

Mexico calls for the Grand Design

An international bank for development, not genocide

A proposal for a new international financial structure to promote Third World development was delivered by Mexican Finance Minister David Ibarra at a meeting in Acapulco of representatives to the International Monetary Fund and World Bank from Latin America, Spain and the Philippines. The World Bank, stated Ibarra, "must make an in-depth revision of its operational and financial policies to transform itself into a real bank of international development, changing even its name." Ibarra called upon the grouping, of which he was elected president, to jointly back radical modifications in the IMF and World Bank.

The IMF must be converted into an institution for "long term financing for the developing nations," said the minister. He also insisted that the transformed institutions must promote "transfer of real resources from the industrialized countries to the developing economies."

As the finance minister made his proposals, which coincide in content and purpose with the European Monetary System, Mexican President José López Portillo appeared for an interview on NBC's Today show where he discussed plans for the rapid industrialization of his country through "what I have called the national Grand Design in research and technology." The Mexican President called upon the U.S. to consider solutions to the problems between the two nations "in the long term...more connected to universal problems, not tied to political factions sometimes very small and very local, which impede the Grand Design."

"To generate employment, we have a system of projects," he said, reiterating Mexico's policy of using its oil for development. "We must first guarantee the strengthening of the state and its capacity to finance development."

One of these projects, the industrial development plan for the state of Tabasco, was inaugurated last week. Tabasco, an underdeveloped state in the

southeast jungle area, rich in oil reserves and one of the key targets for World Bank settlement projects, will now be one of Mexico's many development poles. The project will consist of nine major industrial plants, including production of steel, construction materials, and petrochemicals. The World Bank's plan is to send "excess population" to colonize the jungles with primitive labor methods and minimal consumption of energy or technology. Finance Minister Ibarra's insistence on transforming the World Bank into a real development bank is aimed at destroying this institution's capacity to dictate such enforced underdevelopment upon the Third World.

Close the border

López Portillo's State of the Union address two weeks ago and the development program he outlined then provoked the predictable international financial and propaganda assaults. The World Bank led the charge with a heavily-publicized renewal of its call for pick-and-shovel labor as the only solution to Mexico's food crisis and urban problems. The government responded coolly with a plan for credits and high-technology implementation.

But the attacks are continuing. Last week, George Grayson, author of U.S. national security advisor Zbigniew Brzezinski's policy for slamming shut the U.S.-Mexican border and imposing slave labor projects, renewed this campaign with an article in the Long Island daily *Newsday*. This time he added a new dimension to his "close the border and watch them squeal" policy. Closing the border now will "help" López Portillo, wrote Grayson, since it will obligate Mexican businessmen to confront the problem of unemployment.

While Grayson admits that there are many opponents of pick-and-shovel brigades who consider them "policies of imperialism," it is the "only solution" for unemployment in Mexico, he asserts. He calls on the World Bank to pressure the Mexican government to implement such a policy.

—Robyn Quijano,
Mexico City

From Lopez Portillo's Sept. 18 interview

The following is a translation of an interview with Mexican President Lopez Portillo on the Sept. 18 NBC-TV Today Show, as printed in the Mexican press:

Q: How would you want the U.S. to think of Mexico?

A: As a permanent neighbor whom they will have to deal with as long as this earth revolves around the sun and rotates on its own axis. We must look at things in long term perspective. As well as having deep historical roots, the relationship between us will have great importance in the future, very frequently the U.S. adopts purely conjunctural solutions, molded by the pressure of immediate circumstances, often circumstances of U.S. internal politics, which

Ibarra on the IMF and development

This report on the Mexican Finance Minister's criticism of the World Bank and IMF was published in the Mexico City daily Novedades on Sept. 19.

Finance Minister David Ibarra Munoz was elected today as the president of the 15th meeting of IMF and World Bank governors from Latin America, the Philippines and Spain. Ibarra declared...in the name of the Spanish-speaking world: "We accept, he said, supervision as a logical condition of the new foreign exchange system, but we do not accept straight-jacket conditions which are applied exclusively or preferably to the developing countries." The chief of national finances refers here to the chapter of the monetary reform which facilitates IMF supervision of member's monetary policies.

The Mexican proposal is that it is urgent that Latin America takes a united position because "it is a part of the international decision-making system." The Mexican proposal calls for the World Bank to profoundly change its operative and financial policies in order to be changed into a real international development bank. Even the World Bank's name should be changed. Another proposal is that the International Monetary Fund be converted into an organism for long-term financing of developing countries. Another proposal is the one Mexico has insisted on since the Vancouver conference: the transferral of real resources from the industrial countries to the developing economies...

necessarily deform and compartmentalize the (U.S.) vision. We would like the proposals and solutions to be more structural, on a more national scale, more closely tied to universal problems and not bound to sometimes very small, and very local, political factors, which impede the "grand design" ("el gran planteo"). That is what I would like, but perhaps it is asking a lot.

Q: Mr. President, many American officials believe that your government is not doing all that it can on the problem of illegal immigration of Mexicans of the U.S. because this in fact helps to solve some problems that you have. Does this opinion bother you: to alleviate your burden by creating one for your northern neighbor?

A: Of course. We have continuously said when this point is raised that we want to organize ourselves such that we export goods and not labor power. The fundamental problem is that we have not had the capacity to create sufficient employment opportunities in the interior of the Republic and to keep with us those who dare to leave, who incidentally are some of our best men. This is the fundamental problem. We are doing all we can in a country that has a system of guarantees and individual rights, among them, the right to travel freely and settle freely...And this we have made clear to the Carter Administration, expressing clearly and precisely that the problem is not one of simple migration, but is linked to economic, financial and commercial problems and that for this reason we can not solve it with mere measures on migration, but with financial and commercial measures. We have established systems of communication to guarantee that the problem is well-defined and is possible to solve.

Q: You say that Mexico's petroleum reserves may be as great as those of Saudi Arabia, or even greater. How should this money be used? To create jobs or for private enterprise, so that private enterprise can create more jobs?

A: In our recent second State of the Union address, we outlined a very detailed program of what we think should be done with our petroleum surplus, with our reserves, which seem to be sufficiently ample. Geological tests show that there are possibly around 200 billion barrels of oil in our subsoil. We have probable reserves of 37 billion and proven reserves of 20 billion barrels. This makes us certain that we will enter the 21st century with dependable reserves....We must strengthen the State and its development financing capacity. We must use surplus oil revenues to generate employment and for this purpose we have a system of plans.

Q: The efficiency of Pemex, the company that controls Mexican oil, has been challenged. Have you ever thought of exchanging Mexican oil for American experience and technology in the form of a joint enterprise?

A: We are in constant communication with all possible sources of technology. We are forging our own technology through the Mexican Petroleum Institute, a very good instrument which is researching, planning and designing for us. Therefore I think we have the capability to achieve in this area what I have called the national Grand Design in questions of research and technology.

We can be technologically self-determined. Already at this very moment we are in condition to discern and to decide for ourselves which technologies we should import, which ones we can develop inside our own country, and which ones we can export. Thus we are able to take advantage of world progress and to make our own contribution to world progress.

Q: Do you believe that heroin traffic can be eradicated between Mexico and the U.S.?

A: This is something upon which we must seriously reflect, for while there is such a vast demand for this kind of drug, it will enter the U.S. or the place where it is consumed through any of the borders, because this is an illicit but formidable transaction; our country is doing all it can to the best of its abilities to limit this

possibility. What must be done is being done; but most important is what is done inside the U.S. itself to avoid the growing consumption of the drug: this is the key problem.

Q: Mr. President, Central America is facing a difficult situation: there is civil war in Nicaragua, problems in El Salvador, and Cuba is near the coast of Mexico. With all these problems, Mexico could be an obvious gold-mine for subversion, particularly from the extreme left.

A: Mexico and the entire world, and I believe the U.S. also, is one of the most coveted "gold mines." In Europe the same. I think to regionalize or localize the problem is to impoverish the discussion, and to the extent that we do this, the solutions become more difficult. A political system of universal aspiration — which are the movements of the left — aspire to this: to universalize, and in situations where they are permitted to advance, they do so... We believe that our Revolution is in itself a satisfactory program for the proposals and solutions to the questions you are raising. We lament that Central America is in the kind of situation which you describe... We believe that the U.S. should not interfere in Latin America or in any other country, because we believe in the principle of non-intervention. We think that it is through other means that we can achieve these ends. If we order the world better economically, the conclusions in the social realm can be simple.

Nicaraguan war threatens continent

Somoza charged with genocide and scorched earth policy

The ongoing civil war in Nicaragua is fast becoming another foreign policy disaster for the United States, as serious as that created by the Kissinger-directed 1973 coup in Chile by General Pinochet. If not reversed rapidly, present U.S. policy in Central America will in fact lead into a second Vietnam debacle for the United States.

As in the recent Camp David summit, the U.S. is blindly following the Israelis into war and genocide in Central America. Mexican, Cuban, and Nicaraguan anti-Somoza forces have all denounced the Israeli role as military supplier and advisor to the outlaw Somozan government in its present bloodbath against the Nicaraguan population.

The implications of the Nicaraguan crisis, however, go far beyond its immediate borders, as Nicaraguan incursions into Costa Rica's territory last week have already demonstrated. With the entire region poised in a precarious balance of shaky alliances and long-

standing border disputes, worsened by the generalized political instability caused economic collapse, any regional conflict begun in Central America could spread like brush-fire across the continent. The result would be a violent "Thirty Years War" phenomenon, reproducing the present genocide in Nicaragua across the whole of Latin America.

Lebanon-modeled genocide

The spreading opposition to the Nicaraguan government of General Somoza during the past year exploded into full-scale civil war in the last two months, as virtually every sector of the population, including professionals, businessmen, the Church, and popular forces, revolted against the Somozan dynasty. Starting 10 days ago, General Somoza's National Guard launched a scorched-earth policy counter-offensive under the personal direction of Somoza's Sandhurst-trained son, against the popular rebellion.