heavy part of the burden of the economic crisis.

When President Alfonsín insisted in Mexico that for Ibero-America, the issue is one of "bread, work, and the future of millions of Latin Americans," not "financial technicalities," he had his eye on the trade union situation throughout the continent. The "magnitude and nature of the problem" means that "there is no possibility of individual solutions," but that debtors and creditors must be "co-responsible" for solutions. For Ibero-America, "the strategies tried out in the past are inadequate; efforts to find a solution to our national problems in an isolated way, are illusory."

Mexican Senator Socorro Díaz, charged by the two houses of the Mexican Congress with addressing President Alfonsín, emphasized the importance of barter, for the continent to escape currency shortages. "The Latin American nations are confronted with the common challenge of entering the 21st century as viable nations," she said, and decried the unilateral measures that have destroyed the potential for growth and made Latin American nations net exporters of capital. "In Mexico we uphold the consistent moral authority of Luís María Drago, who said, 'If modern law has abandoned imprisonment for individual debt, logically it is inadmissible to maintain its equivalent, armed coercion, in the collective field; therefore, coercive collections of international [debt] obligations are illegitimate.'" The Drago Doctrine is considered part of international law by the governments of the continent. Díaz cited this history to underline the fact that "negotiation is the solution."

Advanced sector debt

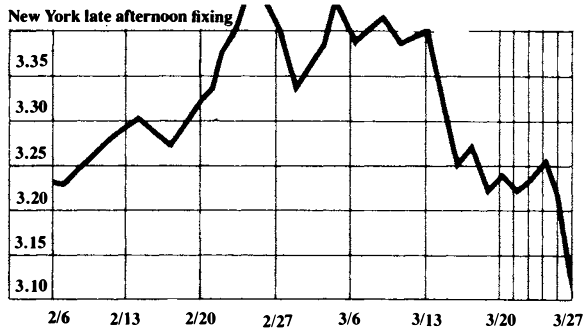
Negotiation is the solution not only for the developing sector, but for the advanced sector as well. The United States is now a net borrower, and the IMF is as determined to destroy U.S. sovereignty and dictate terms, as in the Third World. The Press Trust of India wire on the Indira Gandhi memorial summit made precisely that point in detailing the present economic crisis. While citing "*Executive Intelligence Review,* which has brought out a special number making a case for abolishing the International Monetary Fund," the release quotes *EIR* and other sources on the real economic crisis of the United States: "The . . . study calculated that only 5% of the global foreign exchange transactions today were generated from trade and investment. Approximately 95% of the transactions were used for maintaining some $3 trillion in international debt. . . . In the U.S. itself, under persistent prodding of the International Monetary Fund, a bipartisan view had developed to cut the budget deficit by $50 billion this year. . . .

"Mr. Doug Ryan of the State Department's Office on Development Finance said that the IMF was getting tough with the Reagan administration as it had been with highly indebted developing countries. . . . The effort was to limit the defense budget growth to 7%, including the provision for inflation. In all other areas there would be freezes and cutbacks added."

Currency Rates

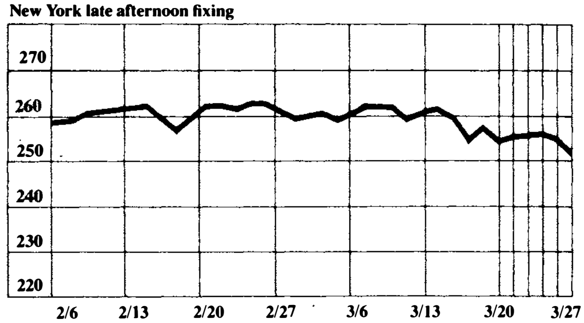
The dollar in deutschemarks

New York late afternoon fixing



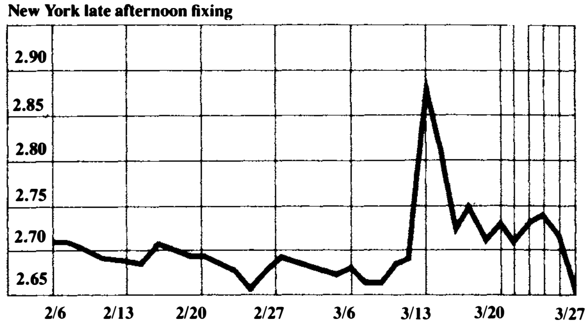
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing