reflected this commitment to continental unity to defend sovereign economic development, urging that a "Latin American community of nations" be formally established, and that it define action in areas of common concern such as regional security, the restructuring of the OAS, and economic development.

Simultaneous with the Bogota meeting, the 26 members of the Latin American Economic System (SELA) met in Caracas to discuss related issues. Venezuelan President Luis Herrera Campins told the final session of this gathering that the OAS had to be modified to serve as a forum of "North-South dialogue," emphasizing that the current international economic crisis demanded a "collective economic defense against illegal and arbitrary coercion," such as that applied to the continent by Great Britain and the United States during the Malvinas War. Herrera expressed particular concern over Ibero-American vulnerability in such areas as food supplies and basic capital-goods production.

LaRouche's proposal for the use of the "debt weapon," and for the creation of an Ibero-American Common Market, circulated widely at both the SELA and the Latin American Parliament meetings, and were reflected in the call by Venezuelan leader Humberto Celli in Bogota for a 10-year moratorium on payment of the foreign debt of developing nations (see page 13).

The London and Wall Street banks, of course, have a plan to deal with such threatened joint debt action by the nations of Ibero-America: "divide and conquer." Brazil's stupidly short-sighted monetary officials, for instance, are being bought off with "special" new loans just for them—as the rest of the continent is financially strangled. Once fragmented, goes the strategy, the IMF can move in on its victims, one by one.

Toppling López Portillo

Mexico remains top on this hit list, because of its leadership role on the development question. Daily, the Wall Street financial press has churned out strategies for defeating Mexico in economic warfare. The New York *Journal of Commerce* suggested for instance, that Mexican assets in the United States could be seized if they try to buck the IMF's dictates. The evil *Wall Street Journal* berated Mexico's national commitment to industrial development and vented particular venom on Pemex, the state oil company which was the motor of the country's industrialization drive. "Mexico's technocrats might want to ask," the *Journal* helpfully suggested, "whether multinational oil companies might have earned more money for Mexico than state-owned Pemex."

The reference to Mexico's "technocrats" has a special significance. It is meant as an appeal to President-elect Miguel de la Madrid and current Finance Minister Silva Herzog (a de la Madrid man), to de facto seize the reins of power from current President López Portillo *before* he leaves office on Dec. 1, 1982, and to reverse his prodevelopment policies

LaRouche's proposal for a continental common market

During the Malvinas crisis this spring, U.S. economist Lyndon H. LaRouche, Jr., proposed the Ibero-American nations use their unpayable debt burdens as a "debt bomb" to sink The City of London. To shield these countries from deadly London reprisals against their foreign trade and to promote their development over the long term in the face of conditions of international collapse, LaRouche suggested they form a common market. Since that time, LaRouche's Common Market concept has been published in newspapers throughout Ibero-America, and received the close attention of top policy-makers throughout the area.

LaRouche's common market idea is distinct from past failed efforts at regional integration; countries have much strong motivation to ensure that it works, and it defines a new regional banking system which would end foreign bankers' control over trade flows.

Member countries would form a customs union which not only would protect new industries from assault by outside forces, but would negotiate fair (parity) prices for intra-regional trade. The member countries would orient their development plans toward satisfying the total needs of the region, and seek as much regional self-sufficiency as feasible. New advanced technologies would of course continue to be imported into the region as rapidly as possible.

A regional development bank would coordinate and assure adequate capitalization of investment projects. Trade would be financed by new national banking systems modeled on the one Alexander Hamilton set up to restructure the U.S. debt within the context of industrial development. Trade flows would be cleared through an inter-republic banking function which would link the national banks of the members, and would operate on the basis of a common currency of account.

If such a common market, as broadly summarized above, were taken up by several of the larger Ibero-American nations, they would find themselves transformed from beggars at the table of the bankers, into one of the world's most powerful economic blocs. If the United States and other advanced capitalist nations were to work as partners with this bloc, rates of development on both sides would be immense; if they refused, the Ibero-American nations would at least be able to defend themselves and survive.