

stances his audience presents. Before the dispossessed masses, he offers himself as the great hope for change in their increasingly desperate situation; before the bankers and brokers, he presents himself as the only option for guaranteeing the continuity of “globalization” and “free trade,” without whom the entire population would rise up against that same policy which has already ruined the world financial system. Circus without bread, and so-called “social stability.”

Until now, investment banks like Merrill Lynch have used the leftist image of Chávez to frighten the upper classes and encourage capital flight. But the real danger posed by Chávez has nothing to do with “communism.” Chávez is, above all else, an instrument of the British in their strategy to balkanize the continent and dismantle the very institute of the nation-state. The British embassy in Caracas has openly wooed Chávez since 1995, when the Minister Counsellor of the embassy at the time, William Webster Hare, lunched in public with Chávez.

At a press conference Chávez gave in Buenos Aires, Argentina, on March 29, 1995, he complained that the Venezuelan government had intervened to prevent his travel to London, invited at the time by British Ambassador John Flynn. Chávez’s dream of seeing the capital of the Empire firsthand came true just a few months ago, when Ambassador Wilkinson organized a trip for him, as the Presidential candidate of a coalition of parties associated with the São Paulo Forum. That coalition combines the narco-terrorist left and the advocates of the Theology of Liberation, with various tired Marxist utopians.

Chávez returned from his trip starry-eyed over Tony Blair and his Third Way, that is, the strategy of following the rules of the “globalism” game while continuing to mouth “revolutionary” promises (what in economics, Lyndon LaRouche has described as the alternative between life and death). Recently, the international spokesman of Colombia’s narco-terrorist FARC, “Commander Ariel,” gave his blessing to Chávez’s candidacy, in the context of bloody “peace” negotiations with the Andrés Pastrana government in Bogotá. Chávez, in turn, has accepted this support, saying that should he win the Presidency in December, he would do everything in his power to contribute to a successful conclusion of those so-called negotiations. As was openly proposed by a spokesman for Colombia’s other narco-terrorists, the ELN, what is being negotiated there is the conversion of Colombia into a Switzerland-style confederation, each territory of which would be controlled by the FARC and ELN; in other words, independent and autonomous “cantons.”

In the meanwhile, Chávez has promised to continue punctual payments of the Venezuelan debt, by following the model begun by deposed President Carlos Andrés Pérez, against whom Chávez headed a failed coup attempt on Feb. 4, 1992: swapping debt for equity, according to the Brady Plan model orchestrated by then-Planning Minister Miguel Rodríguez, who today is another Presidential candidate in Venezuela.

A currency board would finish off Mexico

by Carlos Cota Meza

Henry Kissinger, the perennial voice of the most aggressive British oligarchical interests, has reared his ugly head once again, this time threatening to overthrow Mexican President Ernesto Zedillo, should the latter fail to impose a currency board and privatize the national oil firm *Petróleos Mexicanos* (Pemex). The threat came from one of Kissinger’s better-known mouthpieces, Alan Stoga, currently head of the former Secretary of State’s consulting firm, Kissinger Associates. Among the latter’s clients are large multinationals, as well as some of Wall Street’s big brokerage firms and banks.

In an article in the Sept. 13 issue of the daily *Reforma*, Stoga wrote, “The question is no longer whether Mexico will have a financial and economic crisis, since one is already under way, but whether there will also be a political and constitutional crisis. . . . Increasingly, the question posed among international financial circles is whether President Zedillo will survive his last two years. It is easy to predict that a crisis of his administration is inevitable. The more complicated problem is whether Zedillo will be around to witness it.”

Later in the article, Stoga outrageously affirms that “although it is not polite to predict the failure of a President or a Constitution,” President Zedillo has no choice but to accept the eight-point program which Kissinger and his associates are demanding. Among these points is the call to “establish a credible financial system, adopting an Argentine-style currency board,” and “allowing private capital into the energy sector . . . using the money collected to reduce both the national debt, as well as the debts of individuals and small businesses.”

Help from the Mont Pelerin Society

On cue, Stoga’s article created a chorus of support for the currency board proposal, one of the worst forms of economic bastardy to surface in recent years. Press sources revealed that Guillermo Ortíz Martínez, governor of the Banco de México, the central bank, had actually “advised” several commentators and analysts to launch the debate. Within the private sector, the campaign is coordinated by Francisco Gil Díaz, the Banco de México’s former deputy governor. Roberto Salinas León, chairman of the Mont Pelerin Society in Mexico, whose family also owns the TV-Azteca network, is directing the

mass propaganda drive on behalf of this particular form of financial whorishness.

Those familiar with the writings of the modern proponents of currency boards, such as Margaret Thatcher's former adviser Sir Alan Walters, or Steve Hanke, an executive of the Toronto-based financial speculation fund, the Freidberg Group of Companies, should understand why the threats to overthrow President Zedillo should be taken with absolute seriousness.

Technically, a currency board converts a nation's currency into an appendage of a foreign currency which, historically, has been either the pound sterling or the dollar. The internal printing of money in a nation with a currency board is contingent, *by law*, on the amount of reserves the government holds in the chosen foreign currency. There is open discussion in Mexico today of the "dollar" or "dollarization of the economy."

Beyond these "technical" aspects, however, a currency board destroys the sovereign nation-state, transforming the government into a mere administrator or enforcer of a colonialist policy, based on the looting of raw materials, the labor force, and "privatized" state-sector companies. As both Hanke and Walters admit, "currency boards have become the monetary arrangement of preference for the British colonies and for some independent nations."

The idea of a currency board first appeared in 1844, when one was imposed in Britain's African colony of Mauritius. In the Americas, the first currency board was imposed in Argentina's Malvinas Islands, illegally seized by Britain in 1833. Of the approximately 70 territories internationally where currency boards have existed, more than 85% of them have been in British or French colonies. As the proponents of a currency board for Mexico admit, their plan would not only imply the disappearance of the autonomous central bank, but also of Article 28 of the Constitution, which defines the land and subsoil rights of the sovereign nation-state.

The financial oligarchy for which Kissinger Associates speaks, today proposes a currency board not only for Mexico, but for Russia, Brazil, and other "emerging markets," so as to subjugate them once and for all. The "success story" they point to is the "convertibility plan" imposed in Argentina by President Carlos Menem and his former Finance Minister, Domingo Cavallo.

Political chaos

Curiously, Kissinger Associates foresees the dismantling of the Mexican Constitution through an alliance between the two opposition parties, the National Action Party (PAN), and the Party of the Democratic Revolution (PRD). This is why the remaining six points on Kissinger Associates' list demand that the ruling PRI party hand over power before the year 2000.

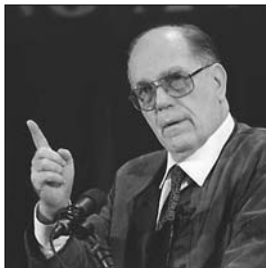
Aside from the two points mentioned above, Stoga also demands: a) the creation of a "national unity government spanning as many elements of the political spectrum as possible," not including any Presidential aspirant; b) abandoning current policy on the southeastern state of Chiapas, and beginning new internationalized negotiations, supervised by a neutral "third party—perhaps the Pope," or someone like former Costa Rican President Oscar Arias; c) "reform the PRI"; d) create a "Truth Commission," like South Africa's, to investigate "political crimes"; e) impose a "labor reform" to "liberalize" the rights of labor and management; f) move the Fobaproa bank bailout plan "from the realm of politics to economics," such that "the assets now owned by the government" can be sold, and those who "abused the system" can be punished.

As we see, these are six Kissingerian offers which neither the PAN nor the PRD can refuse. Political transvestite that he is, Governor of Guanajuato and Presidential pre-candidate Vicente Fox publicly called for a currency board during a Sept. 27 forum organized by his party, the PAN. Fox has also promised that, were he elected President, he would privatize Mexico's state-run oil industry. The internationalization of the misnamed "conflict" in Chiapas, the creation of a "Truth Commission," and similar things, is music to the ears of PRD leader Cuauhtémoc Cárdenas, sung by the oligarchy. And the PRI? Occasionally this party bleats, like the terrified lamb, headed toward the slaughterhouse.

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