

Bush and Argentina's 'Wizard' de Hoz

by Cynthia R. Rush

Argentine President Raúl Alfonsín may have been surprised when, during the last weekend of April, he received a phone call from the White House. The caller was Vice President George Bush, who called to express his deep concern about the fate of his "good friend," former Finance Minister José Martínez de Hoz, who had been jailed a few days earlier. De Hoz served as finance minister from 1976 to 1981, under the military regime known as the *Proceso*.

Federal Judge Martín Irurzun placed de Hoz under "preventive detention" on April 27 on charges that he and former Interior Minister Albano Harguindeguy had illegally detained businessman Federico Gutheim and his son, and accused them of "economic subversion" to force them to comply with a contract to export cotton to Hong Kong. Gutheim was detained at the end of 1976 and held, without ever being formally charged with a crime.

According to the May 13 issue of the Buenos Aires intelligence weekly *El Informador Público*, Alfonsín told Bush that he had nothing to do with the case, but offered to arrange for Bush to speak personally to the former minister in his jail cell, which Bush did. Bush and de Hoz have reportedly been close for years.

What is it that draws a George Bush to "Joe" Martínez de Hoz? Both, of course, are bluebloods. De Hoz, the consummate oligarch, fondly recalls his days on the polo-playing fields of Britain's elite Eton school. He deeply regrets that Argentina never became incorporated into the British Empire, and that the financial interests which sought to make it a pastoral society, devoid of industry and technology, never quite achieved their goal. When charges are repeated of his involvement in kidnappings, torture, or repression, he feigns shock. A gentleman would never involve himself in such goings-on.

The architect of the 'dirty war'

But that is precisely the real story behind Martínez de Hoz, and perhaps explains why a CIA knuckle-dragger like George Bush, who doesn't shy away from dirty tricks to eliminate his political opponents, feels a certain affinity with the man.

The Project Democracy apparatus which has functioned as a secret government in the United States owes a debt of gratitude to de Hoz. With his military cronies, the finance

minister waged a "dirty war" against the Argentine people—not subversives—helping to destroy the institution of the armed forces in the process. The very same circles which applauded that policy from the United States, including some of George Bush's banking friends, today point to the "dirty war" as the reason why the armed forces throughout Ibero-America should be eliminated completely, because of their "undemocratic tendencies."

The Argentine Communist Party openly defended the military dictatorship, while de Hoz personally concluded a series of large trade deals with the U.S.S.R. which vastly strengthened Soviet presence in the country.

How did it work? Martínez de Hoz was the finance minister of a military junta dominated by factions associated with Henry Kissinger and current U.S. Ambassador to the United Nations Vernon Walters. Under the guise of "anti-communism" and "free enterprise" the junta plunged the nation into a nightmare of left-right terror, and imposed an economic policy of deindustrialization from which Argentina has never recovered.

De Hoz was not just the junta's resident economic technocrat. He stood at the center of a *military* policy of blind repression, required to implement the economic policy which Henry Kissinger's Trilateral Commission had designed for the country. Elimination of protection for industry, harsh austerity, and transforming the country into an international center for short-term speculative investment were measures which the progress-oriented Argentine population would not have otherwise easily accepted.

In October 1975, Argentine General Jorge Videla warned in a speech in Montevideo, Uruguay, that "if required, as many people as necessary must die in Argentina, for the security of the country." Five months later, in March of 1976, Videla ousted Mrs. Isabel Perón, and took power. To the activities of terrorist groups like the *Montoneros*, whose leadership was trained by the Society of Jesus, the junta responded by authorizing illegal, indiscriminate terror, often relying on the right-wing death squad apparatus founded by the occultist José López Rega.

De Hoz personally chose the officers to head the country's various military command posts, on the basis of their repressive capabilities. Worse, thousands of youth who saw no outlet for opposing de Hoz's policies, joined guerrilla groups to become cannon fodder in armed conflict.

In September 1977, six months after taking power, de Hoz visited the mountains of Tucumán province, where Gen. Antonio Bussi led the military campaign against the guerrillas of the Peoples' Revolutionary Army, the ERP. In a conversation with the minister, Bussi handed him his mountain knife and told him to keep it as a gift. "Keep it, even if just as a paperweight . . . so that you will always have present in your mind, and always remember that, while I kill 10 guerrillas in the mountains, you create another 100 with your economic policy."