

Abstract

of paper proposed for the

Commission for Environmental Cooperation's
**North American Symposium on Understanding
the Linkages between Trade and Environment**

The Impact of the Free Trade Agreement on the Mexican Economy and Environment

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The effectiveness of a commercial agreement between countries with such pronounced political, economic, social and cultural differences has been the object of opposing opinions, even before the document was signed. These very differences have constituted a window of opportunity for Mexico in this mutual exchange.

Those who considered that NAFTA would bring rapid growth to all levels of the Mexican economy have had to recognize that five years after the signing of the agreement, the results of the analysis indicate there has not been balanced development between the industrial and import/export sectors, in the generation and development of new jobs and in the agricultural and health sectors.

Nonetheless increasing trade relations, especially with the United States, have provided some good experiences resulting in increased import/export levels, the budding development of small- and medium-sized businesses and the incursion of service provider enterprises in the international market.

The central problem rests on the fact that these benefits have not resulted in production or distribution systems for goods that respect the appropriate use of the land, that permit the sustainability of natural resources or generate environmentally friendly products; consequently the ecological cost has turned out to be very high.

The industrial and commercial sectors must assume greater responsibility for the protection, conservation and defense of the environment, with the understanding that this can not be considered a patrimony confined within territorial borders, but rather as something universal which affects the health and quality of life of each and every one of the inhabitants of this planet.

The expenditures carried out in order to preserve ecological equilibrium are investments that besides permitting sustainable development, also guarantee the continuity of the means of production and consumption. This is clearly where the window of opportunity exists and as such it is of special importance to establish government stimuli and incentives that support this effort.