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## Conference Report

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# Mexican farmers ask their Congress to investigate secret NAFTA accords

by Hugo López Ochoa

Two hundred and fifty agricultural producers from the four northern Mexican states of Sonora, Sinaloa, Chihuahua, and Baja California, who met on Nov. 11 in Ciudad Obregón, Sonora, approved a resolution calling upon the Congress of Mexico to “immediately launch an in-depth investigation into probable financial accords of a secret character concluded by Mexican officials with the Federal Reserve of the United States” in the framework of the negotiations for the North American Free Trade Agreement.

The resolution states that such accords “not only flagrantly violate national sovereignty but constitute a new phase in the looting of our economy, especially in the farm sector, to guarantee payment on the foreign debt. . . . This is a coldly calculated strategy,” the resolution concludes, “to cause 60% or more of the producers to vanish from the countryside and to set up a corporatist scheme for dismantling the structure of small owners and the social sector of rural Mexico.”

Held six days before the U.S. House of Representatives voted up the free trade agreement, this resolution provides the guidelines for what will have to become the content of the next phase of the mobilization of Mexican farmers, and of the entire country, where discontent has increased explosively because there has been no answer to their demands.

Entitled “The Secret NAFTA Accords Will Wipe Out the Farm Sector and the National Economy,” the conference in Ciudad Obregón was organized by the Permanent Forum of Rural Producers (FPPR) and included presentations by activists in the farm movement and experts from both sides of the Mexico-U.S. border, as well as from Australia. The speakers reported on the perverse policy of secret financial accords and introduced a discussion in depth of the proposals of U.S. economist Lyndon H. LaRouche, Jr. in favor of a return to the system of national economy and sovereignty.

### ‘Partners, not competitors’

North Dakota farmer Ron Wieczorek, a leader of the Food for Peace movement, told the audience, “I have come

to speak to you not as your competitor, as the usurious international speculator faction would have you believe, but as a partner in the process of feeding and housing the people of the world. . . . I have come to help promote and support an economic policy to save the Mexican farm and economy, because if we don’t save your farms, my farm will not survive either, since the same policies are destroying producers in both of our countries.”

Wieczorek also said that in the United States, farmers are disappearing at a rapid rate. “The abuses suffered by farmers remind us of the abuse and denial of the right to life, liberty, and the pursuit of production suffered by African-Americans in the United States prior to the Civil War. One of the issues of that Civil War was the independent family farm versus the plantation system and free trade.” Wieczorek called on the Mexican farm movement to stand firm on the issues of debt moratorium, a just credit policy, parity prices, and an end to NAFTA.

Next spoke Australian farmer Andrew Bailey, a representative of the Australian Citizens Electoral Council, who evoked an emotional response when he reported how the Australian government’s implementation of an International Monetary Fund-dictated free trade policy since the 1980s has driven farmers to the brink of extinction and today threatens the nation’s very food supply. He described problems familiar to the Mexicans, such as lack of credit, dumping of cheap imports, depressed commodity prices, and an unpayable debt burden—policies which have led more than 700 Australian farmers to commit suicide in 1992.

### An international crisis

Dennis Small, co-editor of *EIR*’s Ibero-American desk, opened his remarks by telling the audience that if they want to understand the voracity with which the Mexican banks are foreclosing on their farms, they must first look at the international strategic situation, and especially the exploding international debt crisis, which has driven the creditors to desperation. He explained that the entire world financial

system—East and West—has been collapsing from the late 1980s until today. It has been corroded by drug money and speculation such as the derivatives market, which have spread like a cancer and are destroying useful production.

Small explained that the illegitimacy of the Mexican farm debt is a microcosm of the strangling foreign debt which the international creditor banks have imposed on Ibero-America as a whole.

The NAFTA secret financial accords between the Mexican Central Bank and the private U.S. banks and Federal Reserve, Small said, contain three components: the dollarization of the Mexican economy; total financial deregulation; and, finally, “securitization”—the selling of farm mortgages and other bank notes on stock markets and other secondary financial markets. Small warned that congressional approval of the NAFTA accord spells the end of the sovereignty of the United States and Mexico, *enforceable by treaty*.

Small insisted that Mexico can and must break with this model, adopting instead LaRouche’s 1982 “Operation Juárez” proposal, which urges the economic integration of the Ibero-American continent as the only means to protect national sovereignty and foster genuine economic growth.

Small also gave a report on the political persecution of LaRouche and his movement. Commenting that he himself had been a political prisoner, Small described the recent savage prison sentences—from 25 to 39 years—imposed on four LaRouche associates in Virginia on trumped-up fraud charges. In Mexico, a country where the maximum sentence for any crime, including homicide, is 30 years, this report had an especially dramatic impact.

*EIR* banking specialist John Hoefle reviewed elements of his recent testimony before the U.S. House Banking Committee, chaired by Rep. Henry Gonzalez (D-Tex.). He discussed the folly of U.S. banking deregulation, which has led to the de facto bankruptcy of such financial institutions as Citibank—and yet Citibank and co. have perversely insisted on the same policy for Mexico. He described how the financial instruments called “derivatives” were created to keep afloat speculative bubbles which must be, as it were, continuously fed, and how the NAFTA secret accords are a part of that.

### **Morality at issue**

There followed an intense discussion period on the pros and cons of NAFTA, as well as efforts to grapple with how it is possible that Lyndon LaRouche can be a political prisoner in the United States. Why, asked one Mexican farmer, is there not a public outcry against this injustice? Small said that a key problem in the United States is the erosion of morality, as exemplified by the fact that Americans spend up to 40 hours a week or more in front of their television sets. They allow their intelligence to be degraded by the media, and are being turned into pleasure-seekers, hedonists. Thus, the concept of *imago Dei*—man created in the image of

God—is being lost.

When several farmers suggested that the term “speculator” was overused by the speakers, Wieczorek jabbed his finger at a U.S. newspaper article on the richest men in America; the article listed two of the country’s billionaires—Warren Buffett and George Soros—as being *by profession* “speculators.” This is the model of “success” being offered to my grandchildren, said Wieczorek, and yet there isn’t a single person in this auditorium who hasn’t produced more real wealth in one month than Buffett and Soros combined in their entire lives. The audience roared approval.

FPPR coordinator Jaime Miranda Peláez’s opening words to the conference summed up the sentiment of everyone there: The time for merely protesting or making demands is past. What we are facing is a policy of genocide, pure and simple. Our moral capacity to survive as producers is at stake. Therefore, our task is to grow as a national movement and to challenge and defeat those who would destroy our economy, our nation. “The enemy is not invincible,” concluded Miranda Peláez. “We will be victorious because we are obedient to the commandment of God and to natural law.”

### **Tractorcades to resume**

Fernando de la Rosa, representing Combat District Number One in Ciudad Juárez, Chihuahua, and Manuel Hernández Villa, representing the United Front of Rural Producers (FUPC) and the Democratic Peasant Front (FDC), of southern Chihuahua, urged the Sonoran farmers to join in a new tractorcade, starting on Nov. 20, to the “El Barzón” National Confederation of Agricultural and Forestry Producers. An El Barzón document announcing that this time, they will march toward Mexico City, at the same time that feeder demonstrations will be gathering in the border cities between Mexico and the United States, picks up some points from the Declaration of Ciudad Juárez, which was signed on Oct. 3 by farmers from Sonora and Chihuahua and later by leaders of the Agricultural Association of Guanajuato, including José Aizcorbe, president of the latter organization, and Jaime Villanueva Nieto, secretary general of El Barzón.

The El Barzón document charges that the restructuring plan for debt arrears offered by the government does not solve the problem and instead “gives absolute powers to the banks,” and for the first time takes up the original concept of the Permanent Forum of Rural Producers: that if there is no satisfactory response from the government to the farmers’ demands, “we will declare a debt moratorium” until the terms are defined for a “joint strategy of financial reorganization among the government, central bank, commercial banks, development banks, and producers.”

No sooner had the Chihuahuan leaders returned to their state than they fulfilled their promise: On Nov. 16, on the eve of the U.S. NAFTA vote, a group of 300 farmers blocked the Santa Fe international bridge in Ciudad Juárez, supported

by an organization of farmers from El Paso, Texas. Thirty police in riot gear violently broke up the demonstration, but the next day, the farmers set up another vigil in the main plaza of Ciudad Juárez. In Ciudad Guzmán, Jalisco, José Rámirez Yáñez, a leader of the Permanent Forum in that state, held a rally attended by 1,000 farmers and shopowners from the south of Jalisco on Nov. 14, in preparation for the tractorcade to Mexico City. The region's farmers were barely able to plant and they know that they will be further in debt by the fall-winter cycle. Most of them are ready to give up sowing and join the new march on the federal capital.

If and when it occurs, this new march will catalyze even more productive sectors, which is just what the government fears. One sign of things to come is the statement put out on Oct. 28 by the National Association of Transformation Industrialists (ANIT), where it is stated that the proposals of the "Ciudad Juárez Declaration of Oct. 3 . . . essentially coincide with what our association has been doing and hence we want to make known our solidarity with them," at the same time they appeal to the micro, small, and medium industrialists to develop "joint measures" for "all business sectors."

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Jaime Miranda Peláez

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## 'Natural law will break the enemy'

*Greetings to the Permanent Forum of Rural Producers conference, delivered in Ciudad Obregón, Sonora on Nov. 11, 1993.*

In the name of the coordinators of the Permanent Forum of Rural Producers of the state of Sonora, I welcome you all and am certain that the information received from this conference will give all of us a better means of understanding the dimension of the problem and the intentions of the enemy, who clearly seeks to steal our patrimony and destroy our national sovereignty.

The mobilization of the agricultural producers throughout the year, but especially that held in various states since early August, has had a very important outcome. We have been able to create ties between the producers of Sonora and Chihuahua, Baja California and Sinaloa, from Jalisco and Guanajuato and other states of the republic. We have also learned that the main concerns of the agricultural sector are profit, debt, and arrears. But we believe that what we have best learned from this entire process of mobilization and negotiation is confirmation that the federal government's

economic strategy is to use the restructuring of the debts in the first phase to do away with 60% of the nation's producers. There is no doubt that what is at stake is our moral capacity to survive as producers, and thereby to guarantee the survival of the entire nation.

Throughout the entire process of negotiations and discussions with the finance and agriculture secretaries, we have repeatedly come up against the argument that the legitimate demands of the producers cannot be fulfilled because the so-called macroeconomic schemes defined by current policy do not allow for the recapitalization of the agricultural sector.

The government's main argument is that we must adapt to the irrevocable world tendency toward economic globalization and to the dynamic imposed by the international markets; and that if this implies the disappearance of agriculture and of other sectors of the economy, so be it, as long as we meet the mandate of joining this globalization process.

The great problem with this, of course, is that if entire areas of the economy disappear, important sections of our population will also disappear. That is to say, genocide. This is the fate of millions of Mexicans who will be displaced from the rural sector, above all those who suffer extreme poverty, the same ones who will supposedly benefit from the so-called "Procampo" program—more properly dubbed by us "Pro-Cemetery."

The question we all must face is: If this idea of globalization demands the ritual of collective human sacrifice, are we going to continue to believe that we cannot do without this theory? I believe it is important for us to discuss this, because this forces us to look more closely into what NAFTA and free trade are based on, to demonstrate how they are essentially genocidal.

If we keep all of this in mind, we will be able to understand the seriousness of accepting globalization and free trade as the natural tendency of civilization. To accept this is to agree that genocide is inevitable. Then we would lose the moral capacity to survive, and we would subject ourselves to the ritual of collective human sacrifice.

That is why the national agrarian movement must transcend protests and demands, and instead come up with a government program for rescuing the national economy. Our movement cannot allow itself to be trapped by demands because these will weaken it, and it will be defeated. Our movement must grow nationally around a proposal for national economy and on the basis of denunciations of those who are planning this destruction of our economy.

I am confident that this conference and discussion process will also contribute to helping us understand that the enemy is not invincible; that despite his power, he must take on an ally of ours, which is natural law. The implacable force of natural law will break the enemy and his corrupt institutions. We will win because we obey the mandate of God and of natural law.

Thank you.