

Mexico's Zedillo says survival is 'nostalgia'

by Carlos Cota Meza

During his state visit to Costa Rica on Jan. 14-15, Mexican President Ernesto Zedillo attacked Itamar Franco, the Governor of the Brazilian state of Minas Gerais and a former President of Brazil, for pricking that country's vast speculative bubble.

In referring to the "Brazilian politician" who declared a moratorium on his state's debt to the federal government, President Zedillo said: "I only hope that this irresponsible act is the last monument raised in Latin America to those spreaders of misery, the populist politicians . . . [and] that it be understood that demagogy and easy rhetoric take a severe toll on our people." In attacking Governor Franco, Zedillo was being very deliberate: "I am convinced that, with this, I am opening up a great debate. I know that tomorrow and in the days to follow, I will be criticized for what I am saying."

In fact, the list of criticisms is long, and some of them sufficiently well-argued that they have forced official responses, explaining how the Mexican President has not violated Article 89 of the Mexican Constitution which obliges him to respect "the self-determination of peoples" and "non-intervention" into the internal affairs of another nation, according to which the "Itamar case" would be a matter strictly for Brazilian President Fernando Henrique Cardoso.

Apart from the constitutional issue, and the question of foreign relations overall, President Zedillo continues to show a persistent intellectual weakness in his reactions to any criticism that challenges the academic belief structure he acquired at Yale University, during his doctoral course in free-market economics.

During the first week of December 1998, for example, former Mexican President José López Portillo, in commenting on a speech by Schiller Institute leader Helga Zepp-LaRouche, stated that the Mexican government should respond to the crisis by reviving the Mexican Revolution's precept of "social justice," a revolution which "we are forgetting" and replacing with "foreign values."

Within less than 24 hours, President Zedillo answered his predecessor, accusing him of being "nostalgic for the past," and ranting against the economic program López Portillo enforced during his 1976-82 mandate, which Zedillo also blamed for the economic and financial crisis of recent years.

Compare this with what Zedillo said last Oct. 9, in closing

a conference of the Mexican businessmen's association Coparmex. Zedillo said that standing agreements following World War II, such as the Bretton Woods Agreement, were "clearly obsolete." The new reality, he said, "requires a new architecture of the international financial system," and his government has decided to collaborate "with the most important participants in the international market, in designing such new mechanisms."

Four days later, on Oct. 13, President Zedillo was speaking in London, where he publicly acknowledged that, in private talks with President Clinton, he had already analyzed the imminence of the financial explosion in Brazil, after what had occurred in Asia and in Russia. The "Mexican crisis," Zedillo told Clinton, "could be small in comparison with the Asian crisis and, perhaps, a Brazilian crisis." He admitted that the Mexican rescue package of 1995 was "without precedent," but added that "something even more important must be done now before we face a systemic risk."

If we are facing the risks that President Zedillo acknowledges, why then reject the absolutely valid analysis of former President López Portillo? Isn't what Governor Itamar Franco is doing in Brazil, to try to prevent his nation from disintegrating, very important?

'The situation has become unbearable'

To illustrate what we are talking about, it is appropriate to briefly quote from the Apostolic Exhortation which Pope John Paul II made public during his visit to Mexico in January, with regard to the problem of the foreign debt: "The existence of a foreign debt which is suffocating quite a few countries of the American continent represents a complex problem. . . . I too have frequently expressed my concern about this situation, which in some cases has become unbearable. . . . Recalling the social significance that Jubilees had in the Old Testament, I wrote: 'In the spirit of the Book of Leviticus (25:8-12), Christians will have to raise their voice on behalf of all the poor of the world, proposing the Jubilee as an appropriate time to give thought, among other things, to reducing substantially, if not cancelling outright, the international debt which seriously threatens the future of many nations.'

"Once more I express this hope," said the Pope, who also proposed: "On the broadest level possible, it would be helpful if "internationally known experts in economics and monetary questions would undertake a critical analysis of the world economic order, in its positive and negative aspects, so as to correct the present order, and that they would propose a system and mechanisms capable of ensuring an integral and concerted development of individuals and peoples."

Is the Old Testament "an irresponsible act"? Is it "nostalgia for the past," that the Pope would have the world celebrate the Jubilee in the year 2000 without "speculative financial policies," and without having eliminated "the mere payment of interest" that has become "a burden on the economy of poor nations"?