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U.S.-Mexican trucking experiment in slow lane

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LAREDO – Javier Gonzalez is the middleman in a mandatory three-way handoff at Laredo's World Trade Bridge. He picks up goods that have come from Mexico City and takes them across the border in a shuttle truck. He then hands them over to an U.S. truck or warehouse within a 25-mile commercial zone limit.

Trucks going into Mexico follow a similar procedure.

For 25 years, the system has worked that way, seeming to satisfy truckers and safety officials on both sides of the border.

But in 2001, seven years after the North American Free Trade Agreement took effect, the Department of Transportation and a NAFTA tribunal persuaded Congress to approve a pilot program that would allow specially registered U.S. and Mexican trucks to travel deep into each other's countries. Twenty-nine trucking firms – 21 Mexican and eight U.S., including two from Texas – now take part in the program.

It was a gesture toward fulfilling NAFTA's open-border requirement.

The program has been under fire in Washington from organized labor and environmentalists ever since.

A decision is expected any day on a lawsuit filed last August in federal court in San Francisco to block the program on the grounds that Mexican trucks failed to meet adequate safety requirements. The Teamsters Union, the Owner-Operator Independent Drivers Association, Public Citizen and the Sierra Club formed an odd alliance to fight the Bush administration.

And in December, congressional opponents of expanded Mexican trucking in the U.S. persuaded colleagues to cut off funding for the pilot. Although the Transportation Department and the White House got it restored, Sen. Byron Dorgan, a North Dakota Democrat who heads the Subcommittee on Interstate Commerce, is threatening to cut it off again.

NAFTA is a sticky word in Washington these days.

President Bush, Mexican President Felipe Calderón and Canadian Prime Minister Stephen Harper all defended the trade agreement at a recent summit in New Orleans. But Democratic contenders Barack Obama and Hillary Clinton say they will rework it. And much to the Bush administration's chagrin, Congress just blocked a vote on a Colombian free-trade agreement.

Here at the border, trucking is not about politics. It's about practicality.

One Mexican trucking company owner sees no benefit to sending drivers deep into the U.S. Similarly, many American U.S. truckers appear content depositing their goods at Laredo's warehouses.

"I would have to have my drivers go from Monterrey to Dallas and come back empty with nothing to reload," said Transportes Aguila de Oro owner Genaro Gonzalez Amaro, who chose not to participate in the demonstration program.

"I would have to have my drivers educated in English, get truck permits for the U.S., extra insurance – too many obstacles. It's not feasible," he said, shrugging. "This cross-border program is just politics, a pact they made without consulting anybody."

Selling the program

In Washington, Federal Motor Carrier Safety Administration officials are struggling to prove the merits of an expanded cross-border program. Trucks crossing the border are inspected more frequently and thoroughly than trucks on U.S. roads, they say.

On this particular sunny Friday, inspectors pull Javier Gonzalez aside and tell him in Spanish that he's violating rules.

Inspectors notice a homemade metal connector wrapped around an air hose. That tie could burst open and cause the vehicle to lose its brakes, they tell the 23-year-old driver.

They usher Mr. Gonzalez, who was carrying recyclable plastics across the border, to the center of the bridge's inspection compound. There, they cite him for not speaking English and tell him to call his boss in Mexico City as well as a repairman.

Such incidents are proof of the quality of inspections, even with Mexican drivers like Mr. Gonzalez dropping off goods just across the U.S. border, say officials with the motor carrier administration.

"These Mexican carriers are the most scrutinized and inspected," said John Hill, head of the motor carrier administration. "I have U.S. trucks I don't have as good data on."

But program opponents – notably a consortium of insurance companies and consumer safety groups known as **Advocates for Highway and Auto Safety** – cite the case of Trinity Industries of Mexico. The Piedras Negras-based company, which had the greatest

number of Mexican trucks participating in the program until it dropped out in February, had amassed scores of violations.

Santos Pecina, the motor carrier administration's Texas division field supervisor, says these violations were minor and tabulated only because the trucks had to undergo such extensive border inspections.

Trinity Industries left the program, he said, because it realized its trucks weren't actually driving beyond the commercial zone, not because they were unsafe.

To emphasize his point, Mr. Pecina pulled up a public database in a small trailer near the World Trade Bridge's truck inspection site. He randomly chose a U.S. trucking company in the Bronx with the same sample size as Trinity. No inspections had been carried out in the last year, although trucks are supposed to undergo periodic checks.

"See, the checks are more frequent here," Mr. Pecina said.

The trucking industry is responsible for carrying almost 70 percent of U.S.-Mexico trade – about \$137 billion entered the U.S. by truck in 2007, while \$93 billion was exported to Mexico by truck, according to the Bureau of Transportation Statistics.

One hundred carriers on each side are permitted to participate in the pilot program, but the low participation rate has made it difficult to gauge the program's effectiveness, according to an interim report released by the Department of Transportation in March.

The report said no "key quality-control measure" existed that would ensure all trucks were being inspected.

A hazard?

Mr. Dorgan and other opponents have seized on the finding to argue that the program is a threat to highway safety.

That concern, combined with growing anti-NAFTA sentiment in Congress, means that the demonstration program, at the very least, will be overhauled.

Jeffrey Schott, a NAFTA specialist with the Washington-based Peterson Institute for International Economics, said how that will happen is unclear.

"No one in Congress is going to burn bridges on this issue by going against Teamsters," one of NAFTA's most vocal critics, Mr. Schott said.

On the other hand, he said, complaints against trucking safety are minor compared to broader NAFTA problems. "This issue does affect the flow of goods throughout the region. But in terms of politics, energy, climate change and border security are much more important."

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