

footwear, and construction products: each of which receives continuing priority. The incremental investment from the industrial planning and priorities established is expected to increase from \$1.9 billion in 1981 to almost \$13 billion in 1990, with differential effects on the range of priority sectors (Tables 7 and 8).

The Global Plan, an integration of several previous development plans (including industrial development, urban development, tourism, fisheries development, employment, and science and technology), reinforces these priorities and establishes growth projections for major industrial sectors. It forecasts annual improvements in growth for socially-necessary goods, capital goods, chemicals, mining and construction (Table 9) and supports the growth targets with incentives, policy tools, regulations and direct investment guidelines.

It therefore becomes very clear that the emphasis of the remaining two years of President Portillo's term will be focussed on the economic means to reach social goals, using oil wealth as the fulcrum, and industrial development as the lever. Within such a framework lie Canadian export prospects which must not only capitalize on opportunities identified by the National Plans but also reflect consistency with the stated Mexican goals.

The framework, in some respects however, is only a short term (2 year) phenomenon. In the past, a change in the presidency has heralded a corresponding adjustment in both the Mexican bureaucracy and in policy direction. Although there is reason to believe that such a shift is less likely to occur in the succession from President Lopez Portillo's administration to a new head of state, the possibility of policy adjustments must be kept in mind in longer range planning and also in forecasting the nature of bilateral relationships between Mexico and its trading partners.

4. Trade Policy

Because the Mexican government has such a strong influence on the domestic economy (accounting for approximately 40 percent of all imports), its trade policy has added importance to Mexico's major trading partners. Unlike most industrialized markets, success in dealing with government agencies is often a more important key to export growth than private sector opportunities.