

and-simple great-power strategic expediency and traditional communistic global commitments intersect.

The first category of conflicts is rationally negotiable on a state-to-state basis. Insofar as the Soviet Union and its allied states pursue a self-interest of technological progress within their borders and in the domain of world-trade relationships, there is no irrepressible form of conflict between our states as states.

The second feature of the matter, traditional communist perspectives, is of no general strategic significance if we ourselves pursue a policy of energetic technological progress in development of the agriculture, industry, and basic industrial and agricultural infrastructure of developing nations, and if we act to prevent Federal Reserve policies from continuing the slide into a new world economic depression.

It is the third category of problems we define that is the clear and immediate source of strategic conflicts.

However, even in matters bearing upon the third category, Moscow would take no action intended to force the United States and its allies to war-fighting against Moscow itself. The danger of direct military engagement between forces of the superpowers arises from the chain-reaction of some accumulated set of strategic miscalculations.

The temporary withdrawal of a sulking Britain from NATO would not eliminate those other alliances which are based on the same threefold strategic view toward the Soviet threat as we have summarized here. Nor would Moscow exploit such a British withdrawal, especially under the circumstances in which the United States emerged as the hero of the developing nations as a whole, defending a developing nation against British colonialist forms of military atrocities.

Rather, such action would be the occasion for placing Moscow before a new agenda for immediate negotiations.

Meanwhile, the United States position within the hemisphere as a whole would be the best since the close of the last world war. That light which the Marquis de Lafayette and others described in such terms as "beacon of hope" and "temple of liberty" would be rekindled in the hearts and minds of peoples throughout the world. It is that light of the American constitutional republic, combined with resolution not to be degraded into a "post-industrial society," which is the foundation of our moral power as well as our material strategic capabilities in conduct of foreign policy.

The time has come for a stunning and just exercise of the power of the President of the United States, according to the law known as the Monroe Doctrine.

Let the Tories of the "Eastern Establishment" and our Jacobins howl in protest against this! Let all our patriots exult in unity, to assert once again the heritage of the American Revolution!

Latin America reacts to Malvinas crisis

by Cynthia Rush

EIR has learned that while Alexander Haig has been colluding with great Britain around the Malvinas crisis, Britain's intelligence services have begun to activate their assets throughout Latin America to guarantee that there are no efforts to invoke the Monroe Doctrine. *EIR*'s sources say that large sums of money are pouring into Latin American nations, beginning with Mexico, to buy support for Britain and to back up whatever operations are necessary to prevent unified Latin American support for Argentina.

As of April 15, reports were circulating in Washington that if Argentina attempts to invoke the Rio Treaty at the Organization of American States (OAS), it will be blocked by the United States.

Alexander Haig is scheduled to return to Buenos Aires on April 15 reportedly carrying some "new ideas" to discuss with the Galtieri government. Presuming that Argentina's position has been substantially weakened by lack of U.S. support, Haig can be expected to present the Argentines with an ultimatum—perhaps threatening a cutoff in U.S. aid—if the Galtieri government doesn't agree to withdraw its troops from the Malvinas or accept "multi-national" administration of the islands as proposed by Britain.

The British oligarchy is prepared to go beyond threats however. Intelligence sources say the British are preparing for total war, and may re-establish military bases in Africa and the Indian Ocean to provide logistical support for the fleet now heading toward the Malvinas. Since Britain cannot afford to maintain a lengthy conflict or blockade, the plan is to "sink an Argentine ship or two," and force Argentina to its knees as quickly as possible. "Britain won't flinch from using force," Margaret Thatcher told an enthusiastic House of Commons on April 14.

The consequences

The Galtieri government, which was shaky before the Malvinas invasion, could fall altogether if it suffers a political or military defeat at the hands of the British. The man said to be waiting in the wings is Interior Minister Gen. Alfredo St. Jean, a hardline nationalist whose military allies strongly oppose Swiss-born Fi-



nance Minister Roberto Alemann's program for handing state enterprises and exploitation of natural resources to the private sector and multinational corporations. It is St. Jean's group that has shown disgust with Haig's pro-British stance and is warning that Argentina will "reverse its diplomatic alliances," perhaps by moving closer to the Soviet Union, if Argentina is humiliated as a result of a U.S. alliance with Great Britain.

In the rest of Latin America, Argentina enjoys substantial support.

- **Peru** has offered its total support to Argentina, including military aid in the event of an armed conflict. Mexican press sources report that six Peruvian air-force jets have been in Southern Argentina since April 12, prepared to aid the Argentine air force.

- **Venezuela** has offered political and military support, and has urged the OAS not to take on a mediating role in the dispute because it "should side with Argentina."

- **Bolivia** supports Argentina's claim to the Malvinas, and has offered to send fighter planes to Argentina in the event of armed conflict.

- **Brazil's** foreign ministry supports a three-point program which includes Brazil's intention of voting in Argentina's favor should the latter invoke the Rio Treaty at the OAS, not using diplomatic pressure to force Argentina to comply with U.N. Resolution 502 demanding withdrawal of Argentine troops from the Malvinas, and refusing refueling rights in Brazilian ports for the British fleet.

Mexico and Colombia have been the most reluctant to openly back Argentina in this dispute, and Mexico has even asked Argentina to adhere to Resolution 502 and withdraw its troops. The English-speaking Caribbean nations, nominally independent British colonies, have served as spokesmen for Great Britain and as the main obstacle in OAS meetings to passing any resolution in Argentina's favor.

The Pinochet government in Chile is under intense pressure to side with Britain. It has denied reports that it recently signed an agreement granting Britain the right to refuel in Chilean ports. But the head of the

Chilean navy and junta member Admiral Merino Castro inaugurated the newest British-made ship into the navy recently with the statement that Britain and Chile have been "sister nations" for nearly two centuries because they are both "island nations . . . dependent on the sea."

Even if the Monroe Doctrine or Rio Treaty are not applied, the majority Latin American support for Argentina poses the threat of influencing the United States. Britain's current efforts to set off other simmering border disputes in Latin America are designed to supersede that threat by creating maximum upheaval throughout the continent. Immediate targets are disputes between Peru and Chile, Argentina and Chile, Colombia and Venezuela, or Peru and Ecuador. A sharpened Central American crisis is also on the agenda.

The financial warfare against Argentina

by Kathy Burdman

Before any shooting war, Britain has directed an intensity of financial warfare against Argentina which could bring down the entire world banking system. On April 2, Britain froze \$1.5 billion in Argentine assets in Britain, and halted all further lending to Argentina by British banks. In retaliation, Argentina announced that it will suspend all payments on its \$5.8 billion in loans already borrowed from British banks; as much as \$4 billion may be due for interest and principal repayment during 1982.

The risk is that Britain, by cutting off credit, will force Argentina into open default on its international debt. If that happens, "cross-default" clauses will be triggered on much of the \$34 billion Argentina owes to banks around the world. Major banks in the United States, Germany, and Britain could be bankrupted as a result.

The risks on either side are so high that neither is likely to call the question as a financial matter, as Francesca Edwards, chief economist for Morgan Grenfell, told *EIR* in London. "The Argentine situation will not result in a collapse of Argentina's finances, except if there is military action," the investment banker stated. "If action occurs, all Argentine debts would have to be written off, but in that case we shall be more worried