

## Dateline Mexico by Josefina Menéndez

### Who organized the peso devaluation?

*The PAN was routed, but high functionaries of the government are carrying out its economic policies.*

The recent devaluation which the Mexican peso suffered on the eve of the July 7 elections, when the finance ministry made the so-called "super-free" dollar official, was interpreted as another maneuver to aid in the destabilization of the Mexican government.

The run on the peso escalated sharply some weeks before July 7, triggering a gigantic black market in dollars and capital flight similar to what occurred in 1982. The most vigorous black market was unleashed along the northern border, where the exchange houses got to the point of exchanging and selling at the rate of 360 to the dollar.

Then on July 9, Mexico exempted from exchange controls all dollars traded in the recently legalized black market.

It is not accidental that it is precisely in the frontier states where the National Action Party (PAN) is strong, that the black market in dollars is strongest, too.

One of the most illustrative examples of this was the case of Ciudad Juárez, Chihuahua. The local government, in the hands of PAN exponent Francisco Barrio, was responsible for accelerating the devaluation. Mr. Barrio has a considerable quantity of dollars deposited in the M-Bank of El Paso, Texas (right across the border from Ciudad Juárez).

But the relationship is not merely financial. Barrio works in coordination with Don Shuffstal, executive vice

president of M-Bank and former military attaché in the U.S. embassy in Mexico. Shuffstal has stated that he gets together periodically with Francisco Barrio, a businessman in Ciudad Juárez, and the U.S. consul, Bill Tynny, with the aim of discussing and working out policies to support the activities of the PAN.

Last June 30, Shuffstal said on an influential regional television program that "a new devaluation of the peso is inevitable," and the result was a panic buy-up of dollars.

The M-Bank, along with Paso National Bank and First National Bank of El Paso, Texas, (both of the latter under investigation for having laundered dollars from narcotics trafficking), are the banks which politically determine the parity of the Mexican peso in the exchange houses of El Paso.

But the PAN's connections don't stop there. The secretary of the local government of the city of Chihuahua, Salvador Beltrán del Río, is directly linked to the Wharton School of Business and Finance in Philadelphia. The relation goes through Abel Beltrán del Río, brother of the PAN official, who works inside the United States in favor of the PAN, taking advantage of his executive position as director of the program DIMEX which the Wharton School has set up for the Mexican economy, and to a large extent he is the architect of the latest devaluations, since 1982.

Abel Beltrán del Río has been following in every detail the Mexican

electoral process and recently commented, "It would be a tragedy if the PAN victories were not recognized."

The same Abel Beltrán del Río received prizes for his "work" from the Chihuahua group presided over by ex-banker Eloy Vallina, who, curiously enough, happens to be one of the principal supporters of the PAN in Chihuahua.

However, what's most interesting in the whole business is that apparently certain of the financial and banking authorities of Mexico helped to bring on this economic disaster.

On Tuesday, July 9, two days after the elections, the well known editorialist of the major Mexico City newspaper *Excelsior*, José Luis Mejías, wrote that due to the fact that the government concentrated its attention on the electoral process, it became distracted from the issue of the economy, "to the detriment of national interests."

He pointed out that two top officials in the government, Hector Hernández, the secretary of commerce, and Miguel Manderá Aguayo, the director of the Bank of Mexico, "are ideologically closer to the PAN and the market economy than to the PRI . . . so that either unconsciously or deliberately they are doing everything they can to favor their kind."

"Mancera for example—professedly opposed to nationalization of banking and exchange controls—has done everything in his power to create a parallel private banking system, to bankrupt the nationalized banks, and to cause exchange controls to have the most crashing failure. The strategic position he occupies permits him to make such manipulations."

The only question being asked in political circles now is, that if the PAN was routed in these elections, will certain high-level functionaries be forced to resign?