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Argentina: A Testing Ground for Engineering Financial Collapse: What Lessons for Europe…

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Exactly ten years ago Argentina suffered a full-scale financial and governmental collapse. That was the end-result of over a decade of doing exactly what the IMF, international bankers, rating agencies and global "experts" told us to do.

Then President Fernando de la Rúa kept applying all IMF recipes to the very last minute, making us swallow their poisonous "remedies".

It all began getting really ugly in early 2001 when De la Rúa could no longer service Argentina's "sovereign debt" even after driving the country into full "deficit zero" mode, slashing public spending, jobs, health, education and key public services.

By March 2011, he had brought back Domingo Cavallo as finance minister, a post Cavallo had already held for six years in the nineties under then-President Carlos Menem, imposing outrageous IMF deregulation and privatization policies that weakened the state and led straight to the 2001 collapse.

Well, it wasn't really De la Rúa who brought back Cavallo but rather David Rockefeller (JPMorgan Chase) and William Rhodes (CitiCorp), who personally came to Buenos Aires to tell/order President De la Rúa to name Cavallo… or else!

So, by June 2001, Cavallo – a Trilateral Commission member and Soros-Rockefeller-Rhodes protégé – tried to allay a default by engineering a new sovereign debt bond mega-swap which increased public debt by $51 billion, but did not avert total collapse that December.

What then? De la Rúa and Cavallo protected the bankers, avoiding a massive run on all banks by freezing all bank deposits. "Corralito" they called it – "the crib" – whereby account holders could only withdraw 250 pesos per week (at the time, equivalent to $250; after the 2002 devaluation, equal to $75).

Argentina's economy all but collapsed; people took to the streets banging pots and pans, screaming and yelling, calling all bankers 'thieves, criminals, crooks, swindlers and robbers' but… the big mega-bank bronze gates all remained tightly shut. No one got their money back.

Half of bank deposits were in dollars. Again, no one got their dollars back, but just as pesos at a fraudulent rate of exchange after devaluation had been imposed and Argentina's so-called "convertibility" Currency Board that Cavallo had imposed a decade earlier pegging the peso to the dollar at an unrealisticone-to-one parity, was dropped.

Clearly,this was a massive banker-orchestrated, government-backed robbery of the assets and savings of 40 million Argentinians.Half our population quickly fell below the poverty line, GDP contracted by almost 40% in 2002, millions lost their jobs, their savings, their homes to foreclosures, their livelihoods and yet… not one single bank folded or collapsed!

Amid rioting in Buenos Aires and major cities and brutal police repression that left 30 dead on the streets, De la Rúa boarded his helicopter on the rooftop of the "Casa Rosada" presidential palace and abandoned ship. That last week of December 2001, four presidents successively went by until finally the bankers, the media, and the US State and Treasury Departments accepted Eduardo Duhalde as provisional president. He finally named finance minister Roberto Lavagna, a founding member of the local CARI, the Argentine Council on Foreign Relations, which is the local New York CFR branch.

Argentina was used as a testing ground by the global power elite to learn how a full-scale financial, monetary, banking and economic collapse can be controlled and its social consequences suitably engineered to ensure that, with time: (a) the bankers came out unharmed, (b) "democratic order" is re-instated and the new government imposes another sovereign debt mega-swap, balance their numbers, and calm the people down (or else!), and (c) put big smiles back on bankster faces…Business as usual!

The lessons learned in Argentina in 2001/3 are today being used in Greece, Ireland, Spain, Italy, Iceland, the UK and the US.

So, "Occupy Wall Street" demonstrators, lend me your ears! You haven't got a chance! The global money masters already made their financial war game exercise in Argentina.

At one point it got so bad that New York Times journalist Larry Rohter (later alleged by the Brazilian government to have ties with the CIA) had the gall to suggest the territorial break-up of Argentina to "solve" our debt crisis. The title of his perverse article, published on 27 August 2002, said it all: "Some in Argentina see secession as the answer to economic peril", specifically targeting our natural resources-rich Patagonian region…

Then, the global power elite finally got their man when Néstor Kirchner became president in May 2003. Kirchner retained the finance minister, Lavagna, engineered yet another sovereign debt mega-swap running 42 years into the future (!); he paid the IMF the full amount they claimed of $10 billion (in cash, in dollars and with no deductions; i.e. absolutely most-favored creditor status!) getting nothing in return; he further weakened Argentina's military, dumbed-down education, media and culture, and ended up imposing his wife Cristina as successor.

Clearly, lots of lessons were learned from the "Argentine experience," which come in so handy when dealing with those rowdy, poorer Europeans today.

So, one decade on…. anyone for a tango?

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