

Dateline Mexico by Josefina Menéndez

'Free Enterprise, Inc.'

The Friedmanites want to hand over Mexico's state industrial holdings to the country's creditors.

A new special-interest group recently appeared in Mexico: Libre Empresa SA (LESA) or Free Enterprise, Inc., based on the "free enterprise" economic quackery of Milton Friedman. Its main objective, as its founders pointed out, is "to negotiate the acquisition of all the state-owned enterprises" that the government cannot maintain because of the economic crisis.

The group was founded to "reinforce the Mexican way of mixed economy, in order to liberate the government from spending more on them [the enterprises] for other national priorities [sic]. . . ." If the government accepts LESA's proposals, then "confidence and private business decision to invest in Mexico will immediately be activated."

LESA is nominally headed by Emilio Azcarraga Milmo, president of the television consortium Televisa, the most powerful in all of Latin America. But the real powers behind it are Miguel Alemán Velazco, vice-president of Televisa and son of the recently deceased former president, gangster Miguel Alemán Véldez; and Antonio Ortiz Mena, head of the Inter-American Development Bank, who viciously hates the last two Mexican presidents, Luis Echeverría and José López Portillo because they expelled him from the country and kept him and his group from attaining power.

LESA already had a meeting with Finance Minister Jesus Silva Herzog. In itself, this is hardly scandalous: The

government had announced several months ago that it was going to sell all the non-strategic enterprises, including some nationalized for the first time in 1982.

But what has tongues flying now is that LESA feels so powerful that it wants to buy even the strategic firms, like Fertimex, the fertilizer producing company, Teléfonos de México, or even the electric company Compañía de Luz, because what LESA really wants is to wreck the power of the State and hand over the state holdings to Mexico's creditors.

This was made explicit by Miguel Alemán Velazco in person, who gave a speech on May 26 at California's Stanford University where he compared the Mexican foreign debt to the German debt right after World War I. He also said that in order to resolve its problems, Mexico should pay the foreign debt with companies, not with dollars.

Coherent with this proposal was an interview with Antonio Ortiz Mena that appeared for three days running in *Excelsior*, the major Mexico City daily, at the end of May. Ortiz blamed Echeverría and López Portillo for the Mexican foreign debt. He accused them of being populists and leftists and called for a "strong hand" to resolve Mexican problems.

The irony is that Ortiz Mena was literally a Miguel Alemán Véldez partner in all the dirty deals made during Alemán's lifetime. In particular Echeverría was pressured by Alemán

Velazco to put Ortiz Mena back in power—with no success. But now the word is out here that Ortiz Mena is coming back to "advise" the Mexican government. For example, he is going to be an official speaker for the anniversary of the death of former President Gustavo Diaz Ordaz June 15.

Ortiz Mena is an intimate friend of Henry Kissinger's piggy bank, David Rockefeller, and of course sees eye to eye with Kissinger Associates, Inc. that the foreign debt has to be paid by grabbing assets. That's why that crowd is behind LESA.

Incidentally, LESA was first denounced by the noted journalist from *Excelsior*, Manuel Buendía, on May 28; Buendía was the victim of a gangland-style assassination two days later.

Then on June 6, Francisco Cárdenas Cruz from *El Universal* implied a connection between LESA's appearance and the Buendía hit, hinting that the journalist was on the verge of revealing the real interests behind the Friedmanite group in Mexico and exposing the game that this group of businessmen is playing to blackmail the Mexican government. He asked where the money is going to come from to buy the enterprises, when all these "prestigious" figures argue that the crisis has bankrupted them.

Finally, Cárdenas asks whether under these political conditions the "free enterprisers" intend to stop their practice of flight capital, which has been going on since 1982.

The point is that LESA wants to stop the debtors' cartel the Mexican President is working with. How will the government respond? In May, it halted negotiations of debt for equity between private companies and their foreign creditors, saying that it will regulate all such future transactions from the standpoint of the "national interest."