

against anyone who tries to disturb the peace.” Fidel Velázquez was asked if he sought cancellation of PAN registration as a party. “No. We have other arms. . . . I believe that the industrial barons could not resist an indefinite general strike, for example.” He joked that PANistas threatening to take exile in the United States would have to cross as wetbacks, since they probably would not be let in as farmhands.

The earthquake hit the financial markets when de la Madrid echoed Velázquez with his fiery July 9 pronouncement, “I don’t care about the confused opinions of minorities. There have always been confused minorities in Mexico. We respect them because they are Mexicans, because they are our brothers. But that does not mean that we are going to get scared by strident manifestos seeking to take power from the Mexican Revolution.” He continued, exhorting peasant leaders to “fight with the people’s power and blood against any foreign intervention and against the model which a . . . power supported from abroad has sought to impose on Mexico” since the times of Lincoln’s ally, Benito Juárez. De la Madrid thanked President Lazaro Cardenas (1936-42) who organized the peasantry and nationalized Mexico’s oil.

For Mexico to be nationalist, however, does not mean falling into Fidel Castro’s trap of fighting for the banks to be bailed out at the expense of 12% cuts in the U.S. defense budget. A top Cuban labor leader visited Fidel Velázquez in late June and then gave a press conference at CTM headquarters announcing that Fidel would attend Castro’s labor conference on debt in Havana on July 15 and 16. But Velázquez did not go. No CTM leader went to Havana. Rather, nine CTM union leaders attended the Ibero-American debt conference held simultaneously in Mexico City by the Schiller Institute Labor Commission. That conference unanimously approved economist Lyndon LaRouche’s *Operation Juárez* proposal for resolving the Ibero-American debt crisis.

As alarm bells rang on Wall Street, the Kissinger faction went to work. On July 11, U.N. Ambassador Vernon Walters flew in for a day of intimidation. Walters served as towel boy and cunning interpreter for Averrel Harriman during the decade he implemented the Marshall Plan and fired Gen. Douglas McArthur. George Shultz will twist arms in Mexico on July 25-26.

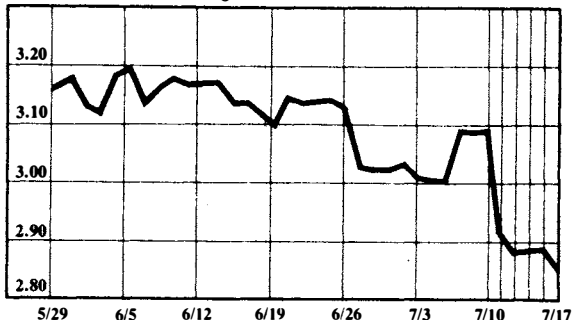
On July 23, Henry Kissinger will formally unveil to the U.S. House of Representatives his response to LaRouche’s program. Kissinger is promising a “New Marshall Plan” which boils down to stretching out austerity over decades for those countries willing to make “structural reforms” so that creditors can take over their natural resources. Kissinger would grant those countries temporary relief from deeper austerity and a perception of “hope.”

The media in Brazil and Spanish America is full of discussions of the Kissinger and Castro “solutions.” But, the great fear of Kissinger and Castro is that Mexico will galvanize the 11 biggest Ibero-American debtors (the Cartagena group) at their July 29 summit in Lima, in the same fighting spirit the Mexican “system” used to smash the PAN.

Currency Rates

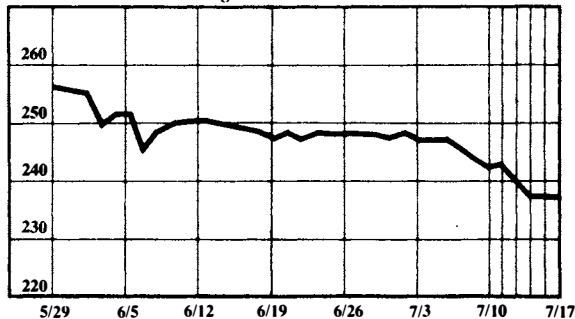
The dollar in deutschemarks

New York late afternoon fixing



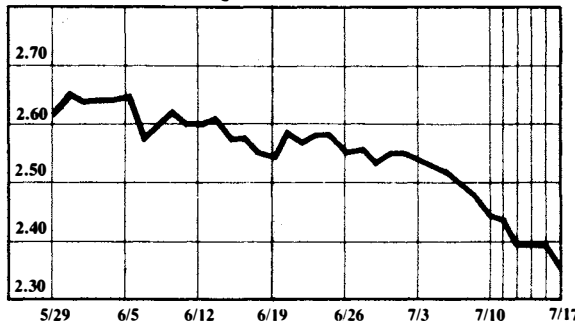
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

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The British pound in dollars

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