
Mexico and North America: Regional Limits and Priorities¹

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INTRODUCTION

Since the North American Free Trade Agreement (NAFTA) entered into force in 1994, Mexico has been considered part

of this region, promising dynamic trilateral relations. But now, over 20 years later, we can see the reality has been different.

This article is based on two premises. Firstly, North America lacks the expected trilateral relationship, and instead has two bilateral relations. On the one hand, the United States and Mexico have a very close relationship, and on the other, equally strong ties exist between the United States and Canada. In other words, the Mexican-Canadian relationship has a low profile despite NAFTA. The second premise is that, in the

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short and medium terms, conditions do not exist for a trilateral relationship. The argument is that Mexico has foreign policy priorities focused on the United States, and this limits the possibility of a more intense relationship with Canada.

The essay has three parts. The first part analyzes the relation between Mexico and the United States from a historical perspective to identify Mexico's priorities and limits; the second examines the profile of Mexico's relations with Canada; and the third and final part assesses the efforts made by the three actors to foster trilateralism in the region.

MEXICO'S RELATIONSHIP WITH THE UNITED STATES: THE BURDEN OF HISTORY

Historically, Mexico's relationship with the United States has been intense, complex, asymmetrical, and massively interdependent. The United States is the global superpower; Mexico is a developing country. The relationship began dramatically in 1848 when the United States grabbed almost half of Mexico's territory. The signing of the Guadalupe Hidalgo Treaty, ending the war between the two countries, left a deep mark on Mexico's history and social psyche, and the country has since adopted a defensive foreign policy based on guiding principles mainly directed at the United States.²

The end of the nineteenth century was marked by a period of bilateral cooperation, with high levels of trade and large U.S. investments in Mexico thanks to Porfirio Díaz's trade liberalization policy; however, this phase ended in the early twentieth century with the start of the Mexican Revolution, a turning point in the bilateral relationship. Since then, Mexican nationalism was translated into anti-U.S. feeling, due to Washington's interference in Mexico's internal affairs. Starting with the revolution, the United States became a matter of utmost importance for Mexican foreign policy.

The bilateral conflict created in the revolutionary period made it difficult to develop a cooperative relationship; the wounds were still fresh and public opinion in Mexico saw any cooperation with the United States as tantamount to a betrayal of the nation. Nevertheless, both countries needed to work together openly during World War II to stave off the Nazi-fascist threat in the Americas. During the Cold War, Mexico worked discreetly with the United States to prevent Soviet expansionism, even though the Party of the Institutional Revolution (PRI) administration referred to a distancing from Washington; internal politics required autonomy

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from the United States and Mexico's PRI governments found it useful to confront its northern neighbor—albeit rhetorically—in order to create internal consensus.

These historical events showed how the United States was a major factor in Mexico's foreign policy. Washington even became a point of reference in Mexico's relations with other regions, especially with the rest of Latin America and Cuba.³ As Mexico's neighbor and given the countries' bilateral history, the United States became a priority in the formulation of Mexican foreign policy.⁴ This historical tendency was confirmed by developments in subsequent years.

During the 1970s and up until the mid-1980s, Mexico maintained a healthy distance from Washington, at least in its public discourse; however, in the mid-1980s, it had to make a sharp turn in its economic policy given the financial crisis that hit the country in the early 1980s. After implementing a protectionist policy, Mexico moved toward a development model based on trade liberalization and this caused a significant change to its relationship with the United States. Formerly distrustful neighbors, both countries were to become strategic partners and the signing of the NAFTA agreement consolidated their new relationship. Since then, Mexico and the United States have entered into a phase of cooperation especially on trade and financial matters when bilateral trade boomed.

In the 1990s, both trade and financial relations were cooperative, although it was occasionally soured by issues like migration and drug trafficking. In 2000, the arrival of two conservative presidents seemed to promise a period of broad understanding. It started off well when Vicente Fox suggested to George W. Bush to deepen economic integration and they began negotiating a possible migration agreement. However, 9/11 ruled out any possibility of implementing the proposal, and bilateral tensions were even exacerbated when the Fox administration did not offer its open and unconditional support to President Bush in his war in Iraq in 2003. Nevertheless, the presidents smoothed things over to such an extent that when the Mexican administration changed, the



United States offered a sweeping cooperative scheme to help combat drug trafficking: the Mérida Initiative. This instrument, unprecedented in the countries' relations, re-launched bilateral ties.

When Barack Obama took office in 2009, the cooperation agreement was expected to remain on a strong footing. However, this cordial relationship was beset with its own problems. In 2011, President Felipe Calderón declared his distrust of the U.S. ambassador to Mexico, and Washington was forced to replace him to prevent harming the relationship that was then focused on the fight against drug trafficking. In short, the United States has been and remains very important to Mexico's foreign policy, and this has reduced the possibility of developing a closer relationship with Canada.

MEXICO'S RELATIONSHIP WITH CANADA: BETWEEN INDIFFERENCE AND UNFAMILIARITY

Relations between Mexico and Canada are essentially all about trade. Specifically, diplomatic relations began in 1944 within the framework of World War II.⁵ From the outset, a mutual lack of awareness, a lack of shared objectives and interests, and the heavy weight of the United States limited the importance of the relationship; however, in the early-1990s the ties between the countries were boosted with the start of the NAFTA negotiations.

Both Mexico and Canada recognized NAFTA's important regional role in terms of trade and finance; it was even seen by both countries as an opportunity to strengthen bonds and to counterbalance the relationship with the United States. And indeed it did enhance bilateral relations, but mainly in

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trade and investment. For example, in 1993 Mexico and Canada did US\$2.9 billion in trade; by 2003, this figure had risen to US\$8.7 billion, an almost 200-percent hike. Canada also showed its interest in investing in Mexico, mainly in mining, raising the presence in Mexico of Canadian companies.

Diplomatic and political relations improved when the two countries foreign policy objectives overlapped. In the 1990s, both openly rejected the Helms-Burton Law, which punished companies doing business with Cuba. Both Canada and Mexico considered this legal framework to be extra-territorial and requested the United States not enforce it in the case of Mexican and Canadian companies. Also, in the early twenty-first century, both countries once again agreed on international issues when they were members of the United Nations Security Council. Both Ottawa and Mexico City were dubious about openly supporting Washington's war in Iraq in 2003.

In certain spheres, Canada has cooperated closely with Mexico. For example, since 2004 both countries have operated a temporary worker program. In other sectors there have also been important areas of cooperation, especially in forestry and environmental work, on human rights issues, and in other areas.

Bilateral relations advanced with the strategic association between the countries in 2006; however, any progress made in diplomatic relations was reversed when in 2009 the Canadian government decided to impose visa requirements on Mexicans traveling to Canada. This sudden unilateral decision vexed the Mexican population and government.

In the academic sphere, meanwhile, Canada has sparked interest among Mexicans, and various institutions and programs now offer courses on the North American region;⁶ there is evidence that public opinion in Mexico considers Canada a friendly and trustworthy country,⁷ even though this is not reflected in public policy.

For example, Mexico's most recent National Development Plan (PND) does not place any emphasis on developing relations with this trade partner, nor does it explicitly encourage

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a trilateral relationship,⁸ although the institutional framework includes the bureaucratic structures needed to directly handle matters related to Canada. In the executive branch, the Ministry of Foreign Affairs (SRE) has a North American Department that includes a special office for Canada; however, this structure is weakened by the fact that approximately 80 percent of Mexican consulates are in the United States and only six are in Canada.

In short, although Canada has historically and institutionally been and remains an important partner for Mexico, it has never been a foreign policy priority, and this limits any possible development of a short-term trilateral relation in North America.

TOWARD TRILATERALISM

Over the course of history, various attempts have been made to formalize a trilateral relationship. The first serious effort came at the end of the 1970s with Washington's proposal to set up a North American Common Market among the three countries, but the proposal lacked support from a nationalist Mexico and from Canada's government.

Steps toward trilateralism were only taken in the 1990s, when the three countries decided to inaugurate a new era by initiating negotiations for a free trade agreement. NAFTA did indeed produce trilateralism, but largely focused on trade and finance. Even so, there are marked differences: the United States receives almost 80 percent of Mexico's exports, and is the source of 50 percent of foreign investment in Mexico. Although Mexico's bilateral trade with Canada has increased, it still only accounts for 3 percent of Mexican foreign trade, while Canada only provides 3.5 percent of foreign investment in Mexico.⁹

Apart from finance and trade, attempts have been made to encourage trilateralism, mainly in the area of security. After 9/11, the United States launched a program for a shared defense against international terrorism thus strengthening trilateralism. In 2005 the three countries agreed to set up the Security and Prosperity Partnership of North America (SPP),

but this program, given its original objective, was short-lived: by 2010, it had practically fizzled out due to Canada's lack of interest in the partnership and the arrival of Mexico's new administration in 2006. However, the SPP left a legacy of meetings of the two presidents and the prime minister during the first years of the twenty-first century, organized with the aim of relaunching trilateralism in the region. But it has limited scope given the scant interest and different priorities of both Mexico and Canada, even though the priority issue on which they agree is the United States.

FINAL THOUGHTS

Several attempts have been made over the years to construct a trilateral relationship, but progress has remained limited. NAFTA gave shape to completely asymmetrical trilateral financial and trade relations. In other spheres, such as security, no real link exists. Instead it is a case of two bilateral relationships. This is mainly because Mexico and Canada have different foreign policy priorities, different levels of development, and are largely unfamiliar to each other. These factors limit the construction of a North American trilateral relationship in the short and medium terms. **NMM**

NOTES

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² An accurate description of bilateral relations can be read in Lorenzo Meyer and Josefina Vázquez's *México frente a Estados Unidos (Un ensayo histórico 1776-1988)* (Mexico City: FCE, 1992).

³ Mexico supported the Cuban Revolution to reduce internal protests in the 1960s and to show a degree of autonomy from the United States.

⁴ For a more detailed analysis of this issue, see Mario Ojeda, *Alcances y límites de la política exterior de México* (Mexico City: El Colegio de México, 1976).

⁵ See Pedro Castro, "Las relaciones México-Canadá: su evolución reciente," *Foro internacional* vol. 41, no. 4, October-December 2001, p. 761.

⁶ Examples of this include the Center for Research on North America (CISAN), the Mexican Association for Canadian Studies (AMEC), the Inter-institutional Studies Program on North America (PIERAN), and the Program for Mobility in North American Higher Education (Promesan).

⁷ See the survey *Mexico, the Americas and the World 2010*, Centro de Investigación y Docencia Económicas (CIDE), <http://mexicoyelmundo.cide.edu/2010/reporteingles10.pdf>.

⁸ The National Development Plan (PND) is the document that sets out Mexico's foreign policy priorities.

⁹ Mexico's foreign trade statistics, January-August 2012, http://www.inegi.org.mx/prod_serv/contenidos/espanol/bvinegi/productos/continuas/economicas/exterior/mensual/ece/ecem.pdf, accessed May 5, 2013.