

The Potential for a New Era in U.S.-Mexico Relations Now

by Harley Schlanger

Jan. 11—The partial federal government shutdown in the United States continues, with no sign of compromise from President Donald Trump on his insistence that border security requires physical barriers, given that law enforcement cannot police two thousand miles of border. The uninhabited border areas, not controlled by law enforcement, *are* controlled—by criminal gangs. The President made this a major campaign issue in 2016, and again in the 2018 midterm elections, insisting that more physical barriers are necessary to ensure border security, in order to protect the country from drug trafficking and other crime, as well as criminal gangs' control of illegal immigration.

While media attention has focused on using this stalemate for demagoguery against the President, the same media have studiously ignored the other side of the equation. A process of negotiation is underway between Trump administration officials and their counterparts in the new Mexican government on a cooperative economic development policy, which is focused on the alleviation of the grinding poverty and the growing climate of violence fostered by the drug cartels and criminal gangs in Mexico and Central America. Those are the main causes of the continuing uncontrolled migration to the United States.

On December 1, the day of the inauguration of Andrés Manuel López Obrador as President of Mexico, a joint declaration was signed by AMLO (as López Obrador is known), with the Presidents of Guatemala, El Salvador and Honduras (the “Northern Triangle” nations), to support a “Comprehensive Development Plan” for the region. Of the initial \$20 billion pledged,



Presidencia de la República
Andrés Manuel López Obrador, speaking at his inauguration as President of Mexico, Dec. 1, 2018.

75% of the funds will go to projects that will create jobs, and the other 25% will go to border control and law enforcement. The Trump administration is said to have pledged \$5.8 billion for Central American countries, and \$4.8 billion for projects in southern Mexico. Investing in the creation of productive jobs, particularly in modernizing infrastructure, can begin to alleviate poverty, and give hope to people who otherwise believe they must leave their own countries to protect their families and secure a future.

Following a meeting with U.S. Secretary of State Mike Pompeo, Mexican Foreign Minister Marcelo Ebrard responded: “I think this is good news, very good news for Mexico.” A phone conversation that AMLO described as “respectful and friendly,” took place between AMLO and Trump on December 13, to discuss the programs for job creation in Mexico and the Northern Triangle countries. In previous discussions, they

had addressed the importance of job creation and infrastructure development as key to addressing the root causes of mass immigration.

The ‘Singapore Model’

Just as the media and Trump opponents have derided Trump’s peace-making with North Korea’s leader Kim Jong-un during and after their summit in Singapore, these same forces have loudly expressed their incredulity that Trump would seriously consider a cooperative alliance with Mexico.

The “Singapore Model,” as Helga Zepp-LaRouche has called it, shows that potential adversaries can overcome years of hostility by engaging in dialogue towards cooperation that can offer mutually beneficial results. North Korea’s Kim was initially addressed in very unflattering language by Trump and was the target of frequent Twitter blasts. Mexico has been similarly subjected to harsh rhetoric from Trump in the past. Progress with North Korea was related to economic pledges from Trump, backed by China, Russia, and South Korea, to bring North Korea into the Belt and Road Initiative. With Mexico, Trump’s promise to voters to build a wall along the entire 2,000-mile border, to keep out “bad people, rapists and drug pushers,” was a staple of his campaign, as it still is today.

However, at the same time, Trump has expressed openness to working with Mexico to resolve differences. He has repeatedly emphasized that one of the biggest problems in U.S.-Mexico relations has been the North American Free Trade Agreement (NAFTA), which he derided as a bad deal for the United States, Canada and Mexico, and vowed to rewrite, or abrogate it. On December 1, leaders of the United States, Canada and Mexico signed a reworked trade deal, the [U.S.-Mexico-Canada Agreement](#) (USMCA), to go into effect in 2020, which is not a free trade agreement and is totally different from NAFTA, instead protecting jobs and increasing wages.

The free trade agreements of the Clinton, Bush and Obama presidencies accelerated the deindustrialization of the United States, which was the deliberate intent of their authors, and was a significant factor in the loss of



White House/Shealah Craighead

President Trump meets with North Korea’s leader Kim Jong-un in Singapore, June 12, 2018.

more than six million U.S. manufacturing jobs since 2000. Trump has repeatedly pledged to those former industrial workers, who were victimized by the shut-downs caused by the free trade agreements, that he will negotiate trade agreements to bring back American manufacturing jobs. He has begun to deliver on these promises.

In his inaugural address, Mexico’s López Obrador demonstrated that he also rejects the policies imposed by the global bankers, their neo-liberal economists, and their debt-collection agencies such as the World Trade Organization (WTO) and the International Monetary Fund. President López Obrador forcefully attacked the trade agreements of his predecessors, asserting that the free market and free trade policies of the last two decades have been “a disaster, a calamity” for Mexico, increasing income inequality and spurring the mass migration of impoverished workers. By changing the economic policies of his nation, by rejecting the false promises of a quick fix from “free trade,” he is committed to creating industrial jobs in Mexico, making it possible to fulfill what he has called “a dream that I want to see become a reality . . . that nobody will want to go to work in the United States anymore.”

This was a major focus of his New Year’s Day message, in which he announced that “all youth, all of them, are going to have work and schooling.” The López Obrador administration is launching a new program that will provide funding for the training of unemployed



CC/Alexander H.M. Cascone

A view of Salina Cruz Bay, the largest and most important port in the state of Oaxaca on Mexico's Pacific Coast.

youth to prepare them for work as apprentices. AMLO announced:

[Mexican youth] are going to work in workshops; they are going to work in factories, in businesses. They are going to be working in the countryside, in the cities; with their parents, with their relatives, but working, being educated, qualifying themselves for work—all youth.

In taking this course, he is addressing the same acute problem that exists throughout the trans-Atlantic sector, of young people who have been robbed of a future. They lack education and training, and have been unable to find decent jobs. López Obrador made clear that this idea of education, training and full employment came from FDR:

I have had this idea since I read how President Franklin Delano Roosevelt pulled the United States out of the 1930's crisis. What did he do in a tremendous economic crisis? He decided to put the whole U.S. people to work. And he decided to put young people to work. He paid them each a dollar a day, this for every young person. But his idea was full employment. That is, a job for everyone. That idea stuck in my head, because Roosevelt lifted the United States out of the crisis,

and for me he was therefore if not the best president, one of the best which the United States has had.... Now we are going to do something similar: All young people to work.

As a first step toward realizing this dream, on December 23 AMLO announced a \$400 million development plan for the Isthmus of Tehuantepec, which includes \$151 million to expand and modernize the ports of Salina Cruz on the Pacific Ocean, and Coatzacoalcos on the Gulf of Mexico, upgrading rail transport and highways that connect the two ports, and also building a new gas pipeline.

These development programs for Mexico and the Northern Triangle of Central America, if supported fully by the United States, will have a major

effect on reducing the causes of migrant flows. Such programs will be another major step in securing the border if combined with a parallel effort to cripple the drug cartels—which requires shutting down the drug money laundering conducted largely by Wall Street, the City of London, and the unregulated, offshore banks.

LaRouche's *Operation Juárez*

The steps taken thus far, while promising, fall short of the potential envisioned in an *EIR* Special Report written by American economist Lyndon LaRouche, called [*Operation Juárez*](#). LaRouche met with Mexican President José López Portillo in June 1982 when Mexico and most Ibero-American nations were being overwhelmed by unsustainable debt and being ordered to impose draconian austerity to guarantee that the bankers would get their pound of flesh. On August 2, 1982, LaRouche published his work, which proposed a “collective financial reorganization of Ibero-American debt.”

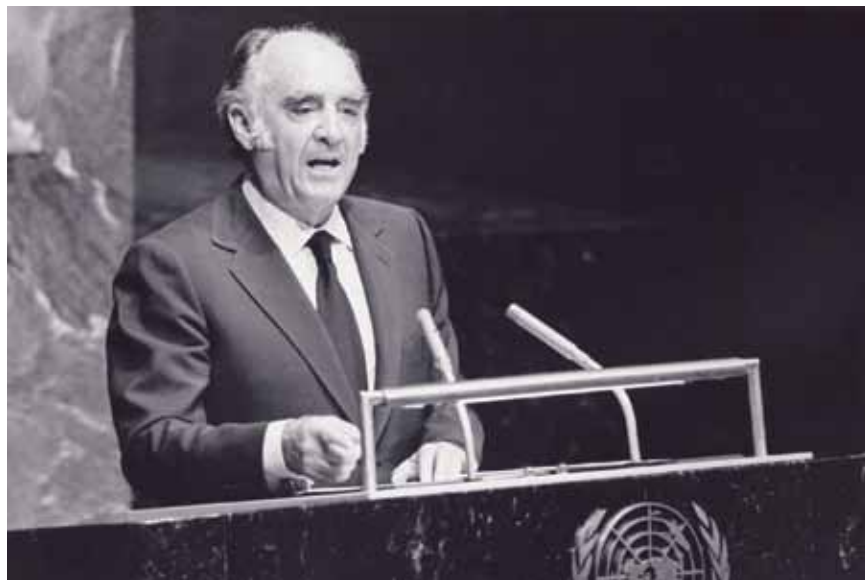
He proposed that debt be rescheduled or forgiven, and that the neoliberal, imperial economic system that created the debt crisis be replaced by a “new program of investments and operating policies.” To those economic hitmen who objected to this, saying they would lose interest income if the debt were reorganized or rescheduled, LaRouche offered the following reply: “Try to collect the old contracts, and you force us to default.”

i.e., that the indebted nations could wield a “debt bomb.”

LaRouche’s prescience in his *Operation Juárez* is quite striking. He blasted the IMF determination of exchange rates at the time as “nothing more or less than pure and simple theft, on a massive scale, by foreign lending institutions and others.” Instead of submitting to IMF conditionalities, the continent needs a policy which will bring “internal institutions of credit, currency and banking into order,” as sovereign instruments designed to serve the interests of the nation, not global bankers. He also insisted on establishing medium and long-term trading partnerships, with “fair-pricing agreements,” an early warning against what would be the WTO regime of “free trade” policies designed to impose low wages and cheap raw material prices for the benefit of global corporations and banks. LaRouche sharply criticized the direction of the European Common Market, the predecessor of the European Union, which had adopted policies “based upon British-style central banking.”

LaRouche’s advice helped shape the policy direction of the López Portillo government, which broke with the IMF during September-October of 1982, and attempted to rally other Ibero-American governments to join in. Despite the courage of López Portillo, the power of the City of London and Wall Street was too great to be then overcome and, with important brief exceptions, most of the next four decades have been shaped by imperial, free market, anti-sovereign, free trade policies, to the detriment of the nations and people of South and Central America.

The informed nationalism of López Portillo that was nurtured by the anti-imperial roots of the Mexican Revolution, virtually disappeared in Mexico after the end of his presidency, but it is now finding a rebirth in the approach, thus far, of AMLO. In the July 2018 Presidential election, AMLO won 53% of the vote in a three-party race, smashing the two establishment political parties. LaRouche recognized this potential in a piece he wrote in July 2006 titled “López Obrador is Right,” after AMLO was defrauded from winning the presidency. LaRouche’s 2006 advice should be taken



Former Mexican President José López Portillo addressing the UN General Assembly on Oct. 1, 1982, New York City.
EIRNS/Phillip Ulanowsky

seriously today, by both AMLO and President Trump, as they are being confronted by swindlers and economic hitmen out to preserve a dying system.

In addressing the crisis that he saw escalating at the time, which ripened into the Crash of 2008, LaRouche said that rather than accepting a system which denies credit for development,

You must create a mechanism of credit, which has to be a new mechanism of credit, by putting the old system, which is bankrupt, into reorganization.

Operation Juárez is the principle it’s based on.... The orientation has not changed since 1982. Back then, we were fighting to defend Mexico against what was coming out of the United States. And now Mexico has experienced what was coming out of the United States then, with a loss of its economy and its sovereignty. Don’t trust any private lenders who are not controlled by some kind of coalition of governments, to make sure the credit is long-term, cheap, and that it goes into infrastructure—public works primarily, and industries which are stimulated by public works. This is where we stand now.

López Obrador is absolutely right in saying that what they [the bankers] are doing, is that they are looting Mexico and its people by suck-

ing them into the United States, like a great vacuum cleaner, through the sucking power of poverty, and looting. [What is needed now,] throughout the hemisphere, is long-term investments in solid, basic economic infrastructure, as a stimulant for every section of the economy.

LaRouche pointed to his standing proposal that Mexico should develop its oil industry as a transition to a nuclear energy-based, high-technology economy, as an example of the kind of policy that is required.

As President Trump has acted on a firm commitment to go against the system, he has found allies in Xi Jinping, Vladimir Putin, Narendra Modi, and others, who are unwilling to allow their nations to be destroyed by attempting to coexist with the collapsing British neoliberal global system. The movement against the establishment, beginning with the vote for Brexit, the election of leaders such as Trump and AMLO, and the spread of the spirit of the “Yellow Vests” in France, reflects a “mass strike” potential which cannot be contained short of unleashing chaos and war—which the neocons and neoliberals have as their last option.

For this mass strike process to reach its full poten-

tial, follow the advice of Mexico’s former President José López Portillo who, on December 1, 1998, in response to a keynote address given by Helga Zepp-LaRouche at the Mexican Society of Geography and Statistics in Mexico City, at which he was present, said:

I congratulate Doña Helga for these words, which impressed me, especially because first they [the bankers] trapped me in the Apocalypse, but then she showed me the staircase by which we can get to a promised land. Many thanks, Doña Helga.

Doña Helga—and here I wish to congratulate her husband, Lyndon LaRouche. . . . And it is now necessary for the world to listen to the wise words of Lyndon LaRouche. Now it is through the voice of his wife, as we have had the privilege to hear.

How important, that they enlighten us as to what is happening in the world, as to what will happen, and as to what can be corrected. How important, that someone dedicates their time, their generosity, and their enthusiasm to this endeavor.

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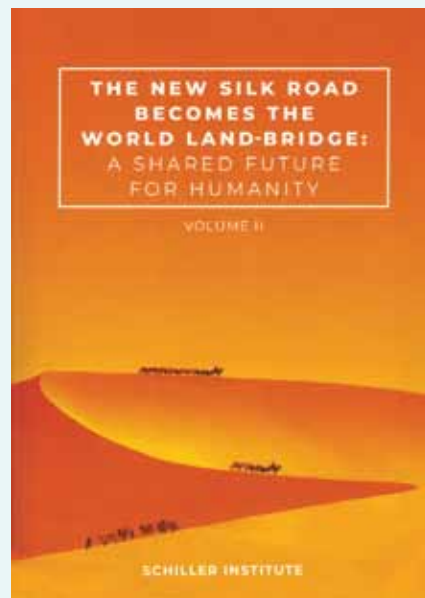
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