

Argentina, Brazil Take Steps To Halt Bankers' Wars and Looting of S. America

by Dennis Small

Speaking in the name of the 19 Ibero-American nations that make up the Rio Group, Argentine Foreign Minister Rafael Bielsa called for a New Bretton Woods conference of international heads of state, in his address to the United Nations General Assembly's special session on "Financing for Development," held in New York City on Sept. 14.

The countries of the Rio Group "raise the necessity of reforming the international financial architecture, [which is] anachronistic and inefficient," Bielsa said, because the international system "places concrete obstacles in the way of building the necessary favorable economic environment" for development, job creation, and ending hunger.

"Of course, this is not only the opinion of the Rio Group," Bielsa added. "There are many experts, specialized groups, and leaders throughout the world who are promoting a new call for an international conference of Heads of State, similar to the 1944 Bretton Woods conference, to rebuild a more just global monetary and financial architecture which eliminates financial bubbles and concentrates on supporting the real economy."

With Bielsa's speech—which was personally approved by President Néstor Kirchner—the Argentine government has joined the growing chorus of voices internationally, including that of the Italian Parliament, which are echoing the call for a New Bretton Woods issued by American statesman Lyndon LaRouche. The Kirchner government thus took a substantive step beyond its useful earlier—and ongoing—sharp criticism of the International Monetary Fund (IMF), and the international financial speculators, for their role in destroying Third World nations' efforts to develop. The Argentine government has now made a substantial *positive proposal for a solution* to the global financial crisis, which will have immediate international repercussions.

The Rio Group's statements are typically coordinated by a troika of nations, representing the current chairman pro-tem, the past chair, and the upcoming chair of the group. In this case, Argentina is the current chairman, Guyana will be the chairman in 2006, and the 2004 chair was held by Brazil. This means that the Bielsa speech was in all likelihood approved by the Lula government of Brazil—the regional economic and political powerhouse, without which no Ibero-American motion toward a New Bretton Woods can prosper.

Cheney's Paraguay Capers

The Bielsa speech also throws a monkey-wrench into the efforts of U.S. Vice President Dick Cheney and Defense Secretary Donald Rumsfeld, operating on behalf of the very financial interests which the Argentine government has denounced, to unleash permanent warfare and chaos in South America.

Since the beginning of September, alarmed government officials and diplomats from a number of South American nations have demanded of LaRouche: Will the Brazilian government and national institutions not act to stop the ongoing operation of Cheney and Rumsfeld? Brazil is the only country in the region powerful enough to do anything about it, the distraught officials reported; if they don't act, we are in no position to resist.

The operation being referred to is the ongoing 18-month-long set of U.S.-Paraguay joint military maneuvers, which are designed to establish a permanent U.S. military base in Mariscal Estigarribia, Paraguay, in the heart of South America. That operation was sealed at a highly unusual Washington meeting on June 10, between Cheney and Paraguayan Vice President Luis Castiglioni, which was followed by a provocative Aug. 16 trip to Paraguay by Rumsfeld. A complementary feature of the operation is that U.S. troops deployed in Paraguay have been granted immunity by the Paraguayan Congress, which effectively annuls a crucial feature of that country's sovereignty.

In its Sept. 2 edition, *EIR* exposed the fact that the British-run intelligence operations—the Worldwide Fund for Nature (WWF) and the Moonie cult of Rev. Sun Myung Moon—are an integral part of this operation run by international oligarchical financier interests, in which Cheney and Rumsfeld are simply the "toughs" being deployed as enforcers.

LaRouche responded to the South American pleas, with the following public comment:

"I am concerned about the lack of courage shown in certain quarters in Brazil, especially in the wake of the conveniently timed corruption scandals against President Lula. Brazil has to wake up to reality. It has to understand the importance of the defense of its sovereignty, and that of its neighbors, against the Moonie and British-run invasion, or the whole continent—including Brazil—is going to go down the tubes."

The Smell of Permanent War

In his exchanges with South American friends and contacts, LaRouche has insisted that the Cheney-Rumsfeld Paraguay caper is *not* principally targetted at Bolivia's natural gas reserves, nor terrorist capabilities in the Triple Border area of Paraguay-Brazil-Argentina, nor even Brazil's Amazon wealth per se. Rather, it is designed to unleash a state of *permanent war* in the region, to destroy the nation-state as such—and then all the rest will follow, in their imperial “reasoning.”

Certain layers in South America are beginning to get a smell of what LaRouche is talking about, and act on it.

In Brazil, Foreign Minister Celso Amorim, who had previously issued only cautious remarks that a U.S. military base in Paraguay was “unnecessary,” on Sept. 13 turned up the pressure on Paraguay significantly.

In an interview with the leading Argentine daily *Clarín*, Amorim responded to Paraguay's announcement a week earlier that they were seeking a bilateral free-trade accord with the United States because economic relations with its partners in the Common Market of the South, or Mercosur—Brazil, Argentina, and Uruguay—had become an “obstacle” to Paraguay. That free-trade gambit was also reportedly put in place directly by Cheney and Rumsfeld, in their meetings with the neo-con Vice President of Paraguay, Castiglioni.

Amorim uncorked in the *Clarín* interview: “When economic accords are signed, a choice has been made, and in this case Paraguay must understand that the choice is between Mercosur and other potential partners. A go-it-alone trade accord is not compatible with the other partners of the [Mercosur] bloc.”

Amorim's scarcely veiled threat hit the Paraguayan government like a bucket of cold water. After all, Brazil is Paraguay's single largest trading partner, with 27% of the total, followed by Mercosur member Argentina, with 17% of the total. Paraguayan-U.S. trade is only 6% of their total trade. So Paraguayan authorities now have to seriously consider whether or not it makes any sense to follow Vice President Castiglioni into his *ménage-à-trois* with Cheney and Rumsfeld. Initial reports indicate that Paraguayan authorities have begun to back off from that idea rapidly.

In Argentina, the Kirchner Presidency has leaked reports that it is “carefully watching” developments in Paraguay; that it is unalterably opposed to the granting of any kind of immunity to foreign troops; and that it does not want to see “these types of agreements move forward in the region,” according to *Clarín*.

There is also intense interest in LaRouche's global and regional analysis among Argentine Congressmen, who—as of this writing—were planning to participate in LaRouche's Sept. 16 webcast from a meeting room of the Congressional Annex building in Buenos Aires. Also noteworthy is that an Aug. 26 *EIR* article entitled “Cheney's Paraguay Caper Is

Intended to Produce ‘A Splendid Little War’ in South America” was published by the Internet news publication *IAR Noticias*, and is being picked up and further circulated from that site. On Sept. 13, *IAR Noticias* also ran Lyndon LaRouche's Aug. 31 statement, “Our ‘Tsunami’ Was Called Katrina!” on their website.

Summit of the Americas

As necessary and useful as these defensive skirmishes by South American patriots are, they will not win the war. That requires taking on the disintegrating global financial system—which is what is behind the Synarchist bankers' drive to unleash permanent war—and supporting Lyndon LaRouche's efforts to bring a New Bretton Woods system into existence.

That is what the Bielsa speech at the United Nations has just signalled. In the weeks ahead, attention will turn to the early November Summit of the Americas, to be held in Mar del Plata, Argentina, attended by the hemisphere's 34 heads of state, including George Bush. The Argentine government of Kirchner, as the host of the summit, has insisted that a central agenda item must be how to build “a new financial architecture,” a demand which has provoked the undisguised rage of the Bush State Department.

Kirchner himself has continued to issue calls for a “new architecture,” as well as attack the International Monetary Fund. For example, in his speech to the United Nations on Sept. 14, Kirchner stated: “The predominance of the ideological component in the policies of the international credit agencies is also worrisome. The orthodox focus given to the issue of debt, [is] a focus which has shown its flaws and inefficiency, and which has worsened conditions of poverty in the developing world.”

The role of Brazil will be decisive at the Summit of the Americas, as it is for any effort to stop Cheney's Paraguay caper. Since his inauguration in 2003, Brazilian President Lula has steadfastly refused to put any daylight between his government and the policies of the IMF, foolishly believing that Brazil will fare better if it doesn't rock the boat. But over the recent months, Lula's pragmatism has gotten even worse, as his government has been shaken to its roots by corruption scandals, scandals which almost surely mean that Lula will not run for reelection, and may even lead to his fall from office in the next weeks and months.

But as experienced Brazil-watchers know, it is always best to expect surprises from Brazil, often when they are least expected. It is frequently what you *don't see* that is actually shaping decisions. Moreover, LaRouche's challenge stands, and will be heard in that country:

“Brazil has to wake up to reality. It has to understand the importance of the defense of its sovereignty, and that of its neighbors, against the Moonie and British-run invasion, or the whole continent—including Brazil—is going to go down the tubes.”