vultures funds that had looted it.

The Argentine government kicked Suez out of the country earlier this year for failure to comply with the terms of its contract, which left hundreds of thousands of citizens—most of them poor—without the vital water and sanitation infrastructure that it had promised to build.

"The state must go where the market doesn't," Kirchner told a group of executives and trade union leaders from the metallurgical sector during a June 28 speech at the Presidential Palace, or Casa Rosada. He warned that the private sector is unlikely to care for the poor and dispossessed, "because the private sector naturally seeks margins of profitability. . . . We had a private company here, Aguas de Suez, that made big profits and took them out of the country," he explained. "To seek profit from water and sanitation, which are essential services for our brothers, represents a truly savage and unacceptable profit scheme."

That, he said, is why he ousted Suez and replaced it with a the state-owned company AISA, to guarantee that citizens have access to water, which he described as "an inalienable right." The issue "isn't whether we have statism," he said in another speech in La Plata on June 28. "It's the fact that the state, the nation, the government belong to all Argentines,



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Argentine President Kirchner, here speaking on June 28 at La Plata, is under synarchist attack for his defense of the state policy of promoting the General Welfare, for Argentina and other nations.

and must take care of everyone.” That is why “I support an activist state,” he stressed.

Not Martínez de Hoz’s Argentina

Aside from Suez’s sordid record, Kirchner uses the case of British-trained José Martínez de Hoz, the Finance Minister of the 1976-83 military dictatorship, as the antithesis of what Argentina should be as a nation. “We don’t want an Argentina that looks like the Argentina of 1976, created through the project of that unmentionable Finance Minister,” he said.

De Hoz is a longtime fixture in the global synarchist financial machinery, who, like his pals David Rockefeller and Henry Kissinger, belongs to the Trilateral Commission. Contrary to his claim to being “just” a free-market economist, as Finance Minister he backed the brutal “unconventional” repression of Henry Kissinger’s Operation Cóndor, which in turn fueled the left-right conflict that became known as “the dirty war.” He wrote shamelessly in a November 1977 article in the daily *La Nación* that, “For some time now, the previously clear and defined dividing line among situations of ‘war’ and ‘peace’ have disappeared, leaving in their place an intermediate and conceptually confusing zone . . . of permanent conflict and unconventional military action . . . through forms of war far more merciless than anything known to date.”

The Argentine government is currently seeking to prosecute De Hoz in the case of the 1976-77 kidnapping of two businessmen, Federico and Miguél Ernesto Gutheim. On June 23, Human Rights Secretary Eduardo Luis Duhalde (no relation to former President Duhalde) filed suit in a Buenos Aires Federal Court to declare unconstitutional the pardon granted to De Hoz and other junta members by former President Carlos Menem in 1990, on grounds that “there was a unity in the State’s repressive actions and the implementation of economic policy” by De Hoz.

Charging that De Hoz is as guilty as the former heads of the military junta who were convicted in 1985, Duhalde argued that there was a “criminal enterprise among the members

of the Armed Forces and the members of the economic establishment of which Martínez de Hoz was a member.”

As Kirchner explained in his speech at the Casa Rosada, under De Hoz’s reign, “We even reached the extreme where some said there could be a country without national industry” or an internal market. “This is the view of neo-liberal economists . . . who think that to promote national industry” or job creation “is to promote the country’s destruction.” The government isn’t opposed to private investment, Kirchner underscored. But when it comes to protecting the poorer sectors of society, “the state must be present with its ‘social profit,’ to guarantee that our brothers don’t fall through the cracks of the social structure, but are rather incorporated into it.” Otherwise, you get the country that Martínez de Hoz and Menem created.

Where Is the United States?

Kirchner’s defiance of financial predators inside the country is also evident regionally, where he has emerged as the leader of the “Presidents’ Club,” which includes the heads of state of Bolivia, Brazil, Venezuela, Chile, and now possibly Peru. Although for varying reasons each of these Presidents has failed to replicate Kirchner’s decisiveness, they have moved as a group, albeit unevenly, under his political leadership in a way that has greatly alarmed the Bush-Cheney Administration. Under current conditions of global financial turbulence, and universal repudiation of the Bush Administration’s “democracy and free trade” agenda, there is considerable nervousness in Washington over what might come out of the Common Market of the South’s (Mercosur) Presidents’ summit, to be held on July 20-21 in Córdoba, Argentina. The Brazilian, Argentine, Uruguayan, Paraguayan, and Venezuelan Presidents will all attend.

Bolivia’s recent assertion of sovereignty over its hydrocarbons, and its announcement that it, too, will oust Suez from the country next month, has rattled the bankers. They are also worried that should PRD candidate Andrés Manuel López Obrador win Mexico’s July 2 Presidential elections, this could further disrupt their synarchist agenda for the region. The financiers were distressed when López Obrador’s top advisors recently told *The Washington Post* that the candidate’s program is a plan for a “Mexican New Deal,” modelled on what Franklin Delano Roosevelt (FDR) did in the U.S.

In his book *An Alternative Project for the Nation*, López Obrador particularly highlights the excellent relations that existed between FDR and Mexico’s nationalist President Lázaro Cárdenas, and notes that during his first 100 days in office, Roosevelt adopted a “whirlwind” of measures which “considerably increased the presence and influence of the public power in every aspect of U.S. life. . . .” One of Wall Street’s worst fears is that a Mexico governed by López Obrador might join forces with Mercosur on behalf of integration and industrial development.

In a June 22 speech before the Spanish Parliament, Kirchner identified the U.S. failure to offer any real leadership to

Ibero-America nations, in what was an appeal to the “other” United States of FDR and Lyndon LaRouche. “U.S. participation in the region is cold,” he stated. “We have no good integration discussions with them, because what they propose as integration is not auspicious for our region.” When Argentina faced its most difficult moments, he recalled, “we either had to overcome our problems ourselves,” or turn to countries like Spain which, during the height of the 2001-2000 financial crisis, offered “solidarity” and economic assistance. “In our judgment,” Kirchner said, the country “that should be carrying out that role in the region, isn’t doing it. So obviously we are going to seek other channels.”

During a joint June 22 press conference with Spanish President José Luis Rodríguez Zapatero, Kirchner spoke on behalf of the Presidents’ Club, reporting: “In all the conversations we’ve had, the different Latin American Presidents—President Lula, the Venezuelan President, the Presidents of Bolivia and Chile—have always expressed words of appreciation toward Spain and its President. . . . In the name of all of them, let me express our gratitude.”

In both this press conference and in the speech in Parliament, Kirchner argued that “certain sectors” that today characterize Ibero-American governments as “populist,” are really attempting “to slander the [principle] of self-determination of nations, and the search for justice, equality, and inclusion.” The reality, he said, is that “we are countries trying to rebuild ourselves.” It is essential, he noted, that people understand “what Bolivia is going through. After Haiti, it is the second poorest nation in the region. They’ve gone through the worst experiences.”

President Evo Morales is attempting to bring about a transformation, Kirchner said, which his long-suffering people demand. Although Spain may have concerns about the recent oil nationalization that affected some of its financial interests in Bolivia, he continued, through constructive dialogue, it will be possible for the two countries to reach integration and cooperation agreements.

Argentina is trying to play a positive role in this process, he explained, “to integrate Bolivia, not to leave it disintegrated.” As for Venezuela, he added, conflict around President Hugo Chávez is largely “encouraged by the United States, which tries to portray a supposed ‘little monster’ in everything he does.”

Argentine synarchists have responded to Kirchner by attempting to revive the “subversives” versus “the military” dynamic of the 1970s, which plunged the country into fratricidal conflict. When Kirchner spoke at the annual celebration of Army Day on May 29, and specifically denounced those leaders of the 1976-83 military junta “who killed their own brothers,” the Kissingerian snake Mariano Grondona, a *La Nación* columnist, accused him of hating the military. Grondona quoted the notorious 19th-Century French synarchist Alexandre Kojève, promoter of the fascist doctrine of “purgative violence,” to attack Kirchner.

Cheney and Netanyahu In New War Lunge

by Dean Andromidas

The dangerous escalation of the Israeli-Palestinian conflict has to be laid directly on the doorstep of Vice President Dick Cheney and Secretary of Defense Donald Rumsfeld. As of this writing, and as *EIR* had warned June 30, Israeli Prime Minister Ehud Olmert has opted to follow Cheney and Rumsfeld and their agent in Israel, Likud Party chairman Benjamin Netanyahu, into a new regional war.

Israeli troops have entered the Gaza strip en masse for the first time since the withdrawal of Israeli settlements in Gaza last September. Olmert claims that the purpose is to free Israeli corporal Gilad Shalit, who is being held by Palestinian militants inside the Gaza Strip. The Israelis bombed the Gaza power station June 28, cutting off electricity for more than 1.3 million people. They have also destroyed two bridges in the ongoing operation.

Olmert is implementing the same “hostage release” policy that Cheney and Rumsfeld have used in Iraq, a refusal to hold negotiations with “terrorists,” which always ends with the death of the prisoners. This should surprise no one, because just ten days prior to this dangerous escalation, Netanyahu held a not-so-secret meeting with Cheney and Rumsfeld at an American Enterprise Institute conference in Beaver Creek, Colo. Within 24 hours of his return from the United States, Netanyahu conferred with Olmert, and no doubt briefed him on his discussions with Cheney, which focussed on Iran and the region.

Less than a month ago, Olmert was in Washington, where he also met with the infamous duo, and only two days before the attack, it was revealed that Rumsfeld himself would arrive in Israel in a few weeks, his first visit to the country since becoming Defense Secretary.

Hours before Olmert ordered the attack on Gaza, Israel’s mass-circulation daily *Yediot Ahronot* published an op-ed by Netanyahu, demanding that the government reestablish its “deterrence” by unleashing the full force of Israel’s military power, “making the enemy internalize the fact that we mean what we say.” If this is carried out, Netanyahu said, he promised to support the government.

After Olmert took this advice, Netanyahu’s fellow Likud Knesset (Parliament) member Yuval Steinitz, spoke in the Knesset in praise of the operation, saying, “The decision to exert military pressure on the Palestinians to solve the crisis and return the captive home is right and worthy.” Netanyahu