

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE



Latin America Newsletter

Argentina Resistance Blocks Wall St.'s Fascist Programs

July 16 (NSIPS) — Argentina's economy is bankrupt, its industrialists disoriented, and its working class idle and increasingly angry. With neither a functional trade union apparatus nor a unified military structure to impose the political restraints and economic austerity demanded by Argentina's Wall Street creditors, the ruling junta has resorted to the use of widespread death squad terror against the population. These open terror tactics are designed to create the climate for the imposition of the labor intensive "economic reconstruction" policies prescribed by Wall Street's International Labor Organization (ILO). To date, the imposition of this fascist scheme has been blocked by isolated resistance from the left, working class and industrialist layers. With the appropriate international catalyst, however, these elements form the basis for a potentially strong anti-fascist movement.

This week's edition of Wall Street's Barron's magazine, fearfully acknowledges this reality: "The Argentine economy is ruined and Argentine society is dislocated," Barron's reports, "... (Argentine President Jorge Videla) seems to have little control over the anarchy that reigns in Argentina... Videla is perhaps the worst risk that has ever asked the (international) banks for the sum of \$1.2 billion." Yet despite Wall Street's appraisal of Argentina's credit rating as hopeless, Economic Minister Martinez de Hoz' current U.S. and European fundraising tour for refinancing Argentina's debt has met with "unexpected" success.

This deviation from traditional international financial practice was, however, not unexpected. According to Money Manager, another Wall Street weekly, de Hoz presented U.S. Secretary of the Treasury William Simon with an "ultimatum" during his visit to Washington, D.C. last month. That ultimatum, reflecting the highly volatile situation in Argentina, demonstrated to Simon that unless sufficient credits were provided to refinance Argentina's huge foreign debt, de Hoz would be forced to declare a debt moratorium. The loyalties of Mr. de Hoz, a man called "Joe" by his best friend David Rockefeller, were never questioned. As one banker explained in an interview this week, de Hoz was not making a threat, he was simply "being honest" in reporting the anti-Wall Street pressures back home. Thus, as Barron's nervously concludes, "(the banks and the International Monetary Fund) have no other choice but to concede the credits..."

The widespread Argentine resistance to Wall Street's fascist dictates may catch the debt collectors at the IMF and the World Bank by surprise and dismay. They do not, however, shock de Hoz whose extensive family ties to Argentina's agricultural and industrial layers (sugar and steel) are well known. A long tradition of progress-oriented thinking within Argentine capitalist layers was transplanted from Europe together with the majority of Argentina's original settlers. A fierce national pride in culture, education and high living standards are similarly firmly rooted in Argentina's working class, giving it unique distinction as South America's most "Europeanized" nation.

The drastic collapse of production over the last six months, and the consequent deterioration of Argentina's living standards, has

brought the reality of Third and even Fourth World poverty and backwardness terrifyingly close to the Argentine population. Within the last three months alone, the sales of most consumer goods industries have dropped by 60 to 80 per cent as the buying power of the working class, has fallen by 46 per cent since January. Argentina has suffered the highest inflation rate in the world for over a year, and the basic national industries of steel, auto, glass and agro-machinery are folding up or universally resorting to "short production weeks" as their inventories remain unsaleable. A shortage of credit available to these capital-intensive industries has become more pronounced as the government's fascist deindustrialization policy is translated into selective credit rationing to promote "decentralization."

ILO's Fascist Proposals Rebuffed

The labor-intensive "decentralization" policies detailed at the World Bank-sponsored International Labor Organization conference in Geneva last month were met with outrage by the Argentine delegation. The Argentines agreed to join with the progressive representatives of Mexico and Algeria to block the passage of the ILO's fascist proposals.

Part of the ILO program specified that Argentina's capital-intensive, collectivized agricultural industry be dismantled in favor of labor-intensive plot-farming in marginal jungle and mountainous areas of the country to avoid costly fertilizer and machinery imports. The agricultural ministers of all the Argentine provinces met in a conference the week following the ILO meeting to denounce this proposal. According to the Buenos Aires press coverage of the conference, the provincial ministers resolved that "the agricultural frontier will allow no expansion that does not proceed from the incorporation of technology!"

Equally significant is the recognition of the notion of labor power that developed within capitalist layers who have angrily responded to IMF dictates for drastic cuts in working-class living standards. These layers have demanded instead that the government make "education, health and basic public services" their top priority. The junta's elaborate campaign over recent weeks to push the implementation of labor-intensive public works projects has also been rejected by provincial ministers who have cited the industrial development of the provinces as their primary objective.

Patagonia: "Argentina's New Future"

Despite the overwhelming pro-development sentiment of Argentina's industrialist and agricultural base, the junta continues to promote the World Bank's fascist programs. Over the past week, President Videla himself was sent out to stump for his fascist backers in the frozen wastelands of Patagonia in southern Argentina. While Videla's sales pitch about Patagonia's "hidden riches" was intended for the oil-hungry multinationals, the extensive publicity given the Videla tour in the press is even more explicitly directed at Argentina's severely unemployed and underemployed workforce. "All means will be implemented for those who, with patriotic vocation, decide to relocate and work in these

lands. The old and the new pioneers will receive the encouragement and support necessary for a renewed impulse of creation and progress," said a typical press report. Videla promised, "What is important is to create poles of development in the interior of the country, particularly in Patagonia, to give it its own independence," and further urged the "vigorous mobilization of human, material and financial resources" to carry out this "development." Workers in Argentina's industrial heartlands of Cordoba and Buenos Aires need only think back a few months to recall that the Argentine government was making plans to use chain-gang prison labor to "develop" Patagonia to appreciate the full intent of Videla's "vigorous mobilization of resources".

Other motion which would finally tip the delicate balance of forces in Argentina is beginning to appear in Cordoba, the auto

center of Argentina. There, more than 60 per cent of the work-force is highly-skilled. This layer is angered by the government's austerity measures and anti-labor measures which have included large increases in all public services, automatically increased by 15 per cent per month through the end of 1976, a wage freeze, the indefinite suspension of the right to strike, and the latest measure being mooted by de Hoz' ministry, an "emergency" 2 per cent tax on all personal income over 3 million pesos (\$120) a month — the average salary of the auto worker in Cordoba. During the last week, according to the Buenos Aires daily Opinion, three local newspapers ran panicked editorials on the effects of the "recession" on Cordoba's working class and all three came to the same unavoidable conclusion: "Can one be expected to believe that a mass of unemployed can stay immunized for three months to the siren songs of the preachers of subversion?"

Rockefeller's Institute for Policy Studies Runs Anti-Echeverria Smear Campaign

New York, July 16 (NSIPS) — An investigation by the U.S. Labor Party, the Mexican Labor Party, and New Solidarity International Press Service has revealed that the current international campaign of vilification and lies against the government of Mexican President Luis Echeverria originated with and is being run by the Washington, D.C.-based Institute for Policy Studies, a principal private arm of the U.S. political intelligence establishment and the chief controllers of international terrorism. Institute sources have indicated that the campaign is being waged with the full complicity of the U.S. State Department.

The Institute acting on its own name and through its front group, the Council of Hemispheric Relations is presently known to be conducting the following operations against the Mexican government and President Echeverria:

1) Conduiting lies and slanders into the international press falsely accusing Echeverria of "government repression" of the Mexico City daily Excelsior, an Institute "left-fascist" propaganda sheet recently taken over by right-wing forces linked to former Mexican President Miguel Aleman. (New York Times correspondent in Mexico, Alan Riding, is collaborating in this effort).

2) Authoring statements to be circulated by U.S. Jewish organizations, denouncing the foreign policy of the Mexican government as the prelude to Institute-organized "tourist boycott" of Mexico.

3) Pressuring European governments and the U.S. Congress, in particular the Black Congressional Caucus, to withdraw support for the nomination of Echeverria for the Nobel Peace Prize.

Not accidentally, the Institute for Policy Studies also played the key role in setting up the Israeli "counter-terror" raid into Uganda recently condemned by Mexico's Ambassador to the United Nations through deployment of its international terrorist networks to carry out the Uganda hijack hoax. Emphasizing the Institute's determination to continue its lawless interventions against Mexico, Larry Birns of the Institute's Council on Hemispheric Relations told NSIPS that doctrines of national sovereignty did not apply to the Institute's smear campaign because "there's no such thing as sovereignty in terms of ideas." Birns described how he personally had toured the offices of the AP, UPI, and other wires services to ensure that the Council's press release smearing Echeverria was conduited into print. But, Birns insisted, there is "no CIA plot to discredit Echeverria."

In addition to laying out the scope of Institute operations detailed above, Birns reported that the U.S. State Department, while publicly refusing to deny that Echeverria was behind the Excelsior takeover, is privately telling inquirers that "the facts of the case are even more damaging to Echeverria."

Echeverria: "The Majority Took Over Excelsior, Not The Gov't."

"It's Strange That Indignation Should Come From U.S."

July 17 (NSIPS) — *The following is a reprint of an article appearing in the July 14 Mexico City paper, Ultimas Noticias, which covered statements made the same day by Mexican President Luis Echeverria.*

President Echeverria stated today that his government "has never, least of all now when there is a lot of talk about an internal crisis in a newspaper cooperative, been bothered by any posture or any criticism, within the exercise of our liberties, which disagree with our official path."

At the inauguration of the new television facilities of Channel 13, President Echeverria referred specifically to the Excelsior case. He said that "It's symptomatic that criticism of the Mexican government over a problem which arose spontaneously in Excelsior has not yet been played up in the Mexican press, radio or television, but rather in some papers — very rich papers — in New York City — newspapers which are extremely dissatisfied with our nationalistic position."

The Chief of State said that his government "has only asked the media for responsibility and careful consideration, for a nationalist attitude in the face of foreign pressures and for a positive attitude in the face of established interest groups."

Moments later, in a surprise press conference, reporters insisted that the President discuss the Excelsior case and its repercussions abroad. The President replied, "Why not ask reporters from New York to go to the Excelsior offices and find out for themselves what happened there? It seems to me," he said "what happened there was decided by the majority of the Excelsior cooperative members."

When asked whether the criticism of the Mexican government published in the foreign press could cut down his image as one of the leaders of the Third World, Echeverria answered, "The world is full of criticism, from editorials in the United States or Israel. There is struggle. There is violence. And those opinions are coming from countries which use plenty of violence."