

THE IMPACT OF WTO RULES ON MEXICO: KEY ISSUES AND CONTACT GROUPS

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HOW DO WORLD TRADE ORGANIZATION (WTO) RULES IMPACT COMMUNITIES IN MEXICO? What follows are the names of Mexican organizations that are active on key WTO issues. International Forum on Globalization is including many of these groups and topics in our September 9 Cancun Teach-In.

TOURISM

Environmentalists in the Cancun region have scored several recent victories against “industrial tourism,” including the establishment of zoning laws that determine who can build what and where. Also, Cancun’s new Green Party mayor was recently elected in part on a platform of regulating out-of-control development. But foreign hotel, restaurant, and tour operators are responding by using the WTO to weaken local laws. In May, the United States Trade Representative (USTR) announced that one of its top priorities for Cancun is advancing the liberalization of “tourism services” under the General Agreement on Trade in Services (GATS). The American Hotel and Lodging Association, a top advisor to the USTR, wants to eliminate a number of “regulatory obstacles” via GATS, i.e., the very policies ensuring that local communities retain some benefit from foreign tourists. The European Union has made a formal GATS request to Mexico to entirely eliminate the need to obtain a permit to establish a hotel, restaurant, or tour operation in the country.

Key Mexican Groups: GEMA (Grupo Ecologista of the Yucatan Peninsula) and SAQROO (Environmental Network of the State of Quintana Roo)

FOOD AND FARMING

Mexico’s farming communities need no introduction to the problems of free trade thanks to the North American Free Trade Agreement (NAFTA). The liberalization of corn and grain markets was supposed to be gradually phased-in over fifteen years, but instead it was accelerated to eighteen months. While rich nations increased export subsidies, Mexico lowered import barriers while reducing state assistance for farming equipment, seeds, and marketing. Agreement on how to deal with the WTO’s rules for agriculture is expected to be the linchpin for any and all deals in Cancun. Recent demonstrations by over 100,000 small farmers in the capital have compelled the Mexican government to impose countervailing tariffs against US imports. Recently, the U.S. filed a WTO challenge against Mexico for violating rules on anti-dumping measures. Mexican small farmers will be mobilizing for Cancun to demand that trade rules allow governments of national and local communities to limit imports and/or exports to protect small farmers’ livelihoods, safeguard food security, and conserve natural resources.

Key Mexican Groups: UNORCA (National Union of Regional Campesino Organizations), ANEC (National Association of Campesino Marketing Enterprises) and CECCAM (Center for the Study of Mexican Campesinos)

WATER

Cancun’s water was partially privatized in the mid-nineties, with an Enron subsidiary winning the contract. Since changing hands to the subsidiary of a German company, promises of expanded services and cleaner water have gone unmet. Local scientists have certified that water has been delivered dirtier than before privatization, with water bills as much as four times higher than before. While locals campaign to release the terms of the

contract, the WTO's "water services" talks could advance in Cancun, allowing privatization to deepen, or even prohibit the return of the private contract to public control. The international peoples' movement to stop water privatization has made the WTO in Cancun a target for action this year, and it aims to use the local example that shows why the governments must adopt policies that ensure "Water for All."

Key Mexican Groups: Comité Bienvenida Cancun (Cancun Welcoming Committee)

BIOPIRACY

Indigenous communities in southeast Mexico and Central America are leading a growing resistance against Mexican President Fox's proposed "Plan Puebla Panama (PPP)," which would create a protected biological corridor from Mexico to Panama, offering the region's legendary genetic diversity to bioprospectors. IFG has been working with local groups to draw the links between PPP and WTO, whose Agreement on Trade Related Intellectual Property (or TRIPS) is the global mechanism that makes the privatization of biodiversity legally possible. The WTO is reviewing TRIPS' relationship to the United Nations' Convention on Biological Diversity (CBD) because it conflicts with the rights that indigenous peoples sought to establish in the CBD to protect biodiversity and traditional knowledge. African nations are proposing that TRIPS be changed to prohibit patents on life.

Key Mexican Groups: Grupo ETC.—Mexico, CIEPAC (Center for Economic and Political Studies) and RMALC (Mexican Action Network on Free Trade)

LAND PRIVATIZATION

Centralizing control over land is a concern that most Mexicans share, since the fruit of the Mexican Revolution was land redistribution. But Mexico's indigenous, forest, and farming communities have been fighting off a national program called PROCEDE, which aims to privatize communal lands by certifying each owner, who then becomes free to sell his or her individual parcel. While this has been widely rejected in the rural regions surrounding Cancun, people expect the international pressures to privatize will only increase. The WTO's biggest decision in Cancun (whether to liberalize investment) could deepen land privatization in Mexico by, for instance, banning communal ownership as "discriminatory" and removing restrictions on who could buy land, and how much land one could own.

Key Mexican Groups: (Nearly all indigenous, forest, and farming groups are active on this issue.)

GENETICALLY ENGINEERED (GE) FOODS

The discovery of genetically engineered corn in the southern states of Oaxaca and Puebla has alarmed many Mexicans as a move by the U.S. to undermine Mexico's position as the origin of the maize genome. But Mexico's efforts to isolate, separate, and regulate GE corn in Mexico must conform to the WTO's strict but unclear rules governing measures for food safety and labeling. Mexican groups are calling for the implementation of the UN's Cartagena Protocol on Biosafety, which declares that nations have the right to regulate GMOs. The recent WTO challenge by the U.S. against the EU's moratorium on GE foods has added fuel to the fire. The WTO's Committee on Trade and Environment is mandated to deliver a report in Cancun determining whether or not "labeling for environmental purposes" is a barrier to free trade, and if new WTO rules are needed to restrict their use.

Key Mexican Groups: Grupo ETC.—Mexico, UNORCA (National Union of Regional Campesino Organizations) and CEMDA (Center for Mexican Environmental Law)

FORESTS

Mexico is a microcosm of the struggle between two possible futures for forestry worldwide: Global corporate forestry or local community-based forestry. At least 15 Mexican communities are fighting against unregulated U.S. logging companies lured by NAFTA. At the same time, 25 forest communities have certified as sustainable

over one million acres of forest. At least two decisions in Cancun could determine which model advances: 1) whether or not to liberalize foreign investment, which could open up more native forests to foreign logging; and 2) whether or not to restrict or even prohibit the use of eco-labels, which several communities near Cancun have worked hard to achieve. If the WTO usurps authority over eco-labels, it would determine the fate of many communities who have made hard sacrifices to earn certification as sustainable forest producers. The voices from Mexico's forest communities speak to the impacts of liberalizing foreign investment, as well as the need to defend the space for real alternatives to emerge.

Key Mexican Groups: OEPFZM (Organization of Communal Forest Producers of the Zona Maya), MOCAF (Mexican Organization of Campesino Forest Producers), UCIZONI (Union of Indigenous Communities in the Tehuantepec Isthmus) and RMALC (Mexican Action Network on Free Trade)

FISHERIES

While Mexico's fishing communities have yet to see it happen, the privatization of fisheries resources is being introduced in neighboring nations. The WTO's decision whether or not to liberalize investment could open up local fishing grounds to foreign factory trawlers. Talks on market access could intensify overfishing of endangered stocks and weaken measures for conserving fisheries resources or protecting traditional fishing communities. The WTO's mandate on fisheries subsidies may also threaten state assistance (*fideocomisos*) for local cooperatives. The World Forum of Fishermen (WFF) is working with their Mexican counterparts to include the participation of local fishing communities.

Key Mexican Groups: FCPAQR (State Federation of Artesanal Fishing Cooperatives)

ENERGY

Privatization of Mexico's state-owned oil company (PEMEX) and electricity delivery services are highly controversial issues, and a global trade summit advancing the privatization of "energy services" under GATS attracts much attention. Southern Mexico's rich petroleum resources are also at stake, as energy services liberalization would allow U.S. companies to access more exploration and drilling opportunities in the region. There is currently no organized effort to monitor or influence WTO negotiations on energy services. While President Fox repeatedly states publicly that there will be no privatization of energy or electricity in his administration, Mexico will have to take a position in Cancun as to whether or not WTO should begin negotiations to liberalize foreign investment and increase competition for state-owned enterprises.

Key Mexican Groups: RMALC (Mexican Action Network on Free Trade) and Cancun Welcoming Committee

ACCESS TO ESSENTIAL MEDICINES

Powerful developing nations, like Brazil, South Africa, India, say they will demand the resolution of the TRIPS dispute over access to essential medicines before agreeing to anything in Cancun. The International Forum on Globalization is helping Mexican groups to link to this debate and develop a presence in Cancun. Also of great interest to Mexicans are the GATS negotiations that could privatize Mexico's public health care system. In a two hour meeting with state leaders of Mexico's labor union for doctors and nurses, IFG presented an overview of the GATS issues for health care, provided fact sheets in Spanish, and shared links to key international networks campaigning on the issue.

Key Mexican Groups: National Union of Public Service Medical Professionals (SNTSS) and Human Rights Center Miguel Agustín PRO ▲