

Dateline Mexico by Josefina Menéndez

Another U.S.-Mexico summit in April

López Portillo's government has reaffirmed economic development as the basis for foreign policy.

This week the White House and the Mexican foreign relations Ministry announced that Presidents Ronald Reagan and José López Portillo will meet April 27-28 on the island of Coronado near San Diego, California and Tijuana, Mexico. As agreed upon by both presidents during their first very successful meeting Jan. 5, the Coronado meeting will focus not only on bilateral issues but on an exchange of views and coordination in areas of international concern such as the unstable situation in the Caribbean-Central American region.

Although it is still not clear what the two governments have in mind as concrete solutions to the major bilateral issues, in recent days the López Portillo government has moved strongly to re-launch foreign policy initiatives based on economic development deals. This is good news for the all-important oil-for-technology framework that will make or break the prospects for improved relations.

López Portillo himself made this point the lead theme of his speech at the "Meeting of the Republic" on Feb. 5, one of the most important occasions on the Mexican political calendar.

"We have broken the shell of our defensive self-determination, that effort to impede penetration or influence by others on us," declared the president. The speech was

widely regarded here as a snap at radicals who have consistently opposed the oil-for-technology export policy. Much of the left has attempted to portray the decision to rapidly develop oil as a "sellout".

Insiders here also stressed the significance of López Portillo's selection of Pemex director Jorge Díaz Serrano to give the keynote address at the Feb. 5 conclave. Apart from the various implications of the decision in a presidential selection year (which I mentioned last week), it was first and foremost a strong reassertion of the role of oil policy as the cornerstone of Mexico's industrialization.

These actions broke a period of many months in which government figures had appeared increasingly defensive on oil development policy. The Energy Program prepared under the guidance of Industry Minister De Oteyza and released last November, in fact called for an absolute ceiling on oil exports of 1.5 million barrels per day from now until 1990.

The president's emphasis on Feb. 5, while not an explicit repudiation of the De Oteyza ceiling, nevertheless pointed in a different direction. And as everyone knows, the question of whether the ceiling sticks beyond the next year cannot be set by the current administration in any case.

There are a number of collateral indications of the resurgence of an

active oil-for-development policy that bear watching.

De Oteyza was in France this week to conclude a broad range of deals with the Giscard government, all negotiated over the past two years in an explicit oil-for-technology framework. France currently receives 100,000 bpd from Mexico.

At the same time, there's been exceptional activity in relation to the rest of Latin America. Some sources here have told *EIR* that Mexico sees its homegrown oil technology—the most advanced of the Third World—as a means of shouldering some of the Seven Sisters' clout in the region.

At a meeting of the Latin American Organization for Energy Development (OLADE) in Quito last week Mexico won approval for a proposal to centralize and speed up the transfer of advanced energy technologies and know-how throughout the continent. Part of this will be a new fund to finance R&D. Mexico's own contributions in these areas are well known.

The Mexican oil technology deal with Cuba last month, which has been misrepresented in some sections of the U.S. press as an attempt to make an end run around the U.S. trade embargo of the island, is actually part of the same Mexican strategy.

And it should be noted that López Portillo personally gave the wrap-up talk to a Feb. 8-11 gathering of all Mexico's ambassadors in the Central American and Caribbean region. His theme: Mexico's economic role in the region—though our sources indicate that he was not able to fully quash Foreign Minister Castañeda's maneuverings to pull Mexico behind El Salvador's left insurgents.