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Update On Nafta Developments
by Carlos Navarro

In the US, supporters of the North American Free Trade Agreement (NAFTA) from the Democratic Party are working on various fronts to convince their colleagues to support ratification of the treaty. In an April 1 letter to colleagues, Reps. Bill Richardson of New Mexico, Robert Matsui of California, Ron Wyden of Oregon, Michael Andrews of Texas, Tim Penny of Minnesota and Dave McCurdy of Oklahoma, asked fellow Democrats in the Congress to consider NAFTA's economic benefits for the US, such as the possibility of increased employment, a rise in exports and stronger protection of intellectual property. The six legislators qualified their support for NAFTA, saying they would like to see strong parallel agreements negotiated on protection of US jobs and the environment. However, they said this did not mean they would refrain from promoting the benefits of NAFTA to their colleagues and to the US public. In an opinion piece published in the April 4 edition of the Washington Times, Richardson justified his support for NAFTA saying that Mexico represents a potentially larger consumer market for US products than Europe or Asia. He also suggested a trade alliance with Mexico and Canada would help the US compete more effectively against the European Economic Community (EEC), Japan and the Pacific Rim countries. Separately, three other US legislators who generally support NAFTA Democrats Ed Pastor of Arizona and Richard Durbin of Illinois and Republican Joe Skeen of New Mexico met with Mexico's Trade Secretary Jaime Serra Puche in Mexico City on April 5 to discuss the treaty and economic reforms implemented under the administration of President Carlos Salinas de Gortari. After the meeting, the US legislators told reporters that concerns over possible job losses and border pollution are so strong in the US that NAFTA ratification may face difficulties if these problems are not addressed adequately in the parallel agreements being negotiated by the US, Canada and Mexico. Even though President Bill Clinton will not formally submit the NAFTA until negotiations on the parallel agreements are concluded, some US legislators are already proceeding with hearings on various aspects related to the treaty. In mid-March, Rep. George Brown (D-Calif.) proposed a set of labor and environmental guidelines which would apply to NAFTA and to any trade agreement the US negotiates in the future. Under Brown's bill, seeks punitive measures could be taken against any systematic denial or violation of labor rights and environmental abuse. The measure also calls for creation of a trinational dispute panel to hear petitions on labor and the environment filed by non-governmental groups. And on April 1, a Senate subcommittee heard testimony from workers who have been displaced by plant relocation to Mexico. One of those who testified presented a list of 197 companies that had moved their operations to Mexico since 1983. In offering his support for the those who provided testimony, subcommittee member Sen. Byron Dorgan (D-ND) warned that the benefits of NAFTA to the US economy will be offset by the "many disadvantages that the US should not have to accept." Uncertainty regarding NAFTA ratification in the US and Canada has affected progress of the treaty in Mexico. Opposition Sens. Porfirio Munoz Ledo of the Democratic Revolution Party (PRD) and Hector Teran Teran of the National Action Party (PAN) told La Jornada daily newspaper that President Salinas is waiting to see what action the US Congress and Canadian Parliament take before actually pushing for Senate legislation to ratify the treaty. In Mexico, only Senate approval is required for NAFTA to be ratified, while in the US and Canada, the treaty must be approved by two legislative chambers. Meantime, US, Canadian and Mexican trade negotiators met in Ottawa
on April 2 to discuss the agenda for a follow-up meeting in Mexico City on April 13. However, little progress was made on any of the issues on the table, such as protection of US jobs and the environment. In fact, the top trade negotiators did not attend the meeting, instead sending their deputies: Jaime Zabludovsky of Mexico, Charles Roh of the US and Keith Christie of Canada. According to sources from the Mexican delegation, concrete proposals will be presented at the Mexico City meeting, which will be attended by top trade negotiators Herminio Blanco of Mexico, Rufus Yerxa of the US and John Weekes of Canada. After the Mexico City meeting, the three countries will hold follow-up ministerial-level sessions every two weeks, led by Trade Secretary Jaime Serra Puche, US Trade Representative Mickey Kantor and Canadian Trade Minister Michael Wilson. Meanwhile, Kantor and Wilson met on April 3 to discuss the US-Canada Free Trade Agreement. However, the two were unable to resolve ongoing bilateral disputes related to steel, beer, lumber and durum wheat. Kantor and Wilson both reiterated their support for NAFTA. Many of the provisions in the US-Canada accord will be carried over into NAFTA. (Sources: La Jornada, 03/09/93; Journal of Commerce, 03/29/93; Agence France-Presse, 04/01/93; Reuter, Washington Post Foreign Service, 04/03/93; Notimex, 04/01/93, 04/02/93, 04/04/93, 04/05/93)

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