

Dateline Mexico by Josefina Menéndez

Bank of Mexico: more than devaluations

The Mancera Brothers Company takes advantage of cabinet posts to get rich and promote devaluations.

Miguel Mancera Aguayo, director of the Bank of Mexico and best known as the "Paul Volcker" of Mexico, is the person who is really dictating the monetary policy of the country and as a result, sinking the Mexican peso to levels never before seen. Compared to the devaluations carried out during the administrations of Presidents Echeverría and López Portillo, what Mancera has carried out has been styled by some experts as an "atomic bomb" which, if it explodes, will not only finish off the peso, but Mexico and its potential for development. This policy is aimed at making the dollar into the internal trade currency, as is already occurring in some places along the northern border.

Mancera distinguished himself during the last administration for having violently opposed the nationalization of the banks and the establishment of exchange controls to prevent what is now occurring: the fatal bleeding of the country through capital flight. For these reasons, then President López Portillo kicked him out of the same post which he now holds, but President Miguel de la Madrid found himself forced by the international bankers to reinstate him. Mancera was the man who would obediently put the country onto a path with no exit, sabotaging all of the recovery initiatives which the President has attempted.

The rumor that President de la Madrid brought him back in because of his great friendship is a lie.

In reality, Mancera as the director of the Bank of Mexico, like Paul

Volcker in the U.S. Federal Reserve, looms over the presidential power like a giant shadow. Aided in this case by most of the economic ministers in the cabinet, the presidential decisions have to bow to the dictates of the International Monetary Fund which these characters literally obey.

But recent investigations which are starting to come to light could help to get Mancera ousted again. Enormous fraudulent operations, abuse of authority and utilization of public office to conduct private business are being discovered, in which Miguel and his brother Gabriel Mancera Aguayo are fully implicated.

Gabriel Mancera Aguayo is the main partner of an apparently very prestigious private accounting and auditing firm called "Mancera Brothers & Co.," whose other partners are Victor Aguilar and Jorge Rico. This company manages the business of various transnational companies such as Nestle and NKS, the firm Salinas & Rocha, the Anahuac University of the Legionaires of Christ (to which Pemex director Mario Ramón Beteta is closely tied) and the Jesuit Ibero-American University. It also manages the business of Sabritas de Pepsi Cola, and the Comermex and CREMI banks (when they were still private) and the Mexican Institute of Public Accountants, among others. In the 1960s, it kept the books for the notorious U.S. company, National Broadcasting Company.

But that's not the whole story. The word of the fraternal relations be-

tween the Bank of Mexico director and an important public accounting firm has started to raise rumors that perhaps the prestige of this company is due to the very precise economic information that the company supplies, information perhaps coming from the administration of the Bank of Mexico, which managed to forewarn important clients on developments such as the devaluation.

One key partner in Manceros Brothers is Alvaro Gasca Neri, who worked in the firm until 1982, when he was transferred (some say suspiciously) to the Comptroller's Office as General Director of External Auditing, putting him in the number three position in the hierarchy of this very important Office. Gasca Neri is in charge of carrying out all the auditing of semi-public companies, municipal governments and state governments, among many other things. But by total coincidence, in order to lighten the tremendous amount of work, many of these auditing jobs are jobbed out to none other than the company in question, Mancera Brothers.

It is known that the auditing jobs given to Mancera Hermanos are so many, that this outfit in turn subcontracts to other firms to conduct investigations on condition that the signature appearing on the work be, obviously, Mancera's. Insiders report that Mancera never asks how much it will cost, but is only interested in the effectiveness of the work, which given the austerity strictures reigning in Mexico, translates into a lush government subsidy for Mancera and friends.

Many commentators are starting to ask if Comptroller Francisco Rojas is on the inside of these subterranean affairs—and so far the Interior Ministry, Attorney-General, and President. This may jeopardize the career of our Bank of Mexico director.