

sions" to the IMF in order to qualify for some desperately needed financial flows.

Mexican solutions

Despite the censorship imposed on López Portillo's call for a New World Economic Order, Ibero-American leaders have not missed the power of the "debt bomb" proposed by the Mexican leader. Speaking from the United Nations Oct. 5, the head of the Latin American Economic System (SELA), Carlos Alzamora, called on Ibero-America to follow the path to continental integration and joint debt renegotiation marked the week before by López Portillo and Brazil's President João Baptista Figueiredo in their speeches before the General Assembly—speeches which have been largely blacked out as well in the advanced-sector press.

Peru's Foreign Minister Javier Arias Stella has also told *EIR*, "As we have heard in the speech of President López Portillo, he practically said, 'We have arrived at a point where we cannot pay.'"

A top Brazilian government official has told this news service that since all Ibero-American countries face similar debt problems, the "mere threat of common action is always present and we believe adequate to force a change." And a high-level official in the Argentine Foreign Ministry has also told *EIR* that if the IMF continues pushing for austerity conditionalities, Argentina "will simply not pay its debts, as Mexico threatened."

SELA chief points to debt-bomb potential

The head of the Latin American Economic System (SELA), Carlos Alzamora, has called on Ibero-America to follow the path to continental integration and joint debt renegotiation marked in the United Nations by Presidents López Portillo of Mexico and Figueiredo of Brazil.

Speaking Oct. 6 from the United Nations, where he has been organizing for this Ibero-American integration program, Alzamora stated that "the authorized voices of the Presidents of Brazil and Mexico, as well as the Latin American foreign ministers, have been clear and firm in pointing to the few options which the gravity of the [economic] crisis has left the Latin American countries in the event that corrections are not made immediately.

"Most of the Latin American debt is concentrated in four countries, Argentina, Brazil, Mexico, and Venezuela," Alzamora stated. "If the four countries get together with the support of other Latin American

Phase II of the Malvinas war

As a way of blocking the Third World, and especially Ibero-America, from following López Portillo's lead, the "NATO faction" in the U.S. government has employed a "divide-and-conquer" strategy to heighten tensions among Ibero-American countries and justify deployment of NATO forces to this area.

One example was a meeting Oct. 4 in San José, Costa Rica, led by Shultz's Assistant Secretary for Inter-American Affairs, Thomas Enders, where the foreign ministers of Guyana, Jamaica, Colombia, Honduras, El Salvador and Costa Rica agreed to create a "mutual defense pact" which would rely on U.S. military assistance "in case of" war in the Central American-Caribbean region. The attendants proceeded to engage in provocative attacks against Nicaragua, an ally of Cuba (see article, page 39).

The U.S. Congress last week also announced it has allocated \$13 million to finance improvements in a military airbase in Honduras, a country now on a war footing against Nicaragua. The Honduran airbase would service aircraft from U.S. carriers assigned to the Caribbean area.

U.S. officials are also known to be engaged in deals with such former British colonies as Guyana to offset moves by Venezuela to join the Non-Aligned movement. Arguing territorial disputes with Venezuela, Guyana is now engaged in diplomatic plots to block Venezuela's participation in that group.

will represent a formidable power. Otherwise, if they negotiate one by one, they will be like sheep walking to the slaughterhouse, at the mercy of the international bankers. An imperative of our negotiating strategy is to turn our vulnerability into a collective potential."

Alzamora was emphatic in warning against any country trying to defend its economy in an isolated way and on the basis of "traditional criteria which have been superceded by the magnitude of the debt, when the fact is that the best weapon is precisely that magnitude."

For those governments who think they could make a "bilateral" deal with the creditors, Alzamora implicitly reminded readers of the economic sanctions imposed by the European Community and the United States against Argentina during the Malvinas war. "Our pretension of bilateralism is naive," he said, "because the speakers on the other side are tightly coordinated in every sector as we have proved."

Warning in conclusion of the "crucial crossroads" at which Ibero-America finds itself, Alzamora called for the formation of a continental mechanism of political consultation to coordinate the proposed Ibero-American integration.