 by Hugo López Ochoa

Labor wakes up

Mexico's trade unions sat down the "post-industrial" presidential candidate and gave him a lesson in basic economics.

A refreshing whiff of reality blew across Mexico early this month, when the labor sector of the ruling PRI party, headed by the Mexican Workers Confederation (CTM), met Nov. 5-6 to deliver their traditional, formal endorsement to Carlos Salinas de Gortari as the presidential candidate of the Institutional Revolutionary Party.

Following the usual formalities, the CTM handed to Salinas—architect of the current disastrous economic policy in Mexico—a document proposing that he "allocate only 10% of oil export revenues for payment of the foreign debt"; impose "exchange controls to guarantee the positive use of the country's foreign exchange"; "channel available resources, including a good part of the reserves, to the production of goods that the people and the nation require"; and do away with "ominous financial speculation."

The CTM paper argues that the model of "modernization and liberalization" imposed since 1982 has been a total failure, and that it would be absurd to "make Mexican society synchronous" with post-industrial society.

"Developing nations have become more impoverished over the past five years than in the previous twenty," said the trade union document, getting to the heart of the problem. "It is not merely for doctrinal reasons, or out of healthy nationalist impulse," but out of simple "common sense" that "the economy of the nation must be freed from improper bonds."

In obvious reference to the stock markets' "Black Monday," the document points out that "permitting the national economy to be tied to foreign economies that are declining and showing clear signs of bankruptcy would show serious irresponsibility on the part of this generation of Mexicans."

In the days just before the CTM met with Salinas de Gortari, quite a few newspaper editorials stressed that it is urgent to take immediate measures in the face of imminent depression in the "developed" nations. On Nov. 4, one of Mexico's most widely read columnists, José Luis Mejías, published on page one of the leading daily *Excélsior*, the analysis of Lyndon LaRouche—published by *EIR* last June 5—which warned of an October-November financial catastrophe. Mejías wrote that LaRouche's prognosis "also holds for Mexico."

On Nov. 6, the CTM told Salinas that "circumstances have changed, and policies must therefore change to pave the way for a model that makes the national economy less vulnerable." They proposed the formation of "Committees to Strengthen and Defend the Mexican Revolution," and the mobilization of the population to achieve these objectives.

It fell to the head of the powerful oil workers union, Joaquín Hernández Galicia, to lay down the law to the PRI presidential candidate, in an "exclusive" Nov. 5 meeting between Salinas and more than 10,000 oil workers. "We cannot tell you . . . that we were your partisans," he told Salinas. In fact, the oil workers have been in nonstop confrontations with the former Planning and Budget Minister during the last five years. The unions are backing Salinas so as not to divide the party.

"No one wants the government to fail, much less our party, which is risking everything for you," declared union leader Galicia bluntly, adding that the workers reserved the right "to tell the truth as we see it every day in the impoverished quarters" of the city.

Hit with this broadside, Salinas had no recourse but to insist that he proposed "nothing less," given the fact that "circumstances abroad and the internal social dynamic are changing drastically." However, he went on to proclaim himself "absolutely against populism" and for a "realistic economic policy." These are the same terms with which he has justified making deals against Mexico with the creditor banks.

On Nov. 7, during the PRI's seventh national convention, held to officially confirm Salinas's candidacy, the PRI released its electoral platform, which affirmed that "a limit has been reached on the net transfer of resources abroad, which is what the debt service under current conditions represents, in violation of economic logic and proving tremendously inequitable." But the platform also promotes the bankers' scheme: "designing mechanisms to reduce the nominal value of the foreign debt to its market value, such that it is the debtors who capture the entirety of the discount."

Moreover, in his acceptance speech Nov. 8, Salinas spoke of the "modern" era, in which "blind confidence in progress has been diluted." His speech was full of references to the dogmas of post-industrial society taught at Harvard, his alma mater.