

Congress Told Mexico 'Part of U.S. Economy,' U.S. Troops are Ready

On the eve of Jimmy Carter's Presidential inauguration, U.S. policy towards Mexico has been made explicit in a series of Congressional hearings. The central aspects of this policy were presented on Jan. 17 by the Joint Economic Subcommittee on InterAmerican Economic Relations.

In testimony before the subcommittee, Clark Reynolds, an expert on the Mexican economy from Stanford University, called for the formation of a "permanent Mexico-U.S. Commission" which would "present solutions to Mexico's pressing economic problems." Further testimony by Redvers Opie, a business consultant and ex-head of the U.S. Chamber of Commerce in Mexico, made it clear that the formation of said Commission — originally proposed two months ago by ex-State Department official John Parkes Young in the *Los Angeles Times* to renegotiate Mexico's \$35 billion foreign debt — would directly oversee other aspects of Mexican economic and social policy. Opie testified that the Lopez Portillo government must urgently carry out the following policies: "moderate demographic growth, encourage the confidence of the private sector and improve the conditions for foreign private investment."

Opie also declared that Mexico should be viewed "as part of the U.S. economy."

During the same hearings James Wilkie, an expert on Mexico from the University of California at Los Angeles (UCLA) revealed that the U.S. military has "drawn up contingency plans for deploying troops to Mexico." Wilkie, who taught at the U.S. War College from 1973-74 noted that these plans were prepared "for national security reasons" while Echeverria was President of Mexico. The plans were prompted, Wilkie added, by fear that Echeverria would become "leader and conscience" of the Third World.

A second aspect of Carter's Mexico policy was presented in hearings on Jan. 12 by the Senate Subcommittee on Investigations, chaired by Senator Sam Nunn (D-Ga.) on illegal arms smuggling from the U.S. to Mexico. The open and closed hearings promoted the need to tighten controls on the border — allegedly to stop "massive gun smuggling," — a proposal which Carter's nominee for Secretary of Labor, F. Ray Marshall had presented one

month ago ostensibly to stop the entry of "illegal aliens" into the U.S.

In his first 60 days in office President Jose Lopez Portillo has already gone a long way in meeting the economic demands placed on Mexico by the International Monetary Fund and New York banking creditors. In addition to the unusually low 10 per cent increase in the minimum wage declared at the end of December, an effective cut in real wages, Lopez Portillo asserted this week that no further subsidies will be given to the large state sector.

Events in Mexico have made it evident that these policies will be implemented in a situation of staged chaos and violence followed by increased militarization of the country. Lopez Portillo declared Jan. 17 that his austerity policies will bring "difficult times because the social, and above all economic adjustments being carried out will cause violent disturbances in certain areas of the country."

Lopez's statement came in the midst of a wave of terrorist violence.

On Jan. 16, fifteen terrorists from the 23rd of September League stormed a low-income supermarket in Mexico City killing five people. In the past year the League has been widely exposed as a CIA-controlled terrorist grouping. In response to the attack the Mayor of Mexico City announced that 30,000 Mexico City police will be trained in "anti-Guerrilla" techniques and equipped accordingly.

A major student strike, directed by ultra-leftist groups in the Southern state of Oaxaca was similarly used this past week to establish what the Mexican press described as a "virtual state of siege." The press has warned that the student uprising, and mass student "support mobilizations" in universities throughout the country may build to a situation similar to that of 1968 when student revolts, which shook all of Mexico, were bloodily repressed by the military.

The "violent disturbances" are paving the way for a direct U.S. military intervention. Carter advisor Daniel Bell two months ago mooted this possibility when he warned that "an explosion could occur on our southern border which would force Carter to pull back certain units from Europe.