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Update On Nafta Developments
by Carlos Navarro

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On May 13, leaders from Mexico's three largest unions met with the government's top trade negotiators to demand that the government avoid sacrificing the country's sovereignty during negotiations over parallel accords for the North American Free Trade Agreement (NAFTA). During a two-hour meeting at the Mexico City headquarters of the Labor Secretariat (Secretaria de Trabajo y Prevision Social, STPS), the leaders also asked NAFTA negotiators Jaime Zabludovsky, Herminio Blanco, and Norma Samaniego to reject any US or Canadian efforts to increase protectionism or to reopen the original NAFTA for negotiation. The labor groups were represented by Juan Moises Callejas and Alfonso Sanchez Madariaga from the Mexican Workers Confederation (Confederacion de Trabajadores de Mexico, CTM), Mario Suarez from the Workers Congress (Congreso del Trabajo, CT), and Roberto Castellanos Tovar from the Revolutionary Worker and Campesino Confederation (Confederacion Revolucionaria de Obreros y Campesinos, CROC). Also present at the meeting was Labor Secretary Arsenio Farrell, who promised that workers would be consulted and negotiations "would not proceed behind the backs" of Mexico's labor unions. Meanwhile, the latest round of ministerial negotiations on the NAFTA parallel accords, originally scheduled for May 12-13 in Ottawa, was postponed in order to give negotiators more time to prepare their positions. The meeting was rescheduled for May 19-21. According to news reports, technical negotiators for the three countries hope to consolidate their positions into a single text, which would allow for smoother negotiations when the ministers meet. Two days before the start of the talks, the Clinton administration announced that a proposal would be brought to the Ottawa negotiations seeking to create a stronger enforcement mechanism for labor and environmental matters. The Clinton plan proposes creation of two three-member panels with equal US, Canadian and Mexican representation to review each country's compliance with its own environmental and labor regulations. If two of the three members from the special labor or environmental panel determined that laws are not being enforced, the matter would be referred to arbitration. If an arbitration panel found violations, the two other countries would be allowed to apply sanctions. The administration's proposal won over at least one long-time NAFTA opponent, Sen. Max Baucus (D-Mont.). "I think the corner has been turned and I expect NAFTA to be enacted," Baucus told reporters. The administration's plan is also aimed at winning the support of another key legislator, House majority leader Richard Gephardt (D-Missouri). Gephardt, in a speech to an economists group in Washington on May 12, promised that he would work "day and night" for NAFTA ratification in the House if the treaty contained "effective" parallel agreements. On the other hand, Sen. John Danforth (R-Missouri), who had promised to lead efforts to consolidate Republican support for NAFTA if the parallel accords did not create mechanisms which would lead to burdensome new regulatory bodies, described the Clinton plan as a "terrible proposal." Danforth warned that, under the plan, NAFTA would wind up being used for "non-trade" issues such as environmental pollution with a series of disputes likely to become bogged down in the trinational commissions. However, Danforth did not say whether the Clinton proposals were enough to cause a loss of Republican support on NAFTA ratification. Despite the administration's new efforts to win over NAFTA detractors in Congress, not all members of Clinton's Democratic party are convinced that the treaty would benefit the US. On May 13, Rep. Collin Peterson (D-Minn.) announced the
formation of a 24-member anti-NAFTA caucus in the House of Representatives that will work to defeat NAFTA, regardless of the outcome of negotiations on the parallel agreements. The coalition, which is seeking to replace the treaty with a "North American Fair Trade Agreement," announced a strategy to use national and local media to combat the "disinformation" campaign launched by multinational corporations and to communicate with other congressional members through hearings to demand that NAFTA be renegotiated. "We should have a free trade agreement with Mexico but it must keep American workers and our environment safe," Peterson said. "NAFTA fails to do this." The House anti-NAFTA caucus immediately began efforts to defeat NAFTA. On May 17, the coalition accused US Trade Representative (USTR) Mickey Kantor of violating US laws by using government funds to organize a coalition of governors, mayors, and state legislators in support of NAFTA. However, Kantor's office immediately denied the USTR had acted inappropriately. "At no time did anyone at USTR directly or indirectly ask any individual to lobby the Congress," the agency said in a statement. "No US officials will be involved in staffing or funding the activities of this group." One strategy of NAFTA opponents is to emphasize the lack of US public support for the treaty. In one opinion survey, conducted by the Gallup organization in March for USA Today newspaper and Cable News Network (CNN), 63% of respondents said they opposed NAFTA, compared with 57% in a similar poll conducted in September. Of the respondents, 31% said they support the treaty, down from 33% in the September poll. In Mexico, on May 10, Trade Secretary Jaime Serra Puche urged members of the business, agricultural and labor sectors to remain calm in the face of recent widespread publicity regarding growing opposition to NAFTA in the US. The next day, he told participants at a meeting of the Harvard Business School Club that negotiations on the parallel agreements are on schedule, adding that the text for a final accord should be completed by the end of May or the beginning of June. Kantor confirmed that negotiations were on track in testimony before a US Senate subcommittee on May 12. He said the Clinton administration was hoping to submit NAFTA to Congress for ratification before the July congressional recess. In Canada, a special parliamentary committee established to examine the language used in the NAFTA text reported that so far, their only problem with the treaty is in the section on copyrights. The committee is searching for a way to address its concern without changing the language of the treaty, as promised by the administration of Prime Minister Brian Mulroney. (Sources: Congress Daily, 05/05/93; Reuter, 05/07/93, 05/13/93; El Nacional, 05/10/93; Notimex, 05/11/93, 05/13/93; La Jornada, 05/12/93; "Congressional Anti-NAFTA Caucus: Statement of Principle," 05/13/93; Washington Post, 05/14/93; Associated Press, 05/15/93; Financial Times (London), 05/17/93)

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