

Economic Hit Men Aim At Ecuador President

by Cynthia R. Rush

Ecuadorean President Rafael Correa reported May 27 that he has received many death threats, and warned that there are people who would like nothing better than to “take a shot” at him. “There are many dangers,” he said, speaking in Los Ríos province. Nonetheless, he continued, the government and the people “will be united against the oligarchy” which opposes his plan to free Ecuador from the grip of international financiers. Take heed, he told them. “The Fatherland belongs to us all.”

Just two days earlier, Correa had warned of a conspiracy against his government, echoing charges of a coup plot against him made the same day by former President Abdalá Bucaram, in remarks to the Gamavisión news agency. The reasons for these attacks by the “enemies of history,” Correa said, is that “in our vocabulary, the word subordination doesn’t exist...”

There is nothing sensationalist about Correa’s revelations of these threats. Other Presidents of Ecuador, such as nationalist Jaime Roldós, who refused to buckle under to the demands of Wall Street, the City of London, or their corporate allies, didn’t live to tell about it. And the memory of what happened to the 41-year-old Roldós, who died in a plane “accident” in May of 1981, remains vivid in the minds of most Ecuadoreans. As an observer of Ecuadorean politics said to *EIR*, the key thing now is to “keep Correa from getting killed.”

In a May 22 presentation in Quito, John Perkins, author of the 2006 best-seller *Confessions of an Economic Hit Man: How the U.S. Uses Globalization To Cheat Poor Countries Out of Trillions*, asked Ecuador’s forgiveness for the harm he had done to the country during the years he worked as an “economic hit man” for the Charles T. Main Company that fronted for financial and intelligence networks. The young Roldós, he said, was a leader of integrity who didn’t accept the suitcase full of money he was offered to stop defying the banking and oil interests that had run roughshod over Ecuador’s economy for decades. His refusal to bend to those interests resulted in his death in an “accident” that was universally attributed to the CIA.

Why Correa?

Rafael Correa is a threat to the oligarchs on two fronts. Domestically, through his “citizen revolution,” he is taking on the financial oligarchy with an ambitious program to defend the general welfare of the country’s poorest citizens. His government is also auditing and restructuring the foreign debt,

and proposing legislation to regulate the banking sector.

He has announced the revitalization of the National Finance Corporation, a state-run entity founded in 1954 to finance industrial development, but which was looted by the financial predators who controlled Ecuador’s economy in the 1980s and 1990s. Echoing a fundamental principle of the American System of political-economy, Correa stated on May 25 that “there is no country in the world that has developed without public banking.”

Before assuming the Presidency, Correa had written favorable essays on the subject of American System economists such as Alexander Hamilton and Henry Carey. Along with Argentine President Néstor Kirchner, who has proclaimed that he is modeling his Administration’s entire economic policy on the American System approach of Franklin Delano Roosevelt, Correa is providing leadership in South America for a break with the neoliberal policies of the International Monetary Fund, and is taking the approach to development which is championed by Lyndon LaRouche.

International financiers are more than anxious about this, and about the Bank of the South which Correa, Kirchner, and other South American governments are setting up, as a new entity whose primary purpose will be to fund infrastructure projects. The financiers are unnerved by any hint that the bank represents the kernel of a new “international financial architecture,” as Correa’s Finance Minister Ricardo Patiño said when he emerged from a May 21 meeting of regional Finance Ministers in Asunción, Paraguay. The agreements made there, he said, represented a “fundamental historical framework for the creation of a new international financial system.” He added that the Bank of the South “is the inflection point in the international financial system.”

Just as Patiño was in Asunción, the Teleamazonas-TV network transmitted part of a video, purporting to show him engaging in insider-trading and “market manipulation” schemes in a February 2007 meeting with foreign bondholders, who suggested to him that Ecuador “scare the markets” by threatening not to make a scheduled payment on its Global 2030 bonds, and then make a financial killing off the panic that would ensue.

While various mouthpieces for Wall Street and the City of London immediately predicted that Ecuador would be slammed with “legal action” for violating securities regulations, Patiño revealed what had really happened. Airing the video in its entirety on May 24, he noted that with Correa’s permission, he had secretly taped the meeting with bondholders, because he knew they were making an “indecent proposal” to hurt the country, and he wanted to expose it. “It was my obligation,” he said, “to use the circumstances of my public office to thoroughly investigate how these perverse mechanisms of indebtedness operate.” The day before, the Finance Minister had noted that for years he has worked on the Jubilee 2000 Commission created by the late Pope John Paul II, to expose how foreign debt is used to impoverish entire nations.