

ing the simultaneous desires for national, political and economic expansion. First, the Mexican republic is trying to obtain an increase in those of its financial resources that come from Western countries, by increasing prices of raw materials and foreign credits; such a policy presupposes intensive support from other Latin American countries, and even from the Third World, for the continuous and complex bargaining that has set the country against its "Yankee" neighbour since the time of the Cardenas Government. Then, until local industrialization is able to flood the continent with its products, Mexico has to curb the opportunities for development and regional integration, which multiply potential competitors. Thus Mexico actively supports a policy of Latin American free trade, to the detriment of regional industrial agreements, which are based on increased protectionism.

Finally, the managerial élites have to prevent the emergence of an independent bloc on Mexico's doorstep. The Central American Common Market must be broken down into satellites in order to diminish the influence of the United States in this part of the world, which must become a safe buffer-zone between Mexico and the rest of the hemisphere. In short, Central America will become an economic satellite, entitled to strengthen its own light industry but supplying Mexico on a preferential basis. It should thus come as no surprise to find that President Echeverria was a pioneer of SELA, who skilfully uses "third world" (*tercermundista*) rhetoric to maximize his assets in the race for industrialization, independence and national expansion, and to dilute concrete regional solidarities in a highly-uncertain continental solidarity.

#### Lack of enthusiasm

The second of these powers, Brazil, which has certainly not been an enthusiastic sponsor of SELA, could not leave Mexico to take sole advantage of a privileged dialogue with the rest of Latin America. As Mexico's main long-term rival, Brazil finds itself faced with a problem similar to Mexico's but on a different scale. The Brazilian giant, with 100 million people, has also succeeded in achieving what might euphemistically be called political control of its population and in launching a drastic industrialization plan, which is in constant conflict with the narrowness of a national market diminished by the socio-economic exclusion of vast segments of the population. The Brazilian élites, who deliberately renounce national social and economic integration and rely largely on foreign

capital, certainly do not wish to encourage balanced development on the continent.

Like Mexico, Brazil has particularly favoured the Latin American Free Trade Association and has tolerated consolidation of the Andean Pact, but only to the extent that the Governments of Chile and Bolivia took the precaution of making numerous diplomatic gestures of goodwill towards Brasilia. Without wishing to draw hasty conclusions, we may note that Brazil's Chilean ally is at present endangering the Andean Pact. Like Mexico with respect to its own immediate neighbours, Brazil could not tolerate the Andean Pact countries' forming a powerful independent group.

At the geopolitical level, Brazil will continue to compete with Argentina in the establishment of a protectorate over Paraguay, Uruguay, Bolivia and Chile. While strengthening its policy of regional hegemony, Brazil will, on the other hand, give up its ambitions to be a continental policeman, which in 1965 led it to go along with the United States on its absurd Dominican venture. On the other hand, Brazil will play a more active diplomatic role on the continent; the generals in Brasilia will use the official solidarity of the SELA countries to obtain better trade conditions from their Western partners and Japan, to strengthen Latin American free trade, and to prevent the other major powers from capturing the market in the smaller states.

#### Third power

Argentina, which has neither the population resources nor the political "stability" of its rivals, Mexico and Brazil, is nevertheless, in view of the extent of its early industrialization, one of the major powers on the continent. Economically, it is the one that profits most directly from the reduced growth of its Andean Pact neighbours, among which Chile (Argentina's largest neighbour) has been its traditional military and diplomatic rival. Argentina's continuing social and political crisis, however, limits its influence abroad but forces it to support Mexico's efforts in a loose free-trade group, in which Argentina will be the first to benefit.

While not a true power, Venezuela, because of its geography and economic situation, is temporarily the fourth of the "big" countries. For geopolitical reasons, it is led to seek direct control over the bordering area of Guyana and indirect control over the neighbouring West Indian islands of Curaçao, Aruba, and Trinidad and Tobago. Economically, the oil situation places Venezuela in the temporary

*Competition will continue between Brazil and Argentina*