

Dateline Mexico by Josefina Menendez

The Chicontepec story

PEMEX has stunned the anti-development crowd with a program of combined agro and oil projects.

Since the dramatic announcement of the Chicontepec oil find in the fall of 1978, everyone has been waiting for the plans to develop it. The potential size of the find—which was not so much a new field as an old one reevaluated with modern techniques of computer analysis—was put at a gigantic 100 billion barrels.

Now the full plans are out. PEMEX director Jorge Díaz Serrano announced July 23 that “Plan Chicontepec” will soon be launched as the first integrated agricultural and industrial project of the country.

As has been known, the oil side will call for sinking some 16,000 individual small wells, each producing some 50 to 100 barrels per day.

The completion time for this part of the work is set at 13 years. Its giant capital goods requirements are being programmed into concurrent development of Mexico's capital goods industry.

On the agricultural side of the 3,300 square mile zone, which lies at the borders of the state of Veracruz, Hidalgo and Tamaulipas along the Gulf Coast, 37 multi-purpose dams are planned to supply the area's electricity, drinking water, and irrigation for the largest single area in the country, a 210,000 hectare tract.

The cost for this giant water control effort is pegged at \$900 million. Some 60,000 rural jobs will be created.

Alongside this, yearly investments of half a billion dollars will go into agro-industries (two new sugar mills are planned), construction, and other industrial areas. The transport grid will include a Tampico-Pachuca superhighway and a new Tampico-Mexico City rail trunk line, both bisecting the zones as well as rebuilding the coastal rail system.

The Chicontepec plan provides hinterland backup in turn for the planned expansion of Tampico-Altamira on the coast. Tampico is one of the four giant industrial-port complexes seen as the cornerstones of the national development effort as a whole.

The program steals the thunder from the vociferous no-development lobby in the country. By building a major agricultural development project from the start, PEMEX makes it much harder for Mexico's environmentalists to scream that the peasants are being displaced and abused. With major input from Jesuit think tanks, the promoters of backwardness had raised the issue of encroachments on subsistence peasant agriculture in a well-publicized effort to stop the previous PEMEX expansion effort in Chiapas and Tabasco states.

As Díaz Serrano declared, the plan should become “an example of what intersectoral coordination and planning can and must do.”

The fight is not over. Cries of outrage from the *enfant terrible* of

Mexico's prototerrorist environmentalist sects, Heberto Castillo, were immediately to be heard: the Chicontepec region “must put itself on a war footing to stop this absurd integrated PEMEX plan which, if carried, out, will ruin the region for many years.”

The thinking behind the Chicontepec announcement, from President López Portillo's side, seems to be to bring the most dynamic sector of the economy to bear directly on the least dynamic—agriculture—as a showcase element of the larger Mexican food system program (see our International Report).

But it has been widely noted that Díaz Serrano alone announced the program, without the presence of agriculture ministry officials.

The suggestion that Díaz Serrano may be putting one more feather in his cap in preparation for a presidential bid next year quickly appeared in the press. One newspaper revived the rumor that the vehicle for such ambitions may be the creation of a separate cabinet post for energy, to be filled by Díaz Serrano. Powerful as the PEMEX post is, it is not formally a cabinet post, and Mexico's presidents traditionally come only from that restricted pool.

It's also known that the powerful oilworkers union is willing to become involved in peasant organizing. Its leadership has spoken numerous times of directly sponsoring peasant affiliates, and there are suggestions that when the time comes for the aging Fidel Velásquez to retire as head of the Mexican Workers Confederation (CTM), the oilworkers may possibly make the bid to assume leadership of the confederation as a whole.