

## Dateline Mexico by Hugo López Ochoa

### Secret NAFTA deal exposed

*The government is frantically denying that secret accords exist, as President Salinas stumps to save the rotten treaty.*

Charges by the Permanent Forum of Rural Producers and the Ibero-American Solidarity Movement concerning the existence of a secret financial agreement between the Mexican government and the U.S. Federal Reserve have captured headlines in both national and regional press here for three weeks, finally forcing the desperate Salinas government to deny their existence (see *EIR*, Oct. 8 for details on the secret protocols behind the North American Free Trade Agreement, NAFTA).

"There were no secret agreements outside the framework of the NAFTA negotiations; the U.S. congressmen who spread that rumor lied. . . . Nor will there be NAFTA bonds backed by the national economy," insisted Jaime Zabudovsky Kuper, general coordinator of international trade negotiations for Mexico's Commerce Department, to several newspapers on Oct. 14. By "U.S. congressmen," Zabudovsky was referring to the chairman of the U.S. House Banking Committee, Henry B. Gonzalez (D-Tex.), whose recent hearings on the issue of the secret agreements were initially disseminated in Mexico by *EIR-Resumen Ejecutivo*.

Because of these revelations, the "LaRouche card" has begun to be played within certain circles of the ruling party, and Gonzalez has become a popular figure. On Oct. 14, *El Financiero* published a profile of the Texas congressman, presenting him as famous for defending causes "which appear lost but which triumph in the end," and painting his "firmness, tenacity, and stubbornness" as legendary. Regarding

his opposition to NAFTA, on the grounds that it would only benefit the big corporations, *El Financiero* wrote, "many think he is right."

What makes Gonzalez's charges so powerful is the fact that they indicate the real opposition to NAFTA inside the United States. Although Zabudovsky lies that the Salinas government is not considering options in the eventuality that NAFTA is not approved by the U.S. Congress, the truth is that President Carlos Salinas de Gortari has already gone into a frenzy over that possibility.

If NAFTA is not approved this time around, it will stay buried perhaps "for many generations," Salinas told the *Washington Post* of Oct. 7. He even threatened that Mexico's historic "anti-Yankeeism" would return if NAFTA was not signed. During the meetings of the Group of Three (Colombia, Venezuela, and Mexico) and of the Rio Group, held, respectively, in Trinidad and Tobago and in Santiago, Chile Oct. 12-17, he and other Ibero-American Presidents offered apocalyptic predictions if the United States were to leave them in the lurch after they have already bent so low.

Statements to this same effect were made by former U.S. State Department honcho Bernard Aronson and by Fred Bergsten of the International Institute of Economics, the latter also warning that "a world recession" would be detonated if NAFTA is not signed.

Salinas is starting to show signs of schizophrenia; he put off until January 1994 the decision to name his successor as the candidate of the Revolution-

ary Institutional Party (PRI) for the Aug. 21, 1994 presidential elections. This was intended to signal that if there is no NAFTA, the PRI candidate will be a populist "Gringo-eater."

Taking him seriously, former President George Bush took off for Guadalajara, Jalisco Oct. 6-7, under cover of promoting NAFTA among a business group calling itself Project Millennium. While there, he scandalized the country by declaring that if the PRI should name a presidential candidate before NAFTA comes before the U.S. Congress, as a guarantee that there will be continuity in economic policy, this would help Congress to decide in the pact's favor. In response, Salinas put out the same message that he has been using to calm international speculators: "With or without NAFTA, Mexico will modernize." Translation: economic policy will stay the same.

The truth is that with or without NAFTA, whether Salinas likes it or not, and no matter whom the PRI chooses as its candidate, nationalism will return to Mexico. If not from inside the PRI—where there is a real, if subterranean, opposition to NAFTA—then from outside it. And not necessarily from within the framework of the parties at all, but perhaps from a social movement such as that recently announced with the Declaration of Ciudad Juárez, a document signed by the majority of agricultural organizations from Sonora and Chihuahua, the two largest states in the country, in which a debt moratorium and a return to the American System of economics are proposed in defense of national sovereignty.

It remains to be seen whether Mexico's political parties have the moral capacity to demand a congressional investigation of the secret agreements, before NAFTA comes to a vote before the U.S. Congress.