

Dateline Mexico by Hugo López Ochoa

Cárdenas still the leading option

President Salinas de Gortari is caught between a rock and a hard place, while Cárdenas builds his own party.

If the ruling Revolutionary Institutional Party (PRI) of Mexico fails to carry out the "democratic reforms" it has promised, warns the Feb. 20 editorial of the weekly English-language *Mexico Journals*, nationalist opposition leader Cuauhtémoc "Cárdenas and company will be waiting in the wings" to take power in the 1994 presidential elections. In fact, this could happen a lot sooner, as Salinas's campaign promises to produce an economic recovery by the second half of 1989 have run into the stone wall of his own monetarist backers.

Cárdenas is well aware of this and has repeatedly insisted that Salinas resign, to resolve the "constitutional crisis" caused by the massive electoral fraud in the July 6, 1988 presidential elections.

On Feb. 4, speaking to the National Promotion Committee of the Party of the Democratic Revolution (PRD), a new party being formed around Cárdenas and his supporters, the nationalist opposition leader insisted that Salinas is trapped "in a contradiction . . . between his insistence on imposing and extending the neo-liberal economic project inherited from the previous [de la Madrid] term, and persistence on preserving the corporative political regimen of the State." Cárdenas' evaluation is on the mark.

To achieve his project of total openness to foreign investment, partial or total privatization of strategic state companies, swapping debt for the stocks of indebted Mexican companies, and low wages to maintain the "competitiveness" of Mexico's exports, Salinas de Gortari made the

mistake of using the military to dismantle the nationalist leadership of the oil workers union, which opposed those plans. But, said Cárdenas, "It is clear that the objective was never to moralize and democratize the labor organization."

Cárdenas charged that Salinas wants "the dependent insertion [of Mexico] into the international market, whose effects will be devastating for the majority of Mexicans and for the future of the nation," a reference to the pressures from Henry Kissinger's friends for Mexico to join a Common Market, already established between the United States and Canada.

As a result of Salinas's police-state actions against the Oil Workers Union, the national banking oligarchy and its Wall Street masters have been strengthened, and are upping the ante. At the same time that a \$3.5 billion bridge loan approved for Mexico last December was suspended, monetarist spokesmen are demanding that the economic depression be prolonged by shrinking wages—already at below-subsistence levels—to be able to "raise prices without triggering inflation."

Salinas has urged bankers to grant "fresh credits" to the tune of \$7 billion a year through 1994. Henry Kissinger has conducted an intense lobbying effort with the Bush administration to give Mexico a break. Even such banker strategists as the president of American Express and Rudiger Dornbusch, adviser to Mexican Finance Secretary Pedro Aspe, proposed to Salinas back in early February that he should "suspend payments" on debt to banks which refuse to accept a scheme of

selling Mexico its own debt at discounts of 30-40%. In Dornbusch's words, "The U.S. banks could use Mexico as an example in a new international debt crisis . . . if the U.S. government doesn't intervene first."

The idea is to pressure Bush into giving a rapid go-ahead to the creation of a "multilateral guarantees system," a supranational corporation backed by the governments of the industrialized countries which would buy up the devalued debt holdings of the banks.

Salinas de Gortari is under pressure to strike some kind of balance quickly, since as various Mexican press analysts have said, if an economic recovery program is not begun by April of this year, the PRI will face an electoral debacle in the mid-year elections, in precisely the states where it has least influence: Michoacán, dominated by Cárdenas; Baja California, where Cárdenas beat Salinas in the July 1988 presidential elections; and Chihuahua, dominated by the rightist National Action Party (PAN).

Lyndon LaRouche has been warning of the imminent financial and banking collapse that threatens the Bush government itself, given the exhaustion of the Japanese reserves which have sustained the dollar since October 1987. This alone would suffice to shatter Salinas's strategy, and it is in this context that Cárdenas' evaluation must be weighed: "The sell-out, neo-liberal economic policy . . . is driving the group in power into growing isolation. . . . Sooner rather than later, an unprecedented aggravation of the economic, political, social, moral, and constitutional crisis which we are experiencing will hit. As on July 6, but with greater intensity, the nation will seek a point of reference . . . for recovering peaceful development, stability, democracy, and constitutionality."