

to end, Mexico's nuclear research is still underdeveloped. Construction of its first 1,300 megawatt nuclear plant in Laguna Verde, Veracruz, has been dragging on for years. It will only come on line starting in 1982.

India's application of nuclear energy to agriculture was played up as a key component of the agriculture deal completed last week. "Mexico was privileged to provide technological aid, such as improved wheat seeds to India," said President López Portillo in his press conference. He described how Mexico's improvements of food crops such as wheat and corn during the 1950s and 1960s were applied on a massive scale in India." Now, the genius of this extraordinary country has gone beyond us in many technologies and can in turn help us," said López Portillo.

Given the two countries' huge food requirements and especially their cereal deficits, the importance of this high technology-based agriculture deal cannot be underestimated. Last year, Mexico's inadequate food production forced it to import 10 million tons of cereals from abroad, primarily from the United States.

Even López Portillo's agriculture adviser, Cassio Luiselli, one of Mexico's most outspoken proponents of Maoist self-subsistence agriculture, praised this high-technology approach. In a press conference in New Delhi, he announced that the main areas of agriculture collaboration will be nuclear energy, biochemistry, and fertilizers, and said that "India has achieved a real revolution . . . and that is what we are going to do in Mexico with wheat and with corn; we must make a revolution in productivity".

According to Indian government spokesmen, Indian officials also proposed to exchange Indian nuclear know-how for Mexican oil technology to be used in India's vast oil-development projects. They also asked for an increase of Mexican oil exports to their country, now about 30,000 barrels per day.

The increase of oil imports from a stable ally such as Mexico would be of utmost importance to India, which now imports more than 50 percent of its oil needs and spends 70 percent of its foreign exchange on those imports—most of which come from the unstable Persian Gulf area.

Asked to detail what Mexico's response to the Indian request was, President López Portillo explained that although his country has set a limit to oil production and exports in order to not disrupt its economy with "undigestible" foreign exchange revenues, it could surpass such a limit if "a world plan [is created] that guarantees the existence of an international fund which can prevent foreign exchange . . . devaluations and other problems."

This is the Mexican president's "world energy plan," a plan to rationalize and increase world energy production, which the Indian government has explicitly endorsed.

INTERVIEW

Malaviya on the importance of Mexico

The following are excerpts from an exclusive interview conducted in New Delhi on Dec. 18, 1980, the eve of the Gandhi-López Portillo summit, by our bureau chief Paul Zykojsky, with Mr. K. D. Malaviya, one of India's most prominent political leaders and elder statesmen. Mr. Malaviya, who is 77 years old, is a veteran of the independence movement who joined the Indian National Congress in 1920 and became one of the closest associates of Indian leader Jawaharlal Nehru. Mr. Malaviya served in the Indian cabinet in various posts over a 25-year period beginning in 1952. He is best known as the creator of the Indian national oil industry, having served as minister for petroleum and chemicals for more than 12 years, during which time he founded the state-sector industry and initiated the oil-exploration and development program. Today he is a Congress Party leader, an adviser to the prime minister, and the publisher of the India science magazine, Future India.

EIR: Mr. Malaviya, as the founder of India's state-sector oil industry, did the example of Mexico's oil expropriation and subsequent development of its oil resources influence you in any way?

Malaviya: Yes, it did. What inspired men like me was the decision of the Mexican government under President Cárdenas to take over the petroleum industry entirely from the American and British multinationals. I believe that was sometime in 1937 or 1938.

It was a daring action taken under severe conditions of limitations of finances and industrial equipment, and indeed the Indian decision to undertake the finding of oil by its own efforts was to a great extent inspired by Pemex, the oil company of Mexico. . . .

The decision that was taken to nationalize the petroleum industry and expel foreign oil companies was a very complicated and difficult task for the leaders of Mexico. Yet the great vision of such a decision backed by the Mexican people shook the world at that time. I often feel that it is a people who make their country great. Mexico is one of the finest examples of this lesson.

As you know, the program of learning the know-how of oil prospecting and exploration was a difficult one, not only because of the reluctance of the neighboring country to pass it on to Mexico, but also because of the inherent economic underdevelopment and lack of suffi-



Courtesy of the United Nations

Calcutta, India.

cient engineering manpower in Mexico at that time. The pace of oil development was therefore not very fast in the early stages. . . .

We also faced similar problems after independence from the British in 1947. As was the case here, however, these and other such problems gave the leadership of the Mexican people determination, and they drove away the foreign interests to start their own long march toward improving the social and economic conditions of their country.

Consequently, under Cárdenas, conditions were set for Mexico's rapid economic growth in later years in much the same way that our first and second five-year plans, initiated under Jawaharlal Nehru—with their emphasis on basic industry—laid the groundwork for our economic growth in subsequent years.

There are other ways in which the Mexican example of oil development held several important lessons for us. Just as the foreign oil companies had reduced production in Mexico prior to the nationalization in 1937, after our independence the oil multinationals insisted that there was no oil in India. It was only after much fighting that

we were able to establish the ONGC [Oil and Natural Gas Commission] in the late 1950s, under my minister-ship, to carry out our own oil exploration and development. We got help from Soviet oil technicians and, sure enough, we began to find more oil; and I believe there is still more to be found. In fact, in the first six years we exploited more oil than the Assam Oil Company, owned by the British, had exploited in the previous 30 years. Much of the oil India is exploiting now, for example in Bombay High, was the result of finds made by ONGC in the early 1960s.

To carry out this policy in an aggressive way we found it necessary to nationalize those oil companies which were here before independence, although on a more gradual basis. Of course, from the very beginning we also emphasized—as Mexico did—developing our own manpower, which as you know is one of the most important inputs for carrying out truly independent policy.

EIR: Speaking more broadly about the history of oil development in Mexico and India, what do you feel were

the motivating forces behind these policies?

Malaviya: Well, clearly both countries have a republican, nationalist historical tradition committed to improving the condition of their people through economic development. In the case of oil this is perhaps reflected best in the fact that the main thrust of progress was borne not so much by private initiative as by a policy of government leadership, where the direction of economic development was controlled by a political leadership committed to that vision. In other words, this progress was not the result of plenty of resources or technical strengths per se, but of the tenacity of the leadership to act with courage and vision to destroy poverty and backwardness.

Today, when Mexico has become one of the richest oil countries in the world, its attention has been drawn to the development of cities, basic industry, communications and transport, and above all of agriculture and what makes agriculture develop rapidly, such as fertilizers and irrigation.

Despite the talent and determination of the Mexican people, they continue to face antagonism from big neighboring countries. Had the leadership not shown the determination to face this, this country would not have produced a president who is today regarded as one of the most respected citizens of the world, one who has seen that worldwide cooperation alone can save the future of humanity.

India and Mexico must come closer to each other because such a process will have its own moral and material consequences towards improving the world's future.

EIR: At the 1979 United Nations General Assembly, Mexican President López Portillo presented a "global energy development proposal." What is your view of this proposal?

Malaviya: López Portillo's proposal was a clear-cut call to the advanced nations of the world to search for a rational system to link up production, consumption, and distribution of energy resources for the whole world. When he laid special emphasis on helping the developing countries financially to obtain whatever energy resources could be made available to them in their local areas, he had, no doubt, before him the great objectives of disarmament and immediate stoppage of the wasteful defense and armament industries.

Special emphasis must be placed on nuclear energy—both fission and fusion—which can ultimately provide a long-term solution to the world's energy problems. Besides, while the developed countries have the technology, there are countries of the Third World, including India and Mexico, which have rich deposits of nuclear minerals—uranium and thorium—and there is no reason

why we cannot plan out both the transfer of technology as well as the rational utilization of these resources for increased nuclear energy production throughout the world. This is especially so if proper understanding is achieved as a result of clear advice and action led by the leadership of countries like Mexico, India, and to a great extent also by many socialist, developed, and developing nations.

The significance of Benito Juárez

The figure of Mexico's Abraham Lincoln, Benito Juárez, was invoked repeatedly by both Mexicans and Indians during the López Portillo visit to India. This carried special meaning. Juárez's determined fight for Mexican sovereignty and independence during the period of European invasion (1862-1867) is seen in India as a parallel to India's own independence struggle 75 years later. Moreover, Juárez's rise to the leadership of his nation from a backward Mexican Indian village symbolized one of the great themes of López Portillo's and Gandhi's discussions: how to incorporate backward rural populations of the two countries in the urgent nation-building tasks each country faces.

Indian President Neelam Sanjiva Reddy drew out the historical parallels in his welcoming remarks to López Portillo on Jan. 25. "When the Mexican people began its march toward national independence on Sept. 15, 1910, our land was gradually falling under the control of a foreign empire," he declared. "The Mexican Revolution and the struggle of the Mexican people for social and economic justice served to awaken the spirit of national independence in the minds of the Indian people. Its leaders, like Padre Hidalgo and Benito Juárez, inspired us in the struggle for independence."

In the course of the visit, a ceremony was held to rename a New Delhi street in honor of Benito Juárez.

And López Portillo returned to the figure of Juárez in his final press conference, this time speaking of U.S.-Mexico relations. "We are very optimistic on account of the attitude of friendship and respect which Mr. Reagan has expressed to us. When we Mexicans learn to talk, the first words that are placed in our consciousness are those of Benito Juárez, which begin with the word 'respect': 'Respect for the rights of others is peace.'"