

Credit policy, Vizcarra concluded, is based on the principle of believing in economic potential, and not in the suicidal monetarist aberration of cost-benefits. If we believe in economic potential, if we believe in the PLHINO, then we have a future. Without that, we have no future.

The National Debate on Oil

Cárdenas then gave an comprehensive presentation on the debate surrounding the oil reform, and emphasized that the oil industry is playing an important role in the country's strategies for dealing with the difficult situation that is evolving, due to lack of economic growth and job creation. He indicated that one mustn't lose sight of the role that oil plays in the life of the country. It has already contributed, he said, to 40% of the nation's public investment. Cárdenas acknowledged advances in the energy reform, but indicated that there are omissions in planning, and in the use of resources, to strengthen national productive chains.

Loopholes that would allow for the designation of oil exploration and exploitation zones should be closed, Cárdenas said, so that contracts can be granted based on the size of the project to be built in a specified period of time. This would prevent PEMEX from losing control over decision-making in matters related to oil exploration and exploitation in specific zones of the country.

In insisting that oil should once again serve as a lever for Mexico's industrial and agricultural development, Cárdenas said that projects like the PLHINO should be promoted in these times of world crisis, through investment in infrastructure and public works, thereby reactivating the entirety of the economy.

Cárdenas drew on the bill of materials to emphasize that the nation has sufficient engineers and capacity to produce the cement and steel required by a project like the PLHINO. The latter, he said, is a daring and ambitious project since it needs an investment of \$14 billion, a figure which is not beyond the means of the Mexican state, as it is a program designed to be completed in ten years, and therefore is achievable.

He criticized the inadequacy of the Calderón government's infrastructure program, and proposed that the Pro-PLHINO Committee's organizing in the Northwest region be replicated with the same intensity in other areas of the country, but especially in the states of Sinaloa and Nayarit, both of which would be directly involved in the hydraulic project. He concluded with a call for a debate in the Senate of the Republic.

'One Mexico for All'

Pro-PLHINO Committee Welcomes Cárdenas

On Nov. 13, the Pro-PLHINO Committee of the 21st Century held a public forum in Ciudad Obregón, Mexico, on the topic of "Oil: Lever for the Industrial and Agricultural Development of Mexico." Pro-PLHINO Committee leader Adalberto López Rosas gave the following introduction of the featured speaker at the forum, Cuauhtemoc Cárdenas Solórzano, national leader of Mexico's Party of the Democratic Revolution (PRD). Rosas's speech was translated from Spanish; subheads have been added.

Dear Engineer Cuauhtémoc Cárdenas,

I want to thank you for having agreed to participate in this Forum, a meeting in many respects similar to the one we held in July of 2005, when you were willing to exchange ideas with us on your proposal for "One Mexico For All." At that time, we jointly reviewed the signs of the world financial crisis, and we acknowledged the principle that the speculative dynamic of the international financial system was leading to an unprecedented crisis that would endanger the very existence of the financial system as a whole.

In that context, we located the urgency of Mexico reviving a vigorous policy of public investment in infrastructure projects, especially for water and energy management, to encourage economic growth and meet the urgent need to guarantee the food supply. We recognized that that would strengthen our internal market and would make us less dependent as well as limited to merely supplying cheap labor for the U.S. consumer market.

Months later, you sent us a personal letter of support for the Northwest Hydraulic Plan (PLHINO), and for the regional movement that we were launching at that time to promote this crucial water infrastructure project.

A little more than three years have passed since that meeting, and the speed and density of economic developments places us now in an extreme situation,

about which we had warned, to a large extent, during that Summer of 2005.

I remember that in our review of your proposal “One Mexico for All,” we emphasized that there was no way to maintain civilized social coexistence within the parameters of a world financial system designed to finance the speculator, to the detriment of productive processes. The continued existence of those practices for nearly 30 years on a global scale, has left us standing today on the threshold of a planetary economic hecatomb.

An Omnipotent Market Is Insane

Although not all the governments of the world adequately grasp the nature of this crisis, the majority publicly recognize that the idea of an omnipotent market, which should not be changed by any state intervention, is insane. Today, nations such as Russia, China, Italy, and France recognize that the international financial system demands a restructuring to correct the aberrations that threaten the existence of civilization itself.

The day after tomorrow [Nov. 15], 20 nations representing Europe, Asia, Africa and Latin America will be meeting in Washington, and prior to that international gathering, Presidents, like France’s Nicolas Sarkozy, have already harshly questioned the economic doctrine that has led us to the current disaster, saying that the idea that the markets are always right is crazy. At the same time, they criticize the fact that the banks are speculating in the markets instead of investing savings in economic development—financing the speculators instead of the entrepreneurs. This is madness, acknowledged the French President, and “today, we are paying for it.”

Italian Finance Minister Giulio Tremonti warned that the incoming U.S. government must not continue with the bailouts that are transferring private speculative obligations to public budgets, and passing off current losses to future generations. The Italian minister said that the healthy finances should be separated from the bad, so as to neutralize the pernicious effect of financial derivatives.

The nations of the world are coming to recognize the correctness of what noted U.S. economist Lyndon LaRouche forecast concerning financial overleveraging, leading to a disintegration of the system as a whole.

With a scandalous blindness, the Felipe Calderón

government has, for months, underestimated the dimensions of the crisis. Now that the world is crashing down on our heads, the government has been forced to admit the threat that this crisis poses, although it has not taken a single important step to protect the country from its consequences.

It is clear that the crisis itself has ripped apart all the premises on which economic policy has been based, for the past 25 years, in our country. Major changes are going to be needed, far beyond what we’ve been hearing from the majority of the political forces represented in the government and in the Congress.

The Crisis Demands Solutions

The idea that this crisis can somehow be managed, is unacceptable. The crisis demands solutions, not just austerity proposals for a population already desperate from unemployment and hunger. The crisis demands actions far beyond romantic gestures of solidarity with those who have less. The crisis demands that we rid ourselves of the belief structures that led us to accept the notion that the source of wealth is money, and that credit policy, the state’s key tool for promoting development, must be handed to private interests wedded to speculative practices.

Among other things, the crisis demands that the oil policy this nation has endured for more than two decades, be reformulated. It demands that oil profits be turned into the main support for a national credit policy directed toward capital investments. The crisis demands that the PLHINO be built, and that is why we have invited Engineer Cuauhtémoc Cárdenas to participate in this Forum.

The figure of Engineer Cárdenas is undeniably a national asset—not only because of his proven expertise in questions related to oil, but also because of his solid nationalist convictions. His character is clearly of great value, because of those two fundamental attributes, which combine intelligence with patriotism. But at times of crisis such as these, when the nation tends to become polarized, and simple posturing and stridency confuse the issues, Cuauhtémoc Cárdenas’s calm becomes indispensable: indispensable primarily in the challenge to make “Oil Once Again the Lever for the Nation’s Industrial and Agricultural Development”; indispensable in the fight to build the PLHINO.

Engineer Cárdenas, many thanks for accepting the invitation and the commitment.