

## Relations with Mexico

JUDGING from the Mexican President Avila Camacho's speech to the Mexican Congress and from Washington reports, our relations with Mexico are approaching a general and comprehensive settlement. First of all, the issue of the oil expropriations, which Mexico carried out in March 1938, is now being adjudicated, and the chances are that from the direct or indirect proceeds of a large American loan, Standard Oil will receive some kind of payment for the properties. The Mexican government has already settled with the Sinclair interests. But Standard Oil's claims have been so fantastic as to make an honorable settlement from Mexico's point of view impossible. It will be interesting to see just what the terms of pending agreement will be. That bears also on the distinct possibility that American good offices will be used to bring about a resumption of diplomatic relations between Great Britain and Mexico. It is good to learn also that the Treasury intends to bolster the Mexican peso and commercial agreements will be made assuring lower tariffs and a plentiful supply of American goods for the Mexican market. All this must be done without prejudicing Mexican sovereignty. The disgraceful interference of the big American trusts in Mexican political life and social legislation will have to come to an end.

Within Mexico itself, the Camacho regime continues on its middle-of-the-road policy, judging from the president's speech. It was important, however, that Camacho vigorously attacked the reactionary *Sinarquista* movement; this represents a direct rebuff to the most pro-fascist elements in the country, an implied rebuff to the *Portesgillistas*, among them the sinister figure who is Camacho's brother, Maximino. It was significant also that the Mexican labor movement seems to be taking a very vigorous role; there were impressive demonstrations reviewed by the president as the Congress opened; Camacho's assurance that Mexico sided wholeheartedly with the unity of the hemisphere against fascism corresponded to the slogans of the workingmen's demonstration. The whole problem in Mexico is to advance that country's industrialization, to further its autonomous development toward higher living standards for its people. The United States can help by favorable trade arrangements, by abolishing import restrictions, and by loans on favorable terms. Beyond that, however, the State Department must reject every interpretation of good neighborliness which the big American monopolies take to mean the straitjacketing of Mexican life in their own interests. A strong Mexico with a strong labor movement is our best defense in the Caribbean.