

PRESS RELEASE

It's time to rescue and defend Mexico by putting an end to NAFTA

Mexico City. January 11, 2011: The North American Free Trade Agreement (NAFTA) was implemented on the first of January 17 years ago, an anniversary that just passed by and that most Mexicans were unaware of. Not surprising really since NAFTA isn't something to be celebrated. Rather this deal should be roundly condemned as an action taken by the Mexican government that has led to the dismantling of our industrial infrastructure, the loss of thousands of jobs, and the deepening of poverty. And as if that weren't enough, the country has lost its food sovereignty and has seen its rural agricultural base decimated.

Alejandro Villamar, a member the Executive Council of the Mexican Action Network on Free Trade (RMALC acronym in Spanish) says "I don't know anyone in their right mind who after 17 years would say that the government got it right. Today even industrialists are willing to say that the deal has been a crap-shoot with businesses going under, companies being shuttered, and jobs destroyed".

It is shameful that we now import 46 per cent of all the food we consume in this country. Shameful as well that we are down to producing 20 million tons of corn while having to import a further 12 million tons of subsidized (U.S.) corn - leading inexorably to the destruction of both small farmer and indigenous economies.

"And then the government is apparently *shocked* by the fact that so many people after being deprived of their livelihoods in the rural areas, seek to better their lives by heading to the cities, or by going north and thereby putting their very lives at risk", states Villamar.

Alberto Arroyo Picard, a researcher at the Autonomous University of Mexico and also a member of the Executive Council of RMALC adds, "Hidden behind the propaganda lauding the growth in exports and increased direct investments is the reality that those export sales are built on prior imports, and that all of this has led to the disintegration of the country's chains of production while our productive infrastructure is being denationalized. Under NAFTA Mexico hasn't morphed into an exporting powerhouse, rather it serves as a platform for transnational corporations to do their exporting from".

Following a meeting held in Mexico City on the 10th of January, the NAFTA Free Trade Commission Ministers repeated a list of supposed benefits accruing from this commercial agreement, this despite NAFTA having failed to meet its own objectives.

Mexico's Economy Secretary Bruno Ferrari, U.S. Trade Representative Ron Kirk, and Canadian Minister of International Trade Peter Van Loan, together advanced the argument that opening up the borders and eliminating any remaining regulatory controls over commerce and investment are key principles that need to be deepened in order to make the North American economy more competitive. They claimed that NAFTA is the "catalyst for our economic recovery". However, they seem to have forgotten that the

economic model that this treaty is built upon is precisely the one that has caused the global crisis that we are now experiencing.

For RMALC these last 17 years have pointed out just how hollow government promises were when NAFTA was signed. At that time the officials were working to convince the public that NAFTA was going to be Mexico's ticket to becoming a first world country replete with better salaries, better jobs, and enhanced industrial capacity, etc. Paradise was surely at hand!*

Even though NAFTA has meant that Mexico's integration with the U.S. has been as a subordinate resulting in the loss of national sovereignty, the current government is not only insisting on deepening this dependency but it is also seeking to rekindle the North American Competitiveness Council (NACC) made up of the top CEOs from the three countries - a grouping originally struck under the Security and Prosperity Partnership (SPP).

For Mexico's Economy Ministry it is very important to count "once again on recommendations coming from the region's private sector". In other words, the Ministry wants to get its marching orders from the heads of U.S. and Canadian transnational corporations plus the 10 Mexican corporate heads (NACC members) – all of whom the Ministry would call on to help shape national policy. In making this request of the private sector the Mexican government is clearly showing a foolish willingness to submit to that sector's dictates.

The government is not even capable of adopting forceful measures when faced with the controversial halting by the U.S. of cross-border trucking. Rather, the government appears to be willing to accept the U.S. proposal for a 'pilot program' (not an option found in the NAFTA) with inspections and supervision (of Mexican trucks) to take place at the pleasure of the U.S. government.

For these and many other reasons RMALC believes that all Mexicans need to express their opposition to these types of developments. The time has come to rescue and to defend our Nation.

Press contacts: Marco Antonio Velásquez - secretario.rmalc@gmail.com , Alejandro Villamar - avillamarc@hotmail.com .

*RMALC has published a series of occasional papers that point out the negative impact that NAFTA has had on most Mexicans – these can be searched for (in Spanish) under the Seccion de Libros on the web page www.rmalc.org.mx .

Translation: Rick Arnold. Common Frontiers-Canada