

Dateline Mexico by Carlos Valdez

On debt and dignity

The Mexican Church chastises the civil government for acquiescing in the immorality of usury.

Immediately following the March 23-26 visit of Peruvian President Alan García to Mexico, the Mexican Catholic Church seized the lead in the fight against usury. In an indictment of the de la Madrid government's economic policies, which have bowed to the dictates of the international creditor banks, Mexico's bishops warned that responsibility for solving the foreign debt crisis is a moral priority for the nation's leadership.

On March 27, Father Ricardo Cuellar Romo, executive secretary of the Mexican Episcopal Conference, put out a document on the foreign debt, offered as Mexico's own contribution to the Vatican paper issued last February, and entitled "An Ethical Consideration on the International Debt." In the Mexican document, the bishops warn, "The exclusive payment of interest destroys the *raison d'être* of the debt and tends to subject the debtor to servitude."

The bishops further reason that the natural purpose of a debt stemming from a loan is the satisfaction of the human needs of the borrower, and the equitable compensation of the lender. When that purpose is violated, so too is natural law.

The document stresses that "to pay the debt, no country is obliged to destroy or seriously compromise its own basic economic subsistence." Thus, "if the honorable efforts of a country to fulfill its commitments clash with the impossibility of doing so, a radical international remedy is imposed . . . which can exclude neither total or par-

tial forgiveness, nor acceptance of moratoria which help the debtor country recover its solvency."

Father Abraham Talavera stressed the point that "the cause of the crisis is to be found in the fact that the essential link between economics and politics, and morality, is not respected." He added, "In the case of Mexico, neither our government nor its creditors deny or hide the possibility that paying the debt depends, basically, on favorable oil prices," such that now "it is unjust to make the full burden fall . . . solely on the debtor." Cuellar stressed that Mexico has already paid in the last five years, in debt service alone, a sum equivalent to half the total capital owed, and yet the principal has not shrunk, but increased, and with it the debt service.

In anticipation of Easter, the Mexican Episcopal Conference distributed to all the dioceses of the country a document entitled "Guide for Reflection," in which the faithful are called upon to study the problem of the foreign debt in detail, analyzing its legitimacy or illegitimacy. The document notes the difference it would make were the capital spent on payment of the debt channeled instead into housing, jobs, transport, education, and other services that assure the elemental rights of man. It also observes that each Mexican in effect "owes" \$1,262 in foreign debt, equivalent to 412.4 days at the Mexican minimum wage.

The first Sunday of Lent, the president of the Episcopal Commission on Social Communications and auxiliary

bishop of Mexico City, Genaro Alamilla, declared, "If Mexicans suffer because of the debt, the government should tell its creditors they must wait, repeating the refrain, 'That I owe, I do not deny; to pay, I have nothing.'"

In early March, Cardinal José Salazar López warned in Guadalajara that Mexicans are going through one of the hardest times in their history, and that "what truly concerns us is that the fundamental necessities of our people, such as food, housing, education, and work, are not attended to."

The first show of support for Brazil's decision to suspend foreign debt payments came from the Archbishop of Mexico, Cardinal Ernesto Corripio Ahumada, who referred to the Vatican document on the debt, saying, "Mexicans must analyze the particular situation of the country, and see if the conditions exist in Mexico to which the Pontiff referred in stating that the debt is unpayable if the development needs of the people are not met." Cardinal Corripio also added that the people's suffering as a consequence of the foreign debt burden could be a factor—from the religious standpoint—in considering suspension of debt payment.

A final appeal was delivered on April 6 by Father Cuellar in response to a just-announced 30% hike in the price of gasoline right after a minimum wage increase five days earlier of only 20%. Cuellar warned that a social explosion would be disastrous for all, and that the government must seek new ways to handle national finances so that the burden did not fall on the citizens.

The Church, said Cuellar, does not understand the technical aspects of the economy, but it is perpetual witness to the people's sufferings. There are alternatives not yet tested, concluded Cuellar.