

United States to answer the evidence of "connections to official agencies" surrounding the bombing.

While all these developments have been crucial in pushing Carlos Andres Perez away from Atlanticist domination, the consistent role of the Latin American Labor Committees has been key. For two years, the CLLA has been the only voice in Venezuela organizing for debt moratoria and the new world economic order. The CLLA has been the only accurate source of information on the historic struggle of Mexican President Luis Echeverria for the new order, and on the Wall Street imposition of a bankers' dictatorship in Peru. It was the CLLA that first proposed a program of exchanging Venezuelan oil with the advanced sector in terms of the necessary capital goods and technology required for Third World development, the groundwork of CAP's present policies. Thousands of copies of Nueva Solidaridad and special briefs have made their way into industrialist, journalist, and political layers laying out Wall Street's schemes around the Rand scenario, the Rodriguez murder, the collapse of agriculture, the World Bank design of turning the five-year V Plan into a labor-intensive Schachtian looting operation, and the nuclear war danger of the Carter fraud. Hundreds of meetings have been held with government officials, political figures, union leaders, and businessmen on the only way a military coup can be averted in Venezuela: an internationally-focused fight for a new world economic order and debt moratoria.

The Military Danger

As a result of CAP's current offensive, Wall Street is forced to turn to the open coup alternative at the first sign of a weakening in CAP's international position. A coup right now would merely force Europe and the Third World to break immediately with the dollar, but the groundwork is being set should CAP and his allies falter. Perez is well aware of this, as he pointed out in his press conference in London this week. One of the "essential reasons" democracy is increasingly weak in Latin America, he said, "is precisely the result of the economic instability that provokes this political instability."

The signals are clear, as a coordinated fascist front to stop CAP has emerged stretching from the CIA's Cuban exiles, through the old falangist wing of the Christian Democrat party, Copei, to the Betancourt faction in AD. The political boss of the extensive Cuban exile community in Caracas, CIA agent Felix Martinez Suarez, publicly endorsed terrorist violence in a prominent newspaper ad two weeks ago. This week, two notorious Cuban exile CIA fronts, CORU and Condor, threatened to bomb Venezuelan airliners if the Perez government persists in its prosecution of CIA-Cuban exile terrorists.

Copei is now split down the middle, with the faction around

leaders such as Luis Herrera Campins and Abdon Vivas Teran heading up a pro-development faction similar to the Andreotti forces in Italy. But the old reactionary falangist wing around former President Rafael Caldera has been forced to surface in an effort to undermine CAP's motion. Aristides Calvani, Caldera's foreign minister, in an interview in the right-wing Caracas daily El Universal this week, warned Perez not to snub the U.S. "It is incongruent that a Venezuelan President who has yet to pay an official visit to the United States, travels to the U.N. without making an official visit to that country," he said. "Especially in the case of President Perez, who on this occasion is going to the Soviet Union." Giving away the unholy matrimony between these falangists and the "liberal" Jimmy Carter, Calvani snapped, "Nothing should have prevented his seeing President-elect Carter. I just can't understand what happened."

It is widely known that the right wing of Copei is closely linked with the fascist elements in the armed forces. Other falangists have recently tried to stir up animosities within the military by publicly alleging dissatisfaction over salaries and promotions — a typical pre-coup rumor.

Meanwhile, the Atlanticist "left" press service, Interpress, hysterically screamed this week that the "objective" of CAP's tour "is to split the Europeans from the U.S." Further, Copei columnist Sanin, in El Nacional of Nov. 19, nervously wrote, "The bad part about it is that he is being compared with the Mexican Echeverria."

However, another El Nacional columnist, Jason, the same day ironically noted the success of CAP's trip and the fact that the inroads made with the Andreotti government have left even the pro-development faction of Copei flatfooted. "You'd think he was Andreotti's cousin," he remarked, citing the warm reception from the Italian press on Perez' arrival in Rome. As to the devastating effect CAP's drive is having on the right wing of his own AD party, Jason quipped, "It looks like CAP is closer to President Leoni (of Italy) than (former Venezuelan) President Betancourt."

It is obvious that for CAP to survive he cannot stop in midfield. The right wing is waiting to pick him off should he even slow down, as a Wall Street think tank source told NSIPS two weeks ago. "The threat of a military coup should keep CAP from going too far," he said. Within Latin America, he must strengthen the geopolitical position of potentially pro-development forces through trade. The scheduled visit to Caracas by Peruvian President Morales Bermudez upon CAP's return from the Soviet Union is an opportunity to give breathing room to the Peruvian centrist forces trying to fight off a Chilean-style bankers' coup. But more broadly, CAP absolutely cannot afford to have the North-South talks in Paris be sabotaged.

The CADI—76 Meeting:

Peruvian Regime Announces Turn From "Peruvian" Development Model

Nov. 27 (NSIPS) — A parade of Peru's right-wing cabinet members swore to a gathering of Peruvian executives at the CADE-76 economic planning meeting this week that they would wipe out all remaining vestiges of the "Peruvian Revolution" in order to facilitate labor-intensive looting of the country's natural and human resources. The wholesale reorganization of the Peruvian economy which they outlined is based on the rejection of the premises of the 1968 Peruvian Revolution which

held that the government's role was to promote nationalist "Integral Development" for the purpose of raising the living standards of the population. The new system promises "new openings" for foreign capital for massive extraction of oil and metals and "a climate of business confidence" in which local entrepreneurs can mobilize the population to scratch out and export whatever marginal resources are left.

In order to effect this transformation to Schachtian looting

programmed by the World Bank and the slashing of the population's living standards to subsistence or below, the social institutions of popular participation built up during the Revolution must be destroyed.

Prime Minister Arbulu has thus promised that the nation's agrarian reform program will be truncated, Labor Minister Galindo has pledged that union rights and job security will be legislated out of existence, and President Morales Bermudez found himself detailing the effective elimination of worker co-management bodies (Labor Communities) which were the hallmark of the Revolution. Morales has also joined the businessmen in charging that Peru's state sector "has grown at too fast a rhythm in recent years." The state enterprises and national bureaucracies — necessarily permeated by pro-development planners and administrators — are to be triaged by a committee half of whose members are from the capitalist sector.

The largest cuts in state sector allocations will involve the elimination of major mining and irrigation projects and a cut of one third in Peru's food imports. Morales Bermudez is apparently conscious that he has caved in to the triage demands of the New York banks, designed to be administrated by their fascist collaborators in the occupation army. Two weeks ago a desperate Morales blurted out that his call for foreign capital under the liberal conditions needed to compete on capital markets with such countries as Chile, "doesn't mean that I'm selling out the country, as some people will think."

Bankers Lead Peru Down Deadend

For the last six months the New York bankers have been aiding fascist elements in the Peruvian military win control over the country. This has been done primarily by dangling a \$200-400 million loan in front of Peru's nose, to which only a few simple conditions were attached. As is well known the loan was conditional on the regime purging nationalist ministers such as pro-debt moratorium Foreign Minister Gen. de la Flor and bonapartist Prime Minister Gen. Jorge Fernandez Maldonado. These men were eliminated in a July 16 coup. Many of their associates have since been forced into retirement. Another condition was drastic currency devaluation and ending of food subsidies so as to pay debt out of reduced popular consumption. These so-called "corrections" in government economic policy have also been made. Next, the bankers ordered the dismantling of the state sector and the smashing of the union movement, in other words the destruction of the social forces capable of resisting the even tighter austerity measures which will be required in the future. A 38-day fishermen's strike against the denationalization of the state fishing company is now the focus of this battle. Despite hundreds of arrests and massive repression, black propaganda, and scab-herding, the government remains unable to smash the fishermen.

Despite the relatively successful efforts of the Peruvian fascists to push and cajole centrist President Morales Bermudez into implementing the policies ordered by the bankers, Peru has yet to receive a penny of the permanently imminent multi-million dollar loan. In the weeks before the CADE-76 meeting, Wall Street has made known its continued dissatisfaction with the Peruvian regime's performance. One of the bankers organizing the six-bank consortium spoke with NSIPS shortly before the CADE-76 meeting. He replied to a question about the effects of July's 44 per cent devaluation and drastic austerity measures by saying: "I'm a bit worried. Since then (July) nothing has happened. Peru is lacking leadership. They don't have ideas. They promised all kinds of things. But when the time came to lead, to cut inflation, to cut the fiscal deficit, they just sat down and did nothing."

Program for Looting

Even a cursory analysis of the economic policy outlined by the occupation government ministers at the CADE-76 conference reveals its sole purpose of paying off Peru's foreign debt at the expense of industrial and agricultural development and the consumption standards of the population.

Finance Minister Barua offered figures which show that the government expects foreign capital inflows in 1977 to be insufficient to even meet the foreign debt due (and overdue) during the year. Thus, if debts are to be maintained, much of the debt service and all productive investment must be sliced out of cuts in imports consumed by the population. What little resources are available for investments will be allocated, according to the guidelines mandated by the World Bank, primarily towards transforming Peru's relatively capitalized industries into labor-intensive sweatshops.

This anti-technological orientation was blatantly expressed by Agriculture Minister General Luis Arbulú Ibañez. He condemned the coastal sugar and rice cooperatives for buying large quantities of foreign machinery. This, according to the minister, has not only created problems tied to the import of spare parts, but was a "violent and uncontrolled eruption of technology" which "frustrated the creativity of our technicians and inserts in our reality elements made for a different one." Arbulú called for the replacement of advanced technology by "a type of technology which uses machinery and equipment to bring to fruition the physical force of man, rather than marginalizing him from employment." He said that the 62 per cent of the rural population which is under- or unemployed should be put to work in virtually capital-less projects of planting trees and tending tomato patches.

The capitalization of such labor-intensive projects will come from increased taxes and cuts in real wages on the modernized cooperativized plantations, whose workers were accused by Arbulú of having "an excessive consumptionism which contrasts with the deprived areas surrounding them." Privately-owned agricultural firms utilizing labor-intensive methods to replace machinery will be given tax cuts, and possibly even total exemptions, Arbulú declared.

President Morales Bermudez offered a similar perspective for the worker-managed social property sector which will be forbidden from competing with capitalists and from having "its pernicious effect on the stability of enterprises" by being available as an option for workers in bankrupt firms. Morales said that the social property system should provide "minimum subsistence incomes to a multitude of families" through enterprises which "provide the greatest number of job slots...with the least financial cost per job" and are sure to be profitable.

Anti-technological arguments were also wielded by Industries Minister Ibañez O'Brien as part of his justification for the elimination of the Labor Community worker co-management system from the private sector. (The Industrial Communities were corporative bodies of all wage-earners in each company who were collectively represented on the company's Board of Directors in proportion to the share of ownership held by the Community. These shares came from the community receiving 15 per cent of each year's profits for obligatory reinvestment in the company's expansion.) Ibañez claimed capitalist opposition to worker co-management and the reinvestment forced on industry by the Industrial Community Law has "created a disincentive to investment" in new companies, while resulting in excessive modernization and expansion of capacity through imports of machinery in existing industries.

Now workers will receive all or part of the profits formally reinvested by the Community in the form of transferable in-

dividual stocks. In line with this "correction" of the Labor Communities, the National Confederation of Industrial Communities (CONACI), created by the government in 1972, was again banned by the Interior Ministry from holding a leadership meeting.

Dismantling the State Sector

The bulk of President Morales' speech at CADE-76 was devoted to reassuring Wall Street that the state sector would be stripped of its role as the dynamic force of the Peruvian development process. Morales echoed banker criticism, saying "the public enterprises have grown at too fast a rhythm over the last few years, not so much in relation to the economic objectives of the government and the need for increased production of essential goods, but also in relation to the financial possibilities of the country." Morales then blamed the "excessively rapid" development of state-owned industry and infrastructure for budget deficits, shortages of foreign exchange, lack of capital

for private investors, and inflation. He insisted that "managers and workers jointly assume responsibility for demonstrating the entrepreneurial capacity of the State by acting according to the same criteria for profitability which prevails in the private sector."

While terminating worker-participation, Morales announced that state sector investment policies and operations in the future will be made with "the active participation of business organizations" to produce "a concertation of goals for investment, production, employment, etc." between the various forms of ownership. A week ago a committee was established with 50 per cent state and 50 per cent business representation to decide which state operations and projects should be triaged. Whether the development program forged in earlier years is scrapped or not depends largely on the outcome of the 40-day fishermen's strike against the dismemberment of the deficit-making state fishing company and on the international situation.

Mexico's Parliament To Put Monterrey Chief On Trial For Treason

Nov. 26 (NSIPS) — Mexico's Chamber of Deputies announced yesterday that it would officially charge Andres Marcelo Sada, top Monterrey Group spokesman, with "treason and sabotage" for his role in the Chile-style campaign of rumors and economic sabotage aimed at toppling the progressive regime of President Luis Echeverria. This action marks a high-point in the mobilization of the pro-Echeverria forces which took off with the historic Presidential decree Nov. 19 through which President Echeverria, in strict adherence to the Mexican Constitution, expropriated without compensation, over 200,000 acres of land illegally concentrated in the hands of 72 wealthy landowner families of the northwest state of Sonora and distributed it to over 8,000 landless peasant families.

Throughout the week preceding the expropriation, rumors of an impending coup d'etat flooded the capital city with the international press reporting that President Echeverria was not expected to yield the presidency to his successor, Lopez Portillo. Together with rumors of an imminent third devaluation of the battered peso, the outflow of currency was running at \$10-15 million dollars a day. Immediately following the land distribution in Sonora, a massive run on the peso — precipitated by the pro-fascist Monterrey Group of industrialists — took place. That Friday alone \$150 million dollars worth left the country.

To prevent a further flight of capital, on Monday morning President Echeverria ordered the Bank of Mexico to impose temporary controls on peso-dollar exchange — unprecedented in recent Mexican history — although the measure was partially revoked the following day after an all-night meeting of bankers with the right-wing head of the Bank of Mexico.

The general reaction by the right was violent.

Coordinated by Andres Marcelo Sada, president of the ultra-right National Employers confederation, large landowners in Sonora, as well as in the neighboring state of Sinaloa, began Chile-style strikes and shutdowns with support from some of the national business and industrial confederations of the country, demanding that the government give back the expropriated land. By Nov. 25, business and landowners in eleven other states had joined their fascist counterparts in the Northwest in a one-day lockout "in protest over the (government's) violation of individual rights, and the economic political and social chaos"

supposedly created by the government-decreed land distributions. "We will not take a single step back, and while Echeverria remains in power, we will continue the strike," said Sentencio Terminel, a top latifundist in Sonora. The reaction by the controlled Anglo-American press has also been hysterical. The Washington Post today ran an article entitled "Mexican Peons Threaten to Seize More Farmland," describing how "the shabby peasants who had suddenly received stretches of the perfectly plowed and fully irrigated fields still feel dumb-founded." "Any further actions by the impoverished Mexican peons, whether spontaneous or government-controlled, will add to a highly explosive situation in Mexico's northwestern farm belt south of the Arizona border," threatening "the planting of winter vegetables destined largely for exports to the United States." The notorious CIA-conduit Alan Riding, in an article yesterday in the Financial Times, lashes out at President Echeverria for "further complicating the economic and political situation that (President-elect) Jose Lopez Portillo will inherit." According to Riding, Echeverria did this solely to "be in a position to agitate and control the peasantry." The article sings extensive praise of the latifundists as "models of efficiency and productivity," and concluded with the remark that Lopez Portillo would prefer productivity to social justice, but that Echeverria has tied his hands.

The latifundist-businessmen strikes, which ended yesterday, were met with a fully mobilized Pacto de Ocampo (peasant federation) which demanded that the land idles by the strikers — around 200,000 acres in Sonora — be turned over to the peasants to continue agricultural production — an action which the Mexican President is legally and constitutionally empowered to take. The mobilization by the nationalist pro-development forces against the right-wing drive were stepped up by Celestino Salcedo, a pro-Echeverria Congressman and head of the country's largest peasant confederation, the CNC — part of the Pacto de Ocampo — who issued a call to bring Andres Marcelo Sada — the Rockefeller of Mexico — to trial for treason and sabotage. His call was then presented as a resolution in the Chamber of Deputies by a deputy representing organized labor.

But the right continues its offensive, determined to turn Mexico into another Chile. The right's intention is to force Portillo into the role of administrator for the International