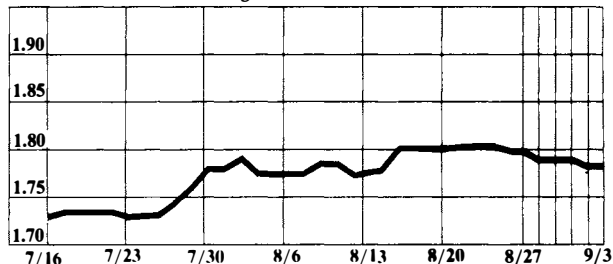


## Currency Rates

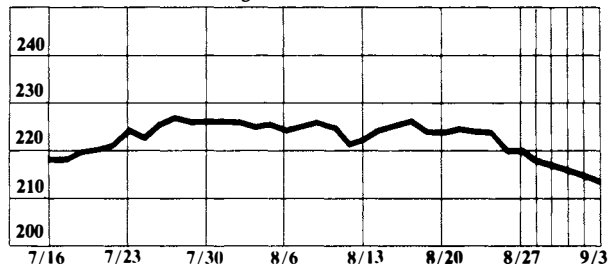
### The dollar in deutschemarks

New York late afternoon fixing



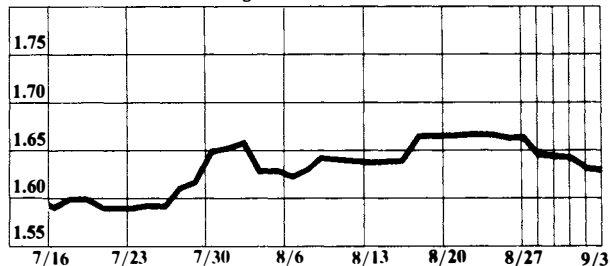
### The dollar in yen

New York late afternoon fixing



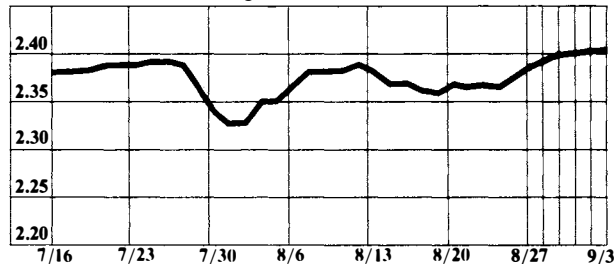
### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



## Guest Column

# A nation that's clamoring for development

by Steven Bardwell

*Dr. Bardwell, a previous contributor to EIR, is Plasma Physics Director of the New York-based Fusion Energy Foundation. He is one of the world's leading experts on plasma behavior. He has also worked closely with EIR on behalf of the Fusion Energy Foundation to develop the LaRouche-Riemann economic model.*

"Mexico had its revolution in 1910, but in the 70 years since that revolution, we have not been able to do what the Japanese did in the 30 years after World War II, or what the Koreans did in the 15 years after 1960—namely, become an industrialized country. Why?"

This question, and its implicit answer, were repeated to me over and over again in the conversations which I had with Mexican engineers, scientists, and teachers during several visits to their country over the past two months.

Mexico, more than any country I have visited, is preoccupied with the problems of development and with the realization of a common and popular commitment to achieve that development—it is a most "American" country!

On one of these trips, I had been invited by the Mexican Institute of Petroleum, the research division of Pemex, the Mexican national oil company, to deliver a day-long lecture on the LaRouche-Riemann econometric model and its applicability to energy studies in underdeveloped countries. During a break in the seminar, one of the 40 engineers attending the lecture asked me the question about Mexican development, expressing an attitude which pervaded the audience of the seminar as well.

The contrast to European audiences with the same professional composition that I have spoken before was

astounding. The unspoken, but pervasive, sense of pessimism, of man's necessarily limited horizons that typifies for me the "British" ideology, is totally foreign to the educated technical layer that I met with in the nation of Mexico.

Mexico's technical elite are more "American" than many of their counterparts in the United States! Especially for the Pemex engineers and policymakers, the concrete expression of this commitment to growth and development is Mexico's oil resources. When the President of Mexico, José López Portillo, described the world's energy resources as the "common responsibility of mankind," he explicitly formulated the attitude of a large layer of the Mexican population—oil is simultaneously an obligation and an opportunity: an opportunity to ease the pains of progress with abundant energy, fertilizer, and foreign exchange, but just as much, an obligation to consume that oil rapidly enough for development to occur.

The head of Pemex under López Portillo, Jorge Díaz Serrano, is implementing this outlook with an aggressive program of exploration, drilling and extraction. Díaz Serrano's program includes the integration of agricultural capitalization and nuclear energy development into Mexico's regional plans, several of which were announced in August.

In a practical sense, the depth of Mexico's commitment to development was emphasized to me in the context of the greatest impediment to industrial development there—the large and unproductive portion of the economy in subsistence agriculture. In contrast to countries like Poland, for example, the most advanced of Mexico's policymakers and engineers have no sentimental attachment to the Mexican "culture" of peasantry. They are anxious to clear away the roadblock that primitive agriculture presents to industrial development in both cultural and economic terms.

In the history of the United States, beginning in the 1840s and proceeding ever more rapidly after the Lincoln administration, the backward agricultural sector was abolished as an integral part of industrial growth. Technological advances that produced machines for application to farming, coupled with dissemination of knowledge of scientific farming practices, created an agriculture that could cheaply feed a fast-growing industrial workforce, even as the percent of the total workforce involved in farming relatively declined. What had been in effect abolished was an agricultural sector too backward in its methods to produce food cheaply enough and in sufficient quantity to feed a growing nation.

The economic consequences of the perpetuation of this sector of agriculture in Mexico were graphically described by the agricultural secretary of one of the most highly mechanized states of Mexico, himself a farmer

(not a peasant), when he said: "Right now, Mexican agriculture is so inefficient that it produces the most expensive bean in the world! If we continue this subsistence agriculture, in 10 years we will still be producing the world's dearest bean. We could grow these beans more cheaply on Mars!"

That attitude takes considerable political courage, in the face of the potentially explosive situation in many rural areas in Mexico which continue to suffer under severe poverty and backwardness. However, it is clear to an influential and growing core of the Mexican government under López Portillo that this situation can only be corrected with an even more aggressive commitment to urbanization and industrial growth.

As one Mexican engineer working on the LaRouche-Riemann model and its implications for Mexican development said to me: "Mexico *cannot* invest in the poorest sector of its economy, subsistence agriculture. Rather, we must *do away* with that sector—it must be abolished."

I returned to the United States convinced that this commitment to development is not confined to the engineers and scientists I met. The popular culture and ideology of the country give evidence everywhere of a general understanding of the necessity of industrial progress and development.

Mexico City strikes an American from New York not so much for its size (13 million people), its sanitation (it is much cleaner than New York), or its weather (which is beautiful), but for the vitality and confidence it conveys. The city is growing, with new subway lines, new housing, new highways. There is a large investment of resources in the maintenance of the ubiquitous historical monuments and buildings; but most of all, there are no signs of the social decay which dominates many American cities. There is poverty but not lumpenization; I saw no public drug usage (commonplace in New York); there was no graffiti, nor the use of the streets as a replacement for mental institutions (again, very common in New York City).

Mexico's popular culture is based on a strong and positive sense of patriotism. The "anti-gringoism" is well placed, directed specifically against the anti-republican and anti-American tendencies which the United States has over and over again exported to Mexico in more recent years—but not against the pillars of republicanism which are revered in Mexico perhaps more than in the United States of America.

I am convinced that most Americans in the United States do not realize what a powerful intellectual and moral influence our republican tradition has been around the world, and what a powerful example the "American system" remains for economic development.

All we need do is to import it back into our own country.