
Profile: Gen. Juan Guglielmelli

Argentine sponsor of an American System

The following remarks were made by Gen. (Ret.) Juan E. Guglielmelli during a roundtable discussion on June 15, 1970. At the time, Guglielmelli was the director of Argentina's National Development Council (Conade), the government agency responsible for formulating economic development policy, and a strong critic of the monetarist policies espoused by then Finance Minister Moyano Llerena and his predecessor Adalbert Krieger Vasena. Guglielmelli directed his remarks to the tasks facing the new government of Gen. Roberto M. Levingston.

Because he found the monetarist economic policy to be inimical to the goal of making Argentina a strong, sovereign, industrialized nation, Guglielmelli resigned his post at Conade in November of 1970. Since that time he has served as a leading spokesman for nationalist military and political layers through his magazine Estrategia. Many of the writers for Estrategia share Guglielmelli's view that the development and protection of national industry is vital to the defense of national sovereignty.

[Orthodox liberal economic policy] in the medium or long term cannot resolve the fundamental problems of the population; it creates substantial vulnerabilities for national security, in addition to affecting in a preponderant manner the future destiny of the Argentine nation as a power, even though it be only in the Southern Cone.

I'm going to give you an example. After World War II, the great powers of the West met to decide on Germany's future. The punishment they imposed on Germany's aggressiveness translated in what was called the Morgenthau Plan. . . . What was the essence of the plan? To "ruralize" Germany, to leave her as a producer primarily of raw materials and foods, and possessor of only light industry. . . . As it was explained to Churchill, [Germany] would remain dependent on England to provide it with capital goods in exchange for food and raw materials. . . . That is, they subjected her to a neocolonial system, permitting her to survive to produce raw materials for the economies of the developed nations, and above all to shut her off from a future as a great power.

A country that has no basic industry is a castrated nation. . . . We cannot hope to resolve the problems of the economy in the long term, nor problems of security, nor problems of our relative weight in the environment that is familiar to us here in the Southern Cone of Latin America if we don't have this [basic industry]. . . .

As a priority, we must rapidly develop all of the country's natural resources: mining, industry, especially basic industry (steel, iron, petrochemical, heavy chemicals, cellulose, etc.). . . .

We should further [develop] the entire area of services, principally energy and roads. It is for this reason that I warn against any solution that seeks to reduce investment in the public sector.

It comes as no surprise that the Argentine economy is in a recession . . . and, what is worse, that unprotected Argentine industry, especially small- and medium-sized and not a few large national industries, have fallen into the hands of those who are not Argentine, those who have taken advantage of the recession, of the lack of credits, of tax pressures, etc., etc.

In these three years, we have witnessed the decapitalization of the national productive sector; our industries have fallen into the hands of foreign capital that bought up healthy businesses because they were in a bad *financial* situation, *not* a bad economic situation; this happened in the banking sector, in industry, it has happened for example in the wine industry, and we are also witnessing it in the agricultural sector, where today large foreign firms come in and, taking advantage of the [depressed] situation, buy out those old agricultural leaders who have for so long really defended a national industry. . . .

Progress and development awaken the realities of life and the potentialities of each individual. Undoubtedly in the Middle Ages it was only the rulers who had aspirations, but today one cannot prevent the rest of the population from having them.

I address you economists. I am not one; I love my country; I love it based on what I am—a man of this nation—and on what I have here, and have not resorted to Switzerland or to anywhere else. I speak in the name, not of those who take their dollars from one place to another, but of those who have to live and die here and have established their industries in the Republic of Argentina. . . .

If the new government wants to develop the country, it will have to adopt basic measures for the protection of national industry, and for stimulating the agricultural sector; it will have to fix wages at the levels of the real cost of living index . . . and above all, it will have to approach these problems with the new and imaginative criteria indicated by the Holy Father [Pope Paul VI in his *Populorum Progressio*] who has charged us with the task of development and who has shown us which measures can solve them.