

denominated debt titles, called NTN-Ds (the equivalent of Mexican *tesobonos*), in 17 days, reportedly at the suggestion of the International Monetary Fund and the U.S. Federal Reserve, as a way to signal the market that Brazil isn't planning to devalue the *real*.

Looking to Friedrich List

Although many governments still blindly insist that the Mexico "storm" will soon blow over, others are beginning to decipher the handwriting on the wall. The spate of articles that has appeared internationally on 19th-century "American System" economist Friedrich List suggest that some are beginning to look for alternatives. On Jan. 7, for example, the *International Herald Tribune* ran an article by U.S. commentator William Pfaff, who attacks the "religions of markets" for sacrificing people to "speculative advantage," and promotes the Listian policy followed by the Asian "economic miracles" and by the American economy in the 19th century.

List has also been promoted in the press in Venezuela, a country which has thus far escaped the worst of the "tequila effect," thanks to exchange controls imposed last year after its own speculation-riddled banking system collapsed. On Jan. 9, widely read economics columnist Alfredo Schell wrote in *El Universal* that List's books "are being dusted

off" by many who are "participating in the debate between liberalism and interventionism, including in the United States of America." Schell wrote that Venezuelan President Rafael Caldera, although "not an economist, has—unlike what many people opine—a definite and clear conception, a doctrinaire vision of the focus that should be given the economic issue." That focus, suggests Schell, is based on "the rational and up-to-date identification of the President with the instructive lessons of List."

The "instructive lessons of List" are being echoed by members of the Venezuelan diplomatic corps, to judge from the comments of Venezuelan Ambassador to Brazil Alfredo Toro Hardy, who wrote in a Jan. 5 article in the Caracas daily *El Universal* that the lesson of Mexico is that "the dictatorship of the stock market has failed." Wrote Hardy, "The policies of countries are priced in the stock markets as if they were corporate stock. . . . The great decisions of a country in effect now depend less on national projects or goals than on what Wall Street 'traders' say in their reports." Hardy contrasted this approach to the German and Japanese models, which used the great national banks to provide capital for industry, for research, and for building up human resources as the means to improve technology and increase productivity.

Media spotlight on LaRouche's forecasts

Since the devaluation of the Mexican peso on Dec. 20, the views of American economist Lyndon LaRouche—who forecast just such an international financial crisis and designed proposals to revitalize the physical economy—have been getting increased attention in Ibero-America. Following is a sample of some of the recent coverage.

"Economist LaRouche Forecasts 'Foreseeable' Collapse of World's Financial System," headlined the Jan. 9 issue of the western edition of Mexico's business daily *El Financiero*.

"Crisis of Financial System Was Forecast by Controversial American Economist Lyndon LaRouche," headlined the Peruvian daily *Correo* on Dec. 31.

"Argentina Is Next," headlined the Argentine newspaper *Punto Critico* on Jan. 6. The coverage was based on statements made by LaRouche in a radio interview on Dec. 28, during which he also said that the crisis "is not a Mexico problem, it is a Wall Street problem." The statement was also covered by Peru's leading opposition daily *La Repub-*

lica on Jan. 2 and by the business newspaper *El Inversionista* on Jan. 9. It also received radio and TV coverage, including on Jan. 2 on "Encounter with the Truth," hosted by Julio Ortega on Panama's Radio Metropolis, and on Jan. 3 on Channel 2 in the Dominican Republic.

"Mexico Needs an About-Face in its Economic Policies: Debt Moratorium and Exchange Controls," headlined the Jan. 5 issue of the daily *Ultimas Noticias* of Venezuela, reporting on a statement issued on Dec. 28 by the Mexican branch of the Ibero-American Solidarity Movement (MSIA), which includes many LaRouche collaborators.

The Mexican crisis is a symptom of "the collapse of the system, a symptom of the collapse of the philosophy of Milton Friedman and Newt Gingrich," said LaRouche in a Jan. 4 radio interview with "*EIR Talks*," which was covered by Argentina's *El Informador Publico* and *Punto Critico* on Jan. 13.

"Stop the Bankers' Takeover of PEMEX; Stop the Takeover of Chiapas by the British Mercenaries of the EZLN," a second statement issued by MSIA on Jan. 7, was covered in the Jan. 11 issue of *Diario del Yaqui* of Sonora, Mexico, among other places.

"LaRouche Says NAFTA Is Dead," was the headline in the Jan. 13 issue of the Dominican Republic daily *El Nuevo Diario*.