

García captivates Mexico as bank deal teeters

by Hugo López Ochoa

Peruvian President Alan García captivated the Mexican population with his energy and ideals of a "Latin American Revolution" that will bring about a new just world economic order, in a state visit to Mexico that ended just as the bailout package that was to seal the Mexican government's deal with the international banking fraternity began to fall apart.

"I am not here to tell America what to do," García told the Permanent Commission of Mexico's Congress March 24. "I am here only to say, what we are trying to do in Peru." He continued: "We have proclaimed a nationalist government, following the express mandate of the Mexican Revolution, so that we are not subjected to the appetite of the foreign banks, so that bank accountants do not become our country's lawmakers, so that the interests of the most powerful do not wipe out our country's chances at development. The Peruvian President thus spoke what was on every Mexican's mind, and caused a remoralization of the population that has been put through the International Monetary Fund's meatgrinder for several years."

On March 20, Mexico's Finance Minister Gustavo Petrioli had signed an accord with the creditors of the more than \$100 billion Mexican debt, a promise to grant a \$7.7 billion credit for 1987-88, after postponing the signing of the credit for eight months and delaying concessions in interest-payment terms. By March 27, the accord began to fall apart, as the British, Swiss, and Canadians threatened to pull out of the package, claiming that the U.S. banks could not come up with the amount they were supposed to contribute.

The end of the illusion of a Mexican "package" which was supposed to dampen the popular clamor in Mexico for anti-IMF measures on the Peruvian or Brazilian model, came as Alan García concluded his visit. Brazilian President José Sarney's declaration of an indefinite moratorium in interest

payments on Brazil's debt, and creditors' continued stalling on the jumbo loan, was the context in which President Miguel de la Madrid finally set the date for the García visit after nearly a year of postponements.

In the joint resolution that came out of García's meetings with de la Madrid, commitments are established for joint economic, trade, and technology transfer arrangements between the two countries, especially in oil drilling technology. These could take on great importance in the period ahead, if Mexico decides to join the movement for integration of Ibero-America so eloquently advocated by President García.

Schiller Institute organizes welcome

The green light came for García, but Interior Secretary Manuel Bartlett Díaz, the Trilateral Commission favorite to become Mexico's next President, gave orders that no one should "rouse the rabble." The government party's trade unions, busy trying to eek out a few wage concessions from the economic cabinet, organized no reception for the Peruvian leader.

On March 24, the noisy reception organized by over a hundred members and supporters of the Schiller Institute and the Mexican Labor Party outside García's hotel, right before his speech to Congress, was reported in all the media in Peru. Several days of mobilizations in support of García by the same organizations were reported in the national and local press in Mexico, and in Peru.

The crowd chanted, "With America united, the banks are lost" and "Juárez and Alan, are already in history," referring to Mexican President Benito Juárez, who declared a debt moratorium. Huge banners with the slogan that has become famous throughout Ibero-America, "Neither Kissinger, Nor Gorbachov, Long Live Alan García!" and "Long Live Peru!

Long Live Brazil! Ibero-American Integration Now!" shaped the environment for the Peruvian leader's address. Several radio, TV, and press accounts reported on March 26: "Alan García captured the attention of Mexicans."

In speeches before the Mexican Congress, to President Miguel de la Madrid, and at various public events, García evoked the memory of Mexico's War of Independence against the Spanish empire (1810), Benito Juárez's war against the Hapsburg-led invasion (1862-67), and the 1910 Mexican revolution against the dictatorship of General Porfirio Díaz, all of which stand as models of Ibero-American liberation.

García shakes up Congress

President García told the Mexican Congress: "To make law for the people means . . . that we have the right to our own industry . . . that we must not squander our dollars buying abroad what this people of America can produce . . . to understand that it will not be foreign resources nor foreign credit which will raise us out of poverty, but that we will rise out of poverty by reactivating the economy; and the economy will only be reactivated when there is a people that consumes, a people that eats, when there is a people that takes better care of its health, dresses, and educates itself better."

Many congressmen had tears in their eyes when they heard García insist: "I refuse to forget the example of the Mexican Revolution as an example. . . . I refuse to feel that they can make us submit, by making us think they are very powerful because they have bombs and money." Later, turning to the chairman of the Permanent Commission and head of the Senate, Antonio Riva Palacio: "I say that we have a greater power, the power of our cultures. . . . I have come to say, sir, that we are not speaking of Peru, we are speaking the name of America and not out of pretension or arrogance. Let us then speak the same language, this has to be the language of the future, and we are going to rip the cobwebs and break the paper tigers that scare some people."

García had started by throwing out the challenge: "All the peoples of Latin America understand and know that democracy cannot be the work of one single country, and to call ourselves democrats without the traditional borders of our lands, means to assign to democracy a precarious and sometimes fleeting role, and to speak of nationalism inside our borders, is sometimes to betray the profound sense of authentic nationalism."

"To make laws means to make laws for the people and with the people, and to grasp above all that the will of this people is gathered in its Congress. . . no letters of intent [can] outweigh the Constitution and the will of this people so united."

The legislators waited to the end and then leapt to their feet shouting "Bravo!" and "Viva" when the Peruvian President concluded: "I come to this parliament because it represents a people, and in the name of the people of Peru, I say to you, we are going to make a revolution together. Not the

Mexican revolution. Not the Peruvian. We are going to make the Latin American Revolution. We are going to consummate the union that will be freedom."

A few days earlier, President de la Madrid had chaired an assembly of the ruling Revolutionary Institutional Party (PRI), set up to achieve a "national unity" consensus around his policy of making deals with international banks. As Alan García spoke to the Congress, many people must have had in mind the image of Finance Secretary Gustavo Petricioli, who at that very moment was assuring the banks that Mexico "will not act in an irresponsible way," at a meeting of governors of the Inter-American Development Bank (IABD) in Miami.

Alan García scrupulously avoided journalists' probes to try to set him off against President Miguel de la Madrid on the debt issue. "What Mexico does in accord with its people, its political system, and its President, is done well," he repeated various times. What counts is to lay the basis, focus the attention of Mexicans outside their national borders, and have them look southward. "What matters is that Mexico is a leader against imperialist intervention and in the fight for peace in Central America," he said several times.

Contadora summit

At a press conference on March 25 after his last round of talks with the Mexican President, García announced that "at the initiative of President Miguel de la Madrid, a summit will be convened of heads of state of the members of the Contadora Group and the Support Group," the eight biggest nations in the region.

The joint communiqué issued that day began by asserting that "the independence and sovereignty of all of our nations are at stake in Central America." To meet to discuss this conflict can only lead to discussion of the need for economic development. Then it states that "the foreign debt is one of the major obstacles for the growth of the Latin American countries . . . [an] expression of the unjust international order. . . . We reaffirm our will to honor our obligations, but assuring first the priority right of our peoples to economic and social development."

The resolution includes a paragraph establishing the need to adopt joint measures "to coordinate the fight of our governments against drug trafficking to promote a concerted international effort" against this scourge.

Various parts underline the need to integrate the region. "We think that today it is more imperative than ever to renew the historical mandate to create a Latin American community of nations, for which it is necessary to reorient conjunctural interests and short-term vistas in order to consolidate regional integration and to collectively and with solidarity confront the problems of our time and the challenges of the future," one part said. "We consider that the common culture of the Latin American is a force that will have to advance this unity and get us on the path of a process of integration."