

MEXICO

## Coup Preparations Intensify In Mexico; Echeverria Pushes For General Debt Moratorium

Sept. 17 (NSIPS) — Rumors that Mexican bank accounts would be frozen by the government triggered a national bank panic on Wednesday Sept. 15 as thousands of people stormed banks throughout the country attempting to withdraw their deposits. In the right-wing bastion of the northern city of Monterrey, 1 billion pesos (\$50 million) were reportedly withdrawn. Other rumors that the government plans to nationalize banks, and that a coup against Echeverria is in the works spread like wildfire throughout Mexico during the past week, in a replay of the chaos and confusion operations which preceded the CIA coup against Salvador Allende in Chile three years ago.

Echeverria yesterday denounced the rumors as "a form of terrorism" fostered by "small groups" which pay others to spread rumors to "disorient people." Television broadcasts of the Sept. 15 Independence Day celebrations were regularly interrupted by a special bulletin from the Ministry of the Presidency denying the rumors which had set off the bank panic of the previous day. In an attempt to stem the rumors of a coup Echeverria's Presidential Chief of Staff, General Gutierrez Castaneda yesterday, in an unusual press interview emphatically stated that the "doors of the military are closed... to any type of fascist coup."

The situation of extreme tension which began when the peso was devalued Sept. 1 has intensified rapidly in the last days. A columnist for the left-leaning daily *El Dia* today characterized the mood in Mexico as one of "uncertainty and paranoia."

Under the cover of this "chaos and confusion" there are strong indications that Kissinger agents within Mexico are plotting the assassination of President Echeverria. The environment for an assassination is being created by agents linked to the terrorist Institute for Policy Studies, with evidence that the ex-editor of the Institute conduit *Excelsior*, Julio Scherer is one of the key operatives in the plot. Following a series of national and international tours by Scherer during the last weeks, anti-Echeverria sentiments have risen unexpectedly in those places visited by Scherer with political figures on both the "left" and "right" openly advocating the assassination or overthrow of Echeverria.

The various operations against the Echeverria government are also aimed at creating a major rift between Echeverria and his successor Jose Lopez Portillo, who will take office in December of this year. In addition to a months-long campaign of pressures and ultimatums against Lopez Portillo by the Rockefeller press in the U.S., as the actual date of succession approaches there is an effective situation of dual power in the country which the rightwing is trying to use to force and open break with Echeverria and his development policies.

### Echeverria Counters Coup Planning

As the situation reaches a breaking point President Echeverria is moving to counter the coup preparations. In the last days there have been indications that internally Echeverria is moving to purge CIA labor controller Fidel Velazquez, the linchpin of the domestic right-wing apparatus, at the same time that Mexico's international efforts are being focused on the demand for a general debt moratorium by the Third World Group of 19 at the Paris Conference for International Economic

Cooperation. Several powerful locals of Velazquez's 3 million-member Mexican Workers' Congress (CTM) have made clear that they will refuse to go along with Velazquez's threatened general strike at the end of this month.

The strike, ostensibly for a 75 per cent wage increase for Mexican workers is a blackmail operation, using workers' legitimate demands to push forward the coup d'etat scenario in Mexico. While the CTM locals announced their intention to bolt the Velazquez machine, a high-level source close to the Mexican government of President Luis Echeverria and the ruling PRI party confidently stated that the PRI is gearing up to oust the aged Rockefeller agent. The source only weeks before had trembled at the mere mention of Velazquez's name.

The removal of Velazquez would severely cripple Rockefeller operations currently being directed against Lopez Portillo.

The operation, involving agents of the World Bank and allied genocide merchants who have captured Lopez Portillo's inner circle of advisors and are feeding him a steady regimen of programs for intensive labor, would not work; however, without Velazquez as the bludgeon to maintain the controlled environment around Lopez. A top source in the AFL-CIO who maintains regular contact with Velazquez hopefully explained, "Everything will be completely under control once Lopez Portillo comes in."

### Mexico Organizes For Debt Moratoria

On the international level, informed sources report that the Mexican delegation at the Paris North-South talks has received orders to organize strongly along with the other countries in the Group of 19 for general debt moratorium. This is a definite break with the delegation's previously faltering position on debt which had been fostered by Kissinger agents infiltrated in the Mexican government.

## Mexico's El Nacional Endorses Generalized Debt Moratorium

Sept. 16 (NSIPS) — This article endorsing the notion of generalized debt moratorium was written by Jose Rosso and appeared in the Sept. 13 edition of the Mexican daily *El Nacional*:

At best, the measure of floating the peso until it reaches the stable parity displayed today, without permitting it to be fixed in relation to other currencies, will produce in a very short time interesting and surprising results: this week, in Paris, the North-South conference of the developed and underdeveloped countries will begin. This occasion will have special earmarks.

The underdeveloped countries, and some of the developed, are asking for a general moratorium on debt payments. This means that the debts of 85 countries would be cancelled and they would begin anew — to clear the slate — at least for a long time. The measure has the support of the Comecon, of the OECD (developed capitalist nations) and in the U.S. has been supported, fundamentally, by the industrialist groupings and by the unions.

To what is owed this impressive and widespread support for a measure so contrary to the orthodox economic practice of loaning and earning from loans? These countries have come to understand that you can't sell anything to "a hanged man." The result of trying has been the terrible recession that the entire world is suffering. These countries are returning to a political economy — which is not a monetary economy, but that and something more. We are realizing that it is not with financial speculation, with Eurodollars or Mexidollars, with movement of capital, with high prices, unemployment and decapitalization of the countryside and of the middle class consumer that a world economy will be healthily managed. Rather it is with production and full employment — and that translates into full consumption — and work.

As in the game of *Monopoly*, the pure hoarding of money — the simple exchange value of real merchandise — is the end of the (monetarists') game, because there are no players left at the table. This month, there will perhaps be initiated another game with simpler rules for the smaller players and more difficult ones for the large ones — long term loans and recovery in terms which benefit the poor countries, and full employment and full production in the rich, and a greater degree of general economic justice, so that one doesn't, upon winning *The Bank*, end up alone and without players. The water is already up to the saddle, for the producers of the poor countries as well as for the industrialist and unemployed workers of the rich countries. Thus it is hoped that a general moratorium and its consequences, rather than favoring earnings on interest of loans, will promote sales on a broad scale, full production and generalized employment.

The economy as a whole is a balloon full of air which can be deflated wherever it is punctured. If the chocolates made in Mexico rise 50 per cent, this cost — neither indispensable nor sumptuous in the sense of an oriental luxury — will be reflected in the price of tortillas and, naturally, in salaries which are the price of labor with which one buys tortillas. And if the prices of not only 200 products rise, but rather those of three or four thousand, who is going to be able to stop the inflationary spiral?

**Echeverria:**

## New World Order Matter of Third World Survival

*The following are excerpts from the Sept. 14 speech of Mexican President Luis Echeverria to the Group of 77 developing nations meeting in Mexico City:*

As this conference begins, the 24 richest countries of the western world, accounting for 19 per cent of the world's population, command 65.5 per cent of the earth's gross national product, while 61.5 per cent of the population utilizes as little as 14.9 per cent of this wealth. The greatest weakness is not simply the radical disproportion between opulence and misery, but the maintenance of an economic model that tends systematically to widen this gap and which simultaneously causes waste of resources in the highly developed sector and the multiplication and concentration of misery in the most populated and explosive regions....

The Third World nations consider the extension of the monetary crisis to be the continuation of economic warfare in another form, which is used to perpetuate an international division of labor which until now has been the basis for international exploitation. Let's examine the facts established by the reality of the last few years, with the greatest objectivity, with cold, hard data. The terms for commercial trade relations have greatly deteriorated. The deficit in the Third World's balance of payments went from \$12 billion in 1973 to \$40 billion in 1975. In the face of this, international aid from the public sector of the richest nations amounted to only 0.3 per cent of the gross national product, far from the promised 0.7 per cent figure which, since 1975, is less than what our countries have been paying for foreign debt and debt service....

Without a fundamental change in this state of affairs, without a world-wide re-organization of all these matters, the so-called developing countries will continue to regress to increasingly more critical economic and social levels. It is this (process) which has brought the Third World countries to demand the transformation of present international relations ... to confront them from the standpoint of a New International Economic Order.