

ADDRESS OF AMBASSADOR AGUSTIN BARRIOS GOMEZ
TO THE CANADIAN MEN'S CLUB

ROYAL YORK HOTEL - TORONTO, ONTARIO
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STANDING HERE BEFORE YOU IN THIS DISTINGUISHED FORUM, IS, IN MY OPINION, AN EXPERIENCE THAT CAN ONLY BE LIKENED TO THE FIRST QUESTION PERIOD OF A BRAND NEW PRIME MINISTER, FOR THIS WILL BE THE ONLY TIME DURING HIS TENURE THAT EXPECTATIONS EXCEED EXPLANATIONS... SUCH IS THE CASE OR SITUATION IN WHICH I FIND MYSELF AT PRESENT... ADDRESSING A MOST IMPRESSIVE GATHERING I HAVE TO DATE FACED AND ABOUT TO GIVE A TALK THAT REFLECTS A SMALL PORTION OF THE PAST; A PASSING REFERENCE TO THE PRESENT AND, WITH GREAT HOPES REGARDING OUR MUTUAL FUTURE ...

THE FESTIVE SPIRIT OF CHRISTMAS IS UPON US ... SO MANY DAYS LEFT FOR SHOPPING IS A CONSTANT REMINDER ... BUT MONEY HERE IN CANADA IS NO PROBLEM FOR, IF ONE IS TO FOLLOW PUBLICITY, YOU NO LONGER SPEND MONEY BUT SAVE MONEY WHEN PURCHASING ANYTHING FROM A FLANNEL COVER FOR THE TEAPOT TO AN OUTDOOR SKATING RINK ... NEVER DO YOU HEAR OR READ "SPEND 120 DOLLARS FOR THIS.. BUT..SAVE 30 DOLLARS BY BUYING IT, FOR IT USED TO COST 150,....

SO, IN STARTING, I SHALL TRY TO RELATE TO THAT XMAS SPIRIT AND THUS ESTABLISH A TWO-WAY FEELING OF GOODWILL AND UNDERSTANDING. ALMOST A CENTURY AGO, XMAS WAS A RELIGIOUS FESTIVITY THAT PEOPLE CELEBRATED IN CHURCH BY ATTENDING SERVICES AND MASS.. CHILDREN LOOKED FORWARD TO JANUARY 6, WHEN THE THREE KINGS - GASPAR, MELCHOR, BALTASAR - OR WISE MEN, ARRIVED BEARING GIFTS FOR THEM, NOT UNDER A THEN UNKNOWN TREE. BUT BY THE SIDE OF THE CRECHE,

WHICH DEPICTED THE NATIVITY WITH ARTISTIC FLAIR... THE PORCELAIN FIGURES WERE CAREFULLY KEPT FROM GENERATION TO GENERATION AND THE ACTUAL FORMING OF THE CRECHE WAS A FAMILY ENTERPRISE. SMALL MIRRORS WERE PONDS, HAY AND MOSS ADORNED THE SMALL CARDBOARD OR WOODEN STABLE AND TINY FARM ANIMALS REPRESENTED THE MANGER POPULATION SURROUNDING THE HOLY FAMILY... BUT THEN, LITTLE BY LITTLE, A JOLLY, ROTUND AND BEARDED FELLOW CAME TO US FROM THE NORTH... HIS NAME WAS SANTA CLAUS (SANTA CLOS IN SPANISH) AND TO HIS ADVANTAGE WAS THE FACT THAT HIS ARRIVAL WAS TWO WEEKS EARLIER THAN THE THREE WISE MEN'S AND THUS WITHOUT ANYONE KNOWING HOW... WITH NO ONE ASKING WHY?... HE TOOK OVER THE TOY DELIVERY BUSINESS FROM THE EASTERN MONARCHS... DAD AND MOM COULD NOT BEAR HAVING THEIR KIDS LOOKING WITH ENVY AT OTHER KIDS PRESENTS ON XMAS MORNING WHILE THEY IN TURN WAITED UNTIL JANUARY 6, SO THE OVERPOWERING FIGURE OF THE FAT MAN IN RED, RIDING AN UNKNOWN VEHICLE CALLED A SLED, DRAWN BY ODD LOOKING ANIMALS CALLED REINDEER, SO DIFFERENT FROM MEXICAN BURROS - CAPTURED CHILDREN'S ADMIRATION AND YOU CAN EASILY GUESS TO WHOM THEIR DEMANDING LITTLE LETTERS WERE SENT TO... YOU MAY ASK YOURSELF WHAT HAS ALL THIS TO DO WITH RELATIONS BETWEEN CANADA AND MEXICO?... PLEASE LET ME TRY AND EXPLAIN: DURING THE LATTER PART OF NEXT JANUARY, THREE WISE PERSONS WILL VISIT MEXICO BEARING OBJECTS. MR. HNATYSHYN WILL TAKE COAL; MR. DE COTRET AN OFFERING OF NEWSPRINT AND FLORA MACDONALD MOST LIKELY WILL HAVE NEW AND BETTER PRICED POWERED MILK... AND WHAT ABOUT SANTA CLAUS? TRUE HE ONCE ESTABLISHED HIS FOOTING WITH TOYS MADE IN JAPAN AT RIDICULOUS PRICES..

NOW THEY ARE THE EXPENSIVE ONES... BUT, CAN MEXICO FEEL THAT PERHAPS NOW IS THE BEST TIME TO INITIATE - TOGETHER WITH A NEW DECADE - CLOSER AND BETTER RELATIONS WITH OTHER SOURCES?... THIS IS THE QUESTION I WOULD LIKE TO PLACE BEFORE THIS AUDIENCE... IT CAN BE SAID THAT WHERE STABLES AND MANGERS EXISTED, EVEN ON CRECHES, LITTLE OIL RIGS NOW STAND... PERHAPS THE ONCE LIMPID MIRRORS IS NO LONGER SO AND THE POND SHOWS A SMUDGE OR SO... BUT IT IS AN INESCAPABLE FACT THAT XMAS TREES IMPORTED FROM CANADA, WHITE WITH SNOW THAT COMES OUT OF AEROSOL CANS, DECORATED WITH GLITTERING OBJECTS MADE IN TAIWAN OR COREA, HAVE BECOME SYMBOLIC OF THESE HOLIDAYS... WHY? PROBABLY DUE TO SANTA CLAUS' INFLUENCE, EXPERTISE IN MARKETING, TOUGH WORKING ATTITUDES AND SIMPLE AWESOME PRESENCE...

I SINCERELY BELIEVE THAT MUCH HAS BEEN DONE LATELY IN FURTHERING MUTUAL INTEREST, BOTH PRIVATE AND OFFICIAL, BETWEEN OUR TWO COUNTRIES... I ALSO FEEL THAT IF WE TRY A LITTLE HARDER WE CAN BRING BACK THE THREE WISE MEN IMAGE, NOT TO DISPLACE SANTA BUT TO SHARE WITH HIM WHAT WILL NO DOUBT BE OF PRIMARY IMPORTANCE IN THE FORTHCOMING DECADE: ENERGY...

ALMOST TWO THOUSAND YEARS AGO, THE THREE KINGS WERE LED TO BETHLEHEM BY A STAR, BY A SHINING LIGHT THAT APPEARED IN THE EAST... TODAY IT SEEMS THE INTEREST LIES MORE IN WHAT MAKES THE STAR SHINE OR HOW CAN WE KEEP IT LIT... PERHAPS IN MEXICO WE SHALL FIND THE ANSWER, FOR AT LEAST, IF YOU ARE GOING TO BE SHORT OF HEATING OIL THIS WINTER, WE CAN OFFER YOU SOLAR ENERGY AT ANY MEXICAN BEACH...

LAST WEEK PRIME MINISTER CLARK WARNED CANADIANS THAT A PROBABLE SHORTAGE OF OIL WOULD BE FELT THIS WINTER IN THE EASTERN PROVINCES... A FEW HOURS LATER OUR PHONES AT THE EMBASSY STARTED RINGING WITH NEWS PEOPLE AT THE OTHER END ... 'WILL MEXICO DEFINITELY SELL US OIL? ... WHAT HAPPENED TO THE AGREEMENT? ... DO YOU KNOW IF PEMEX WILL START DELIVERING THOUSANDS OF BARRELS A DAY? ... HOW MUCH HEATING OIL IS USED IN MEXICO? ... AND SO FORTH... NOTHING WOULD PLEASE ME MORE (AND I'M SURE PLEASE YOU MORE) THAN TO BE ABLE TO GIVE YOU DEFINITE DETAILS... AFTER TALKING JUST LAST WEEK WITH THE DIRECTOR OF PEMEX AND THE MINISTER OF PATRIMONY, THEY CONFIRMED ME THAT THE RECENT IMPORTANT FINDS IN 'CHICONTEPEC' AND 'CAMPECHE' WILL ALLOW US TO PRODUCE MORE THAN THE ANNOUNCED TWO MILLION BARRELS A DAY FOR 1980; THEREFORE, WE CAN COMPLY WITH THE AGREEMENT OF ENERGY COOPERATION WHICH WAS INITIALLED BY OUR TWO GOVERNMENTS ON MAY 4, 1979 AND FORMS THE CORNER-STONE OF OUR FUTURE COOPERATION. THE CLARK GOVERNMENT RECENTLY ASKED THAT A SMALL CHANGE BE MADE IN ARTICLE 2, TO PERMIT, IF NECESSARY, AN AGENT OTHER THAN PETRO CANADA TO ENTER INTO AGREEMENT WITH PEMEX ON THE PURCHASE OF OUR OIL. THIS POINT WAS ALREADY RESOLVED; MEXICO WOULD PREFER TO DEAL WITH PETRO CANADA AS AN OLD FRIEND BUT WE WOULD NOT MIND OTHER AGENT AS LONG AS IT IS AN OFFICIAL AGENCY AUTHORIZED BY THE CANADIAN GOVERNMENT. THE FINAL SIGNATURE BETWEEN THE PRIME MINISTER OF CANADA AND THE MEXICAN PRESIDENT IS JUST A MATTER OF WEEKS AND THE PROGRAM SHOULD BE INITIATED IMMEDIATELY AFTER WITH DELIVERIES OF SMALL QUANTITIES OF CRUDE OIL

AND SHALL REACH 50,000 BARRELS PER DAY IN THE COURSE OF 1980, AND BOTH PARTIES AGREE TO DEPLOY THEIR BEST EFFORTS IN ORDER TO ACHIEVE THE OBJECTIVE OF 100,000 BARRELS PER DAY, AS SOON AS POSSIBLE AND IN ACCORDANCE WITH THE LEVEL OF PRODUCTION OF PEMEX, THAT I REPEAT, IS NOW CONFIRMED MORE THAN SATISFACTORY,

JUST THE PAST WEEK, AT HOTEL POSADA SAN XAVIER, AT THE HEART OF OUR NATION, THE MINISTER OF PATRIMONY CONFIRMED TO SEVERAL DOZENS OF CANADIAN BUSINESSMEN, THAT WERE GATHERED THERE, THAT CANADA IS AMONG THE PRIORITY COUNTRIES WITH WHICH MEXICO WANTS TO DEAL IN THE NEAR FUTURE. CANADA IS IN THE SAME SELECTIVE GROUP OF PARTNERS IN PROGRESS, NAMELY, SPAIN, BRAZIL, JAPAN, SWEDEN, AND FRANCE. MEXICO WILL STUDY THE POSSIBILITIES OF APPLICATION OF THE CANDU SYSTEM TO MEET THE NEEDS OF NUCLEAR POWER GENERATION. MEXICO WANTS, FOR ITS STEEL INDUSTRIES, CANADIAN METALLURGICAL COAL. CANADA AND MEXICO WILL GO AHEAD, I HOPE, IN THE DEVELOPMENT OF A MEXICAN URANIUM INDUSTRY, INCLUDING EXPLORATION, MINING, MILLING, REFINING AND FUEL FABRICATION.

CANADA AND MEXICO ARE ALREADY ACTIVATING PROJECTS OF MUTUAL INTEREST TO BOTH COUNTRIES; LIKE IN MINING AND PROCESSING WOOD PRODUCTS, TRANSPORTATION EQUIPMENT, AGRO-INDUSTRIES AND FOOD PACKING, EQUIPMENT AND SERVICES RELATED TO PETROLEUM AND GAS DEVELOPMENT, PETRO-CHEMICALS, TELECOMUNICATIONS EQUIPMENT, ELECTRICAL POWER GENERATION AND TRANSMISSION, FISHERIES, PORTS, THE METRO OF THE CITY OF MEXICO, ETC.

IN 1980, THE TWO GOVERNMENTS WILL ESTABLISH COMMITTEES OR WORKING GROUPS TO PERFORM ITS IMPORTANT TASKS.

AS YOU CAN WELL SEE, MEXICO CONSIDERS CANADA AS ONE OF ITS FUTURE BEST FRIENDS, BUT, IN ALL FAIRNESS - AND ONE OUTSTANDING VIRTUE OF CANADIANS IS THAT THEY ARE FAIR - YOUR COUNTRY DID NOT BELONG TO WHAT CAN BE TERMED "OUR REGULAR CUSTOMERS LIST"... IF THE GAS STATION IS AN EXTENSION OF OIL COMPANIES, THE SAME PROCEDURE THEY FOLLOW IN SELLING GAS WHEN IT IS SCARCE: REGULAR CLIENTS FIRST, APPLIES IN THIS CASE TO PEMEX. THIS MEANS THAT MEXICO HAS PLACED YOUR COUNTRY'S REQUEST FOR OIL AT THE TOP OF A WAITING LIST INCREDIBLY LONG. WE ARE INCREASING PRODUCTION ACCORDING TO OUR NATIONAL NEEDS AND AT A PACE THAT WILL ENABLE US TO FULFILL PREVIOUS COMMITMENTS FIRST AND SUBSEQUENT REQUESTS LATER, AND CANADA'S COMMITMENT, I REPEAT, WILL BE FULFILLED.

LAST THURSDAY, CANADA AGREED TO INCREASE EXPORTS OF NATURAL GAS TO THE US BY 40%. THE NEW EXPORTS WILL TOTAL 3.75 TRILLION CUBIC FEET OVER THE NEXT EIGHT YEARS. THAT MEANS, 370 MILLION EXTRA CUBIC FEET A DAY.

MEXICO WILL ALSO SELL 300 MILLION CUBIC FEET PER DAY, THAT WILL BE CONVEYED TO THE US BORDER BY AN EXISTING GAS LINE THAT GOES FROM THE NORTHERN CITY OF MONTERREY TO TEXAS. THE NATURAL GAS PICTURE IS BRIGHT, NEW DISCOVERIES IN ALBERTA HAVE ADDED SIGNIFICANTLY TO CANADIAN RESERVES, AND PRODUCTION CAPACITY AND CURRENT EXPLORATION TRENDS INDICATE THERE IS MORE TO COME.

APPARENTLY THE CANADIAN GOVERNMENT TAKES THE CONTROVERSIAL VIEW THAT THE NATURAL GAS DEEMED SURPLUS TO CANADA'S LONG TERMS NEEDS SHOULD BE MADE AVAILABLE TO FOREIGN MARKETS.

THE ULTIMATE REASON IS THAT BOTH CANADA AND MEXICO SEE ADVANTAGES IN SELLING SURPLUS OIL AND GAS TO THE UNCLE SAM, PREFERABLY AT WORLD PRICES; THAT THE US IS UNDOUBTEDLY GOING TO NEED ALL THE ENERGY IT CAN GET, PROBABLY BEGINNING AT THE MID 80s, POSSIBLY MUCH SOONER, AND THAT CANADA AND MEXICO MUST CONCERN THEMSELVES WITH THE LONGER-TERM ECONOMICAL SURVIVAL OF OUR MAJOR TRADING PARTNER, THE US.

AS A CANADIAN FRIEND HERE PRESENT, GARY GERMAN, TOLD ME ONCE: 'PERHAPS NOT THAT WE CAN DO A LOT TOGETHER... BUT TOGETHER WE CAN DO A LOT'.

IT SEEMS TO ME NOT UNREASONABLE TO TAKE THE POSITION THAT, IF THE US IS TO LOOK TO CANADA AND MEXICO FOR SOME OF ITS ENERGY NEEDS, THAT IT TREATS IMPORTS OF PETROCHEMICALS, AGRICULTURAL AND CATTLE PRODUCTS FROM CANADA AND MEXICO, AT LEAST, SOMEWHAT DIFFERENTLY THAT IT TREATS THE IMPORTS OF THESE PRODUCTS BY COUNTRIES THAT ARE NOT PROVIDING ENERGY... IF THERE IS ANY LESSON TO BE LEARNED FROM ALL OF THIS, IT IS THE FACT THAT CANADA, MEXICO AND THE UNITED STATES ARE BECOMING MORE AND MORE INVOLVED IN CONTINENTAL ENERGY TRADE, AS PART OF A LARGER AND BROADER NORTH-AMERICAN ECONOMICAL RELATIONSHIP THANKS TO THE GROWING INESTABILITY IN MIDDLE EAST ENERGY SUPPLIES.... AND IN THIS POINT MAY I REFER INCIDENTALLY TO THE FACT THAT MEXICO DID NOT

GRANT A NEW VISA TO THE FORMER SHAH OF IRAN FOR INTERNATIONAL REASONS... OUR EMBASSIES IN THE PHILIPPINES, INDONESIA, PAKISTAN, LEBANON, INDIA, IRAK, JUST TO MENTION A FEW, WERE UNDER THREAT OF RADICAL MOSLEMS AND, AS PRESIDENT LOPEZ PORTILLO SAID, WE CANNOT AFFORD TO ENDANGER THE LIFE OF ANY ONE OF OUR CITIZENS ABROAD. AFTER ALL, WE HAD THE SHAH FOR NINE MONTHS WITH ABSOLUTE FREEDOM OF ACTION, HE WENT TO THE BULL-FIGHTS IN OAXACA, THE 'MAÑANITAS' IN CUERNAVACA, THE RIVOLI RESTAURANT IN MEXICO, AND ATTENDED ALL SORT OF PRIVATE PARTIES. BUT THE ESCALATING OF TERRORISM MAKES IT UNWISE TO TAKE UNNECESSARY RISKS ANY MORE. JUST LAST FRIDAY, THE CHARGE D'AFFAIRS OF IRAN SAID IN A PRESS CONFERENCE THAT, BY NOT RECEIVING THE FORMER EMPEROR OF IRAN, MEXICO INDIRECTLY SAVED THE LIFE OF 50 HOSTAGES IN THE HANDS OF THE STUDENTS. NEVERTHELESS, WE FIRMLY OPPOSE THE VIOLATION OF INTERNATIONAL LAW BY AYATTOLLAH KHOMAINI. WE GO FOR THE IMMEDIATE RELEASE OF THE HOSTAGES, WE SUPPORT THE PRINCIPLES THAT LIE AT THE HEART OF CIVILIZED INTERNATIONAL BEHAVIOUR.

THE PERSONNEL OF A DIPLOMATIC MISSION AND DIPLOMATIC PROPERTY ARE INVIOLEATE. EVEN IN THE DARKEST MOMENTS OF RELATIONSHIPS BETWEEN COUNTRIES, THE SECURITY AND WELL BEING OF DIPLOMATIC PERSONNEL HAVE BEEN RESPECTED... YET, KHOMAINI AND THE STUDENTS, AND THE AUTHORITIES, ARE VIOLATING THE MOST BASIC OBLIGATION OF NATIONS... THEY HOLD HOSTAGE THE VERY PEOPLE WHOSE JOB IS TO FACILITATE THOSE COMMUNICATIONS THAT CAN RESOLVE DIFFERENCES AND LEAD TO UNDERSTANDING AND AGREEMENT AMONG NATIONS...

NONE OF US, WHATEVER OUR DIFFERENCES ON OTHER ISSUES, CAN IGNORE THE IMPLICATIONS, FOR ALL OF US, OF THIS EVENT... WE HAVE TO UNDERLINE THAT MEXICO WAS THE ONLY NATION TO WITHDRAW THE ENTIRE STAFF OF OUR EMBASSY IN TEHERAN, AFTER THE SEAZURE OF THE US EMBASSY... IT IS UNFAIR TO PUT BLAME ON US FOR NOT RECEIVING AGAIN THE SHAH.

IN THE 70s, WE LEARNED THE LESSON THAT TODAY EVERYTHING REVOLVES AROUND ENERGY. WE, IN MEXICO, LIKE YOU IN CANADA, HAVE THE RESOURCES TO BE ENERGY EXPORTERS. IT WAS EASIER, BEFORE OPEC, TO THINK THAT CRUDE OIL AND NATURAL GAS WERE INEXHAUSTIBLE AND CHEAP. PERHAPS WE SHOULD THANK TO OPEC BRINGING OUR TWO ENTITIES INTO THE REAL WORLD OF ENERGY SUPPLY AND DEMAND.

BY THE WAY, MEXICO DOES NOT BELONG TO OPEC AND NEVER INTENDS TO BELONG TO OPEC.

PLANNING, DEVELOPING PROJECTS, AND DOING THE JOB, ALL TAKES TIME. ALTHOUGH MANY OF OUR PRESENT CONDITIONS WILL HAVE SUBSTANTIALLY IMPROVED IN THAT TIME, IT WILL TAKE AT LEAST 20 YEARS TO REALIZE OUR FULL POTENTIAL.

OUR HYDROCARBON RESERVES - THE SIXTH LARGEST IN THE WORLD - HAVE BROUGHT MEXICO NEW RESPONSIBILITIES OF A TYPE WE HAVE NOT BEEN ACCUSTOMED TO IN THE PAST. WE HAVE A NON-RENEWABLE RESOURCE THAT IS REAL AND VALUABLE, ONE THAT EVERYONE WANTS. IT IS THE EXCLUSIVE PATRIMONY OF THE NATION. THIS INVOLVES A COMMITMENT AND AN OBLIGATION TO OURSELVES BUT ALSO CALLS FOR SOLIDARITY WITH OTHER PEOPLE IN THE WORLD WHO ARE SUFFERING THE IMPACT OF AN UNPRECEDENT ENERGY CRISIS.

IN THE PRESENT DISTURBED MARKET, WE HAVE MAINTAINED A POLICY OF SOLIDARITY WITH DEVELOPING COUNTRIES DESIROUS OF GIVING ECONOMIC AND SOCIAL SIGNIFICANCE TO THEIR NON-RENEWABLE RESOURCES. WE THEREFORE SELL AND SHALL CONTINUE TO SELL OIL ABROAD AT THE BEST PRICE THROUGH CONTRACTS EXTENDING FOR APPOINTED PERIODS OF TIME, WHOSE TERMS CAN BE PERIODICALLY ADJUSTED. WE ARE INTERESTED IN EQUITABLE RELATIONS, AND WILL THEREFORE NEVER ENTER SPOT OR SPECULATIVE MARKETS THAT FURTHER DISRUPT THE WORLD ECONOMY AND WOULD LATER HAVE UNFAVORABLE REPERCUSSIONS IN US.

SIMILARLY, WE SHALL EXPORT GAS AFTER SATISFYING OUR DOMESTIC CONSUMPTION NEEDS. IT WILL BE SOLD AS THE CLEAN FUEL THAT IS, AND ITS PRICE SUBJECT TO REVISION EVERY THREE MONTHS, WILL BE LINKED TO THE PRICE OF THE FUEL THAT IT DISPLACES. THE ACTUAL PRICE IS OF LESS CONCERN TO US THAT THE PRINCIPLE INVOLVED, WHICH IS TO GIVE DUE VALUE TO OUR RAW MATERIALS.

MEXICO WANTS TO THINK OF ITSELF AS A COUNTRY WHOSE RELATIONS WITH THE REST OF THE WORLD ARE NOT RESTRICTED TO PETROLEUM BUT ARE BROAD AND VARIED AT EVERY LEVEL, AND BASED ON MUTUAL RESPECT AND SHARED BENEFITS.

IT PLEASES ME TO SAY THAT THE CHANNELS OF COMMUNICATION BETWEEN OUR TWO COUNTRIES HAVE NEVER BEEN SO MANY AND SO OPEN AS THEY ARE NOW... SOON WE SHALL PROBABLY HAVE DIRECT TELEVISION SIGNALS GOING BACK AND FORTH, VIA SATELLITES, PRESENTING TO MEXICANS WHAT CANADA IS LIKE AND VICE VERSA... SHOWING COMMERCIAL OPPORTUNITIES AS THEY ARISE... THERE IS NO LIMIT TO WHAT CAN BE DONE IF WE BOTH SET OUT TO DO IT...REGARDLESS OF SANTA CLAUS...

OR THE ELEPHANT... AS YOU MAY LIKE TO CALL HIM.

THE DAY WILL COME WHEN COMMERCIAL TRADE TRAFFIC WILL BE OF A MORE DIRECT NATURE BETWEEN CANADA AND MEXICO... TRUSTING EACH OTHER IS ESSENTIAL AND THIS CAN ONLY COME THROUGH KNOWING EACH OTHER...THRU THE ESTABLISHMENT OF TIES BASED ON MUTUAL INTERESTS... BUT THESE EFFORTS CANNOT, AND SHOULD NOT BE TAKEN AS SIDELINES, ACTIONS ONLY APPLICABLE AS A TERMINAL RESORT, OR PROMPTED BY A "SPUR OF THE MOMENT" IMPULSE... ADVENTURE IS FINE, BUT NOT IN THIS FIELD... WE MUST RECOGNIZE FACTS AND FIGURES AND, BY PROPER INTERPRETATION OF THE FORMER, IMPROVE THE LATTER. CERTAIN GROUND RULES MUST BE KNOWN AND MANY TIMES ACCEPTED. FOR EXAMPLE: BY 1985 WE COULD PUMP 10 MILLION BARRELS OF OIL A DAY, ENOUGH TO SATISFY THE UNQUENCHABLE THIRST OF THE U.S. AND RECEIVE IN EXCHANGE MORE THAN 80 BILLION DOLLARS A YEAR... CAN YOU IMAGINE WHAT THIS WOULD MEAN? AROUND 5,000 DOLLARS A YEAR FOR EVERY MEXICAN FAMILY... AND THERE ARE HELL OF A LOT OF MEXICAN FAMILIES....

BUT THIS IS NOT GOING TO HAPPEN. MEXICO WILL PUMP ONLY 2.5 MILLION BARRELS A DAY BY 1982 AND EXPAND SPARINGLY AFTER THAT. NOW THIS IS NOT A RIGID PARAMETER. POLICIES ARE FLEXIBLE AND IT IS DIFFICULT TO FORESEE WHAT LIES AHEAD, BUT REMEMBER THAT MEXICO DOES NOT WISH TO BECOME ANOTHER IRAN.. A BENEFICIARY STATE.. IT WOULD MUCH MORE LIKE TO RESEMBLE JAPAN... HERE LIES THE CORNERSTONE OF OUR OIL POLICY... AT LEAST ONE OF THEM.

ANOTHER IS THE AGRICULTURAL SITUATION AND ITS PRESENT PROBLEMS. SHOULD WE TACKLE THE SITUATION HEAD-ON?

¿ SHALL WE CONTINUE TO SUBSIDIZE FOOD IMPORTS WITH OIL EXPORTS?
¿ AN OIL FOR WHEAT POLICY?

PRESIDENT LOPEZ PORTILLO RECENTLY STATED, AND I QUOTE:- "WE SHALL USE OUR ABUNDANCE OF OIL TO GENERATE OTHER SOURCES WHICH ARE RENEWABLE AND WHICH CAN BE MULTIPLIED THRU WORK". THIS WILL GENERATE JOBS, INCOME, A BETTER STANDARD OF LIVING AS MEXICO ALSO HAS AN ADVANTAGE OVER OTHER COUNTRIES IN ITS LOW WAGE LABOUR TASK FORCE. WITH TIME WESHALL HAVE A PRICE DIFFERENTIAL WITH THOSE PRODUCTS PRODUCED IN EUROPE, THE U.S. AND EVEN JAPAN... LOW WAGES PLUS LOW COST ENERGY IS A PRETTY STRONG COMBINATION.

GETTING BACK TO WISE MEN, ONE OF MORE RECENT DATE STATED THAT IF HALF THE ENERGY SPENT IN TALKING ABOUT PROBLEMS, WAS DIVERTED INTO SOLVING THEM, THE WORLD WOULD BE A BETTER PLACE TO LIVE IN. A PLACE WHERE, AS IS THE CASE THAT PRESENTS ITSELF TO US NOW, TWO NATIONS CAN - THROUGH THEIR REPRESENTATIVES OF MUTUAL INTERESTS - ESTABLISH WHAT CAN BE THE FOUNDATION FOR AN EASIER EXISTENCE... NO COUNTRY ON THIS PLANET CAN BE SAID TO HAVE EVERYTHING. EACH ONE OWNS SOMETHING THAT OTHERS DESIRE... THIS IS HOW COMMERCE AND TRADE STARTED... BUT BEFORE DESIRE IS PRESENT YOU HAVE TO KNOW THAT SOMETHING EXISTS CAPABLE OF PRODUCING IT, AND IT IS HERE THAT - IN MY PERSONAL OPINION - LIES GREAT PART OF OUR FAULT IN NOT FULLY DEVELOPING OUR TRADE POTENTIAL: WE DO NOT KNOW ENOUGH ABOUT EACH OTHERS PRODUCTS... OR HOW TO GO ABOUT GETTING THEM... THE RECENT CALA MEETING IN GUANAJUATO

IS PROOF THAT ACTION RESULTS IN ACTION... BOTH MEXICAN AND CANADIAN BUSINESS MEN AND WOMEN MET, SOME FOR THE FIRST TIME, OTHERS ONCE AGAIN... MATTERS WERE DISCUSSED... SOLUTIONS PROPOSED.. A MARGARITA HERE AND THERE TOASTED SUCCESS...BUT THINGS ACTUALLY GOT GOING... SOME OF THEM EVEN STAYED FOR A MEXICAN "POSADA", A UNIQUE MEXICAN 'FIESTAS' THAT HAVE DEVELOPED AS A LOCAL DRAMATIZATION OF THE NATIVITY...AND THEY EVEN BROKE A "PIÑATA" IN A FORM OF UNCLE SAM, AS A BRILLIANTLY COLOURED JUG REPRESENTING THE SPIRIT OF EASINESS, OR LAZINESS, THAT ATTRACTS HUMANITY...IT IS EASIER TO DEAL WITH A MIDDLEMAN THAN TO DEAL DIRECTLY... THE PRIZES INSIDE THE PIÑATA WERE THE UNKNOWN PLEASURES THAT CAUSED THIS ATTRACTION;...ON ONE SIDE, THERE WAS A BLINDFOLDED CANADIAN;..ON THE OTHER.. A BLINDFOLDED MEXICAN PERSON, AND BOTH, TOGETHER, BROKE THE SUSPENDED JUG AND UNCLE SAM'S PIÑATA SHOWERED GIFTS... THE SPIRIT OF LAZINESS HAD BEEN DESTROYED...

THROUGH THE GOOD AUSPICES OF THIS MOST DISTINGUISHED CLUB, MAY I EXTEND AN INVITATION TO BREAK 'PIÑATAS' IN MY COUNTRY...

THANK YOU SO MUCH..MERRY 'POSADAS' AND FELICES XMAS TO ALL OF YOU.

ABG'RE