
Interview: Argentina's Judge Pinto Kramer

'I dropped an atomic bomb on behalf of sovereignty'

Argentine federal judge Federico Pinto Kramer of Rio Gallegos outraged the international banking community when he ordered the arrest of central bank president Julio González del Solar on Oct. 3 as the president arrived in Buenos Aires from the International Monetary Fund's annual meeting in Washington. González del Solar was then flown the 1,400 miles to Rio Gallegos and interrogated by Pinto Kramer on his role in refinancing the foreign debt of Argentina's state sector on terms that violated national sovereignty.

Specifically, the judge was acting on a complaint filed by a local attorney accusing González del Solar of treason for having guaranteed a contract for refinancing the debt of the state airline Aerolíneas Argentinas granting jurisdiction over the agreement to New York state courts.

On Oct. 6, an appeals court in Comodoro Rivadavia overturned Pinto Kramer's ban on all further negotiation talks, and the González del Solar case has been remanded to a court in Buenos Aires. The following is an interview with Judge Pinto Kramer conducted by Cynthia Rush from New York on Oct. 10.

EIR: Can you give us any further information on the González del Solar case. Where does it stand legally at this point?

Judge Pinto Kramer: The judicial motivation first arose from this court. I have not yet received any official notification from the federal court telling me what has happened. I only know what the newspapers tell me. Officially, I know nothing.

EIR: But is jurisdiction over the case now out of your hands?

Judge Pinto Kramer: Again, I have no official notification. Technically, the case is in the Comodoro Rivadavia appeals court. Unofficially, based on what the papers say, the case should be in the hands of the Buenos Aires judge. I just don't know.

EIR: I was interested in your comments reported in the press where you discuss the sovereignty question, and the guaran-

tees given for the Aerolíneas Argentinas contract. Can you elaborate on this?

Judge Pinto Kramer: First of all, you can't renegotiate a debt whose amount you don't know. There is a judicial investigation under the direction of a federal judge in Buenos Aires, Judge Anzoátegui, who is investigating the true amount of Argentina's foreign debt. So, how can you renegotiate a debt when you don't know what that debt really is?

Second, I objected to the clauses [renouncing] sovereign immunity. The entire nation of Argentina cannot be responsible for the whole package of the 32 firms that were going to sign the refinancing contract. That is, it is a contract of assent, with an unconditional guarantee, whose guarantor is the nation of Argentina; there are cross-default clauses stipulating that if one company fails to pay, all the rest default; that would leave the country just about bankrupt.

The international banks at no time are going to declare the Argentine Republic in default, because there is no creditor in the world who has the possibility of collecting from the debtor during an electoral contest such as is occurring in Argentina right now. We see that in the 60- to 90-day delay given [by the banks] to allow them to negotiate with the new authorities.

I am not a politician, nor am I an economist. I am simply a man of law who says that there are clauses in that contract [the Aerolíneas Argentinas contract] that favor no one—that do not favor the Republic of Argentina.

EIR: What are the clauses or articles of the Argentine Constitution that you refer to in explaining your decision?

Judge Pinto Kramer: According to my prosecutor, Article 29 of the national constitution has been violated. Article 29 says that any government official who delegates authority [to foreigners] shall be accused as a vile traitor to the fatherland. . . . It is the understanding of the prosecutor that . . . the Budget Law does not authorize the Executive Power to relegate this authority, as was done in the case of the Aerolíneas agreement.

EIR: There are individuals who have said that they intend to prosecute you, for activities “inappropriate” to a federal judge.

Judge Pinto Kramer: Well that’s the problem of the people who have made the denunciations. Every citizen has the right to denounce whomever he feels has not fulfilled his duty. There are citizens who have denounced me, for example. But the Supreme Court of Justice will have to decide whether a political trial is appropriate in this case.

EIR: Were you acting only as a judge, or also as a private citizen?

Judge Pinto Kramer: No, only as a judge. I was presented with an individual complaint which was ratified by a federal prosecutor and broadened by a federal judge. There has been no mistake here. I consider this to be an entirely juridicial measure.

EIR: Has the appeals court of Comodoro Rivadavia made its decision?

Judge Pinto Kramer: Apparently, they have taken a decision contrary to the one I made. But I don’t know the basis for it.

EIR: Nonetheless, if these contracts violate an article of the national constitution, and if González del Solar signed the contract or acted as guarantor, the case against him is not closed?

Judge Pinto Kramer: No, not at all. He is the defendant. The judge will now decide, and I don’t know what the results will be. If someone appeals, it will go to the court. There are people who could appeal. In any case González del Solar is the defendant; he is free, but subject to the proceedings of the court.

EIR: One of the arguments constantly cited in the press here and among the banking community is that the clauses referring to foreign jurisdiction were nothing new—that they were standard, always included in previous contracts.

Judge Pinto Kramer: Well, just because everyone smokes marijuana doesn’t mean that one day we can’t say that people should stop smoking marijuana. You may have been smoking marijuana for a long time, but it doesn’t mean that it’s good for you. . . .

EIR: Do you think that your rulings have established a legal precedent for other judges, or other countries?

Judge Pinto Kramer: I sincerely believe that it’s time for Latin America to stand up, to establish its importance in the eyes of the international community. You cannot strangle the debtor, and [force him] to pay at any price . . . especially when you don’t know the real amount of that debt.

My whole argument is that we don’t know what that amount really is, and that’s why a judicial investigation was

begun. How can you estimate the debt, or take on new debt? I can’t ask a judge to annul what was begun as a legitimate action, or suggest that perhaps he was mistaken, if in this country we can’t even determine if our foreign debt is what it is said to be, or if it is less.

There are reports that the official foreign debt [\$40 billion] is actually \$15 billion less than that. Now, watch out, because we are not saying that the foreign debt should not be paid. I never said that. My opinions were interpreted that way because it was convenient for certain people to do that. But I never said that. What I *did* say is that *certain clauses* should be stricken. But we should know what the real amount [of our debt] is, even if the discrepancy is only \$1 billion, even if it’s only \$5.00.

It’s time for Latin America to stand up; to establish its importance in the eyes of the international community. You cannot strangle the debtor and force him to pay at any price, especially when you don’t know the real amount of the debt.

EIR: In the event that certain individuals decide to take legal action against you, you have said that you have González del Solar’s testimony and that you have it on tape.

Judge Pinto Kramer: Yes. If I have to defend myself, yes I have it. I am going to demonstrate that I was not mistaken. I am totally convinced that I was not mistaken.

EIR: So you would take the same action again if you had to?

Judge Pinto Kramer: Yes. I should add that I had never met González del Solar. . . . Now he feels offended because he said I detained him improperly. But he has no right to special privileges of any kind. He is not the president of a country. He is not even a minister. He’s just the president of a bank. True, it is the central bank of the Argentine Republic, but he could be the president of any bank. It could have been the New York branch of Banco de la Nacion, or the New York branch of Banco de la Provincia de Buenos Aires. They are not creditors of the Republic of Argentina.

EIR: Last Saturday, the mayor of the city of Rio de Janeiro said that a \$150 million loan was illegal because the loan was

not used for productive purposes. According to their legal code, any loan contracted abroad must be used for productive purposes, for projects. And the mayor says that since there is no evidence that the money was invested productively, unfortunately it will not be paid.

Judge Pinto Kramer: Do you know what I think? You asked me if I thought that with these actions I had lit the fuse of an 'atomic bomb'

EIR: Well what do you think?

Judge Pinto Kramer: I think I have. Yes. And that's where we see the fear of the foreign banks; because the problem of default is not an Argentine problem. It's the creditors' problem. It's not the same to go bankrupt in the United States and go bankrupt in the Republic of Argentina. No one is going to declare a country in default, because it's not to their advantage.

What's happening is that [the creditors] are trying to convince everyone that they should renegotiate no matter what the price, when there are exactly 29 days left until the change of government. And, you just cannot impose conditionalities. There are conditions in the contract that violate the very condition of a sovereign state.

The creditors are trying to convince everyone that they should renegotiate no matter what the price, when there are just 29 days left until the change of government. You cannot just impose conditionalities. There are conditions in the contract that violate the very condition of a sovereign state.

Let me add something else. I am not a nationalist with a "z," a "nazionalista." I am not a Nazi-fascist. I am not a Nazi, nor am I a communist, even though the entirety of the left is supporting me. I am simply an Argentine.

EIR: Our magazine has warned about the banking and IMF strategy that calls for destroying the national sovereignty of each debtor, one by one.

Judge Pinto Kramer: Well, I read something by I don't know who in the U.S. that said that it would not be a violation of sovereignty to, instead of handing over goods, deliver our lands to the creditors. Then they would share our lands. So then, what is sovereignty?

EIR: According to the bankers, sovereignty should not exist.

Judge Pinto Kramer: But then, now we are talking about something entirely different. We are talking about an entirely different international juridical order. And if behind that are hidden other intentions, then we should call things by their right name; call things as they are. . . .

EIR: The creditors' strategy is to crush sovereignty, and to take control of whole sectors of these nations' economies: buy up shares in state companies, sell off the companies to private interests, and so forth. And they propose to eliminate whatever obstacles, constitutional or legal, such as changing Argentina's bankruptcy code for example.

Judge Pinto Kramer: That's why they changed the procedure for bankruptcies here. But I will add something here, because I think that the Argentines have already made their judgment. It doesn't really matter whether I go through a political trial. The people have judged who they think is right, and who isn't. So it is not appropriate for a judge to make political statements. I should not say more than I should say. . . .

This González del Solar case has annoyed me. I treated him with every possible courtesy but he attacked my children, and my children felt very badly.

EIR: He attacked your children?

Judge Pinto Kramer: Yes, because he said that my children were fighting on the patio, and that they shouted. My children are not here at the moment. . . . I have sent them elsewhere.

EIR: You have undoubtedly been under a great deal of pressure during this period.

Judge Pinto Kramer: What do you think?

EIR: Here the press has described the situation as simply the acts of one judge, a country judge far from Buenos Aires who didn't know what he was doing.

Judge Pinto Kramer: Did you know that I am from Buenos Aires?

EIR: But it is clear that your actions have important implications for the rest of the continent—for Brazil, Venezuela, Colombia.

Judge Pinto Kramer: And for Chile also. I'll tell you something. The Chileans have no great love for me, because all the things that have happened recently have gone through my court. The Chileans say that I am a nationalist with a "z." But I am not a "nazionalist"; I am an Argentine. I have no intention of changing my way of thinking. On the contrary, every day I say more and study this question more. And if they want to portray me as a nut, as a fascist. . . .

What's happened is that now everyone has shown their colors . . . and now we can see who is who. Three months ago, nobody spoke about sovereignty. So in a certain way you could say that I've become a kind of symbol . . . a teacher of sorts.