Comecon relations. Mexico thus stands in a position to combine East and West development efforts, along precisely the lines signalled so strongly by President Giscard last week.

The Spanish Connection

Mexico and France are working closely to expand the kind of alliance their bilateral relations exemplify into a broader network of agreements, centering on Spain. Giscard d'Estaing gave a major push to this arrangement when, during his July 1-2 state visit to Spain, he called for the incorporation of Spain into the European Economic Community as a "bridge" to Latin America for all of Western Europe—a conception first put forward by Mexican President Lopez Portillo during his ground-breaking state visit to Spain in October 1977.

Mexican parliamentary deputy Victor Manzanilla Shaeffer, president of the Latin American Parliament, announced the following week that an "Iberoamerican parliament" is now being formed, to be headquartered in Cadiz. He linked this initiative to the possibility of opening channels "for (President) Carter to end the trade and economic blockade of Cuba."

Simultaneously, Mexican Undersecretary of Trade Jorge Tamayo arrived in Madrid to conclude arrangements for the establishment of a new "Mexico-Spain Trade Committee."

Other key Latin American countries are being drawn into the arrangements. Venezuela is Spain's number-one trading partner, and Venezuela's development efforts are closely tied to manpower training programs in Spain. Argentina will be the host country for a state visit by Spanish Prime Minister Adolfo Suarez at the end of the year.

Colombia's president-elect Julio César Turbay Ayala spent a week in Spain, overlapping Giscard's visit, in a major stopover of a preinaugural trip to Europe in early July.

Establishing banking connections to funnel large flows of investments and trade credits into Latin America is also being mediated in large part through Spain. Spanish banking operations in Latin America, including Puerto Rico, have substantially expanded in the recent period. With West German prompting, Spain has just relaxed its banking laws to facilitate both European and Arab capital flows into the region. In a parallel move, the Union of French and Arab Banks announced July 4 that it is planning major expansion of its Latin American operations, now centered in Mexico, Argentina, Brazil and Venezuela.

Japan To Play Key Role In Drive For World Peace

In an extraordinary interview with the Christian Science Monitor published July 19, Japan's Foreign Minister Sunao Sonoda stated that his country wants to play a leading role in securing a long-lasting peace for the world, including possible mediation in the Sino-Soviet dispute. This is a humanist commitment, he said, emphasizing that Japan will never again go off this course, but instead will spend its money and creative capacities to keep the world prosperous and out of war.

Sonoda had many harsh words for China, and seriously questioned whether Japan and China can reach agreement on a peace and friendship treaty now under negotiation, given the differences between the two countries. His statements were somewhat out of character, as Sonoda is widely believed to favor an early conclusion to the negotiations with China. However, the government of Prime Minister Takeo Fukuda has recently adopted a very tough negotiating stance toward Peking. Two weeks ago, Fukuda declared that any progress in the talks with China depends on flexibility from the Chinese side. Sonoda is scheduled to leave for Peking July 21 to resume the treaty talks.

Excerpts from the Christian Science Monitor article, which ran under the title "Sonoda Rivets Japan to Peace Goal, Foreign Minister Resists Peking Maneuver," follow.

"When thinking of the world's future, China operates on

the premise that some day war is inevitable. We in Japan believe that we must do everything possible to avert war."

With these words, in an interview earlier this month in his spacious Tokyo office, Japanese Foreign Minister Sunao Sonoda underscored perhaps the basic difference between his country and China, where he is going July 21 to negotiate a treaty of peace and friendship.

Mr. Sonoda had some strong words for the Chinese, who have been insisting that the treaty contain an "antihegemony" clause before they will sign it. The Russians say the clause is aimed against them, and Japan wants to dilute it with language making clear it is not directed at any specific country....

"China . . . talks of Soviet hegemony now because the Soviets are strong and China is weak. But when China becomes strong, will she commit hegemony-seeking acts against those weaker than herself? That is the most important question I shall be going to discuss with the Chinese. Looking at China's attitude toward the Vietnam-Cambodia dispute, I shall not be able to refrain from asking the Chinese how they really feel."

No matter how strong the Soviet Union is, Mr. Sonoda continued, "if it commits a hegemonistic act, I will by all means oppose it. But to label that country in advance as hegemonistic and to take hostile action against it in collaboration with China is a road that must emphatically be avoided."

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Mr. Sonoda said he had told U.S. presidential advisor Zbigniew Brzezinski when the latter stopped over in Tokyo en route home after his visit to Peking last May, that it might seem advantageous for the West to manipulate the Chinese-Soviet dispute because it tied down Soviet troops in Asia. "But, to try to take diplomatic advantage of the Sino-Soviet dispute, because it seems for the time being to benefit us, is an adventure, and full of a thousand risks."

Japan was weak, but "when the time is ripe," it should stand ready to mediate the Chinese-Soviet dispute — that was what he had told the Soviet leaders when he visited Moscow in January, Mr. Sonoda said. And that was what he hoped to talk over with the Chinese as well

In the past six months Mr. Sonoda has been to the Middle East, to Washington, and to Southeast Asia, as well as to Moscow. Everywhere his basic message is the same: Japan out of the bitter experience of World War II has foresworn war and therefore cannot make a military contribution toward preserving world peace and security. But it can and will contribute its money, its energies, its creative initiatives, to help keep the world prosperous and at peace.