

Argentina Sees LaRouche in New Film on Debt

by Cynthia R. Rush

At a moment when Argentina is under vicious assault internationally, charged with not showing proper respect for speculative vulture funds that are demanding that more Argentines die to pay “their” debt, former Democratic Presidential candidate Lyndon LaRouche has shaken up the political scene with a forceful intervention on behalf of this once-prosperous South American nation.

On Oct. 5, in a premiere showing in Buenos Aires of the documentary “Debt: Who Owes Whom?,” produced by well-known journalist Jorge Lanata, Argentines heard LaRouche say that “beast-woman” Anne Krueger, the International Monetary Fund’s Deputy Managing Director, has imposed a policy of “deliberate genocide” on the country. The showing was attended by prominent political figures, congressmen, cabinet members, trade union leaders and others.

Bombshell Release Follows LaRouche Webcast

LaRouche’s remarks were excerpted from the interview, which follows below, conducted by one of Lanata’s collaborators in April of this year. On Oct. 7, one day after an international webcast by LaRouche from Washington D.C., in which he denounced the “Nazi” policy the IMF had imposed on Argentina, Lanata’s documentary was released in theaters around the country.

Personifying IMF policy, Krueger is hated in Argentina. According to members of the LaRouche Youth Movement (LYM) who were invited to the Oct. 5 showing, a buzz of agreement and commentary went through the theater audience when LaRouche identified her as “Freddy Krueger’s mother” (evoking a monstrous murderer in a popular horror film series) whose function is: “to be a Beast-woman. To be totally irrational, totally aggressive, a savage beast, a cannibal—hmm? And therefore, you ask—well, you don’t say, ‘What did you eat today, Annie?’ You say, ‘Who did you eat today?’”

Having begun with dramatic clips of children dying of hunger in the province of Tucumán—such malnutrition would have been unheard of in Argentina years ago, when it was Ibero-America’s wealthiest country—the film counterposed excerpts from interviews with several people, including Krueger and other World Bank and IMF officials, with that of

LaRouche. It used LaRouche’s commentary to drive home the real nature of IMF policy. The typical IMF bureaucrat, LaRouche said, is “a perfect copy of the bureaucrats in the Gestapo: ‘This is my job. This is not personal. *I’m just doing my job.* This guy is in the way. My job is to eliminate him. Eliminate him!’”

The most stunning part of the documentary, according to LYM reports, was LaRouche’s description of how—through imposition of free trade—international financial elites had taken a country that enjoyed the world’s fourth-highest living standard at the end of World War II, and driven it into African levels of misery by 2001-2002.

This is the policy drafted by then-National Security Advisor Henry Kissinger in his 1974 NSSM-200 document, LaRouche said. “The *same policy*, which we see in Sub-Saharan Africa, is being conducted now, against the countries of South America. . . . To destroy the population, to break its will, to depopulate the area. To preserve the large natural resources of South America, in particular, for future generations of Anglo-American entrepreneurs.”

A ‘Rogue Debtor?’

In an interview published Oct. 5 in the provincial daily *La Voz de San Justo* of Córdoba, Jorge Lanata commented that LaRouche: “says that the people at the IMF are like the Gestapo in Nazi Germany. I agree that those officials are like the guys that slammed the doors [on the Jews] in the trains that went to Auschwitz, and when they were asked what they had done, they said they had nothing to do with it. That’s the impression you get from Krueger, [IMF External Affairs Director Tom] Dawson, and all those who were in the film. In fact, at the World Bank, they even have the line that they can change things. But I was struck by something that a Brazilian said in the film—that the problem is that the North doesn’t understand why we don’t solve our own problems. But [the North] doesn’t understand that *they* are the problem.”

Proving Lanata’s and LaRouche’s point, foreign financial predators went berserk on Oct. 7, after Argentina’s President Néstor Kirchner announced that he had reached an agreement with the country’s private pension funds—AFJPs—which hold close to 20% of the country’s defaulted debt.

The government agreed to swap \$16 billion of the debt held by the pension funds for new bonds. But, in addition, it offered bonds with shorter maturities than those offered to foreign bondholders, for that portion of the debt—\$2.3 billion—which the AFJPs were forced to purchase in 2001 by then-Finance Minister Domingo Cavallo. Cavallo is the Wall Street errand boy who was run out of office in December of that year, along with President Fernando de la Rúa.

The government sees the agreement as a major step forward in acceptance of its plan to restructure \$100 billion in defaulted debt, now entering its final stages. But various for-

eign bondholders loudly complained that the AFJPs were receiving “special treatment,” thereby proving that the country is a “rogue debtor” which doesn’t immediately roll over for the world’s usurers.

Kirchner and Lavagna have repeatedly refused to

“improve” the restructuring offer—that is, to reduce the 60% debt writedown—by imposing the deeper austerity against the population which the IMF, Group of Seven, and vulture-fund front group, the Global Committee of Argentina Bondholders (GCAB), have repeatedly demanded.

Millions Live on 50¢ per Day

Argentina had an unemployment rate of 7.5% of the labor force in 1990 (**Figure 1**). After a decade of free trade and globalization, under the government of George Bush’s friend, President Carlos Menem, real unemployment leapt to 18% in 2001, and has continued to soar, up to 29% today.

As a result, poverty has also exploded: Today, according to government statistics, 48% of Argentina’s 37 million population live in poverty. (Other estimates place it at 53%.) This impoverishment includes not only the unemployed; there are now also millions of working poor Argentines, who receive less income than what is required to purchase the basic market basket of consumer goods.

In fact, 65% of all workers in this once-wealthy nation earn less than the cost of the basic market basket (735 pesos

per month, or about \$275). Moreover, 40% make less than the “subsistence” market basket: i.e., a market basket consisting only of food (350 pesos per month, or about \$120).

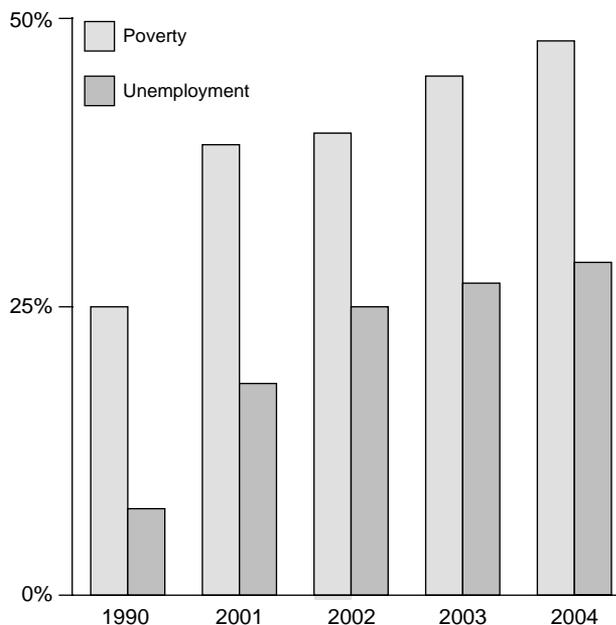
The first group are officially considered “poor”; the latter are “extremely poor,” or “indigent.”

As **Figure 2** indicates, over the last two years—during which time, Argentina has been forced to pay \$8.9 billion to the IMF, the World Bank, and the Inter-American Development Bank, even while remaining in default on its other debt—there has been a growing gap between average family income, and the cost of the consumer market basket. While family income rose some 20% in monetary terms during those two years, the cost of the basic market basket increased by 55%, and that of the bare subsistence market basket, by a whopping 75%.

Today, 10.7 million Argentines live on less than 2.9 pesos per day (about \$1); and of those, 5.7 million try to survive on 1.5 pesos or less per day (about 50¢).

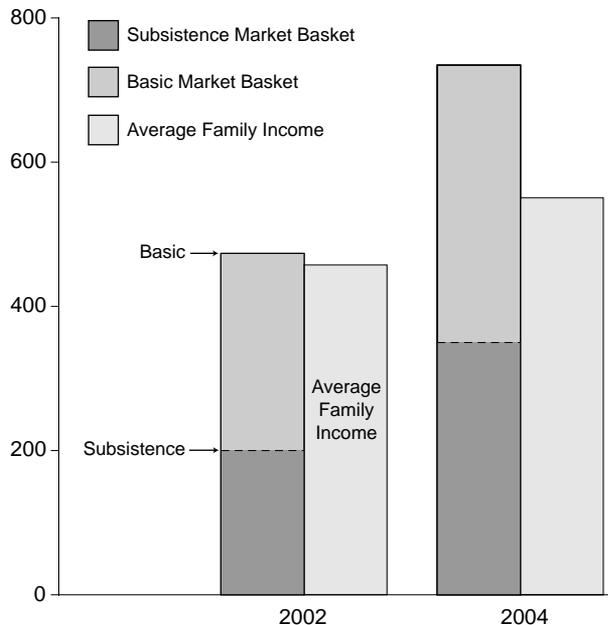
—Dennis Small

FIGURE 1
Argentina: Unemployment, Poverty Rise
(Percent)



Sources: INDEC, *Clarín* (Argentina); *EIR*.

FIGURE 2
Argentina: Family Income and Market Basket
(Pesos per Month)



Sources: INDEC *Clarín* (Argentina); *EIR*.