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## Message from the President of Mexico, Vicente Fox

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### *Health of Nations*

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Mexico currently has a broad and dynamic international presence. The process of change in the global economic system has increased financial and commercial ties between countries, leading to growing interdependence. Mexico's economic development nowadays depends largely on the income generated by international trade, foreign investment and tourism, which in turn depend upon the state of the world economy.

International trade is one of the main engines of economic growth in Mexico. One third of our national products is made up of exports, and a significant proportion of highly paid, high productivity jobs with good working conditions are directly and indirectly linked to sales abroad. Indeed, Mexico has been the eighth largest exporter in the world for several years.

We have engaged in a series of negotiations of regional and bilateral trade agreements in the past ten years because of the potential for development that they offer. We now have 11 bilateral and regional trade agreements with 42 countries in three continents; and we have just concluded negotiations for another one, with Japan.

Positioning Mexico in the global economy is not an end in itself, but a means with which to promote the sustained socioeconomic development of our country.

Trade and investment go hand in hand. Foreign direct investment (FDI) has grown significantly in recent years: from an average of about US\$3.5 billion per year at the beginning of the 1990s to an average of \$12 billion per annum. This inflow of foreign resources has been attracted by the prospect of healthy profits, a high-quality labour force and a stable macroeconomic climate. In fact, Mexico ranked as the world's third largest recipient of FDI in 2003, and first in Latin America.

Furthermore, Mexico has actively promoted multilateral co-operation. In March 2002, we hosted the International Conference on Financing for Development where trade and investment, together with official development assistance, were core issues. We have been able to combine our commitments under bilateral and regional agreements with the principles of multilateralism. Open regionalism has been one of the key principles that Mexico follows and practises in all our trade negotiations. Indeed, at the Fifth World Trade Organization (WTO) Ministerial that we hosted in Cancún in 2003, Mexico played a lead role in bridging differences among WTO members in several key issues.

We will continue to work towards the completion of the Doha Development Agenda. Our position is simple: the success of the Doha depends upon the compromise and commitment of all

WTO members. Nor will there be a long lasting solution to international trade practices outside the WTO. Bilateralism is not a substitute for multilateralism, even if it complements it. We are at a crossroads in multilateral trade negotiations. Our nations, our people, are urging us to take the proper steps in the right direction.

Mexico's development agenda for the 21st century also comprises the new challenges posed by healthcare. As recently as in April, Mexico hosted an International Conference on Innovation to Health Financing. Health, as well as education, human rights protection, environmental sustainability and poverty alleviation, are the key priorities of our government.

The health of our citizens is not only an ethical responsibility, but also a central component for the development of human capital, to increase productivity and economic growth. It has a strategic dimension in terms of social equity as well.

Less than two years ago, Mexico passed amendments to the law on public health which created a health Social Protection System. Its key element is a new health insurance programme for our people. Before this reform, over 57% of Mexicans lay outside the formal health system and had to finance their own health needs. This was especially harsh on the poor.

With the new social protection system, it is expected that by 2006, five million Mexican families will benefit from the Programme. By then, all citizens will have universal access to the system. The SPS is financed mostly by federal fiscal resources, as well as by the states and individuals. By halting the vicious circle of poverty-diseases-poverty, the Mexican government is fulfilling its responsibility of financial protection for the health of its citizens.

Healthy nations depend on healthy citizens. Governments should make every effort to reach this goal. The 2004 OECD Forum is an invaluable occasion to discuss some of the challenges. Such dialogue is important so we can improve the health of our nations and the health of the world.