

(three) main languages, with transactions across national boundaries using three (or four?) national currencies.

This new "domestic market" exists within a global economic system with its own dynamics and "rules of the game." As firms increasingly venture beyond the confines of their domestic economy into the North American domestic market and discover its advantages, pressures will build to expand this framework to include other, and perhaps most, of the nations of the Western Hemisphere. In order to succeed in these new markets, key actors in North American firms must acquire: (1) working knowledge of the dynamics of the global economic system (its history, institutions, and mechanisms), (2) familiarity with the history and socioeconomic structure of each potential trade partner, and (3) communication skills, including linguistic and cultural skills appropriate for the region. The need for such knowledge and skills holds important implications for designing business school curricula, foreign language programs, and internships (see Clement 1993).

There are, of course, many ways of doing business. A firm can enter a foreign market by buying goods from and/or selling goods to another country. Buying can be done by importing directly, by forming a joint venture with or acquiring an already established firm in another country, or by establishing a subsidiary in that country. Similarly, selling can be done by exporting directly through a distributor in another country or by licensing technology to a firm there, which will then produce the product. Joint ventures with another firm to produce a product in a foreign country is another possibility, as is establishing a subsidiary (Fraser 1992). Each option produces a different set of benefits and costs (less/more risk, less/more control, the promise of higher/lower long-term profits). The ultimate choice of how to do business is a function of both a firm's capabilities and the "comfort zone" of its management, employees, and board of directors.

The Mexican market, like many other Latin American markets, presents some unique opportunities that are currently not available in the United States or Canada. Mexican firms need technology and capital in order to modernize their operations, which have long stagnated under protectionism and high interest rates. Many Mexican firms are also in need of guidance on how to enter the Canada-U.S. market, already somewhat integrated through the CUSFTA.

Firms going into Mexico will also find some attractive attributes there. Mexican labor costs are low in comparison with those in the United States and Canada. Cheap