

ber, East Side Conservative Club of William Buckley, James Buckley, and Roy Cohn.

- **Elliot Richardson:** Former U.S. ambassador to London and to Law of the Sea negotiations; member, U.S. Association of the Club of Rome; framer of Global 2000 and founding member of follow-up Committee for the Year 2000.

Other North American members: **Peter Bell**, Inter-American Foundation; **Henry Cisneros**, mayor, San Antonio; **Ralph Davidson**, Time Inc.; **Jorge Dominguez**, Harvard University; **Maurice Ferre**, mayor, Miami; **Albert Fishlow**, CFR 1980s Project, University of Berkeley; **Roberto Goizueta**, Coca-Cola; **Ivan Head**, International Development Research Center, Ottawa; **David C. Jones**, former chairman, U.S. Joint Chiefs of Staff; **Juanita Krebs**, Secretary of Commerce under Carter, 1980s Project; **Joyce Miller**, president, Amalgamated Textile and Clothing Workers Union; **Martha Muse**, Tinker Foundation; **Hernán Padilla**, mayor, San Juan, Puerto Rico; **Ralph Pfeiffer**, chairman, IBM; **Donald Platten**, chairman, Chemical Bank; **Clifton Morton**, State University of New York.

- **Jesús Reyes Heróles:** Mexican Interior Minister booted out by López Portillo in 1979; current defender of IMF policy toward Mexico.

- **Rodrigo Botero:** Former Colombian finance minister; Brandt Commission; Aspen Institute hemispheric study.

- **Julio Sosa Rodríguez:** Founder, Venezuelan Club of Rome; former ambassador to the United States.

- **Cardinal Paulo Evaristo Arns** of São Paulo.

- **Archbishop Marcos McGrath:** Panamanian oligarch, protégé of Theodore Hesburgh, a controller of Central American bloodbath.

- **Father Xavier Gorostiaga, S.J.:** controller of death-cult faction in Nicaraguan Sandinista leadership.

- **Nicolás Ardito Barletta:** Former Panamanian finance minister who invited in offshore drug and capital-flight banking; World Bank vice-president; Aspen Institute.

- **Israel Klabin:** Former mayor, Rio de Janeiro; reputed dope trade figure, intimate of Kissinger.

- **Pedro Pablo Kuczynski:** employee of Lehman Brothers Kuhn Loeb; Peruvian minister of mines, 1980-81.

Other Ibero-American members: **Fernando Henrique Cardoso**, Brazilian sociologist; **Oliver Park**, *Daily Gleaner*, Jamaica; **Octavio Da Costa**, General (Ret.), Brazil; **José María Dagnino Pastore**, former finance minister, Argentina; **Oscar Camilión**, former foreign minister, Argentina; **Jorge Fontaine**, Chilean business leader; **Enrique Yglesias**, U.N. Economic Commission on Latin America (ECLA) **Daniel Oduber**, former social-democratic president of Costa Rica; **José Francisco Peña Gómez**, mayor of Santo Domingo, head of Dominican Revolutionary Party (PRD); **Bernardo Quintana**, ICA construction firm, Mexico; **Augusto Ramírez Ocampo**, mayor of Bogotá; **Javier Silva Ruete**, former finance minister, Peru; **Mario Enrique Simonsen**, former finance minister, Brazil; **Gabriel Valdez**, former foreign minister, Chile, luminary of ECLA.

Interview: Ecuador's Foreign Minister

'Ibero-America needs one single voice'

The following are excerpts from an interview with Ecuador's Minister of Foreign Relations, Dr. Luis Valencia Rodríguez. Mr. Valencia Rodríguez was interviewed Oct. 8 by EIR's Cynthia Rush at United Nations headquarters in New York.

EIR: Will you elaborate on Ecuadorian President Osvaldo Hurtado's proposal for the formation of a coordinating committee to strengthen the post Malvinas process of unity in Ibero-America that you mentioned in your speech yesterday?

Valencia: The agreements taken on by the countries of this continent, established principally through the Organization of American States (OAS) and Mutual Assistance Treaty, determine certain actions that the states of this continent should take in the event of an armed attack or foreign aggression against any one of the countries of the continent.

In the case of the Malvinas, you realize that the system did not function as it had functioned the previous 19 times there had been internal problems on the continent. Although in many of these cases there had not been the desired unity and solidarity, the system had, in spite of that, functioned adequately.

In the particular case of the Malvinas, the process was altered when the United States, which had been acting as mediator in the conflict, gave maximum support—not merely moral and political but also material—to an extra-hemispheric power.

It can be clearly seen after the Malvinas crisis that it is necessary to revise the agreements in the inter-American arena and look for new procedures, perhaps not new organizations, but definitely new procedures which will allow us to consolidate and strengthen the unity and solidarity of the continent.

It was for this reason that President Hurtado presented a tentative proposal to the American heads of state during the last Bogotá meeting that the Foreign Ministers of the Ibero-American nations consult when a problem arises which would affect the solidarity of the continent, when there is a problem of common interest, or to deal peacefully with problems that our countries have among themselves.

The proposal does not intend to create a bureaucracy, but simply to allow a country to call a meeting of Foreign Ministers in one of the capitals on our continent. . . .

In this way, the Ibero-American nations would be able to coordinate their positions in order to maintain, if possible, a single voice in those things which are common problems discussed in major organizations like the OAS and United Nations.

EIR: What would be the relationship between this consulting mechanism and the United States?

Valencia: It is necessary to realize that the interests of the developing nations are essentially different from the interests of the United States.

The United States is a major world power with economic, political, and military interests all over the world. Our countries are developing nations with regional or sub-regional concerns, and for this reason our interests are different.

For the United States, the Latin American continent of course has political importance, but it also has military importance. The United States looks at Latin America as a region of military security. We can't look at it in that way. As a result, it is necessary for this coordination to first take place among the developing nations for there then to be a single negotiating voice with the United States on items of common interest.

EIR: Since the Malvinas conflict there have also been many proposals made by various political leaders for the renegotiation of the global debt. Lyndon LaRouche, founder of *EIR*, has made a specific proposal that the Ibero-American countries unite, and together renegotiate their foreign debt as well as form a common market. What do you think of the possibility of taking these steps?

Valencia: It is true that since the Malvinas crisis there have been many proposals of one kind or another. There have been suggestions for the creation of an organization of American states without the United States, and various formulations for overcoming the current difficulties.

I estimate that there is much to be done in the economic field. The economic association SELA has worked and is working efficiently in many ways. In spite of this, what is necessary now is some political momentum. . . .

The proposal that you referred to, for example, has been analyzed, studied in different governments, but has been left on that level because the political decision of the countries has been lacking.

EIR: Finally, will you comment briefly on the economic situation in your country and on Ecuador's negotiations with the IMF?

Valencia: In his message to Congress in the final sessions, the President of the Republic stated that the major enemy of the Ecuadorian democracy now is, in fact, the grave economic crisis that threatens the nation.

In whatever way is necessary, the President has said, we must join forces internally as well as externally to fight this evil.

Has Venezuela made a deal with London?

by Christian Curtis

Venezuelan Finance Minister Luis Ugueto announced in London Oct. 6 that his government has decided to return at least part of the more than \$5 billion in reserves it had withdrawn from British banks following the British invasion of the Malvinas Islands. Two days later, the British showed their characteristic gratefulness by deploying the pathetic government of Guyana to stage a temper tantrum on the floor of the Non-Aligned Foreign Ministers' meeting in New York, wrecking Venezuela's bid to join the Non-Aligned Movement.

Ugueto did get something for his efforts, however. He netted some \$800 million in loans from New York and London banks, plus promises of up to \$3 billion in medium- and long-term financing for part of Venezuela's \$8.8 billion in short-term obligations. Despite its oil wealth, Venezuela is in urgent need of cash as a result of a massive capital-flight attack—led by the British themselves—that reached a peak last month. The situation was so acute that discussion mounted in Caracas of following the Mexican example and imposing stiff exchange controls.

The Ugueto deal, plus a series of measures by the central bank, seems to have somewhat dampened the crisis, but at best this can only be a temporary arrangement. Venezuela is still extremely vulnerable to another plague of capital flight, and under present arrangements it still must depend on the good graces of London for credit.

Like Mexico and Brazil?

Ugueto, anxious to please the bankers, has insisted that Venezuela is not like Mexico and Brazil. But the facts show that all three countries are in the same boat.

As Development Minister Maritza Izaguirre has emphasized, international lenders began to cut off the country's credit sources soon after Caracas expressed its support for Argentina during the Malvinas crisis. Credit dried up even further after Mexico—almost bled to death by capital flight—was forced to nationalize its banks on Sept. 1.

Venezuela's problem was compounded by the second-quarter collapse of oil demand in the depressed advanced sector. As a result, Venezuela's trade surplus this year will be only one-tenth its 1981 level. The country is also expected to run a balance-of-services deficit of over \$6 billion, including some \$4 billion on state-sector foreign debt, estimated at