

NAMI Offices Move to New Headquarters



The North American Institute's Secretariat has moved to new quarters in the historic Hinojos house in Santa Fe. The adobe and wood house was built in 1870 by Francisca Hinojos, whose family had come to Albuquerque from Mexico in the early 18th century. Construction was by itinerant European designers and artisans brought to the area from Louisiana by Archbishop Lamy to build Santa Fe's St. Francis Cathedral.

NAMI offices occupy two large rooms with richly finished native pine woodwork and territorial fireplaces. The property is owned by Bill Field, whose William Field Design firm occupies the rest of the house, along with several other small companies.

Canadian Parliament Ratifies NAFTA

Former Prime Minister Brian Mulroney used his strong majority in the Canadian Parliament to win ratification of the North American Free Trade Agreement in May. The House voted 140 to 124 in favor of ratification, with Conservatives voting solidly in favor of the agreement and Liberals and New Democrats in opposition. A similar vote in the Senate followed.

Polls show that a majority of Canadians continue to oppose the agreement. A recent Gallup survey showed 37% of Canadians in favor, with 54% opposed. Opinion analysts suggest that while the opposition remains, its strength is diminishing. According to Donald J.S. Brean, professor of international economics at the University of Toronto, "It's now accepted that the pro-trade side has won. People remain opposed, but they are less adamant about it."

U.S. FEDERAL JUDGE ORDERS NAFTA DELAY

On June 30 a federal judge blocked the Clinton administration from proceeding with the proposed North American Free Trade Agreement until it prepares an environmental impact statement. U.S. District Judge Charles R. Richey ruled that the agreement negotiated last year violates the National Environmental Policy Act. The ruling was in response to a lawsuit brought by three U.S. environmental and consumer groups.

Judge Richey issued an order forbidding the administration from submitting the proposed pact to Congress until a formal environmental impact statement is made. Such a statement could take from four months to over a year to complete. The Clinton administration had hoped to submit the pact and its side agreements to Congress in September, with implementation scheduled for January 1, 1994.

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New Address: NAMI's new address is 355 East Palace Avenue, Santa Fe, NM 87501. Telephone and Fax numbers remain the same.

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NAFTA Ruling (from Page 1)

Both the Clinton and Bush administrations had contended that the requirements of the National Environmental Policy Act did not apply to trade agreements. They also claimed that subjecting the pact to environmental and administrative procedures unconstitutionally infringes on the president's ability to conduct foreign policy. The judge dismissed these arguments, noting that "the power to regulate commerce with foreign nations is given to the Congress under the Constitution."

The three environmental groups--Public Citizen, the Sierra Club, and Friends of the Earth--contended in their suit that a reduction of trade barriers in the accord would reduce prices for domestic agriculture and meat products, creating pressure to intensify production pressures that could have a detrimental impact on the environment. Judge Richey agreed in his 23-page ruling that "NAFTA will have significant environmental effects and . . . may worsen the environmental problems already existing in the United States-Mexico border area."

Julius Katz, former Bush administration NAFTA negotiator, has countered that (a) comprehensive assessments of potential environmental impacts were done as part of NAFTA's development process, and (b) U.S.-Mexico border area problems were not caused by NAFTA, and in fact will be greatly improved if the free trade agreement goes into effect. U.S. Trade Representative Mickey Kantor has indicated the administration will appeal the court's decision.

U.S. Hispanics Rap NAFTA Opposition

The National Council of La Raza, the nation's largest U.S. Hispanic group, has criticized recent statements by some opponents of the North American Free Trade Agreement. NCLR President Raúl Yzaguirre stated that "Mexico bashing and race baiting are becoming the weapons of choice among critics of the NAFTA treaty." Speaking in Washington, Yzaguirre said, "It is ominous when the debate on how best to redefine our trade relationship with Mexico begins to move off the merits and into an area of whispered asides and smirks, stereotypes, and caricatures. We have a moral obligation to the 22 million Americans of Latino descent and to the very precepts upon which our nation was founded to challenge and discredit this campaign of bias and deceit."

Yzaguirre said, "We would welcome a refocusing of the NAFTA debate on the substantive issues, which can only improve any final agreement." Even though there is not complete unanimity within the U.S. Hispanic community on NAFTA, Yzaguirre stated, "One issue that unites all Latinos is our refusal to stand by while ethnic prejudices and cultural stereotypes are injected into the debate." He cited remarks by former presidential candidates H. Ross Perot and several members of the U.S. congress, including a comment by James Traficant (D-Ohio), who was quoted as saying, "All we will get from Mexico is used Ford pickup trucks, two tons of heroin, and three baseball players..."

Canadian Conservatives Face Free Trade Dilemma

Jonathan Ferguson, *Toronto Star*

It's increasingly clear Canada must bow to U.S. demands for trade sanctions to protect workers' rights and the environment before the U.S. Congress will ratify the North American free trade deal. Both Canada and Mexico are being told forcefully that sanctions are the "bare minimum" acceptable to Congress in negotiated side deals guarding against abuse of workers and pollution. Trouble is, caving in to the United States over sanctions means retiring Trade Minister Michael Wilson would eat his words. Prime Minister-designate Kim Campbell's new Tory government would lose crucial business support only months before an election.

The 170,000-member Canadian Chamber of Commerce is threatening to withdraw its support for the North American deal if Ottawa agrees to any new trade sanctions. Wilson pledged repeatedly the pact extending free trade to Mexico would not place Canadian exporters in a more vulnerable position than under the 1989 Canada-U.S. deal. But the sanctions--most likely border taxes--would hand U.S. industries a new protectionist weapon with which to harass Canadian imports and impede new investment. Wilson acknowledged as much when he said U.S. protectionists could "hijack the process and harass their competitors with trumped-up charges" if trade sanctions were used to enforce standards.

U.S. President Clinton responded by declaring that his support of the North American pact hinges on whether the side deals "have adequate enforcement provisions." But Clinton's stance leaves Ottawa out in the cold. Groping for an alternative to sanctions, Wilson suggested the three countries look at fines to enforce the side deals. The Canadian chamber responded with a stern rebuke: "If trade sanctions or monetary fines are part of the final side agreement texts, the chamber could not support Canada being a party to those agreements." The Tory government is now caught between the proverbial rock and hard place. It dearly wants the Congress to ratify the NAFTA before its Jan. 1 implementation date and is rushing enabling legislation through Parliament to show the Americans Canada means business. But the price would be arming the Americans with new trade sanctions, even though Washington has harassed Canadian exporters with aggressive unfair trade actions despite the existing U.S.-Canada free trade deal.

Harmonizing NAFTA Regulations: Tucson Center Works on the Details

The ultimate success of NAFTA will depend not only on legislation, but also on the ability of the three countries to harmonize their trade laws and regulations. Boris Kozolchyk, a Havana-born professor at the University of Arizona, is beginning work on this gargantuan task at his Tucson-based National Law Center for Inter-American Trade. Counterpart centers are planned in Mexico and in Canada.

One of the Tucson center's first tasks is the creation of a mega database linking the center's computers with Mexico's largest and most up-to-date collection of legislative, administrative, judicial, and doctrinal materials on free trade law from the National Institute of Legal Research. The center's users will have access to U.S. and Mexican legal data through the Bitnet and Internet communications networks. For example, business and legal subscribers will be able to obtain up-to-date information on such matters as trademarks, copyright law and registration requirements, rules on invoices, bills of entry, warehouse receipts, and powers of attorney.

The Center has already assisted major banking associations in working out check routing and processing deadlines and procedures for the NAFTA countries. Other current projects include working on automation of customs inspections, transnational jurisprudence procedures, medical authorizations for health care providers, transportation documents, and intellectual property rights. (*El Financiero Internacional*)



Attorney General Tom Udall

Law Enforcement in the Global Village

**Tom Udall, Attorney General
State of New Mexico**

As modern, faster means of communication and travel as well as increased economic interdependence reach more parts of the world, cooperation rather than competition or confrontation will become the watchword in international relations. This has always been true in the area of law enforcement.

Shortly after I assumed office in 1991, I attended a conference of the Attorneys General of the six Mexican Border states and of the four U.S. states bordering Mexico. I was impressed by the commonality of interest in accomplishing our duties, and by the shared conviction that an international border need not stand in the way of accomplishing justice.

As a result of that conference, and in light of the increasing economic activity between New Mexico and the Republic of Mexico and the historical migration patterns of Mexican citizens to our state, I decided to create a unit in my office (patterned after a similar unit in Los Angeles) to deal with Mexican citizens who have committed serious crimes in New Mexico but who have returned to their own country. The modus operandi of the unit is to use Mexican criminal law and processes to gain a conviction of Mexican citizens within the Mexican judicial system for a crime committed in New Mexico. The process is complex and formal (at least it seems so to a lawyer trained in this country), and I can provide only the briefest of an overview in this short article.

Under Article 4 of the Mexican Penal Code, a person may be prosecuted in Mexico for a

crime committed in another country when that crime is committed

- 1) by a Mexican citizen against another Mexican citizen;
- 2) by a Mexican citizen against a citizen of that country;
- 3) by a citizen of another country against a Mexican citizen.

The law also states that a crime committed in a foreign country is punishable in Mexico in accordance with Mexican law if

- 1) the defendant is found within Mexico;
- 2) the defendant has not been tried and either convicted or acquitted in the country in which he committed the crime;
- 3) the act constitutes an offense in both the foreign country in which the crime was committed and in Mexico.

Every Article 4 case can be broken down into four phases: (a) case investigation and preparation; (b) consul legalization and authentication; (c) case filing and apprehension; and (d) sentencing and follow-up. Our office is involved only with the first three phrases. The last phase is entirely a function of the Mexican judicial branch.

Cases are referred to our office by the various law enforcement agencies throughout the state. The initial and most time consuming phase consists of the collection and compilation of relevant investigative reports, photographs, lab reports, witness statements, and any other documents that tend to show the suspect's culpability. Also, statutes defining the crime and giving legal authority to prosecute must be contained in the case file. Although not required under Mexican law, the Article 4 case file is translated into Spanish by our office in order to facilitate the work of the Mexican officials.

Once these initial steps are completed, the case is presented to the Mexican Consul General in Albuquerque. Within the United States, the Consul General has all the power and authority of a Mexican prosecutor in the review of an Article 4 case. As such, he possesses the authority to inspect, challenge, and/or negate any evidence in the Article 4 case. He can require that additional information be provided and/or conduct personal interviews of witnesses.

If he approves the case, he signs the necessary forms and his signature must than be validated by the foreign ministry in Mexico City (Relaciones Exteriores). The Article 4 case with all the appropriate signatures and validations is presented to the Delegado (an official roughly equivalent to a U.S. Attorney) in the state where the suspect is

located and it is the Delegado or one of his assistants who presents the case to the judge on our behalf.

We have used this process to prosecute two cases of vehicular homicide, one in Albuquerque and one in Santa Fe. In both instances we have encountered complete cooperation from every level of Mexican officials (including an unexpected and thoroughly enjoyable meeting between members of my staff and former Mexican Attorney General Morales Lechuga). In both cases the suspects were convicted and were, or are, awaiting sentencing.

The overriding lesson we have learned from our brief experience thus far is that the process works. There is no need for the kidnapping of Mexican citizens to our country, as was recently reported to have occurred in a well publicized DEA case. (I should note that the U.S. Supreme Court decision involving the DEA case suggested that there was no legal impediment under existing treaties and statutes.) Respect for national sovereignty and respect for systems of justice similar though not identical to our own yields results we can all live with and accept. In short, with regard to law enforcement along the border, existing legal mechanisms used in a cooperative rather than confrontational manner results in both efficiency and justice.

MexNET Computer Network Announced

MexNET is a new computerized information and communication service specializing in business information related to Mexico. Based in Salt Lake City, Utah, MexNET is set up to serve as an information network for people in Mexico, Canada, and the U.S. who are interested in learning about, or doing, business in Mexico. MexNET offers a variety of on-line services:

- Trade leads and business opportunities
- Seminar/trade show event calendar
- Mexico Investment Board reports and studies
- National Trade Data Bank information from the U.S. Dept. of Commerce
- Trade journal database
- Electronic bulletin board and mail (including access to Internet)
- NOTIMEX, the official news service from Mexico (temporarily suspended)

For information contact John Peak or Kimberly Eshnaur at (801) 486-8181 or (800) 525-6969.

New Mexico Strengthens Ties with Mexico

The state of New Mexico has taken major steps in recent months to increase cross-border trade and cooperation with Mexico, building on historic and cultural ties and in preparation for emerging opportunities following the likely passage of the North American Free Trade Agreement. State government officials have announced a number of important initiatives:

Mexico City Trade Office: Governor Bruce King and U.S. Congressman Bill Richardson (D-NM) led a delegation of close to 40 New Mexico business and civic leaders to Mexico City in April to officially open the state's new Trade Office with 150 Mexican guests in attendance. The ceremony was followed by meetings with Mexican President Carlos Salinas de Gortari, Commerce Secretary Jaime Serra Puche, Luis Donaldo Colosio, Secretary of Social Development, Fernando Solana, Secretary of Foreign Relations, and Jorge Tamayo, director of the Mexican National Railways (FNM).

In 1992, New Mexico's exports to Mexico increased 70%, from \$16.5 million to \$28.7 million. These figures are expected to increase substantially as a result of the new trade office's activities and with the opening of a new border crossing at Santa Teresa, New Mexico. (Figures do not include *maquiladora* exchanges of goods and services.) The new office has already provided assistance to 150 New Mexico companies seeking to do business in Mexico, with half of those visiting Mexico City, according to Roberto Castillo, Director of the New Mexico Trade Division. The state also maintains a trade office in Las Cruces, NM, which provides support to the *maquiladora* industries and to potential *maquiladora* suppliers.

New Mexico-Chihuahua Commission Established: John Garcia, Deputy Chief of Staff to Governor Bruce King, announced plans for a New Mexico-Chihuahua Commission intended to enhance industrial and commercial relations between the neighboring states, and to encourage educational, cultural, and arts-related exchanges. The Commission will work in tandem with the existing New Mexico Border Authority to spur economic development of the border area. Governor Francisco Barrios of Chihuahua has been asked to form a similar commission on the Mexican side.

Intermodal Transportation Facility: A feasibility study of a major border intermodal transportation facility is nearing completion by Sandia National Laboratories in Albuquerque. The proposed facility will accommodate air, truck, and rail transportation; a key to its success will be hookups to rail lines in both Mexico and the U.S. Talks have begun with Jorge Tamayo, director of the Mexican National Railways regarding possible construction of rail lines to serve the intermodal facility.

Border Area Development Plans: The State of New Mexico and Doña Ana County, New Mexico, are implementing a Development Plan for the International Border, in cooperation with other governmental entities on both sides of the border. Key elements of the plan include the development of a permanent port of entry at Santa Teresa, NM, and the building of highway and infrastructure projects.

This article is based on interviews with John García, Deputy Chief of Staff, New Mexico Governor's Office; Bill García, Cabinet Secretary, New Mexico Department of Economic Development; and Roberto Castillo, Director, Trade Division, New Mexico Department of Economic Development.

La Frontera/The Border: Art Exhibit Depicts the Mexico/United States Border Experience

La Frontera/The Border is an exhibition jointly organized by the Centro Cultural de la Raza and the Museum of Contemporary Art in San Diego. The Centro Cultural de la Raza was founded in 1970 to support the expressions of people indigenous to the border region. According to its curator, Patricio Chavez, the current exhibition is seen, "not as a 'cultural exchange' between divided cities or countries, but as the historical and cultural reality of the border region."

Artworks combine secular culture and religious faith, Christian symbolism with Mesoamerican myth, and ancient Mayan references with modern Chicano humor.

La Frontera/The Border is scheduled for showings in San Diego, Tijuana, Tacoma (Washington), Scottsdale, New York, and San Jose (California).

El Paso del Norte:

The Camino Real Economic Alliance

Echoing their own history and the example of Cascadia and other geographic areas in North America, leaders in the cities of El Paso, Juarez, Chihuahua, and Las Cruces are taking a binational, regional approach to economic development. The mayors of these cities and the New Mexico Department of Economic Development are working together to coordinate economic development plans and projects. New Mexico state officials envision cooperative efforts in technology development, tourism, joint ventures, and infrastructure development (including the planned Intermodal Transportation Facility).

The historical roots of free trade run deep on the frontera.

El Paso Mayor Bill Tilney has been pivotal in this process, working closely with his longtime friend, Juarez Mayor Francisco Villarreal, to attract resources and involve the federal governments of both countries. Villarreal and Tilney see themselves as governing one big metropolitan area, split by the Río Grande. Environmental protection, road-building, education, and training are all common causes for El Paso and Juarez. "The border, for instance, means nothing when aquifers are being drained by two growing cities," says Tilney. Water officials and scientists meet regularly with Mexican agencies in Juarez to begin mapping out a master plan to serve the region. Tilney also meets regularly with Las Cruces Mayor Ruben Smith to plan orderly growth in the region.

Historically, El Paso del Norte (shortened to El Paso) has served as a confluence of transportation routes dating back to the settling of New Mexico and the lower and upper Río Grande Valley by first-generation Mexicans over 300 years ago. This part of Northern Mexico also functioned as a trade zone a century ago—first when Porfirio Diaz coaxed U.S. businessmen to invest in Mexico, and then after the Mexican Revolution of 1910, when thousands fled Mexico to seek political stability and business opportunities in U.S. border towns like El Paso. The historical roots of free trade run deep, at least along this section of the U.S.-Mexican *frontera*.

North American Higher Education Cooperation

Editor's Note: The following reports summarize discussions that took place at a historic conference on North American Higher Education Cooperation at the Johnson Foundation's Wingspread Conference Center in Racine, Wisconsin. NAMISTA Enrique Cárdenas, president of Universidad de Las Americas, Puebla, México, attended the conference and provides his report, followed by excerpts from a recent article from the American Council on Education. Copies of the complete proceedings of the conference are available from Thomas E.E. Spooner, Acting Director, Office of Academic Programs, U.S. Information Agency, 301 Fourth Street, S.W., Washington, DC 20547.

The Wingspread Conference Enrique Cárdenas

On September 12-15, 1992, a conference on North American Higher Education Cooperation took place at the Johnson Foundation's Wingspread Center in Wisconsin, USA, under the auspices of the governments of Canada, the United States, and Mexico, and the Johnson Foundation. The co-conveners were Leonard L. Haynes III from the United States Information Agency, Alain Dudoit from the Canadian Ministry of Foreign Relations, and Víctor Arredondo from the Ministry of Public Education of Mexico. Other members of the three governments, presidents of several universities and institutes of higher learning, as well as representatives of regional or national associations of universities of the three countries attended the conference to identify a possible agenda regarding academic cooperation among the three nations.

It was acknowledged from the start that the upcoming North American Free Trade Agreement was going to influence many aspects of trilateral relations, including higher education. Also, it was realized that the educational systems were quite different and that enormous asymmetries existed among them, especially between Mexico and the U.S. and Canada. There are differences in the number, quality, and scope of institutions, and in the extent that they can be complementary and supportive of each other.

The conference was organized under four major topics introduced by prepared papers. Topics included "National Identity and Mutual Understanding in the North American Region"; "New Technologies to Improve

Cooperation"; "Mobility of Students and Scholars"; and "Optimization of Complementarities in the North American Region." They provided the background for intensive discussions, and at the end a declaration of conclusions was reached by consensus which includes the appointment of a working group to follow up on the suggested agenda. A copy of the text of the Wingspread Declaration is available from the NAMI office in Santa Fe.

About a month later, a similar conference on the same topic was held in Guadalajara under the auspices of the Universidad de Guadalajara, the Institute of International Education, and the Interamerican University Organization. It was a first conference of North American university presidents looking at the challenges faced by universities as a result of North American integration.

The Guadalajara conference (which coincided with the initializing of the North American Free Trade Agreement) considered the following issues: "Current Situation and Perspectives of Academic Cooperation in the Region"; "Opportunities and Challenges of Economic Integration for Education, Science, and Technology"; "The European Academic Common Market and the Corresponding Existing Models in North America"; and "Emerging Models of Academic Cooperation."

U.S., Canada, and Mexico Work on Globalization in Their "Back Yards" American Council on Education

Educators in the United States, Mexico, and Canada hope the barriers to international academic cooperation will meet the same fate as the Berlin Wall. In a historic trilateral effort to increase collaboration among the three nations, higher education officials are addressing a range of issues from student mobility to faculty development.

"Considering all the potential, we do not see a lot of exchange among the U.S., Mexico, and Canada in higher education," said American Council on Education President Robert H. Atwell. "It is one of the major challenges we face in the coming years." Atwell is one of five U.S. representatives on the Trilateral Task Force on North American Higher Education Collaboration. The 15-member task force currently is developing proposals in five key areas: student and faculty mobility; strategic partnerships; networking and telecommunication; institutional and faculty development; and leveraging resources. The recommendations will be presented at a

meeting this September in Vancouver.

The task force is a direct outgrowth of what has become known as the "Wingspread meeting." The gathering, which was held in 1992 at the Johnson Foundation's Wingspread Center in Wisconsin, marked the first time that private and public-sector representatives from the three countries met to develop a trilateral plan for higher education collaboration. Twenty-five higher education international exchange associations are working together to develop a set of recommendations for the task force and for institutions.

This is more than just "piggybacking on NAFTA," noted Norman London, academic relations officer at the Canadian Embassy in Washington. "With Canada, Mexico, and the U.S. facing an increasing number of common challenges in such areas as energy, environment, and trade, greater collaboration in higher education makes sense. What is happening now is that people are saying, 'OK, all that talk about globalization, let's do something concrete in our own backyard,'" he added.

The drive toward globalization cannot occur unless countries gain a better understanding of each other's identity, said Ricardo Mercado del Collado, assistant secretary of the Ministry of Education of Mexico. Already, Mercado del Collado has felt the benefits of the Wingspread conference and other partnership efforts. "I receive two to three people from Canada and the United States each month in my office. It is like a great snowball that is growing." He hopes the September meeting in Vancouver will give higher education leaders a chance to set the stage for a "very intensive effort" to increase interaction during the next few years. "The people who will come to Vancouver are some of the most important leaders of higher education. It is significant that they are meeting face to face to chart a course," he said.

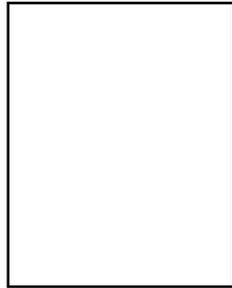
A key challenge facing Mexican higher education is the need for faculty development. Through this trilateral work, Mexico hopes to enhance the quality of its faculty and develop joint ventures in research. One of the major barriers to collaboration is student and faculty mobility. Atwell said such issues as health insurance, housing, and portability of credits need to be addressed to increase mobility. Other task force subcommittees are considering recommending such activities as distance learning and programs using advanced telecommunications to link the three countries. A key challenge in building new relationships will be finding resources to fund many of the recommendations likely to be made in Vancouver.

David Crane

The following are excerpts from two recent columns written by Canada NAMI delegate David Crane, Economics Editor for the Toronto Star.

People Oppose NAFTA for the Wrong Reasons

A majority of Canadians oppose the North American Free Trade Agreement, and so perhaps do a majority of Americans. There are some good reasons to be critical of the deal:



the regional trading blocs undermine the multilateral trade system; the deal itself is flawed; and Canada paid too high a price to negotiate it. But in Canada and the

United States, NAFTA is being opposed for different reasons, often the wrong reasons. Labor unions, for example, are concerned that NAFTA will lead more Canadian and U.S. companies to shift production to Mexico. But that is going to happen anyway.

The global economy is in the midst of great change as the developing countries integrate into the international system of trade and investment. Mexico, like South Korea, Taiwan, Thailand, Turkey, Argentina, Chile, and Brazil, is going to attract more investment no matter what. Last year, Mexico attracted \$6.2 billion (this and all subsequent figures are expressed in U.S. dollars) of foreign direct investment, according to the World Bank's latest report on financial flows to developing countries; over the past five years, Mexico has attracted some \$20 billion in investment.

In fact, argues Sidney Weintraub, a former U.S. state department official and now Dean Rusk professor at the University of Texas, organized labor might be better off with NAFTA since it would have some kind of North American commission to monitor labor practices in Mexico. If NAFTA were killed, Mexico would continue to attract investment, he says, but there would be no set of rules on labor standards.

The real issue for Canadian and U.S. labor, as it is for industries and communities, is to determine what is needed to ensure productive jobs and investment at home. As U.S. economist Paul Samuelson argues, "Knowledge will not keep. It mingles fast--especially when helped by American text-

books, American consultants, American multinational corporations, and by admittance of foreign students to MIT, Cal Tech, and the Harvard Business School." Thus, adds Samuelson, "Whenever a manufacturing activity can be done routinely by footloose labor, machinery, and know-how, it will inevitably gravitate from high-wage regions to low-wage." This, not declining tariffs, is what we have to deal with and is what the Mulroney government fails to address.

Environmentalists are also getting it wrong--as a group of 80 Canadian groups did this past week when they asked Wilson not to proceed with the deal because it was "accelerating the growth-led development model which is accelerating our planet's demise." Yet both the Bruntland Commission and the Rio Earth Summit emphasized that the rich countries have to help developing countries such as Mexico raise their standard of living through sustainable development, and that lowering trade barriers is one way to do this. In fact, as with labor standards, NAFTA will give environmentalists a bigger voice in the continent's environmental standards and their enforcement than if there were no NAFTA.

The Uruguay Round of world trade reform offers a better trade deal for Canada and other countries than NAFTA, including better protection against the unilateral use of trade remedy laws by the United States. But I suspect that many of the most vocal critics of NAFTA will not like the Uruguay Round agreement either (which, incidentally, now stands a good chance of being concluded this year). While their concerns are genuine and must be addressed, they have to recognize we are moving irreversibly into a new, global economy that requires new thinking and new approaches to economic growth at home.

Trade Body Praises Mexico for Being 'Most Open' Market

Mexico gets high marks for opening its market to imports and building a strong economy, the General Agreement on Tariffs and Trade said in a recent report. The GATT study says that since 1986, when Mexico joined the world body and slashed its tariffs and other import controls, it has "changed the trade regime into one of the most open in the world." Mexico's efforts to open its economy has brought major benefits to its trading partners, the GATT study adds, pointing out that Mexico is running a trade deficit and that imports are growing faster than exports.

The North American Free Trade Agreement

should benefit Mexico by raising productivity, expanding trade, and reinforcing a stable economic environment, the GATT report says. But it also warns that NAFTA will mean Mexico is "exposed more critically to economic fluctuations in the U.S. market "because a growing portion of Mexican trade is likely to be with the United States."

The U.S. already supplies about 65% of Mexico's imports and takes about 70% of its exports. In addition, so-called *maquiladoras*, or export zones, along the Mexican-U.S. border, which are not included in Mexican trade statistics, represent another major source of shipments to the U.S. market.

Like Canada, Mexico depends heavily on export trade. Merchandise exports account for about 18% of Mexico's gross domestic product, compared with 21% for Canada. The role of exports in the Mexican economy is expected to grow as industrial investment and foreign direct investment grow. And while Mexico currently has a growing trade deficit, the GATT study say, imports of capital or industrial goods should "contribute to the future expansion of exports" and help redress the current deficit.

A response by the Mexican government to the GATT study notes that capital goods, such as machinery, accounted for 24% of Mexican imports last year, while intermediate goods used to manufacture products accounted for 60% and consumer goods for 16%. Mexico's main imports included gasoline, soybeans and grains, aircraft, motor vehicle assembly equipment, computer equipment and parts, and parts for electrical installations. Major exports included petrochemicals, motor vehicles, engines and parts, plastics, parts for machinery, computer equipment, and oil.

While Canada has been slow to pursue the Mexican market, exports are picking up. Export Development Corp. recently announced support for a sale by General Electric Canada's Peterborough plant of \$1.4 million of electric motors to a Mexican cement company, a technology transfer licensing package worth about \$1 million negotiated by Stelco Technical Services with a Mexican steel company, and the sale of a press by a Quebec company, Aquaflex Systems, to a Mexican company for \$222,000. The three sales will create or sustain 147 person-years of employment. Last year the EDC supported \$421 million worth of exports to Mexico which it estimated would create or sustain about 12,000 person-years of work in Canada.

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"Trade Liberalization in Mexico and the North American Free Trade Agreement," Carlos Cabeza Reséndez, Ph.D. U.S.-Mexican Occasional Paper No. 3 of the U.S.-Mexican Policy Studies Program, LBJ School of Public Affairs, University of Texas at Austin. Contact U.S.-Mexican Policy Studies Program, Lyndon B. Johnson School of Public Affairs, University of Texas at Austin, PO Drawer Y, University Station, Austin, TX 78713-7450.

"At Sea: Shaping America's Post Cold War Trade Policy," Peter Morici. Address at Michigan State University, April 16, 1993. Contact Peter Morici, University of Maine, 154 College Ave., Orono, ME 04473; (207) 581-4220.

Free Trade: The Ifs, Ands, & Buts, special double issue of the Inter-Hemispheric Education Resource Center's *Bulletin* (Spring 1993, Nos. 31/32) on NAFTA and Free Trade Economics. Contact The Resource Center, Box 4506, Albuquerque, NM 87196-4506; (505) 842-8288, fax (505) 246-1601.

"Globalization Through Education," Hugo Margafin, in *Voices of Mexico*, April-June, 1993, Number 23. (See below.)

Voices of Mexico, a quarterly publication offering Mexican perspectives on contemporary issues. Contact Books From Mexico, PO Box 9, Mt. Shasta, CA, USA 96067-0009; (916)-926-6202, fax (916) 926-6609 or Miguel Angel de Quevedo 610, Col. Coyoacán, 04000 México, D.F.; 659-2349 or 659-3821, fax 554-6573.

Western Canada and the Canada-U.S. Free Trade Agreement (1988-92), Information Bulletin of the Western Center for Economic Research, University of Alberta, Edmonton, Alberta, April 1993, Number 15.

Dialogue/Diálogo, The Newsletter of the Inter-American Dialogue, available from the Aspen Institute, 11 Dupont Circle NW, Suite 502, Washington, DC 20036.

NAFTA and Beyond, a collection of essays presenting a balanced view of NAFTA from the perspective of North America as a whole. To be published jointly by NAMI and The New Pacific Communications, Vancouver, BC. Publication expected fall 1993.

Identities in North America: The Search for Community, Robert Lee Earle and John D. Wirth, eds. To be published jointly by NAMI with Stanford University Press and Fondo de Cultura Economica. Publication expected early 1994.

**THE NORTH AMERICAN INSTITUTE
355 East Palace Avenue
Santa Fe, New Mexico USA 87501
Telephone (505) 982-3657 Fax (505) 983-5840**

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