

# EIR editor on U.S.-Mexico policy

*Just two weeks before Jimmy Carter's official trip to Mexico, more than 50 representatives of U.S. energy, industry, and politics and of a host of foreign governments gathered at the Madison Hotel in Washington, D.C. for a seminar on "Doing Business in 1979 — the European Monetary System and Mexican Oil," sponsored by the Executive Intelligence Review. Among the speakers was Alfredo Gutierrez Kirchner, Minister of Commercial Affairs for the Mexican Embassy in Washington. (For excerpts from Gutierrez Kirchner's remarks, see page 19.)*

*In his presentation to the seminar, EIR editor-in-chief Fernando Quijano Gaitan scored the Administration's anti-development posture toward Mexico as dangerous in the extreme, and a disaster for the U.S. economy and for America's relations with the Third World and Europe. The Washington seminar was the third in a series, following similarly well-attended meetings in Houston and New York.*

*EIR editor-in-chief Quijano gave this interview to New Solidarity International Press Service following the Washington seminar:*

**NSIPS: The EIR has consistently been harshly critical of the Carter Administration's attempts to force no-growth economics on Mexico, and of the Administration's refusal to take up the peace and prosperity offers of the new European Monetary System and its world development program. How would you evaluate the significance of your magazine's seminar and the response it drew now, so soon before Carter's Mexico trip?**

**Quijano:** I think it's tremendously significant, first of all because there is now a set and open policy in and around the U.S. Administration to recreate the Iran crisis in Mexico. Just a week earlier, Energy Secretary Schlesinger told the congressional Joint Economic Committee that the U.S. should not expect to get any great amount of oil and gas from Mexico, and then raised the Iran specter with threats about the social upheaval caused by too-rapid development policies. But obviously a strategy of suppressing Mexican development and throwing the country into chaos is in nobody's interest — except the Schlesingers, Brzezinskis, Kennedys, and Kissingers who want the most murderous austerity for the Third World and all-out confrontation in the advanced sector. Exactly the same is true of the EMS issue: Brzezinski and the rest are preventing U.S. participation in complete contradiction to the national interest.

Not surprisingly, there is powerful, if still unfocused, opposition to this. First of all there are the people who are most directly linked to the U.S.-Mexico gas deal that Schlesinger sabotaged last year. Then there is a broad range of industrial and financial interests, plus political forces ranging from Chicano groups to offices on Capitol Hill to America's foreign allies around the world. And that's who is coming to these seminars. They are basically in agreement with the EIR's view, namely that the U.S. should aid Mexico's development because it represents a potential bonanza for both sides. After all, Mexico is

already saying it needs \$80 billion worth of plant and equipment and other capital goods over the next 10 years for its development plans, much of it imported or import-related. And Mexico has made it clear it wants to give many of those orders to the U.S. — if the U.S. is willing to fill them.

**NSIPS: Who attended the Washington seminar?**

**Quijano:** A number of gas and other energy firms, including several oil majors and minors, sent representatives, as well as several important capital-goods firms. In addition to participants from the Mexican Embassy and from the embassies of Ecuador and Peru, Ivory Coast, and Korea, there was also a representative from the East German Embassy and a Soviet trade official, which indicates the very immediate strategic importance of the Mexico oil issue. There were also plenty from the U.S. government: from the Departments of Energy, State, Agriculture, Commerce, and Treasury, as well as several congressional offices. I think it's also noteworthy that there were members of three important national Chicano groups in attendance, from the League of United Latin American Citizens, the National Council of La Raza, and Jobs for ProgressSER.

**NSIPS: What's your reading of the impact in Mexico of what you and the EIR are saying?**

**Quijano:** I've been in Mexico several times in the last few months, and I've met with immense and persistent interest there concerning our seminar series. This is to be expected, because Mexico is looking at the U.S. political scene very closely to see if and where there are forces that can counter the U.S. Administration by expressing the real interests of the U.S., and pushing for a mutually beneficial development relationship with Mexico.

This has been reflected particularly clearly in the Mexican press. Here in the States our three seminars have so far been covered only in the regional press — not a word in the New York and Washington, that is the national, media. In Mexico it's radically different. Not only was there a lot of press coverage before the seminars started, but the Washington seminar, for example, was covered by six major national dailies.

Some of that coverage was taken from a United Press International wire story filed by UPI's Latin American desk chief in Washington. But that UPI wire was, as far as I know, not picked up anywhere in the U.S. And I think it's obvious that this isn't because of lack of interest, since the U.S. press has been crammed with "leaks" from Brzezinski, Kissinger, and so forth about the Mexico oil story as they want it covered.

**NSIPS: Can you summarize what you presented at the seminar?**

**Quijano:** I reported on my extensive travels in Mexico and on the Mexican's current development plans, which are gigantic in scope. Moreover, I stressed that under world credit structures as they would operate in a European Monetary System geometry, those development plans would be even greater, far beyond the \$80 billion I mentioned earlier, once North-South

relations were really geared to development and broken away from the International Monetary Fund debt repayment über alles that is killing the Third World now. In Europe and Japan there is tremendous excitement about what Mexico's planning, and Mexico looks to them right now as its best allies.

**NSIPS: How did the seminar participants respond?**

**Quijano:** As at our other seminars, there were first of all many specific questions from the energy people on our estimate of what the possibilities are for getting the big U.S.-Mexico gas deal back on track, and how the meeting between Carter and López Portillo will affect that. More generally, there were questions and comments again and again along the lines of: what you're saying makes such obvious sense — why the hell isn't the U.S. taking up what Mexico and the Europeans are offering?

This shows very powerfully how vital it is that a real American policy emerge, with the support of business, minorities, and labor, and that's how those questions were answered. The Administration's current policy has nothing to do with America's interest — the City of London's "geopolitics," war, destabilization, but not America's interest. What's needed — and quickly — is for that interest to express itself with real political force.

### **The Kennedy problem**

**NSIPS: Earlier you made special note of the Hispanic-American groups present. How did they respond?**

**Quijano:** Their presence was very, very significant. Here was a seminar titled "Doing Business," and yet we drew representatives from the whole spectrum of these groups. It's an indication of the excitement that this issue and what the EIR is saying about it has generated in the Chicano community.

It's my view that much of the Chicano leadership, which in toto, is very small compared to the Hispanic community as a whole — and I'm excluding people like Cesar Chavez who have so discredited themselves that no one regards them as part of that leadership — finds itself in a problematic situation that can be summed up in one word: Kennedy. A large segment of the Chicano community is still very favorable to Kennedy and to Kennedy-style politics. And this continues to be true even while Kennedy calls for slave-labor-based "appropriate technology" for the Third World, particularly Mexico, destruction of health care, and using Mexico's oil not for development, but as a weapon against OPEC.

My estimate is that the EIR and these seminars are giving these Chicano leaders an idea of how to eradicate this Kennedy problem once and for all, by organizing Hispanic-Americans around a positive program that will show up Kennedy for the swine he is. And Chicano leaders are also aware that the Mexican government, while it may be forced to deal with Kennedy on a government-to-government basis, regards him as a great threat, if not even a greater one, than Brzezinski and the rest of the Carter Administration crew.

## **Gutierrez: the goal is rapid development**

*Following are excerpts from the speech by the Mexican trade counsellor in Washington, Alfredo Gutierrez Kirchner, to the EIR conference in Washington last week, on doing business with Mexico. Mr. Gutierrez, a specialist in economics and trade and development, has worked with the Interamerican Development Bank and the Mexican Treasury before joining the nation's Foreign Service.*

A new theme of public interest appears to be finding its way through the arcane priorities of the media in this country... It is the issue of major oil and natural gas discoveries in Mexico.

Suddenly at right and left of the political spectrum: in government, academy, business and the press a keen awareness has developed regarding my country.

...Even the National Security Council commissioned one of the top foreign policy reports, the so-called Presidential Review Memorandum number 41 on bilateral relations with Mexico.

...There is however a confrontation of opinions within the U.S. on the question of the timing for this market to be tapped. Apparently, the private sector is eager to strike mutually advantageous deals with Pemex, the Mexican State Oil Corporation, but unfortunately the Secretary of Energy has consistently opposed signed agreements on natural gas.

...But Mexico is also building expectations on account of its oil wealth. Exports are growing very rapidly and consequently the taxes on oil are the most dynamic revenue in the public finances.

...The problem of exporting larger quantities of oil for Mexico is to transform the additional revenue in real economic and social development.

...In dealing with Mexico on oil matters, it is important for the U.S. to review the lessons of history. My country is no newcomer into the oil industry. Since the turn of the century and more specifically in the early twenties, Mexico was one of the most important oil producers.

But the main issue regarding oil in Mexico will continue to be the internal historical feeling that it is the national patrimony. That we have suffered before on its account and that we should defend this opportunity to develop or else leave the oil in the ground for a future generation to take advantage of it.

...Nevertheless we will be working towards the goal of rapid development using every tool available. A Special Fund for Employment is being set up with the revenues of oil exports, it will be called "Employment Fund" and its resources will be channeled only to investment projects.

...There is no question however, that Mexico is prepared to fulfill its obligations in a global community that needs so much cooperation, but at the same time we will demand a more balanced and equitable international economic order. Specifically we will continuously stress the importance of exchanging scarce natural resources, not only for fair prices but for a total possibility of fully developing as a country.