RED SCARE BUILDS IN MEXICO AROUND MORENO CASE

Jan. 14 (IPS)—After two weeks of deferring public responsibility to the local Mexico City police, the Administration of Mexican President Luis Echeverria moved yesterday to take direct control of the red scare being built around the recent assassination of Mexican Communist Party member Hilario Moreno, while hinting at the Soviet Union's involvement in an alleged "Communist conspiracy." Moreno was murdered at the hands of the Mexican Direction General De Policia Y Transito (DGPT). According to today's Excelsior, Mexico City's leading newspaper, the Federal Attorney General Pedro Ojeda Paullada stated that there was in fact a conspiracy among Guatemalan and Mexican communists, of which Moreno was a part, and that the Federal authorities were moving to investigate it on personal instructions of President Echeverria.

In a related matter, Ojeda Paullada went on to report that six local police officers had been arrested for allegedly robbing jewels and other valuables from the home of Lilian Jimenez, a Salvadorean national recently arrested and terrorized in Mexico City in connection with the "Central American Communist conspiracy."

In an article entitled "In Search of the Guatemalan Conspirators," Excelsior reports that Ojeda Paullada claims to have uncovered an organization of Guatemalan and Mexican communists who were obtaining false Mexican passports to help Guatemalan nationals escape their country's fascist dictatorship. According to the Attorney General, Moreno was a key part of this ring, as were Eusebio Martinez, another Mexican Communist Party member arrested along with Moreno, and Lilian Jimenez. According to Excelsior's accounts of Ojeda Paullada's statements, Mrs. Jimenez, the widow of exiled Guatemalan poet Raul Layva, was also "an employee of the public relations office of the Russian Embassy in our country," and she "maintained contact with the clandestine group" of Guatemalan and Mexican communists.

Repression Escalates

Repression against the Mexican left continues to accelerate. Four or five shipments of the Latin American Labor Committee's newspaper, Nueva Solidaridad, have been illegally confiscated by Mexican customs officials since the beginning of 1975, while one such official claimed that there was a warrant out for the arrest of LALC member Silvia Palacios Zea as the named recipient of one such shipment.

The International Press Service has learned from a member of the Central Committee of the Mexican Communist Party that Eusebio Martinez, the Communist Party member arrested with Moreno, is still in jail, where he is being held incommunicado without charges. It is reported that his life is regularly threatened by his jailors, and that he is subjected to psychological attacks.

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"Watergating" the Police

This blatant attempt by the fascist Echeverria administration to generate an international red scare out of the assassination of a communist by the Mexican political police has been coupled with a move to lay the blame for the whole ugly incident on low-level policemen. It was also announced yesterday that 25 detectives were taken to Military Field #1 for interrogation about the robbery of 20,000 pesos (U.S. \$1,600) in jewels and other valuables from the home of Lilian Jimenez at the time of her arrest. Of those 25, six were apparently held as responsible for the act, although there are conflicting reports that state that 15 policemen were arrested.

This attempt by Echeverria to deflect any criticism around the Moreno affair onto low-level police officials was pushed forward by an article on the Op Ed page of the Jan. 13 Excelsior. In a column entitled "Pinochet en Tlaxcoaque" (meaning "Pinochet, in Mexico"), Raul Prieto correctly hints at the growing Chileanization of Mexico by detailing the case of an unidentified woman who was kidnapped and held for two days by the Mexican political police. He then misleadingly concludes that Mexico's major "fascist enclave" is in the political police.

FINANCIAL TIMES RECALLS NAZI FINANCE MINISTER SCHACHT

Jan. 14 (IPS) -- Under the pressure of capitalist collapse, the prestigious international financial daily, the Financial Times, this week began publicly reminiscing about bankers' "good old days" in Nazi Germany.

Devoid of current news--the European and American news pages were devoted to a two-page ad from Minnesota Mining and Manufacturing--the Financial Times Jan. 13 featured an article by top Times commentator Samuel Britten on "How the Doctor's Cure Ended Inflation." The "Doctor" Britten referred to was Hitler's Finance Minister Hjalmar Schacht.

While unwilling to admit outright that world bankers today face a situation comparable to that of Germany in the late 1930s, Britten waxed nostalgic over Schacht's ability to restore capitalists' confidence in the German economy after the ruinous three-digit inflation of the early 1920s. Admitting that "irreparable dmage had already been done" by the time Schacht officially took over as Finance Minister for the Nazis in 1934, Britten refused to see Hitler's Gestapo and extermination camps as the logical and inevitable consequences of the Schachtian economic policies pursued throughout the proceding decade.

But in backdoor fashion, Britten recognized that the most important feature of Schachtian economics is the political club

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