

target of U.S. antidumping actions, and it hoped that a free trade agreement would lessen the pressures on Canadian exporters (see del Castillo and Vega 1995).

A second deficiency in the NAFTA is that it does not allow for "industrial policies." This focuses attention on subsidies, technical standards, and government procurement policies, which all countries in the region use to foster development through research and development and so on. The Uruguay Round and the new WTO are beginning to address these issues; for example, there is now a classificatory scheme for subsidies (defined as "an action by a national or sub-national government that bestows a financial benefit") that specifies how various kinds of subsidized export products should be treated (Morici 1996). Because many Uruguay Round and WTO rules and procedures like the subsidies classification are not incorporated within the NAFTA, in late 1995 the Canadian government asked that a working group be set up within the NAFTA to resolve subsidies issues, without which the principle of market access would be no more than a sham.

The third deficiency relates to the NAFTA's "newborn" status. Because the NAFTA is still embryonic, it is vulnerable. Perhaps the most significant danger is that the agreement could become the stepchild of special interest groups exercising pressure in Washington, Ottawa, or Mexico City. Because pressure tactics often are effective with weak or receptive governments, the danger is that whenever the interests of a special group are threatened by the process of free trade, that group will take action to prevent the implementation of the offending provision.

Some cases may serve to illustrate this point, including the Clinton administration's failure to implement (as of December 1996) the transport services provision of the NAFTA, which is to allow Mexican and U.S. truckers to handle cargo on a transborder fashion. This provision was not implemented in a timely fashion because of successful lobbying by the Teamsters' union, whose members objected to Mexican competition. The delay was, in effect, a reward for the Teamsters' support in Clinton's reelection campaign. In a similar vein, Southern California avocado growers objected to the import of Mexican avocados; the U.S. Department of Agriculture bowed to the pressure, citing a parasitic threat as its justification for forestalling avocado imports. It was not until the time of this writing (February 1997) that Mexican avocado growers finally gained access to limited sections of the U.S. market. In neither of these two cases did