

U.N. General Assembly head on debt crisis

The following are excerpts from an interview with Panamanian Vice-President Jorge Illueca, the newly elected president of the General Assembly of the United Nations, conducted by Fernando Meraz of the Mexican daily Excelsi6r on Sept. 25.

... The developing countries, particularly in Latin America, face a dual crisis, [said Dr. Illueca]. On the one hand, the tremendous pressure exerted on them by the International Monetary Fund and on the other, the tremendous internal destabilization derived from the former, since for governments to reduce social costs, as the IMF demands, unemployment is increased. This creates desperation, and desperation breeds violence.

The months ahead will be dark ones for our people, said Dr. Illueca, with the sad air of an old professor who knows history and its lessons. "We have already had one year since the meeting of the International Monetary Fund announced to our Latin American people that subjecting ourselves to a strict austerity would be sufficient to bring about an economic recovery as if by magic and with it, the solution to our foreign debts. Twelve months later, we see only that our economic problems have worsened despite the painful sacrifices which our people have suffered to pay interest and amortize payments."

Illueca nonetheless feels that recent changes in the political map of the world have increasingly accentuated the responsibilities of the developing countries. In the present [U.N.] sessions, the involvement of Panama and Mexico will be vital, one with the presidency of the General Assembly and the other at the head of the Group of 77, the most important bloc of Third World countries. "Now is the time for the developing countries, which form the majority of the General Assembly, to organize ourselves to impose decisions which correspond to the general interest. And for this the participation of our blocs, such as the Group of 77 and the Non-Aligned Movement, will prove decisive.

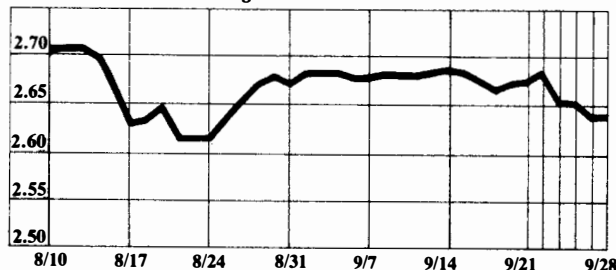
"Only with the joint action of these blocs can a realistic and objective strategy be undertaken. The desperate and worsening situation of the Third World and the international financial system cannot be ignored. Therefore we must try to launch, with great hope, global negotiations for a new international economic order which can effectively advance," he pointed out.

To achieve this it will also be important to establish a system of consultations among the most indebted countries which would allow a negotiating strategy to be established with the world financial centers, without the disadvantages currently implied by bilateral negotiations.

Currency Rates

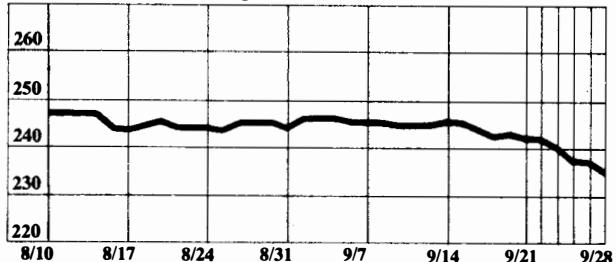
The dollar in deutschmarks

New York late afternoon fixing



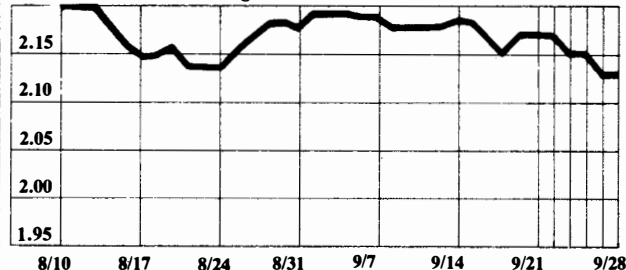
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

