

ourselves then in a fertile land of tilled fields, or in a barren wasteland; in huge shapeless cities and tiny scattered villages, or in a harmonious balance between city and countryside; with skyrocketing and subsidized prices or with real costs, purchasing power and fair profits; amidst bleak and unproductive plains or burgeoning crops and industrial complexes; with sad and sickly children, or in a world of happy childhood; with bloated rich who travel to buy property abroad; with young people obsessed with their impotence who kill and die, knowing full well that this will not give them what they seek, or with a healthy and equitable people, increasingly well-informed, aware of these differences and contesting them, a people that claims its right to enjoy the gifts of life. In a word, we must choose between maintaining the status quo and creating a new model of country that we will shape together making it the fruit of our triumphs and errors, our possibilities and competence.

### **The Future Is In Our Hands**

. . . The worst is over. Let us not retrace our steps, but rather hold fast to what we have achieved. Let us not throw everything away and have to start from scratch once more. To do so would mean that we would have to begin at a lower level than before and spend years getting back to where we are now — but with more scars, less energy, and more bitterness.

Now that the seas have calmed, we can see what the tempest had blinded us to: there are shoals and reefs that we must and can overcome.

. . . We must use surpluses to strengthen the state and safeguard our national patrimony, preferably through long-term programs that will reach into the 21st century.

. . . We must take steps to prepare for a timely diversification of primary energy sources, with a view to substituting hydrocarbons and developing atomic energy to its full potential.

Little by little, step by step, we will proceed to invest resources where and when they are most needed. If we were to attempt to cover a wide range of projects, the effect would be imperceptible and resources would quickly vanish.

We will carefully select our beach-head projects that will give us entry into the worldwide correlation of forces, and having accomplished this, carry other national activities in their wake.

We will not use surpluses to meet circumstantial pressures or populist demands, to finance subsidies or unproductive transfers, to create an imprudent surplus of monetary reserves, or to relax tax, tariff, budgetary, or economic policies that must be carried out regardless of surpluses; nor will we use them to pay the foreign debt or to finance long-term investment abroad.

## **Kennedy, Zionist Lobby Grab For Mexico's Oil**

*They say the resource should be used to bust OPEC*

When Mexican President Lopez Portillo stated categorically in his State of the Union address last week that Mexico "is not nor ever will be a scab against those who, like ourselves, are fighting...to give raw materials their true value," the Mexican press was quick to note that the statement was an indirect — but "definitive" — reply to U.S. Senator Edward Kennedy (D-Mass.).

are attempts by Sen. Kennedy and the B'nai B'rith, on behalf of the U.S. Zionist lobby, to play a "Mexico Card" against the Middle East oil producers, particularly Saudi Arabia, by promoting Mexico's enormous oil reserves as "the United States' alternative to dependence on Saudi oil."

On Aug. 25 Sen. Kennedy introduced into the *Congressional Record* an article from the *New Republic*, which attacked high U.S. officials for "concealing" information from the public on the gigantic Mexican oil reserves. The article called for an "extra-special relationship" to be established

between the U.S. and Mexico to guarantee that "the special hold the Saudis have over us can be broken." Over the Labor Day weekend, Kennedy dispatched one of his top aides, Jerry Brady, to Mexico to size up chances for such an oil grab.

Meanwhile the B'nai B'rith is "lobbying on an international scale" to "coordinate the role of American and Mexican B'nai B'rith members in the development of Mexico's oil resources," according to the *Montreal Gazette* Aug. 25. The pressure campaign will be worked out in a week-long B'nai B'rith conference in New Orleans Sept. 17 to 25.

The *New Republic* article — which was written in close consultation with Kennedy's office — parallels an article in the *Wall Street Journal* last month, in which Washington energy consultant Lawrence Goldmuntz argued that Mexican oil must be encouraged to bust the Organization of Petroleum Exporting Countries. However, it is well-known both within and without Zionist lobby circles that it will be 7

to 10 years on the most optimistic of oil development schedules, before Mexican oil exports could vie with those of the Saudis. It is equally well-recognized that Mexico's powerful nationalist tradition concerning its oil and its full solidarity with OPEC (although Mexico is not a member), both reiterated by Lopez Portillo in his Sept. 1 speech, place almost insurmountable blocks in the way of a scab role for Mexico against Arab producers.

So why the Kennedy-Zionist Lobby fanfare? Observers have noted a short-term motivation in Zionist desires to lull U.S. public opinion concerning the dangers of a new Mideast war, including a possible Israeli strike against Saudi oil fields.

#### *More Than Bluff*

But there is much more than bluff in the "Mexico Card" ploy. Mexico well remembers the devastating tourist boycott organized by international Zionist forces in 1975 after Mexico voted in favor of a UN resolution equating Zionism with racism. The Mexican side of this pressure operation was coordinated by the powerful former president, Miguel Aleman, a close personal friend of Henry Kissinger.

Mexico's economy, because of the oil, is much stronger today than in 1975 and a repeat of the 1975 tourist boycott would have considerably diminished impact. But Mexico is closely watching for other destabilization tactics designed to weaken its resistance to pressures for the oil. The Aug. 30 kidnapping and murder of the son of Mexico's ambassador to the U.S. was immediately denounced by Jorge Cruikshank, head of the progovernment left Popular Socialist Party as an attempt to "soften" Mexico in preparation for an oil grab.

The same day, the *Wall Street Journal* published a vicious front-page feature comparing Mexico's development efforts to "a derelict selling his blood in the morning to buy an afternoon bottle of wine." The article demanded that Mexico "distribute its income" rather than invest in industrialization, and provided a handbook of economic pressure-points against Mexico with special emphasis on Mexico's vulnerability to measures against "illegal aliens" in the U.S. Kennedy, from his position as chairman of the Senate Judiciary Committee next year, will be the arbiter of legislation to curb the entry of illegal aliens in the U.S.

Simultaneously the Mexican City daily *Excelsior* printed an exclusive interview with the U.S. State Department desk chief for Mexico, David Wilcox, in which the U.S. official made scarcely veiled threats of massive economic retaliation against Mexico if it joined OPEC. U.S. officials in the past have been more discrete. Wilcox insisted that Mexico join the General Agreement on Tariffs and Trade accords — a move Mexico has refused to do for three decades in defense of its industrialization programs.

—Timothy Rush

## New Republic: Break Saudi Hold On U.S.

*In late August the New Republic, in consultation with Sen. Ted Kennedy and key Zionist lobby figures, published an article suggesting Mexico's oil be used by the U.S. to break the Organization of Petroleum Exporting Countries (OPEC). The article was signed by editors Eliot Marshall and Morton Kondracke.*

The United States government has been keeping a secret with enormous implications, but now it's out: Mexico apparently has petroleum reserves of 150 billion to 200 billion barrels, making it an oil power potentially greater than Saudi Arabia . . . .

Conservative reserve-to-production ratios used in the oil industry suggest that Mexico might be able to produce 10 million barrels a day by 1985 or 1990 . . . .

If it does, Mexican petroleum could be an important factor in holding down world energy prices and in reducing the West's dependence on Saudi Arabia and other OPEC sources.

Right now there is an oil glut. If we play our cards right, there need never be a shortage. This means that the special hold the Saudis have over us can be broken.

#### *Aliens for Oil*

*Interviewed on the article, coauthor Kondracke made the following observations last week:*

*Q: Do you really feel it will be possible to brush off the Saudis on the basis of Mexican oil? What about Mexico's domestic resistance to such a reserve role?*

*A: I personally do see problems with pinning all our hopes on Mexico. The nationalists want to keep the oil in the ground, there are all kinds of horrible scenarios. I don't think we should depend on anyone, Saudis or Mexico. But Marty (Martin Peretz, owner of the *New Republic* and a figure in the U.S. Zionist lobby — ed.) inserted the anti-Saudi passages (in the article). There's a heavy element of ideology here which bothers me. Marty and (Lawrence) Goldmuntz are more concerned with the opportunities, less with the difficulties.*

*Q: In your article, you call for appointing an "experienced and prestigious official to a special office for U.S.-Mexican relations." Why do you see the need for this?*

*A: Well, we need trade-offs, negotiations at a very high level. Now that looks nice on paper. However, what happens when you want to decide how many barrels of oil are worth each 100,000 illegal aliens? Politically, that's dynamite.*

*Q: So this special high-level office would be designed to minimize the political exposure?*

*A: That's right.*

*Q: Were you in contact with Sen. Kennedy's (D-Mass.) office when writing the piece?*

A: My coauthor, Eliot Marshall, is well-wired into Kennedy's office. His contact man over there is Kennedy's chief council and oil expert on the Joint Economic Committee (Jerry Brady — ed).

Q: *It struck me that perhaps Kennedy may be thinking of parlaying his interest in Mexico into an asset if he runs for President in 1980.*

A: He could pick up Bobby's support in the Mexican-American community . . . That fits in lots of ways. It would be very shrewd on his part.

### B'nai B'rith: Slave Labor for Mexico

Warren Eisenberg, public affairs director of the B'nai B'rith outlined his organization's energetic lobbying effort in the U.S. to acquire more oil from Mexico. Eisenberg avoided discussing the obvious question of how this would be used to counter OPEC, but he did openly call for Mexico to implement the

*World Bank program of deindustrialization and labor intensive jobs.*

We have an enormous interest in helping Mexico to develop its oil wealth. Mexico has pressing economic needs aggravated by its tremendous unemployment, its high population growth, and other problems. Therefore, much more than the small Saudi Arabian population, it needs petrodollars.

*Asked about which approach Mexico should take in the utilization of the revenues it is getting from oil exports, Eisenberg strongly supported the approach that proposes to invest in "labor intensive, agriculture jobs." After detailing the promising amounts of oil Mexico can provide the U.S., he added:*

There is an energy crisis. The U.S. should conserve energy and explore alternative energy sources like solar energy. The problem is that the American people don't believe there is a crisis.

### Wall Street Journal: Oil and Politics Don't Mix

*On Aug. 30 the Wall Street Journal, under a John Huey byline, published a front-page assessment of Mexico's economic prospects which asserted frantically that Mexico has no idea of what to do with its oil wealth. In fact, the Lopez Portillo government has constructed a powerful package of investment programs for industrialization centered on capital goods production, steel, petrochemicals, and a national gas distribution grid. The Journal's contribution to the current economic warfare efforts to gain a hold on Mexican oil states in part:*

Two years ago, in the waning days of Luis Echeverria's presidency, Mexico seemed near collapse. But since then, the tension that gripped this giant city has been soothed by visions of a sea of oil . . . But despite the oil-based balm, the cancers that have eaten away at Mexico for years are still afflicting it. Mexican workers, robbed of purchasing power by inflation, are raising their wage demands and calling for more and longer strikes. Soaring population growth defies solution. Farm problems persist. And the flood of illegal emigrants to the U.S. continues as the primary safety valve.

It is becoming clear, in the words of a U.S. State Department economist, that "the problems of Mexico won't be solved by oil, and its major problems may well be worsened by it." Indeed, adds a Commerce Department analyst in Washington, "There is a growing school of thought that oil could be very harmful to Mexico right now. It's providing an excuse — a crutch — not to solve the basic structural problems." Some even

compare Mexico's breakneck expansion of oil sales to a derelict selling blood in the morning to buy an afternoon bottle of wine.

" . . . We don't know what the real situation is," a wealthy Mexican merchandiser complains, "but we're tired of fantasies. If the government has a plan for this petroleum, it should publicize it. We know the oil is a postponement; we just don't know what it's a postponement of."

### El Nacional: Yes They Do

*A scorching reply to the Wall Street Journal article appeared in a Sept. 3 editorial of the semi-official Mexican daily El Nacional.*

In contrast to the balanced, truthful, prudent State of the Union address of the President of the Mexican Republic, and inspired with the evident intention of undermining the address's positive effect in the center of U.S. and world finances, New York, the *Wall Street Journal* . . . published an extensive feature two days earlier, which is a disgusting mixture of facts which we have never denied and echos of Cassandras who in our society have specialized in predicting catastrophes and maintaining the suicidal image of Mexico as irresponsible, uncaring, (and) wasteful. The old imperialist thesis that oil does not mix with politics because it is the special province of "free enterprise," shines clearly in the background of this false and malicious article . . .

From Wall Street, a lot of credit (is provided) to Mexico because it has oil; but (there are) many predictions of disaster because we do not permit plutocratic interests to tell us what to do with it.