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## Mexicans balk at US factory inspectors proposed under trade deal, presenting obstacle to passage

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A public backlash in Mexico to provisions in the United States-Mexico-Canada Agreement on trade that would allow U.S. inspectors into Mexican factories has created a new obstacle to the trade deal's passage.

Domestic fears that the final version of the deal would require Mexico to cede sovereignty have forced President Andres Manuel Lopez Obrador's administration to toughen its stance against such provisions. Creating an enforcement mechanism has been a key stumbling block to getting the deal through Congress.

The controversy revolves around language being considered for USMCA that would allow U.S. inspectors into Mexican factories to ensure that the deal's labor rights provisions are being followed. Mexican businesses and Lopez Obrador himself became concerned that recent versions of the trade deal gave inspectors too much power.

Democrats have pressed strongly for extensive enforcement provisions and said a deal cannot be passed until the matter is addressed. The negotiations are ongoing, and the enforcement language has not been made public.

It's a sensitive issue in Mexico, particularly for the business community, said Earl Anthony Wayne, public policy fellow at the Wilson Center and a former U.S. ambassador to Mexico.

"I was in a number of meetings with Mexican business leaders, and they were very disturbed with what they had heard and the proposal that had recently come back to Mexico" from the U.S. talks, he told the *Washington Examiner*.

The business community felt the provisions would allow unfair targeting of factories and that allegations of misconduct would allow the U.S. to unilaterally impose sanctions and give no way to dispute them, Wayne said.

A statement by the Business Coordinating Council, Mexico's top business lobby, on Tuesday expressed "great concern" that there are some "extreme" labor demands in the agreement

Lopez Obrador had strong reservations, as well. "We don't accept that there should be some sort of inspectors checking on whether a company is sticking to what is established by law," he told reporters Tuesday.

The issue is potentially enough to get Mexico to walk away from negotiations, said Inu Manak, trade policy expert for the free market Cato Institute. "This is definitely a very touchy issue," she

said. “On their end, they see it as, ‘Hey, we’ve done the things you have asked us to do. And now you’re just asking for more and more.’”

Mexican Deputy Foreign Minister Jesus Seade, his country's lead negotiator, wrote in a column Wednesday for the newspaper *El Universal* that would be an "unacceptable" violation of his country's sovereignty. In a tweet the same day, Seade wrote, "I WILL NEVER accept anything that attempts against the interests + sovereignty of MX."

Seade was in part reacting to a column the previous day by *El Universal* writer Carlos Loret de Mola. “The Mexican federal government was about to cede sovereignty in exchange for the U.S. Congress ratifying the TMEC Trade Agreement,” Mola wrote. TMEC is the abbreviation for USMCA favored by the Mexican government and press.

Seade claimed in a tweet to Mola that his column was incorrect.

Lopez Obrador’s political opponents credited the business community with getting the government to back away. “It is a success that employers are heard. #México does not accept that the US enters the country to inspect our companies in exchange for the TMEC to be completed. We will not give up our sovereignty!” tweeted Mauricio Kuri, a Mexican senator representing the state of Querétaro.