

Echeverria Escalates Fight For New World Economic Order

MEXICO CITY, April 24 (IPS) — On April 20, Mexican President Luis Echeverria Alvarez addressed delegations from more than 60 nations at the World Interparliamentary Union in Mexico City. Looking forward to the Fourth United Nations Conference on Trade and Development (UNCTAD) to be held in Nairobi next month, Echeverria called for international cooperation to bring about the economic development of Third World nations, the only solution, he stressed, to the grave international economic crisis and the threat of war.

Echeverria condemned "the present world economic system," which he said presupposes "the progressive marginalization of the great majority of humanity," and emphasized that under the laws of the present system, the world crisis is "destined to become aggravated." To create the necessary institutions of a new world economic order, Echeverria called for a "viable pact of economic cooperation" between Third World nations and the industrialized sector, adjusted to the "necessities of the developing sector." In this context he emphasized the aggravating impact of the international crisis on the Third World's "already heavy burden of foreign debt."

The day before, April 19, Echeverria had addressed more than 50,000 peasants at a rally in the northern state of Sonora. The two most prominent rally banners, seen throughout Mexico on national television, read: "For Credits, Mechanization and Collectivization: Moratorium on the Foreign Debt" and "Against the Provocations of the Right, We Will Impose the New World Economic Order. Demand Debt Moratorium Now!"

Taken together, Echeverria's two speeches represented a clear call to both international political leaders and heads of state and the Mexican population to act now to achieve a new world economic order, before a global catastrophe occurs. Even as Echeverria was rallying pro-development forces internationally, the Rockefeller faction of Wall Street finance capital and their agent U.S. Secretary of State Henry Kissinger brought the world to the brink of thermonuclear holocaust in the Middle East, and were driving for right-wing military coups in Latin America and a RAND Corporation-orchestrated "Second War of the Pacific" which would turn the entire continent into a wasteland.

Following up his April 1 denunciation of the Wall Street directed financial industrial combine known as the Monterrey Group for their efforts to prepare a Chilean coup and Massacre in Mexico, Echeverria struck directly in his Mexico City speech at Wall Street's efforts to impose Schachtian police states worldwide. He blasted "squandering on armaments" as "one of the great historical monuments to irrationality" and declared "The proliferation of fascism in the backward countries is the clearest fruit of an imperial policy of service to the accumulation of power and wealth on a world scale."

At the same time, Echeverria issued a sharp warning to forces in both the Third World and the Comecon sector against the delusion that fascism can be defeated and the global crisis resolved with rhetoric and half measures. Of

particular significance were Echeverria's remarks on the "advances achieved by the countries of the Third World over the past few years." "This stage," said Echeverria, "will reach its fully constructive capacity only to the extent that we can decisively enter into the phase of realization. Without underestimating the political value of denouncing injustices... progressive plans will not by themselves generate the changes that we need."

In his earlier address to the Sonora peasants, Echeverria made it equally clear that only an all-out internationally coordinated political offensive could defeat the economic sabotage and terror operations of the Monterrey Group.

Echeverria called on the peasantry to mobilize behind his legislative drive to distribute land and supply Mexico's collectivized farms with credits for fertilizers and mechanization. Referring indirectly to peasant land seizures which the right has sought to use to provoke violence, he warned the mass against "dramatizing actions which do not offer solutions and only exacerbate an atmosphere of tension."

The Expanding Fight

In Latin America, a series of statements of leading government and political figures issued nearly simultaneously with the Echeverria statements, reflected the resurgence of the pro-development fight which the Mexican President is leading. On April 20, the President of Venezuela's Foreign Trade Institute, Reynaldo Figueredo, was quoted in Venezuela's leading newspaper, *Nacional*, under the headline "Venezuela Supports Solving Debt Question at UNCTAD." Figueredo reported that the Venezuelan government would call for steps up to and including an international moratorium on the Third World's outstanding \$120 billion foreign debt at the Nairobi meeting. "This is a nonideological position which should be seen in the general context of world crisis which should flow into establishment of a new world economic order," said Figueredo.

His statement was picked up by the Cuban news service *Prensa Latina* and featured on the front page in *Excelsior*, the leading Mexican daily, under the headline "Caracas Will Propose Moratorium at UNCTAD." On April 23 both *Excelsior* and the Mexican daily *El Sol* featured highly favorable editorials on the Venezuelan statement. Addressing the question of the cancerously self-feeding process of debt accumulation and economic decline — Third World governments now pay \$11.5 billion yearly in debt service alone — *Excelsior* stated, "It is urgent to address this already disastrous reality before it turns into a major catastrophe."

On the same day sources in the Panamanian embassy in Mexico City confirmed that Panama was also circulating a proposal which included debt moratorium in preparation for the Nairobi UNCTAD meeting.

On April 15, Peruvian Foreign Minister Miguel Angel de la Flor reaffirmed Peru's internationalist pro-development foreign policy in the face of efforts by President Morales Bermudez, under intense pressure from the IMF and Wall Street, to impose austerity domestically and restrict its foreign policy primarily to the Latin American continent.

De la Flor, a leader of the fight for debt moratorium at the Manila conference of the Group of 77 and the principal spokesman for pro-development factions in Peru's military government, had appeared on the defensive since Morales Bermudez demanded that Peru "turn our eyes back to the American continent" on March 31. But the resignation of de la Flor expected in New York banking circles, did not materialize. Instead de la Flor and other progressive members of the cabinet are fighting back, and Peruvian workers organizations have begun to mobilize against austerity.

"It is not possible for a people of Latin America and the Third World to overcome the present unjust social-economic situation, if it does not associate with the internal effort a dynamic and revolutionary foreign policy," said de la Flor in his address before the Diplomatic Academy. He emphasized that Peru's policy toward Latin America and the U.S. existed in "reciprocal interaction with the policy which Peru has outlined in the context of the Third World, the Non-Aligned Movement, the United Nations, and the other international forums."

On April 19, Jamaican Prime Minister Michael Manley, who in February called for the abolition of the IMF and the creation of new international financial institutions to foster development, reaffirmed his commitment to a new world economic order at the groundbreaking ceremony of a school which the Cuban government has donated to his country. Manley said that "the fight for the new economic order, for justice; Mozambique's present fight against the white minority regime in Rhodesia; and the position Cuba took in Angola, are all part of the same struggle."

The Battle in Mexico

But not accidentally, it is within Mexico that the battle lines with Wall Street have been most clearly drawn. For the Sonora peasant rally, Echeverria brought together almost all of Mexico's 32 governors, his entire cabinet, the Supreme Court, the country's top peasant leaders, and representatives from Mexico's official political parties. The rally was described in the Mexican press as the most important agrarian rally of Echeverria's six year term.

Echeverria told the peasants he had ordered the entire Agrarian Reform ministry to move its offices to the state for the next month to expedite legal land transfers, and promised to return at the end of the month to see that the job was done. But he also stressed that the peasants' demands could not be fulfilled by land alone — credits, for mechanization, fertilizer and seeds were vital.

Three days later, on April 22, the progressive Mexican daily *El Dia* devoted its full front page to charges by William Higgs, of the Washington, D.C. based Committee for an Open Society, that the U.S. State Department and the CIA were involved in a "campaign to destabilize the Mexican economic system." In a letter to Senate Foreign Relations Committee chairman Frank Church, Higgs urged a U.S. Congressional investigation of five U.S. operations:

* A series of articles in the U.S. financial press — specifically *Barrons*, *Money Manager* and the *Wall Street Journal* — promoting a "flight of capital" from the country and devaluation of the peso.

* A terrorist group based in California and financed by right-wing interests in the U.S. which has declared it will launch raids on Mexican prisons to free convicted U.S. drugrunners.

* U.S. ambassador to Mexico John Joseph Jova's late March attack on the Echeverria government as a "monarchy."

* Clandestine meetings of right-wing pro-U.S. industrialists in Monterrey plotting covert U.S. intervention against Echeverria's government.

* The possible introduction of the potentially deadly "swine flu" into Mexico as part of a genocidal germ warfare campaign.

The Wall Street-directed economic warfare campaign against Echeverria cited by Higgs intensified just a few days before the publication of his letter. The April 1 issue of the *Money Manager*, following up a first attack published March 29, ran a front-page headline, "Huge capital flight seen forcing earlier devaluation." The article, by pseudonymed "O. Mandachuva" ("The Bigshot" in Portuguese), claimed that there was a "massive outflow of pesos from savings into dollars" which made it "not a question of whether to devalue the peso but by how much and when." The article attempted to build tension between Echeverria and his chosen successor for the presidency, Jose Lopez Portillo, by arguing that Echeverria selfishly wants to avoid a devaluation as he runs for secretary-general of the U.N., while Lopez Portillo wants a devaluation "behind him" when he takes office in December.

Even as the April 19 *Money Manager* article was gaining circulation, however, an alternate "softer" line was floated from U.S. and international banking circles. The back-to-back Echeverria speeches in Sonora and the Interparliamentary Union, and the increasing peasant organizing in Sonora around a debt moratorium, had made it apparent that direct economic warfare measures from the U.S. might only succeed in driving Echeverria into an immediate declaration of debt moratoria.

Wall Street's sudden effort to woo Echeverria from dangerous alternatives included press conferences or releases from the IMF, the World Bank, the Interamerican Development Bank and the Mexican-American Chamber of Commerce, which all concurred that the peso was "strong" and that the economy was healthy, in statements reported over a two day period, April 21-22, in the Mexican press.

The Monterrey group and its allies meanwhile continued to foster a climate of violence and terror aimed at driving a wedge between Echeverria and Lopez Portillo. The Monterrey group spoke openly of how "clever and intelligent" Lopez Portillo has been to "dissent from Echeverria without attracting much notice..." "His comments (on Monterrey) have been more measured and adroit than others... (when he was Finance Minister) he knew how to understand the Monterrey group."

The Monterrey group's terror campaign was trained directly on Lopez Portillo himself by the end of the week. The head of Monterrey's Chamber of Real Estate Owners, Victor Manuel Martinez, told a reporter from *Excelsior* April 22 that businessmen in Monterrey were "very concerned" about a possible assassination attempt against Lopez Portillo during the latter's six-day campaign swing through the state set to start this weekend. "If you were going to do such a thing, where would you choose?" Martinez asked the reporter and then answered his own question: "Here." In addition, it is common knowledge in Mexico that several death threats have already been made against Lopez Portillo.