

Argentina to the Vultures: ‘We Are a Nuclear Nation’

by Cynthia R. Rush

July 15—During Russian President Vladimir Putin’s July 12 visit to Argentina, he and President Cristina Fernández de Kirchner signed several agreements for expanded economic, trade, military, and nuclear energy cooperation, heightening the British monarchy’s nervousness over the Argentine President’s pursuit of an independent economic and foreign policy outside the parameters of the disintegrating trans-Atlantic financial system, and in opposition to the financial vultures.

London and its Wall Street allies are acutely aware that Argentina’s increasing orientation to the new Eurasian paradigm, seen in its strengthening partnerships with the BRICS nations—Russia and China particularly—makes it increasingly difficult to impose imperial dictates on the country or to sustain the absurd claim that Argentina “is isolated from the world.”

During his joint press conference with Fernández, Putin captured why Argentina is such a problem for the British Empire, with a remark that provoked knowing smiles of recognition from Russians and Argentines alike. Argentina, he said, “has its own view of international affairs, a sovereign opinion, something that is rare in today’s world, and we thank it for that.” Russia and Argentina “have similar positions in the international arena, and our view of foreign affairs is identical, or very similar,” he added.

President Fernández added that the two leaders agreed on the need for global economic and financial reform, especially to regulate capital flows, “which have practically turned the world into a financial casino.”

Thumbing Its Nose at the Queen

It is especially unnerving to the Empire that one of the most important agreements signed was for greater Russian participation in Argentina’s nuclear energy program. Russia’s atomic energy agency, Rosatom, will be bidding for the contract on Argentina’s fourth reactor, Atucha III—a fifth one is also in the planning stages—and is offering “comfortable” financing terms, according to Russian Energy Minister Alexander Novak. Rosatom director Sergei Kiriyenko maintains a close working relationship with Argentine Planning Minister Julio De Vido, the government’s point man for nuclear energy development.

Rosatom’s agreement with Argentina “lays a firm foundation for close cooperation in this area,” Putin said at the state dinner at which he was the honored guest.

For President Fernández de Kirchner and her late husband and predecessor Néstor Kirchner, the advancement of the nation’s nuclear energy program was defined as a policy of state—the central feature of Argentina’s physical-economic development. Both understood that this was only way that Argentina could recover from the catastrophic economic crisis brought on by 25 years of the IMF’s killer free-market policies, which culminated in the 2001 default on \$88 billion in foreign debt.

Néstor Kirchner insisted that the 2005 debt restructuring (a second restructuring occurred in 2010 under Fernández de Kirchner) be premised on sovereign scientific and economic development. Unlike the debt re-

structurings of other nations, Argentina's was concluded *without the IMF*. Kirchner was adamant that without economic growth, Argentina could not pay its debts. The nation had suffered the worst economic crisis in its history, a record 57% poverty rate, 25% unemployment, and hunger and misery in the nation once known as the breadbasket of South America. "Dead people don't pay their debts," he told the UN General Assembly in 2003.

This refusal to submit to economic suicide—the nations of Europe haven't had the guts to do this—is what lies behind the current rampage against Argentina by the Empire's vulture funds and their allied U.S. courts, using the phony argument that Argentina "refuses to pay" its debt. Argentina has punctually paid its restructured debt, under the terms of the 2005 and 2010 agreements, never missing a payment. The only thing it has refused to do is kill off its population to satisfy the blood lust of the British monarchy and its City of London and Wall Street hit men.

The vitriolic campaign launched by American billionaire Paul Singer and his Cayman Island-based NML Limited vulture fund has nothing to do with enforcing the "rule of law," as these predators howl. Their goal is to *overturn* a debt restructuring whose premise of sovereign economic development is anathema to their imperial powers.

'For Argentina and Humanity'

As the UN Economic Commission on Latin America and the Caribbean (ECLAC) recently documented, under the Kirchners' anti-IMF policy, Argentina achieved real economic growth, creating millions of jobs and restoring vital social services. Between 2002 and 2010, Argentina had the highest average annual economic growth rate in the last 50 years, surpassing Ibero-America's other large economies, and even the South Korean powerhouse. Its average annual GDP of 5.56% between 2002 and 2010 surpassed Brazil, Chile, Mexico, and South Korea. Job creation of 4.20% was also the highest in the past 50 years, surpassing Brazil, Chile, and Mexico.

The revitalization of the nuclear program was the cornerstone of this pro-growth policy. In August 2006, a little over a year after the 2005 debt restructuring was successfully concluded, Néstor Kirchner announced that the state would assume responsibility for rebuilding the nuclear program "for the benefit of the Argentine people and humanity."

This was intolerable impertinence from a country that the British Empire had always considered to be one

of its crown jewels—except for the annoying fact that some nationalist governments, such as the 1946-55 administration of President Juan Domingo Perón, rejected such a dubious distinction. It was under Perón that the National Atomic Energy Commission (CNEA) was founded in 1950, although nuclear research and development had begun some years earlier, followed by years of stunning advances that earned it international acclaim. The government created an impressive number of scientific institutes and university programs, and recruited national and foreign scientists to train personnel and help develop the necessary infrastructure. The Balseiro Institute in Bariloche became Ibero-America's premier facility for training nuclear engineers.

The first nuclear reactor, Atucha I, began operations in 1974. By 1977, the government had outlined a program to build four nuclear reactors, slated to come online between 1987 and 1997, along with the requisite infrastructure, including a heavy water reactor. The Embalse plant opened in 1984, and Atucha II was scheduled for completion by 1988.

During this period, Argentina achieved the full nuclear fuel cycle, enriching uranium on a small scale at the Pilcaniyeu plant. CNEA signed agreements for technology transfer with other Ibero-American nations, and by the mid-1980s, nuclear energy accounted for about 17% of the nation's electricity supply.

'A Nuclear Nation'

The free-market governments that ruled between 1976 and 2003 tried to wipe out these achievements. Former President Carlos Menem, a poster boy for IMF's policies, and his Harvard-trained Finance Minister Domingo Cavallo paralyzed the construction of Atucha II in 1996, and shut down the Pilcaniyeu enrichment plant the same year. By the turn of the century, nuclear energy accounted for only 4% of national electricity generation.

The two Kirchner governments reversed this calamity. Fernández de Kirchner strove to repatriate the nuclear scientists who had been driven from the country by the Menem-Cavallo duo, and by 2012 had succeeded in bringing home over 1,000 of them. Atucha II recently went online and will reach its full potential of 745 MW by year's end. The Pilcaniyeu plant was reopened, and as CNEA President Norma Boero proudly reported on May 31, National Nuclear Energy Day, "in a very short time, Argentina will be able to say that after 31 years, it has recovered its ability to enrich uranium." The reopening of the Pilcaniyeu plant represents "sovereignty

and independence,” she said, because there can be no progress as long as the country depends on foreign sources for technology and inputs.

Two weeks earlier, CNEA Vice President Mauricio Bisauta proclaimed that “Argentina is a nuclear nation.... We have a presence in all of the country’s provinces,” and an array of projects that will extend into the coming decade, to ensure nuclear energy’s increasing role as a supplier of Argentina’s energy needs.

Once it is fully operational, the Pilcaniyeu plant will be able to supply Argentina’s three existing plants, as well as new ones scheduled to be built. Uranium mines shut down during the 1990s are being reopened, and CNEA will be building a plant in the province of Formosa to produce uranium dioxide.

Vultures Crashing

This explains why the vulture funds’ campaign against Argentina has reached a fever pitch, with hysterical full-page ads published in international media, trying to convince the world that Argentina is a “dead-beat” debtor thumbing its nose at “legitimate” creditors and deliberately planning another default.

But, Lyndon LaRouche has pointed out, this campaign is backfiring. The global system is crumbling, and Argentina is insisting it will not give in to the vultures’ extortion and blackmail at the expense of its na-

tional sovereignty. Cabinet Chief of Staff Jorge Capitanich pointed out in his July 10 press conference, that the vultures are deeply involved in financing U.S. Congressional campaigns and extorting judges to buy political favors to bolster their predatory cause.

This, combined with the unprecedented international support Argentina has garnered for its cause, has the vultures and their imperial bosses increasingly on the defensive.

Evidence of that was the complete flop of the 24-hour “fact-finding” mission in Buenos Aires June 10-12, of two executives from the American Task Force Argentina, the vulture fund lobby group financed by Paul Singer. Dr. Robert Shapiro and Nancy Soderberg pathetically claimed they had traveled there to “counteract” Argentina’s lobbying against them abroad, and planned to meet with “opinion-makers,” to gather information on the economy. But no one, not even rabid opponents of President Fernández, dared be seen anywhere near the luxury hotel in which the two were holed up, and they ended up meeting instead with journalists from four anti-government newspapers, luring them with caviar and champagne.

Soderberg defensively claimed that “we are not representatives of Elliott,” referring to Paul Singer’s Elliott Management, owner of NML. “We just want their contracts to be fulfilled.”

Italian Lawmaker: Economic Justice for Argentina

July 14—In an interview to be published in an upcoming issue of *EIR*, one of the initiators of the Italian Parliamentary Petition on Argentina said that the petition already has 100 signatures. Fabio Porta, member of the Foreign Affairs Committee and President of the Permanent Committee of Italians Abroad, said Italy will use its EU semester¹ to gather support not only for Argentina, but for the issue of global rules that allow a safe debt restructuring for national economies.

Porta explained that the Italian petition aims at re-starting negotiations interrupted at the IMF in 2003, which concerned exactly those rules. “Today it

is Argentina, but tomorrow, not only other emerging countries, but even European countries could find themselves in the same situation,” Porta said. Italian Foreign Minister Federica Mogherini will discuss the issue with Argentinian President Cristina Fernández in her visit to Buenos Aires Aug. 4.

“At stake at this moment is the justice and equity of international right,” Porta stressed, referring to the unjust economic and financial system which uses “a double standard” in international relationships.

Porta also endorsed the push for Glass-Steagall in the United States, which was recently supported by a petition to Congress with 600,000 signatures. “It is right and wise too, that a new effort has started, for reorganizing the international banking and financial system, starting with regulations” in the United States. “I therefore consider very interesting what is occurring—the fact that such a large part not only of Congress, but also of public opinion, is mobilized around this proposal.”

1. Italy holds the presidency of the Council of the EU for the six-month cycle beginning July 1.