

Bits & pieces

Carlos Fuentes awarded. In Paris, Mexican writer Carlos Fuentes was awarded UNESCO's Picasso Prize for his contributions to popularizing Spanish culture. During the ceremony Fuentes gave a remarkable lecture—entitled "Baroque, the Founding Art of the New World"—in which he stressed that Latin America's magnificent cultural potential contrasts with its economic and political difficulties, and called for a revision of the concept of modernity—which until now has involved the destruction of forms of knowledge and relations with nature—in order to build a multicultural world with roots in new forms of *mestizaje*.

FotoFest. The fifth biennial FotoFest will be held in Houston, Texas, from November 10-30. This international photography festival is held in high esteem in the United States because of its innovative, artistic character. This year, the works of 39 contemporary artists will be shown in an exhibit devoted to three themes: "The Global Environment"; "Fashion: Orthodox and Unorthodox"; and "American Voices: Latino/Chicano/Hispanic Photography in the U.S."

American Voices is a show which, for the first time, brings together the broadest photographic work of a generation that arose from the immigration of Mexicans, Puerto Ricans and Cubans to the United States. The exhibit is a joint effort by historians, curators and photographers to show the daily life of a new culture which is acquiring its own voice in the United States.

A bit of breathing room for Cuba. Canada renewed its human aid and development programs for Cuba, which it had suspended 16 years ago due to the Caribbean country's involvement in the Angola war. Canada and Mexico are the only countries in the Americas which never broke diplomatic and trade ties with the island despite the 1959 victory of the revolutionary movement led by Fidel Castro. Canadian officials came out for encouraging peaceful political change in Cuba while stating that the U.S.-imposed embargo, rather than producing a change of regime, has brought the Cuban population to a state of stagnation.

Interests, Power and Income Distribution in Highly Asymmetrical International Economic Relations: Mexican Relations with the United States and the North American Free Trade Agreement (NAFTA)

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This study seeks to determine why Mexico's foreign economic policy changed from a considerable level of protectionism to

policies of free trade and investment. This drastic change reflects the interests of an increasingly powerful transnational coalition that includes governments of industrial nations, multinational corporations and the international financial community, allied with a small outward-oriented, Mexican elite group that supports the "neo-liberal" adjustment conditions imposed by the International Monetary Fund (IMF).

The transnational coalition prevailed because the Mexican state—as well as unorganized domestic-oriented sectors—had lost power as a consequence of the country's increasing commercial, technological and financial dependence. This became evident during the 1982 debt crisis and the persistent liquidity shortages of the long-drawn-out adjustment period. Such a pattern is evidence of the applicability of "dependency theory."

As bankruptcy and internal pressures from transnational "domestic" groups drastically reduced its bargaining position, Mexico faced the difficult choice between retrenchment or facing an international economic blockade.

Mexico's high levels of elite consumerism and inefficiency caused expanding current account deficits and a growing need for foreign capital inflow. Expanded payments to foreign enterprises, together with further decapitalization, led Mexico into successively deeper cycles of dependence and denationalization.

The power of Mexican players, relative to foreign ones, has consequently declined. This has encouraged the transnationalization of Mexico's interest groups and the fragmentation of its elite, further eroding bargaining power.

The policies of adjustment and openness imposed on Mexico by the IMF have damaged the nation's infrastructure and productive capacity, exacerbated income polarization and worsened poverty, unemployment, and social pressures. They have also stimulated further consumerism by the upper classes and promoted foreign investment that sustains an overvalued peso and growing current account deficits, signifying further denationalization and dependence.

Given Mexico's extremely low relative bargaining power, NAFTA "negotiations" are characterized here as unequal. This may lead to political instability in Mexico, disrupting the trade agreement.

NAFTA could be positive for Mexico. But this would require cohesion within the elite, social solidarity, and government policies that would reverse current proclivities toward consumerism and expand investment in human and physical resources, through higher domestic savings in order to improve social capitalization and efficiency. Social coherence and domestic savings are the fundamental factors for expanding development and external bargaining power **M**