

# Irangate scandal in Mexico may sink Wall Street's presidential favorite

by Hugo López Ochoa

The ramifications of the "Iran-Contragate" scandal toward Mexico, detailed to a large extent by the *Miami Herald* of May 10, could end the presidential aspirations of that country's Interior Secretary, Manuel Bartlett Díaz. A serious investigation by the Mexican government would reveal that Bartlett Díaz not only protects the Nazi-communist National Action Party (PAN), whose leaders directly coordinated with the apparatus of Irangate protagonist Col. Oliver North; but that Bartlett himself is an integral part of North's machine, which illegally sold arms to Iran to channel money to the Nicaraguan "Contras," under the cynical name of "Project Democracy."

In fact, some political circles have begun to press for such an investigation. On May 16, the nationally circulated daily *La Prensa* reproduced parts of a news release from the Mexican Labor Party which reveals that "there are interests within the government of Mexico which are attempting to keep the truth of the treasonous marriage of the PAN with imperialism from being known by the people of Mexico in its full magnitude." Although the cited newspaper did not mention the powerful Interior Secretary, it uncovered the tip of the iceberg by indicating that according to the Mexican Labor Party, the "U.S. public relations firm, the Hannaford Company, contracted in 1985 by Manuel Alonso M., press secretary of the President's Office to 'improve Mexico's image abroad,' is part of the illicit network of the convicted criminal Carl 'Spitz' Channell and his accomplice Oliver North." Manuel Alonso is identified as a henchman of Budget Secretary Carlos Salinas de Gortari, who shares the "structural reform" ideas of Project Democracy.

Another nationally circulated daily, *El Sol de México*, wrote on the same day that "the Mexican Labor Party yesterday issued written proofs of the participation of the PAN in a continental plan of supposed democratization, including the overthrow of the Mexican government. . . . It demanded that in the face of the evidence of this conspiracy against Mexico, a high commission be formed to investigate the charges."

Skillfully, the reporter wove into the same news story statements by Fidel Velázquez, the leader of the Confederation of Workers of Mexico, the biggest labor confederation

of the country, where Velázquez charges that Ricardo Villa Escalera—the PAN leader who met with "Spitz" Channel, the fundraiser for the Nicaraguan Contras—"is not the only PAN member who assaulted the interests of the country, but that the entire leadership of the National Action Party committed acts of treason. . . . If these acts of treason to the country be proven, it would be sufficient cause for the authorities to cancel the registration of this political institution." Fidel Velázquez's declarations were made to refute the argument used by the PAN leadership in the Chamber of Deputies, the lower house of Mexico's Congress, where they had to answer the charges published by the *Miami Herald*. They claimed that the cited Ricardo Villa Escalera "was not authorized" by the PAN leadership to meet with "Spitz" Channell, and that, if he did, they would only take "disciplinary" measures against him.

On July 18-19, the columnist of Mexico's biggest daily *Excelsior*, José Luis Mejías, put into his "The Untouchables" column lengthy reports showing that other PAN leaders, such as Jesús González Schmall, Rodolfo Elizondo Guillermo Luján, and Francisco Barrio, "paid a visit to the Organization of American States, seeking political support against the constitutional government of Mexico." Mejías reproduces detailed information previously published by *EIR*, on the PAN leaders's relations with the firm Clews Communications, Inc., whose chief, Carter Clews, is registered as a "foreign agent" of the PAN with the U.S. Justice Department.

But it was Villa Escalera's own uncontrollable tongue that blew up the hysterical cover-up attempts of the PAN leaders. On May 11, he put out a press release attributing the revelations of the Miami paper to an "ongoing defamation campaign" by the Mexican government and U.S. presidential candidate Lyndon H. LaRouche, who, according to the PAN, "is behind the spreading of this story." On May 13, in statements to the daily *La Jornada*, Villa Escalera confirmed what the *Miami Herald* had published on May 10, saying that in one of the meetings, on Aug. 14, 1986, one day after the Reagan-de la Madrid encounter, Channell had asked the PAN for \$210,000 for a public relations drive in favor of the Nicaraguan Contras, in exchange for the support of the Reagan administration for the PAN's activities to destabilize

Mexico. "The meetings were . . . in the offices where they worked . . . at 1300 Connecticut St." confessed Villa Escalera cynically to *La Jornada*.

He added: "Look, this Fund for the Preservation of Freedom [founded by 'Spitz' Channell] is a foundation where I arrived. . . . They were making television ads for the Contras. . . . This fellow [Channell] had various employees, among them this girl McLaughlin . . . who was dedicated to getting money from all the private citizens who wanted to collaborate in the Contras' program."

Villa Escalera promised to speak with "Mexican businessmen willing to contribute money because they considered the PRI [the ruling party of Mexico] as a communist party and . . . pro-Sandinista," said the *Miami Herald*, based on Jane McLaughlin's personal notes.

It was not hard for Villa Escalera to keep his promise. In mid-March in Mexico City, the Ibero-American Businessmen's Forum held a meeting, attended by (among others) Villa Escalera himself, many businessmen from Coparmex, the big employers association—whose millions of dollars of flight capital are deposited in the United States—and Jaime Morales Carazo, the "liaison" of the Contras in Mexico. Morales Carazo gave "us a stupendous speech," Villa Escalera said to *La Jornada*.

The meeting had the financial support of the International Center for Private Enterprise (CIPE), funded in turn by the National Endowment for Democracy, the public arm of the conspiratorial Project Democracy.

But Villa Escalera also told *La Jornada*: "As I say, we are the Contras in Mexico." This statement is not a pose; various PAN leaders have repeatedly stated that their objective is to finish off Mexico's presidential system and that they are willing to use violence. Such a statement on Villa Escalera's part should not only be enough for the Congress to take action, but also for the Interior Department, which is in fact responsible for state security.

Nonetheless, the Mexican Congress decided that it is not capable of carrying out the proposed investigation, and sent it back to the "authorized" institution, the Federal Electoral Commission of Mexico, which is controlled by Interior Secretary Bartlett.

Bartlett is now on the spot. His aim is to work out a deal with the PAN executive to merely purge Villa Escalera and his group as "scapegoats." It remains in the hands of the nationalists and patriots inside the PRI, to make sure that any effort to make such a deal will merely serve as evidence before public opinion that Bartlett himself has to be investigated for treason together with the PAN leadership as a whole.

### **Irangate and the 'Iranizers'**

Bartlett's connection with the Oliver North political machine is no accident, nor is it limited to mere "sympathy" toward the PAN. On the one hand, Bartlett shares with Project Democracy the aim of destroying the presidential system and replacing it with a British-style parliamentary system; an

objective openly shared by both the PAN and the communist United Socialist Party of Mexico (PSUM). Moreover, at this moment Bartlett is the principal tool of the powerful financial interests of the U.S. Eastern Establishment which are attempting to provoke the "Iranization" of Mexico, as was documented in 1986 in the book, *The PAN, Party of Treason*, published by the Mexican Labor Party in Mexico and also issued in the United States in English by *EIR*.

Using the PAN as a weapon to threaten civil war, Bartlett hopes to impose on Mexico a "two-party system" supposedly in imitation of the U.S. model of "democracy." His candidacy to become President of Mexico for the 1988 elections is backed by the drug bankers' mafia which controls Mexico's so-called parallel banking system, the stock market. In 1982, then President José López Portillo nationalized Mexican banking to take away from this powerful group its dictatorial control over the country's economy, since instead of investing in Mexico they devoted their money to speculation, laundering of dirty money from the dope trade, and facilitating capital flight of over \$50 billion out of the country—half of Mexico's foreign debt!

This clique, which forms the Mexican branch of the Eastern Establishment, is made up of individuals such as Manuel Espinoza Iglesias, Miguel Alemán, the Legorreta family, and Carlos Hank González, among others. In the four years of the Miguel de la Madrid government, this group succeeded in getting a concession on the Mexican stock market, like a kind of parallel private bank, with which today they manipulate the capital that "returns" to the country and are in a position to blackmail the Mexican government by financial warfare. The ideological chieftain of the group is Juan Sánchez Navarro, not accidentally, the same person who organized the Ibero-American Businessmen's Forum last April, where, besides conspiring to make sure that President de la Madrid did not adopt the "Alan García model" to deal with the debt problem, gave a forum to the Contra Jaime Morales Carazo (who met with Villa Escalera) to carry out a campaign to raise money for the Contras.

In its desperation to keep the PAN scandal from wrecking its game, millions are being doled out to the Moscow-controlled parties to keep them backing the PAN. "The hysterical campaigns against National Action (PAN) have to stop," said Congressman Pedro Peñaloza on May 16, in the name of the Trotskyist Revolutionary Party of Workers (PRT) to the newspaper *El Universal*. Pablo Gómez, general secretary of the communist PSUM, told the same daily: "We want to overthrow the (Mexican) presidential system and not the PAN."

As is obvious, just as in the U.S. Irangate scandal, where arms were being sent to the Soviet asset and terrorist Khomeini, in order to obtain funds for the "anti-communist" Contras—in Mexico, the Interior Secretary has run into the same contradiction, by feeding the formal alliance between the PSUM (formerly known as the Communist Party of Mexico) and the "Contra" PAN.