Dateline Mexico by Carlos Cota Meza

Salinas vows loyalty to 'free trade'

But in return for his professions of support for annexing Mexico to the U.S., he is getting only more speeches.

President Carlos Salinas de Gortari, during his visit to Washington, D.C. June 10-12, boasted to an audience of 200 members of the elite Business Roundtable of his zealous personal efforts to bring Mexico into a Free Trade Treaty with the United States. Salinas tossed out his prepared speech and spoke extemporaneously instead, telling the audience what he has not dared to tell his fellow citizens: that to achieve the reprivatization of the Mexican banking system, "I had to convince my own party to back it, after they had agreed just a few years ago with the nationalization of the banks."

As *EIR* has reported, the decision to move toward such a Free Trade Treaty will effectively annex the Mexican economy to that of the United States, as a "free-market" sweatshop for runaway American businesses seeking cheap labor. The treaty is in the true interests of neither Mexico nor the United States. As the AFL-CIO Executive Council pointed out in May, "A free trade agreement will only encourage greater capital outflows from the U.S. and bring about an increase in imports from Mexico. . . . It will also do little to improve the lives of Mexican workers."

Salinas told the Roundtable, "I decided to take this step earlier than I had planned, because transformations globally made it obligatory." The combined markets of Canada, the U.S., and Mexico, he said, "would be the greatest and leading world market," greater than that of Europe.

However, despite all of Salinas's speeches, George Bush has offered nothing more than a green light for "preliminary and informal discussions" intended to coalesce sometime in 1991, *after* the Uruguay meeting of the General Agreement on Tariffs and Trade. At the GATT meeting, Mexico is expected to serve as a battering ram for the U.S. Commerce Department against Brazil and India, which are refusing to accept "liberalization of financial services," as the free trade ideologues demand.

Mexican officials have already stated that they "will not ally with the hardliners [Brazil and India], since Mexico has already liberalized these services quite broadly."

Inside Mexico, there are various signs of discontent with Salinas's decision to annex Mexico to the United States. Columnist Miguel Angel Granados Chapa wrote June 11, "Last night, President Salinas celebrated with President Bush the 40th encounter between heads of state of those two nations. The list, of course, only includes voluntary meetings and therefore excludes those against the will—such as when Antonio López de Santa Anna was taken prisoner and brought to Washington by Andrew Jackson in 1837."

Santa Anna is the Mexican President who in 1848 lost half of Mexico to the United States.

The next day, Granados Chapa acknowledged in his column that what he had written had upset some of his friends, and that he was declaring "solemnly that I never at any time intended to make such a comparison."

In his search for foreign funds to salvage his failed economic policies, Salinas will begin a trip to Japan on June 16. But his prospects are not good. The weekly *Proceso,* in its June 11 issue, presented a report on how Japan's business community views Mexico: as the guinea pig for U.S. Treasury Secretary Nicholas Brady's "debt-restructuring" experiment—and not much more.

Hiroito Seki, director of the Latin American Department of Japan's Foreign Ministry, told *Proceso,* "Japan will never be a card that Mexico can play with the United States. In any case, no matter how much Mexico diversifies its relations, it will never abandon the close ties it has with the United States, and they know it very well."

Hajime Hatanoa, director of the Latin American trade relations department of Japan's Ministry for International Trade and Industry, said: "Mexico is not just a trampoline. But it is true that the majority of Japanese investors in Mexico aim at the U.S. market. . . . The Mexican market isn't very important yet."

The daily *Excélsior* warned June 12: "If Mexico's new economic development model based on foreign markets has already been decided, the only thing that can be repeated tirelessly is that it is the internal market which provides the votes, the stability and the permanence of any government."

But the internal political situation is not high on the Mexican President's agenda. Rather, he is tormented by the prospect of competition from the formerly communist states of Eastern Europe. According to the *New York Times,* "What Mr. Salinas did not foresee . . . was that Communism would collapse in Eastern Europe, and would present Mexico with a new collection of rivals." This is what forced Salinas to seek annexation "earlier than planned."