

MEXICO

Official Name: United States of Mexico
Capital: Federal District of Mexico
Head of State: Carlos Salinas de Gortari¹
Foreign Minister: Fernando Solana Morales²
Trade and Industry Minister: Jaime Serra Puche³

DOMESTIC SITUATION

Since his election in 1988, President Salinas has undertaken sweeping domestic political and economic reforms. The President will designate his successor in January or February 1994 to run in the presidential elections scheduled for August 1994.

Despite many continuing difficulties, Mexican economic performance in recent years has been impressive; it has progressed from severe, debt-driven crisis to economic health and promise in a relatively short time. The NAFTA is a centrepiece of Mexico's economic strategy, and the Salinas government has staked enormous political prestige on a successful outcome.

CANADIAN INTERESTS

i) Trade and Economic

Two-way trade valued at \$3.5 billion annually runs almost four to one in Mexico's favour. Mexico is Canada's second largest partner for two-way trade in the hemisphere after the U.S. Mexico is Canada's 15th largest export market (\$800 million in 1992) and the fifth largest source of imports (\$2.7 billion in 1992). Canada is Mexico's ninth largest foreign investor, and its number four export market. The bilateral momentum will continue, whatever happens to the NAFTA.

A growing shared interest is the management of relations with the United States, given the degree of economic activity and other linkages between both Canada and Mexico with the U.S. The nature and conduct of this shared interest will depend heavily on the outcome of the NAFTA process.

¹ Address as Mr. Salinas.

² Address as Mr. Solana.

³ Address as Mr. Serra.