

for that year had actually been put into contract; in 1983, only 36 percent of vastly reduced planned expenditures went into actual construction.

Participants in a Wharton seminar on Mexico late in November revealed the following indications of the devastation in the areas of skilled employment: ICA, Mexico's largest construction firm with projects scattered throughout Ibero-America, had cut its personnel from 90,000 down to 40,000; Tremec, the major producer of transmissions for Mexico's auto industry, has dropped its workforce from 7,000 down to 2,800; Kenworth Mexicana has lowered its highly skilled workforce from 1,800 to 700 workers.

### Fallacious figures

The extensive congressional presentations of Salinas de Gortari and Silva Herzog can only be compared to the statistical sleight-of-hand of the U.S. Federal Reserve's Industrial Index in shamelessness of fakery.

The official estimate is that inflation this year was 80 percent, and that next year it will be 50 percent. The 1984 budget is increased 51 percent in nominal terms (to 11.7 trillion pesos, or roughly \$70 billion at current exchange rates), just meeting this projected inflation. Government investment is to increase 2.6 percent in real terms. Silva Herzog announced that imports should rise slightly, by 10 percent; this will constitute a "relatively normal level of imports," he stated. According to some in the government, the sum effect of the budget will be zero growth next year; others say there could be 1 percent growth. For 1983, the official estimate is that the economy shrank roughly 3 percent.

These figures and scores of more detailed computations trotted out before the congress are meaningless. There is not the slightest correspondence between what is programmed and what actually occurs. In 1983, \$14 billion was authorized for necessary imports; only \$7.5 billion was actually released by the Finance Ministry and the Bank of Mexico. As of the middle of the third quarter, only 17 percent of the year's projected state sector investments had been put into effect. The disbursement rate sped up only marginally in the rest of the year. The way a laconic Silva Herzog put it to Congress was that "the results of the adjustment [in 1983] were more accentuated than had been foreseen."

More fundamental, there is no way to square the devastation throughout the economy, and particularly in the purchasing power of the workforce, with the estimates that GDP will fall only 3 percent. By no one's calculations have real salaries lost less than 30 percent this year; official statistics in the government indicate industrial output is down over 10 percent; and the government has raised price guarantee levels in agriculture at a rate far inferior to inflation. Where can there possibly be the demand to keep GDP at almost the same levels as the year before?

One key to the mystery is the government's manipulation of inflation figures. Both labor and business economists calculate inflation at half again greater than the government's estimate of 80 percent. By deliberately undercounting infla-

## Mexican anti-Semite attacks LaRouche

One of Mexico's most influential and prominent anti-Semites, José Antonio Pérez Stuart, author of the business column "Portafolios" in the daily *Excélsior*, has renewed a furious campaign of defamation against Lyndon H. LaRouche, the U.S. economist and announced Democratic presidential candidate, and against parties associated with his ideas, such as the Mexican Labor Party (PLM).

Pérez Stuart is a leading defender of the pretensions of the fascist National Action Party (PAN) to destroy the Mexican political system, and a staunch supporter of the PAN's neo-Nazi ideologue José Angel Conchello. Conchello wrote in 1976 that "The economic recovery program of the country needs the idea of a great banker, Hjalmar Schacht, director of the German central bank during the Hitlerian empire. We must invest work to create capital." Two years later he specified that what he had in mind was Hitler's "forced labor service for youth, the *Arbeitsdienst*," which was the forerunner of the Nazi concentration camp system.

The psychological need to label any enemy "Jewish" is the hallmark of both Pérez Stuart and Conchello. Pérez Stuart first erupted with this anti-Semitic rage against LaRouche (who is not Jewish) in an *Excélsior* column Oct. 10, 1982. In an article defending the takeover of the country by the International Monetary Fund, Pérez Stuart denounced "an international group of Labor Committees... headed by Lyndon LaRouche Jr.," who were "members of the Jewish community... asking for debt moratoria."

Pérez Stuart associate Conchello vented his anti-Semitic spleen on a Mexican Labor Party official in Baja California Norte on Aug. 17, 1983, threatening that "We'll get LaRouche, that filthy Jew from Philadelphia." Another Pérez Stuart intimate, Friedmanite economist Luis Pazos, said in early October that LaRouche was "an eccentric Jewish millionaire" whose associates were "evil and dangerous."

On Sept. 11, 1983, after elections in Baja California Norte, Pérez Stuart charged that the PAN had lost the elections due to groups "inspired by a type of Charles Manson who goes by the name of Lyndon H. LaRouche."

On Nov. 27, and again on Dec. 4, anti-Semite Pérez Stuart declared that the implementation of Mexico's agreements with the IMF necessitated the crushing of "foreign shells such as the Mexican Labor Party," who were resisting IMF dictates and successfully discrediting the PAN in the past months' local elections. Pérez Stuart threatened Mexican President de la Madrid with domestic "discontent and instability" and a withdrawal of confidence "by the international financial community" if the PAN were not given election victories.