

# Mexican Sub-National Governments’ International Relations In North America

Jorge A. Schiavon\*



Daniel Becerra/Reuters

## INTRODUCTION

Traditionally, foreign policy has been controlled exclusively by nation-states, and its main objective has been to protect their sovereignty, independence, and territorial integrity. The bureaucracy in charge of international affairs is responsible for determining and carrying out this policy in order to maximize the national interest and reduce the costs and increase the benefits of the state’s participation in the international system. To attain this goal, national governments have to maintain a unified position *vis-à-vis* the exterior. As a result, the implementation of foreign policy has been a prerogative of the central government. As a matter of fact, the Vienna Convention on the Law of Treaties establishes that heads of state or government and the ministers of foreign affairs are considered representatives of their states and, therefore, those who conduct foreign policy. In the case of Mexico, according

to Article 89, Subsection X of the Constitution, foreign policy is an exclusive prerogative of the president, who coordinates it through the Ministry of Foreign Affairs (SRE).

However, in the last two to three decades, the federal executive’s exclusive monopoly over international affairs has been increasingly challenged. In Mexico, the number of internal actors that participate in international issues has grown considerably, even though the president maintains the constitutional power to direct foreign policy and conclude international treaties. In particular, sub-national governments (SNGs), both at state and municipal levels, have challenged the federal government’s monopoly over external affairs by significantly increasing their international relations. These external activities have dubbed the international relations of sub-national governments (IRSNGs) sub-national diplomacy, local diplomacy, federative diplomacy, or paradiplomacy. As a result, Mexico and the SRE face an important challenge: coordinating foreign policy and the IRSNGs, in order to conduct a unified, coherent foreign policy *vis-à-vis* the world, but representative of the aggregation of the different interests of sub-national governments.

\*Professor of international relations, Department of International Studies, Center for Economic Research and Teaching (CIDE); jorge.schiavon@cide.edu.

This article analyses Mexico's IRSNGs, with special emphasis on their relations with North America. It explains the causes of the increasing IRSNGs in Mexico, how they are conducted, the areas of international cooperation, and the external counterparts.

#### WHY ARE MEXICAN SNGs GOING INTERNATIONAL?

Globalization can be defined as the multiplication of international interactions as a result of the growing flows of information, goods, services, capital, and persons made possible by the reduction in the transaction costs of information, currency exchange, movement, and transportation. Its growth has significantly increased the costs of isolation for national governments in the international system. New actors with international influence have decreasing costs of participation in external affairs, generating incentives for SNGs to participate more actively in international issues. Specifically for Mexico, the last three decades have witnessed a remarkable internationalization of the country. As a result of the incentives generated by globalization and interdependence, Mexico changed its economic model and development strategy from a closed economy with strong state intervention and an import-substitution industrialization model, into an open economy that promotes economic development through integration into the international market and the promotion of exports. From 1993 to 2008, the sum of imports and exports increased from 30 percent to 65 percent of GDP. Economic liberalization generated incentives for greater competition among SNGs in the global market to place their exports and attract foreign direct investment to boost local development.

The international system's globalization and interdependence has been accompanied over the last 30 years by a wave of democratization and decentralization around the globe. The return to democracy in the developing world and the growing decentralization of power have provided the incentives for SNGs to participate in areas formerly monopolized by the central government, including international affairs. The democratic transition in Mexico in 2000—and since 1989 at the state level when the National Action Party (PAN) won the Baja California governorship—opened up political space for a broader and more diverse representation of SNGs, while administrative decentralization gave these actors powers and resources to implement public policies closer to their preferences.

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In sum, the increasing participation of the Mexican SNGs in the international arena corresponds to a combination of domestic (democratization, decentralization, and liberalization) and international (globalization and interdependence) variables. The democratization of the system, together with economic liberalization and decentralization, created the spaces and incentives for the SNGs to actively participate in international affairs, with the objective of advancing their particular interests and strengthening their local development. Considering this, it can be argued that, in the face of an open, competitive global market, with the existence of a more plural economic and political system in Mexico, Mexican SNGs' international activities will pursue three main objectives: 1) finding markets for their exports; 2) attracting foreign direct investment and cooperation for productive activities within their territory; and 3) strengthening ties with their emigrant populations to promote their protection and to encourage the flow of remittances and the productive investment of part of them.

#### HOW MUCH INTERNATIONALIZATION OF MEXICAN SNGs?

Based on the institutionalization and the economic and political activities of Mexican SNGs, a Mexican Index (MI-IRSNGs) can be constructed to measure the changes over time of the country's IRSNGs.

Table 1 clearly shows that the IRSNGs in Mexico have increased considerably during the last decade. From 2004 to 2009, they rose by over 40 percent; and between 2009 and 2014, they grew almost 33 percent more, for an accumulated growth (using 2004 as the base year) in the decade from 2004 to 2014 of over 85 percent. By 2014, the majority of the states were at the high level of IRSNGs, while five had reached the maximum level of very high (Chiapas, Mexico City's Federal District, the State of Mexico, Jalisco, and Querétaro), carrying out every possible international activity

TABLE 1  
MEXICAN INDEX OF SUB-NATIONAL GOVERNMENTS' INTERNATIONAL RELATIONS

Federal entities	Total 2004	2004 IRSNGs	Total 2009	2009 IRSNGs	Total 2014	2014 IRSNGs
Aguascalientes	0.90	Low-High	1.10	Medium-Low	2.40	High-Average
Baja California	2.00	High-Low	2.40	High-Average	2.60	High-Average
Baja California Sur	1.30	Medium-Low	1.80	Medium-High	1.80	Medium-High
Campeche	1.50	Medium-Average	1.70	Medium-High	2.30	High-Low
Coahuila	1.90	Medium-High	2.60	High-Average	2.60	High-Average
Colima	1.10	Medium-Low	1.10	Medium-Low	1.10	Medium-Low
Chiapas	2.00	High-Low	3.00	Very High	3.00	Very High
Chihuahua	1.50	Medium-Average	1.90	Medium-High	2.30	High-Low
Durango	0.90	Low-High	1.80	Medium-High	2.40	High-Average
Guanajuato	1.70	Medium-High	2.10	High-Low	2.80	High-High
Guerrero	0.90	Low-High	1.10	Medium-Low	1.80	Medium-High
Hidalgo	1.30	Medium-Low	1.90	Medium-High	2.80	High-High
Jalisco	2.60	High-Average	3.00	Very High	3.00	Very High
Mexico City	0.90	Low-High	3.00	Very High	3.00	Very High
Michoacán	1.30	Medium-Low	2.20	High-Low	2.60	High-Average
Morelos	1.10	Medium-Low	1.70	Medium-High	2.10	High-Low
Nayarit	1.10	Medium-Low	1.50	Medium-Average	1.50	Medium-Average
Nuevo León	1.90	Medium-High	2.80	High-High	2.80	High-High
Oaxaca	1.10	Medium-Low	1.30	Medium-Low	2.40	High-Low
Puebla	1.70	Medium-High	1.90	Medium-High	2.80	High-High
Querétaro	0.90	Low-High	1.30	Medium-Low	3.00	Very High
Quintana Roo	1.30	Medium-Low	1.90	Medium-High	2.60	High-Average
San Luis Potosí	0.90	Low-High	1.50	Medium-Average	2.30	High-Low
Sinaloa	1.10	Medium-Low	1.10	Medium-Low	1.90	Medium-High
Sonora	1.70	Medium-High	1.70	Medium-High	2.40	High-Average
State of Mexico	1.90	Medium-High	3.00	Very High	3.00	Very High
Tabasco	1.50	Medium-Average	1.70	Medium-High	2.60	High-Average
Tamaulipas	1.50	Medium-Average	1.70	Medium-High	2.10	High-Low
Tlaxcala	1.10	Medium-Low	1.50	Medium-Average	1.50	Medium-Average
Veracruz	1.50	Medium-Average	2.20	High-Low	2.80	High-High
Yucatán	1.10	Medium-Low	2.00	High-Low	2.60	High-Average
Zacatecas	1.10	Medium-Low	1.70	Medium-High	2.50	High-Average
<b>Average</b>	<b>1.38</b>	<b>Medium-Average</b>	<b>1.91</b>	<b>Medium-High</b>	<b>2.42</b>	<b>High-Average</b>

**Source:** Jorge A. Schiavon, "Una década de acción internacional de los gobiernos locales mexicanos (2005-2015)," *Revista Mexicana de Política Exterior* no. 104 (May-August 2015), pp. 103-127. The MI-IRSNGs vary between 0 and 3; if Total = 3, then very high; if  $2 \leq \text{Total} < 3$ , then high; if  $1 \leq \text{Total} < 2$ , then medium; and if Total < 1, then low. Each category can be subdivided into three sub-categories; for example, if  $1.67 \leq \text{Total} < 2$ , then medium-high; if  $1.33 \leq \text{Total} < 1.67$ , then medium-average; and if  $1 \leq \text{Total} < 1.33$ , then medium-low.

TABLE 2  
INTER-INSTITUTIONAL AGREEMENTS (IIA) BY FEDERAL ENTITY,  
LEVEL OF GOVERNMENT, AND TYPE OF AGREEMENT

Federal Entity	IIA	% of Total	Level of Government				Type of Agreement			
			State	% Total	Municipal	% of Total	Sisterhood	% of Total	Other	% of Total
Agascalientes	7	1.05	3	42.86	4	57.14	4	57.14	3	42.86
Baja California	14	2.10	6	42.86	8	57.14	4	28.57	10	71.43
Baja California Sur	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Campeche	9	1.35	3	33.33	6	66.67	5	55.56	4	44.44
Chihuahua	28	4.19	22	78.57	6	21.43	4	14.29	24	85.71
Chiapas	74	11.08	62	83.78	12	16.22	7	9.46	67	90.54
Coahuila	9	1.35	2	22.22	7	77.78	7	77.78	2	22.22
Colima	1	0.15	1	100.00	0	0.00	1	100.00	0	0.00
Durango	15	2.25	13	86.67	2	13.33	2	13.33	13	86.67
Guanajuato	20	2.99	8	40.00	12	60.00	11	55.00	9	45.00
Guerrero	6	0.90	2	33.33	4	66.67	2	33.33	4	66.67
Hidalgo	17	2.54	10	58.82	7	41.18	7	41.18	10	58.82
Jalisco	139	20.81	90	64.75	49	35.25	43	30.94	96	69.06
Mexico City	38	5.69	38	100.00	0	0.00	15	39.47	23	60.53
Michoacán	37	5.54	11	29.73	26	70.27	25	67.57	12	32.43
Morelos	7	1.05	1	14.29	6	85.71	6	85.71	1	14.29
Nayarit	6	0.90	4	66.67	2	33.33	1	16.67	5	83.33
Nuevo León	39	5.84	7	17.95	32	82.05	28	71.79	11	28.21
Oaxaca	16	2.40	14	87.50	2	12.50	1	6.25	15	93.75
Puebla	21	3.14	8	38.10	13	61.90	12	57.14	9	42.86
Querétaro	15	2.25	6	40.00	9	60.00	5	33.33	10	66.67
Quintana Roo	23	3.44	6	26.09	17	73.91	16	69.57	7	30.43
San Luis Potosí	14	2.10	1	7.14	13	92.86	12	85.71	2	14.29
Sinaloa	2	0.30	1	50.00	1	50.00	0	0.00	2	100.00
Sonora	14	2.10	13	92.86	1	7.14	1	7.14	13	92.86
State of Mexico	49	7.34	17	34.69	32	65.31	33	67.35	16	32.65
Tabasco	6	0.90	5	83.33	1	16.67	0	0.00	6	100.00
Tamaulipas	6	0.90	0	0.00	6	100.00	6	100.00	0	0.00
Tlaxcala	2	0.30	2	100.00	0	0.00	0	0.00	2	100.00
Veracruz	15	2.25	1	6.67	14	93.33	13	86.67	2	13.33
Yucatán	11	1.65	7	63.64	4	36.36	2	18.18	9	81.82
Zacatecas	8	1.20	2	25.00	6	75.00	4	50.00	4	50.00
Total	668	100.00	366	54.79	302	45.21	277	41.47	391	58.53

Source: Jorge A. Schiavon, "Una década de acción internacional de los gobiernos locales mexicanos (2005-2015)," *Revista Mexicana de Política Exterior* no. 104 (May-August 2015), pp. 103-127.

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measured by the MI-IRSNGs. Also, all the federal entities increased their international relations in these ten years, and none of them reversed in internationalization (the international actions carried out were institutionalized and maintained or increased over the decade).

INTERNATIONAL ACTIVITIES OF MEXICAN SNGs

Mexico’s legal framework gives ample powers to Mexican SNGs to conduct international relations in those areas in which they have legal jurisdiction, through inter-institutional agreements (IIAs). These are the legal instruments through which SNGs conduct international relations with foreign governmental agencies, international organizations, and other private and public actors. The areas of cooperation they cover are to be strictly circumscribed within the faculties of the state or municipal actors. SNGs have to keep the SRE informed of their negotiation and conclusion, and if the latter determines that the agreements are legal, they are registered in the official record, the Registry of Inter-Institutional Agreements (RIIA), publicly available on the SRE web page.<sup>1</sup>

When we analyze the 668 IIAs signed by Mexican SNGs included in the registry,<sup>2</sup> we can understand their international activities and who their international partners are. First, the number of agreements signed by Mexican states and their municipalities vary considerably; the vast majority are signed by states with high or very high levels of IRSNGs (Jalisco, Chiapas, the State of Mexico, Nuevo León, and Mexico City). Second, there appears to be a balance in the IIAs signed by state and municipal governments, each signing approximately half. Third, due to Mexico’s geographical location, it is not surprising that cooperation is centered in the Americas (North America, Latin America, and the Caribbean), which accounts for almost 60 percent of all IIAs. The states that share a physical border with the United States or Central America have significantly higher levels of cooperation than the rest of the Mexican SNGs with these regions. Fourth, in

TABLE 3  
INTER-INSTITUTIONAL AGREEMENTS  
BY AREA OF COOPERATION

Rank	Area	% of total
1	Education	59.79%
2	Culture	56.63%
3	Tourism	38.55%
4	Trade	33.28%
5	Science and Technology	29.82%
6	Human Resources	23.04%
7	Investment	22.89%
8	Environment	20.03%
9	Urban Development	18.41%
10	Security	8.68%

Source: Jorge A. Schiavon, “Una década de acción internacional de los gobiernos locales mexicanos (2005-2015),” *Revista mexicana de política exterior* no. 104 (May-August 2015), pp. 103-127.

terms of countries, the highest degree of cooperation is with the United States (116 out of 668 IIAs), approximately one-fourth of all IIAs nationwide, but increasing considerably in the case of Mexican states that share a border with this country (over 50 percent in Baja California, Coahuila, Nuevo León, Sonora, and Tamaulipas). The degree of cooperation through IIAs is particularly intense with the U.S. state of Texas, which concentrates almost 10 percent of all IIAs; if it were a country, it would be third in cooperation, trailing only the United States and Spain.

Fifth, international cooperation is concentrated in areas in which the SNGs have legal powers (among the most important: education, culture, tourism, trade, science and technology, human resources training, and investment). Finally, sixth, Mexican SNGs concentrate their international activities in areas that promote local development and welfare, by strengthening human capital or generating well-being.

CONCLUSIONS

Mexican SNGs increasingly participate in international affairs as a result of a combination of domestic (democratization, decentralization, and liberalization) and international (globalization and interdependence) variables. With important variations between states, IRSNGs in Mexico have increased

over 85 percent in the last decade. During this period, all SNGs have bolstered their international relations, and none of them has reversed its internationalization.

International cooperation agreements are concentrated in SNGs with high or very high levels of IRSNGs. Almost 60 percent of international partners are located in the Americas and the highest level of cooperation takes place with the United States (with approximately one-fourth of all agreements); and Mexican states that share a border with the U.S. have higher degrees of cooperation with it. IRSNGs are con-

centrated in areas in which the SNGs have legal jurisdiction, like education, culture, tourism, trade, science and technology, human resources training, and investment, and they conduct these international activities to promote local development and well-being. ■■

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#### NOTES

<sup>1</sup> The web page is <http://www.sre.gob.mx/gobiernoslocales>.

<sup>2</sup> As of January 1, 2015.