

Many larger companies, especially those based in the United States, operate their own training centres in Mexico. This includes the "Big Three" automakers as well as IBM, DuPont, 3M, Kodak and other companies using advanced technologies. Training centres are operated by a number of industries, and by some major Mexican corporations, including *Petróleos Mexicanos (PEMEX)*, the national oil company. These centres may be seen as competitors or customers depending on the product offered.

Other companies buy training services from independent providers, some of which are based in the United States. In the management training field, General Physics Service and the American Management Association are frequently mentioned as important players. Hemphill Schools and National Schools are active in the technical training area.

## TRENDS AND OPPORTUNITIES

*The economic crisis has placed greater emphasis on price competitiveness. But at the same time, it has increased the need for the skills needed to modernize the Mexican economy.*

The most important recent development in Mexico was the devaluation of the peso. The new government of President Ernesto Zedillo came to power on December 1, 1994. Three weeks later, during the Christmas holidays, it abruptly stopped supporting the peso. Within days the peso had lost one-third of its value, and by the time it eventually stabilized it was worth less than half its former value relative to the US dollar. The secretary of finance was forced to resign in the wake of the severe economic crisis that followed.

The devaluation has had two conflicting effects on the demand for educational services. On one hand, it severely curtailed the ability of Mexican companies, educational agencies and individual learners to pay for imported goods and services. As a result, imports of educational services fell by an estimated 25 percent during 1995.

On the other hand, the devaluation dramatically improved the competitive position of Mexico's export industries. Mexico's merchandise exports surged by almost 30 percent in the first nine months of 1995. To take advantage of this export boom, many Mexican companies have been forced to modernize so they can meet international quality standards. The crisis has also forced a general rationalization of the Mexican manufacturing sector. These trends have increased the need for all types of education and training, which was already in strong demand because of the liberalization of trade which began in the late 1980s.