

Mexico: Carter Administration regroups for a new attack

A reorganized Carter Administration approach to U.S.-Mexican policy takes shape this week with the expected appointment of former Texas congressman Robert Kreuger to a newly created "super ambassador" post to coordinate all aspects of U.S.-Mexico policy.

It will be an extraordinary position, corresponding to the "special negotiator" role recommended by the recent Brzezinski-coordinated Presidential Review Memorandum on Mexico, PRM-41. Kreuger will report directly to the White House, not the State Department. He will coordinate U.S.-Mexico policy issues arising in at least half a dozen separate departments and for the first time provide the Administration with centralized control over the multifaceted strands of policy toward our southern neighbor.

But there should be few illusions that the move represents a step forward in the U.S.'s troubled relations with Mexico. All indications are that basic U.S. policy remains the same: policy that President Carter brought with him on his disastrous February visit: undermine Mexican government stability, spike Mexico's ambitious development programs, and lay claim to Mexico's abundant oil as a U.S. "strategic reserve." The "super ambassador" position merely admits the failure of previous channels to carry out such a policy effectively.

Equally ominous is a renewed surge of "Iran scenario" warnings from the same British circles which seem to be dictating so much else of Administration policy. Last time around, in the month preceding Carter's inglorious February safari, it was Energy Secretary Schlesinger who explicitly voiced "concern" that Mexico could be heading into Iran-style upheaval if it did not curb its appetite for development. The Energy Secretary spoke in the same terms used by earlier released evaluations in British conduits.

Do not dismiss these "Iran warnings" casually: British intelligence played a profound role in the events which have plunged Iran into Dark Ages chaos. When a British spokesman, perhaps echoed in American accents in Washington, states that "Mexico could be another Iran" unless it cuts back on its development

programs, translate that "concern" into instigation of phony left and backward peasant opposition groups, economic warfare, terrorism, "human rights" campaigns and a raft of other destabilization tactics. In the case of Mexico, not the least of these tactics is pressure against undocumented workers in the U.S.

Mexico is more than holding its own against two such operations at the moment—terrorism and activation of its "Free Enterprise" economic saboteurs—but the current overhaul in the Administration command structure portends a serious escalation in subversion operations to come.

Written in Britain

The latest direct British contribution to the "Iran scenario" theorizing about Mexico appeared in the March issue of the City of London propaganda sheet, the *International Currency Review*. This striking master plan for the destruction of Mexico (see quotes in box) reads with such unremitting venom and cynicism that the final Eeyore-esque "Whichever way one looks at Mexico's prospects ... they remain uncompromisingly dismal," is almost laughable. But the prescriptions for destabilization salted throughout the text certainly are not.

The London Economist magazine was equally outrageous—and revealing—in its prescriptions for destabilization in a late February issue. The weekly's lead editorial, entitled "Sombrero Power," got so carried away with the alleged Iran parallel that it absurdly asked if Chicanos in the U.S. "as exile communities usually do (sic), will demand from their homeland the democracy and human rights that they enjoy in the United States?"

In an eye-opening admission of British intelligence tactics, the editorial urges the U.S. to give itself "room for maneuver" in Mexico by attempting to "communicate with the opposition movement, most of it underground, while not miffing the Mexicans in power. ... Some lessons need to be drawn from Iran."

Putting additional touches to the model, Britisher Alan Riding writes this week from Mexico for the *New*

York Times that Mexico's industrialization programs may push the "neglected" rural population into revolt "with the government apparently determined to channel its growing oil revenues toward heavy industrialization, some Mexican analyses predict aggravation of the existing phenomenon of "dual societies"—one urban and full of opportunities, the other rural and gripped by hopelessness."

Terrorism contained

What makes the gnashing of teeth in the Anglo-American establishment so audible, is precisely what continues to make Mexico the premier partner for U.S. progrowth factions who wish to establish ties for mutual high-technology development. It is the depth of Mexico's development commitment and the strength of its republican institutions.

Take the case of terrorism. Sporadically over the past year, and more intensely over the past month, terrorist actions designed to destabilize the government and precipitate panic in the right-wing business community proliferated. But police forces moved strongly and as of this writing, over a half dozen of the minuscule numbers of "underground" terrorist leaders have been picked up or killed by government forces. No serious threat to the government emerged.

The secret? For one thing, the government let it be known through friendly columnists starting last fall that any terrorist upsurge would be met with an investigation of foreign embassies—particularly the CIA personnel stationed at the U.S. embassy. The West German daily, *Frankfurter Allgemeine Zeitung*, reported April 10 that Mexico's antiterrorist units had indeed received updated orders to investigate certain "police officials and several embassies."

More important, the Lopez Portillo government's unshakeable defense of national sovereignty and the use of natural resources for in-depth industrialization are highly popular policies. His administration has embarked on a successful political reform program which brings a broad range of left and right parties into legal political channels. The ground has been cut from under the traditional "sociological explanation" of terrorism as "legitimate criticism denied legal expression" and it is significant that in the recent incidents, no parties or press columnists dared provide justification for the terrorists.

For similar reasons, the "human rights violations" charges assiduously leveled against Mexico by British intelligence units such as Amnesty International are unlikely to go far.

Friedman tactics won't work

The government's position is equally strong in relation to the "free enterprise" wing of the private sector. Unlike 1976, when the acolytes of Milton Friedman and the "Chile model" wrecked the Mexican economy with unrestrained capital flight and other economic warfare tactics, the oil revenues increasingly give the government the edge today in determining economic policy keyed to broad national development goals.

The mid-March unveiling of the National Industries Development Plan flushed the most recalcitrant of the Mont Pelerin Society ideologues into the open. The Plan calls for 8 to 10 percent overall growth in the economy, led by 12 percent growth in the industrial sector and 20 percent growth in the capital goods area. More, it offers generous incentives for private sector collaboration.

This was viewed as intolerable by certain private sector spokesmen. With President Lopez Portillo in attendance, the head of the Employers' Confederation, Manuel Clouthier, told the annual congress of his association March 16 that the government limits business activity by "fiscal attacks, administrative corruption and a torrent of regulations that change the rules of the game." Clouthier helped direct 1976 operations against Echeverria.

Two weeks later the outgoing director of the powerful Confederation of Chambers of Industry, Luis Guzman de Alba, railed that the ambitious National Plan of Industrial Development meant unacceptable "state interventionism." "We cannot allow unilateral and authoritarian planning," he threatened.

The Lopez Portillo government, while astutely keeping the "carrot" of benefits from cooperation extended to the business groups, has persistently reminded the private sector that there is a "stick" as well. "If the businessmen do not support the government's efforts to encourage production," stated under-secretary of Industrial Development Natan Warman March 24, "the state will have to increasingly intervene in the economy to directly generate jobs with the oil revenue surplus...."

The semi-official newspaper *El Nacional* warned in a stern editorial April 1, "Let no one force the public sector to replace means of persuasion with sanctions for failure to fulfill obligations."

—Tim Rush