
The documents of the summit

French President Giscard d'Estaing's four-day visit to Mexico not only included meetings with Mexico's President Jose Lopez Portillo to establish the parameters of cooperation between the European Monetary System and Mexico, but also major addresses before representatives of Mexico's business community, its university, professional, and intellectual layers, and before a specially convened session of the Mexican Congress. We present below the documents of the summit, from the airport greetings to the final communiqué — documents which have not been reported by any other U.S. press.

Giscard, Lopez Portillo exchange greetings

Following are excerpts of the greetings from both presidents on Giscard d'Estaing's arrival in Mexico City on Feb. 28. The statements previewed the tone of the four-day meeting.

José Lopez Portillo to Giscard: "You have come to Mexico on the beautiful wings of concord. In the name of the people and government of Mexico, I extend the most cordial welcome.

"Fifteen years ago an unforgettable president of Mexico — now dead — Mr. Adolfo Lopez Mateos, received the also unforgettable President Charles De Gaulle. The bases of relations between our two countries was laid then: 'hand in hand,' President De Gaulle told us in a speech that remained impressed in the memory of our people....

"Welcome. This is your house."

Giscard d'Estaing to Lopez Portillo: "I bring to you the friendly and fraternal greetings of France....

"The French, like the Mexicans, have the same concept of democracy, the same national pride, and also the same love of peace.... Never have our peoples been so enterprising, so resolutely oriented toward the future.

"Whether the world society that is being built responds to the necessities of man depends in great part on countries like ours, on your responsibility, Mr. President and on mine.

"The future world society, in conformity with democratic nations, should be pluralist. No nation, no doctrine can have the pretension of dominating the others. Every perception, every culture should have the ability to express itself. Peace can be achieved by no other means.

"Mexico and France, each in its continent, possess the means to act in this way....

"Their dimensions, their political maturity, their talents and wealth equip them to assume, together with

others, a preponderant role in the construction of the world.

"This is a great task and I am happy to reflect upon it and to work for it with you during the course of my visit, with the same fraternal friendship that unites us, Mr. President, and that draws our two peoples together."

"Viva Mexico."

Lopez: 'let the reason of peace prevail'

Mexican President Lopez Portillo emphasized that relations between his country and France will be aimed at complementing the economies of each. Excerpted here are portions of the speech the Mexican President made at the state dinner welcoming President Giscard d'Estaing on March 1.

This meeting takes place at a conjuncture favorable to giving impetus to our interrelationship at higher levels.

France agrees with the conception of a new Europe which must, if it wants to continue to be the protagonist in history, overcome the limitations of the nation-state through the association of sovereign nations that maintain political, economic, and social responsibilities.

Through its commitment to sovereignty, Mexico...projects its nationalism, without hostilities or exclusions, onto an international order that responds politically to the efficiency of economic hegemonies which have no face, or center, or responsibilities, and which transnationalize and obscure all national destinies, just as Mexico also opposes submission imposed by another political power whatever its tendency or strength.

Partial agreements, whether they are between great powers or between groups of countries, do not resolve the present conditions because they marginalize the majority of men and resources which humanity could utilize with equilibrium.

All this demands a new political will to order,

propose, and conceptualize interrelationships and interchanges.

The case of energy sources and their alternatives is most illustrative. The disorder of energy production, distribution, and consumption with all that involves and touches upon has humanity on the brink of collapse.

It is urgent to utilize the grand conception, which makes energy sources the patrimony of humanity and which inscribes them into a universal method. This may sound like wishful thinking. All we need to sustain this is our offered commitment as a potential producing country. And we believe that either we have an order in which all have just and fair access to alternative sources or we have the apocalypse. The horsemen of the apocalypse are galloping. I hope it's not too late.

.... It is advantageous for France and Mexico to make an effort to increase our interchange, since we have similar problems of dependence, and to do so without harming our economies by exclusivity, but advancing through the possibilities of complementing them. There is much to explore and to do: raw materials, capital markets, currency projects, opportunities in which we must join eliminating the phantom of a new monetarist mercantilism that favors capital above labor, and that is dramatically present between the powerful and the weak countries....

The democratic culture to which we belong demands this. For France, as for Mexico, politics and economics are a living part of the culture, and not an expression of natural forces. To legitimize the struggles of opponents; to order interests to integrate the forces of the society as a function of the values of democracy, demand that the state gives primacy to reason over the limitations of pragmatism.

Thus, I believe that we have to understand each other by speaking the new language that our circumstance demands: cancelling the conventional rhetoric no one believes in, to pose our problems with frankness and clarity and to resolve them with equanimity. Honesty and clarity of spirit today have to substitute for the old tools of diplomacy.

Thus we have spoken and are understood. Thus we will continue understanding. To consider what makes us different; to strengthen that which draws us closer; to respect the identity of each person; to seek harmony and balance; to illuminate reality with reason.

We would like those virtues, so French and consequently so universal, and thus common to us, to be present in our dealings and agreements. In the same way we would like to see them at work in a world that is plunging toward an absurd violence which — propelling humanity before it because of brutal underlying energies — betoken the beginning of a new era or the end of all eras.

Let the reason of peace prevail, and let France and Mexico join in it.

'Our future presumes advanced technologies,' says Giscard

While in Mexico, France's President Giscard d'Estaing addressed a group of bankers and business, tracing his country's economic growth to its commitment to advancing the application of technology and the population's living standards. Excerpts from that speech, delivered March 1, follow.

... During the past 20 years, France has known the most rapid economic growth of the industrialized countries other than Japan.... This economic growth, without any precedent of this type in history, has carried us to the ranks of the primary economic powers of the world....

French agriculture, which in 1950 employed 30 percent of the active population of our country, today does not employ more than 10 percent, and yet, French agricultural production has not only been maintained, but has notably increased in volume.

We have concentrated our efforts in a few economic sectors, and here I am only going to note aeronautics, the space industry, satellites, telecommunications, rail transport (particularly high velocity), and the complete dominance of the nuclear energy cycle.

Giscard touts EMS to Mexico business

During his speech to Mexican businessmen and bankers, French President Giscard d'Estaing was asked by the president of the Mexican Bankers Association about the composition of the new European Monetary System. His answer (excerpted below) reiterated the points he developed in a Feb. 26 interview on the Mexican television program "Twenty-four hours."

It's a system designed to create a monetary stability zone in Europe, that is, among the countries of the European Economic Community.... To finance currency stabilizing interventions, the central banks will receive an instrument called the ECU.... The ECU will not be employable in commercial transactions, nor a reserve currency in terms of the international economy, since it can only be used by the central banks of the system and not by foreign central banks such as those of the American continent.

We hope to use it to stabilize the exchange relations

The characteristic of our economy is that we are 80 percent dependent on foreign sources of energy and raw materials. We intend to reduce this percentage appreciably, thanks to the development of production of nuclear energy....

On the other hand, we have an economy with a high level of social protection, in terms of social security for workers, with respect to illness, or age or the family....

This means that we are going to systematically orient our development to sectors of advanced technology and national value-added in such a manner as to be able to take into account our essential wealth, which is the French population's capacity for labor and invention.... Our future, our standard of living, and employment presumes an orientation to advanced technologies....

Mexico, on its side, has shown a willingness to diversify its international economic relations, and this we understand. This country is situated in the North American continent, where the power of the U.S. from the economic standpoint is considerable. It is logical that (Mexico — ed.) desires ties with the other countries which balance this influence. In this respect, I believe that our bilateral trade, situated as part of commerce between Mexico and Europe, should be conceived in accord with the fundamental orientations of our policies. At the same time ... this meeting should permit our two countries to play an essential role in the establishment of a new world economic order....

among the countries of Europe. Of course, exchange rates could change.... When a country undergoes important technological or social changes which transform its relations with its neighbors, a change in rates could be decided. But outside of that kind of change, the several currencies will fluctuate only within very narrow limits.

What will be the consequences for our partners, for example, the Latin American countries? This means that you should get used to thinking of the group of European currencies as a homogeneous group.... And trade should be conducted using the usual currency in the knowledge that there is no advantage or no special risk in using any one European currency instead of any other one.

Naturally, this system is part of an organizational principle which we call "the economic and monetary union" and it's true that in the future, the role and the function of the ECU will be called upon to develop further. And, down the road, we will have to analyze with our partners in the light of experience in what way the ECU could be used, eventually, for interventions in markets outside of Europe.

Giscard addresses the Mexican Congress

On March 2, French President Giscard d'Estaing addressed a specially convened session of the Mexican Congress. Excerpts from his remarks follow.

...With emotion and fondness, I see that the representatives of this so diverse yet so tightly united nation are gathered here....

Mexican dignity and independence remain alive and will triumph in the agitated and dangerous world in which we live. France has profound respect for that independence. Our two countries, with mutual trust and on an equal footing, will know how to deal with the problems and the threats which affect them.

Mexico and France share the characteristic of being states based on law. President José Lopez Portillo, a statesman and at the same time a philosopher, has often stressed the irreducible primacy of the state of law, which does not assume the primacy of a class or a race, which is not based on messianism, but which as the author puts it, "is justified to the degree that it frees each man from hunger, from insecurity, from misery and from ignorance."

...Our two countries have identical points of view about the near future of the world and have the same will to peace. Neither of us has any form of blindness which blocks a clear vision.

...We ceaselessly seek without respite the paths which will permit us to establish a new international organization capable of overcoming and thus preventing a sterile confrontation of ideologies and hegemonies which could provoke an apocalyptic situation.

Rather, it is necessary to lay the foundations for a "detente" policy on a world scale, through open cooperation, and by getting beyond a simplistic manichean vision which counterposes some peoples against others, according to whether they participate in or submit to a given form of government or according to their level of wealth or misery.

In the face of these realities, Mexico and France reacted in analogous manners. In the same way that we recognize and proclaim that each human being, that each person, has the right to assume his own destiny, we base the concept we have of world policy on the right of each nation to choose freely its system of government and to organize itself with full autonomy in accord with its aspirations and the will of its people.

Giscard on the role of the humanist statesman

On March 2, French President Giscard addressed an audience representing Mexico's intellectual community. He chose this event as the forum to present his views on statecraft and the fundamental concepts of humanism. Excerpts from his address follow.

...The problem of the relations between politicians, statesmen, and intellectuals has always been a sensitive and delicate one, (and one) which I consider to be essential. In the category of politicians and statesmen there are two groups: the first is what I would call adventurers—that's not a pejorative term—that is, those who conceive of political functioning in terms of exploiting the immediate circumstances.

There have been throughout history glorious adventurers and, as has frequently been the case, these adventurers have a certain intuition of the necessity of the times; and although their action is determined by circumstances and opportunities, it is inscribed within a longer term perspective. On the other hand, there are conceptual statesmen, that is, those whose idea is to

transmit through their political action a certain conception of the economic, political, and social organization of their country, and a certain conception of the international organization of the world at that time.

This second category is more numerous and more brilliant. (In it) are all the statesmen whose actions are preceded by a certain form of deliberation or questioning. I would say that its founder was Alexander with his dream of "the marriage of Europe and Asia." He was followed by a series of great (leaders) who were inspired during the Renaissance and the Enlightenment by those who believed that political action should serve a certain a priori idea of the organization of social and political life.

In my case, I hope to belong to this second category... I only feel right in the relationships I have with politicians of this second category. That is, those who maintain the dialectic of reflection and action; and to conserve that dialectic it is very important to meet with the intellectuals of one's generation... to search with them for the fundamental questions of the time, for the perspectives and the degree to which political action can answer those questions or open (new) perspectives....

... I believe that we are moving increasingly toward a perception of the history of the species and therefore, one can ask global questions of the kind you are asking

The final communiqué of the summit

The presidents of France and Mexico concluded their talks by issuing a 23-point joint communiqué that was more striking for its emphasis on a shared policy perspective of world peace and development than for the particular bilateral agreements reached. We excerpt the communiqué's major points below.

... They reaffirmed the complete adherence of their governments to the principles and aims of the United Nations Charter to insure a harmonious basis for international relations.

... They agreed to promote an active peace which means not only the absence of warlike hostilities, but requires the elimination of hunger, sickness, illiteracy, ignorance, poverty, and injustice, a task in which all members of the international community have a shared responsibility.

... (They) emphasized the urgency of finding solutions ... to resolve the problems of the Middle East,

Namibia, Zimbabwe, and Belice, with strict observance of international conduct contained in the UN Charter They expressed their grave concern for the ... evolution of the situation in Asia, whose gravity constitutes a threat to international peace, and expressed the urgent need to find a rapid and just solution to the conflict....

... (They agreed on) the need for a general and complete disarmament under efficient international control ...

... (They) examined the evolution and perspectives of the world economy. They ... emphasized the need to avoid monetary and exchange instability, disequilibrium in the process of adjustment of balance of payments, protectionist commercial measures and a widening of the gap between industrialized and developing nations.

... (They) noted that the negotiations for implementation of the new world economic order, taking

me. Can humanist societies contribute to the world of tomorrow?...

We are in quite a unique situation which is that of a certain globalization of the problems of the species and, at the same time, a desire for particular cultures to take root, and thus (a desire for) the fragmentation of cultures.

There is a solution...it's what we call, taking a word from the Mexican experience, the solution of "the dialogue of the cultures." From the moment we move toward a more global perception of the problems of humanity so that cultures are not lost in their particularisms, it is indispensable that (there be) a dialogue of cultures....

...We know what we perceive as humanism at this time: it is...the accumulation of knowledge and of behavior jointly inherited from the Renaissance founded in the Judeo-Christian tradition. From the rationalist reflections of the 18th century, their political and social expression in the institutions of the 19th century and the beginnings of the 20th, one sees the trajectory of these h belong.

What will that cultural contribution (of humanist societies) be? ...I'll mention four concepts: first, a democratic concept...that is, the search for political and social structures in which the individual will, on the

one hand, and the service of individual rights, on the other, are at the center of the political and social mechanism....

The second fundamental concept is juridical. Humanist societies are societies of law...that is, they are not established on the basis of relations of force....

The third fundamental concept...is the concept of education. There is a kind of intimate symbiosis between the development of humanist societies and the development of concern with education. This was seen in the Renaissance and also in the 17th and 18th centuries in which the greatest humanist thinkers were at the same time extraordinarily concerned with education, in every sense of that term.

Lastly there is the scientific concept, which appears as a product of humanist societies...the idea of the progress of humanity or of societies develops especially...and in certain respects, largely as a result of the progress of knowledge and the domination knowledge exercises over a certain number of situations or a certain amount of material data. This is the potential contribution of humanist societies: provide these humanist societies, two concepts to the common culture of the species.

place in the United Nations, should be accelerated for rapid application ...

... (They) indicated that the multilateral commercial negotiations going on under the auspices of the GATT, can provide an opportunity for bettering the world economic situation ... The President of Mexico indicated that his country would eventually contribute to the multilateral trade negotiations only to the extent made possible by its trade, finances, and development ...

... (They) examined the state of relations between Mexico and the European Economic Community and the different ways of strengthening them.

... (They) pointed out the advantage of taking all the measures necessary to increase commerce, especially a diversification of Mexican exports and increased sale of products with a high level of value-added.

... (They) noted with satisfaction ... the agreement between Petroleos Mexicanos and the French Petroleum Company for the purchase of oil by France.

... (They) considered a series of areas in which they could develop cooperative action ... which in-

clude ... training and technology transfer. The following areas were of particular interest: electric construction, mechanical equipment, automotive industry, air and rail transport, machine tools, petroleum equipment, air navigation and port equipment, food agro-industries....

... (They) noted with satisfaction conclusion of a financial agreement effective until the end of 1982, which anticipates for 1979 financing of a total sum of up to 1 billion francs by the French government....

... (They) agreed to use all the means at their disposal to develop industrial, technological, and scientific cooperation between the two countries.

... (They) signed protocols of cooperation in the following areas ... railroads, mining-metallurgy, scientific and industrial development in the utilization of nuclear energy for purely peaceful and not bellicose purposes. (...)

The president of the French Republic expressed his deep gratitude for the warm reception offered him by the people and government of Mexico throughout his stay and invited President Jose Lopez Portillo to visit France. Said invitation was accepted. The date of this visit will be set through diplomatic channels.

The Theory of the European Monetary Fund

An *Executive Intelligence Review*
Special Supplement

by *Lyndon H. LaRouche, Jr.*

LYNDON H. LAROUCHE, JR., one of the intellectual architects of the new European Monetary System and Fund, chairman of the U.S. Labor Party and a contributing editor of the *Executive Intelligence Review*, draws on his groundbreaking work in political economy and the advanced mathematics of Cantor and Riemann to explain the profound significance of events which many, LaRouche warns—even the principal actors—still understand only pragmatically. An indispensable document both for those who have followed the *Executive Intelligence Review's* exclusive coverage of the EMS since May 1978 and those who are just learning about the new system and its impact.

“However surprising it may be to the founders and supporters of the European Monetary Fund, the new monetary system embodies one of the most fundamental scientific breakthroughs of the present century, and is the basis of a new world economic order which will conform in every essential feature to this writer’s International Development Bank proposal of 1975.”

\$5.75

[including postage and handling]

Make checks payable to:

New Solidarity International Press Service
GPO Box 1922
New York, NY 10001