

Mexico's total production in tons of non-binder products was as follows between 1985 and 1989:

| PRODUCT | 1985 | 1986 | 1987 | 1988 | 1989 |
|----------|--------|--------|--------|---------|--------|
| Resins | 43,483 | 30,410 | 44,180 | 43,443 | 38,288 |
| Esters | 8,171 | 7,384 | 6,257 | 8,914 | 3,047 |
| Resinols | 1,970 | 3,912 | 2,129 | 1,389 | 1,081 |
| Wax | 657 | 2,088 | 1,387 | 1,983 | 1,352 |
| Gum | 189 | 220 | 392 | 248 | 824 |
| Other | 14,987 | 17,022 | 17,829 | 22,812 | 31,442 |
| TOTAL | 67,834 | 61,049 | 73,204 | 108,788 | 74,088 |

The decrease in production during 1989 is due to the longstanding and structural problems of Mexico's forestry sector described above, in addition to a lack of policy definitions by the central government, the trade liberalization policies which have brought about a strong competition of imported wood products, and a decrease in technical services for the forestry sector.

4.3 TRADE BALANCE

Total imports of materials and manufactured products increased 15% during 1989, from \$44.7 million to \$51.7 million, mostly because local production was unable to cover demand due to the above mentioned factors. This upward trend in imports has been for since 1982, when imports were at their all time low of \$7.8 million as a result of the economic crisis and the high import barriers imposed by the government at the time. Imports have steadily increased since then, although 1985 showed a slight decrease brought about by a reduction in imports of pulp and paper waste products used in the manufacture of paper.

TABLE 2
MEXICO'S IMPORTS OF WOOD AND LUMBER PRODUCTS
(000 U.S. dollars)

| | 1985 | 1986 | 1987 | 1988 | 1989 |
|-------------------------------|--------|--------|--------|--------|--------|
| RAW MATERIALS | 37,812 | 28,349 | 32,349 | 37,812 | 34,058 |
| Firewood & charcoal | 239 | 189 | 189 | 239 | 2,487 |
| Wood squared | 902 | 1,482 | 1,482 | 902 | 2,480 |
| Lumber with a primary process | 88,388 | 24,702 | 24,702 | 88,388 | 48,112 |
| MANUFACTURED WOOD | 18,308 | 17,181 | 17,181 | 18,308 | 32,532 |
| Boards | 2,418 | 11,238 | 11,238 | 2,418 | 22,529 |
| Other | 7,888 | 2,902 | 2,902 | 7,888 | 9,974 |