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Mexican-Canadian Relations In the Context of a North American Community

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The commemoration of 60 years of diplomatic relations between Mexico and Canada is a good

time to take a historical look at the main elements of current bilateral relations. This will allow us to understand the challenges posed by the fact that in recent years, a large part of that relationship has become regional because of the growing discussion in both intellectual and government circles about the future of North America and the prospects for going beyond a mere trade

association to a North American community.

Even though relations between Mexico and Canada were formalized in 1944,¹ mutual understanding developed gradually because of Mexico's close links with Latin America and Canada's with the other side of the Atlantic. For a long period, being the United States' only neighbors made it impos-

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sible for the two countries to get to know each other because of the U.S. presence. The relationship with our powerful neighbor has always been a priority for both countries and, as a result, much of both their foreign policies has been eminently reactive to it.

Canada's decision to begin to play a more active role in the hemisphere and its entry into the Organization of American States (OAS) in 1990 coincided with Mexico's interest in diversifying its relations abroad and beginning its membership in the Organization for Economic Cooperation and Development (OECD) and the Asian Pacific Economic Coordination (APEC), two organizations Canada already belonged to.² Thus, given its regional leadership, Mexico took on particular interest for Canada.

Relations between Mexico and Canada went through a substantial quantitative and qualitative change. In less than a decade they went from having merely formal relations —although always on very good terms— to considering each other “strategic partners,” committed to building a very complete, complex political and trade agenda and bilateral, trilateral, hemispheric and global cooperation. In addition to their respective governments and business groups, a series of academic and civil society organizations from both countries participate in this.

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tions: for example, they were the only two countries in the continent that maintained relations with Cuba after its revolution; both came out against the Helms-Burton Act and, more recently, the invasion of Iraq. Similarly, the political conflicts in Chile and Central America during the 1970s and 1980s provided the opportunity for building agreements that were used to promote multilateral initiatives such as the Convention on Anti-Personnel Land Mines.

It was not until the 1990s that Mexico and Canada decided to take advantage of their proximity to the United States.³ Initially, Mexico's 1990 proposal to create a free trade agreement with the United States sparked certain skepticism in Canada because of its concern about losing its “special” relationship with its southern neighbor, with whom it already had a bilateral treaty of this kind. Mexico, for its part, was concerned that the trilateral negotiation would be very complex and not bear fruit. However, once the U.S. chose the trilateral option, the governments of Mexico and Canada weighed the advantages of this focus, which would allow them to be more precise about their asymmetrical interdependence with the world's only superpower.

Regardless of political agreements on international issues based on Mexico's and Canada's tradition of finding a counterweight to their relations with

the United States, from the beginning the bilateral relationship particularly emphasized trade and technology exchange. This flourished in the new trade dynamic that emerged after the North American Free Trade Agreement (NAFTA) came into effect a decade ago. Since then, Canada has become Mexico's third trade partner and Mexico, Canada's fourth and its first in Latin America. Between 1993 and 2003, trade between the two countries grew 236.5 percent.⁴ Canada is the fourth largest foreign investor in Mexico, with 3.7 percent of foreign direct investment (FDI).⁵ Our country has also been a tourist destination for Canadians,⁶ and now many have chosen to live here. At the same time, the number of Mexican students who decide to take courses in Canada is on the rise.

The results of this relationship has to a great extent eliminated the opposition to NAFTA by certain sectors of Canadian society, especially those who thought that it would make for big job losses and a possible deterioration of the special relationship with the United States. Today it is clear that it is a successful instrument for promoting the regional economy and that it has oriented investment, technology and jobs toward a substantive increase in productivity in the area. In Mexico and Canada, the export sector has become one of the driving forces of both economies and the links between businessmen and regional corporations have

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been strengthened impressively. This, together with inter-governmental dialogue, has fostered the creation of strategic alliances for the achievement of a more competitive, prosperous and economically integrated region.

In this context, Mexican-Canadian relations are characterized by the profusion of new initiatives for cooperation. Some of them are derived from the highest level mechanism for fostering bilateral relations, the Ministerial Commission.⁷ Its most important result was the signing in 1996 of the Plan of Action which for the first time dubs the relationship strategic.

Environmental initiatives led to joint projects to protect the Monarch butterfly, as well as the exchange of experts on forest fire prevention, aquaculture and basin management. The two countries jointly promoted the establishment of a program to protect the victims of anti-personnel mines in Central America and, together with the U.S. government, another for water management in the region. A trilateral committee was set up to promote initiatives on higher education, which has been shown to have great potential.

In addition, the Mexico-Canada Program for Temporary Agricultural Workers, which began 30 years ago, has come to faithfully reflect bilateral cooperation which has gradually grown in complexity, fostering the active participation of both governments in modernizing their administration. Be-

cause the program is successful and because of the complementary nature of the two economies, officials are currently exploring the possibility of broadening out the presence of Mexican workers in other provinces and sectors of Canada.

However, as with any mature relationship, Mexico and Canada have also had their differences and tensions. In the decade of mutual discovery, conflicts arose that both governments were able to deal with through frank, direct dialogue. This was the case of Mexico's position on the sovereignty of Quebec, particularly during the 1995 referendum. Although Mexico abstained from intervening in this internal Canadian matter, later it collaborated with the Chrétien government in promoting federalism. The Canadian government came under significant pressure from its non-governmental human rights organizations with regard to the conflict in Chiapas, particularly after the Acteal massacre. Therefore, in its best tradition of "soft diplomacy," it took every opportunity to invite the Mexican government to respect human rights and seek a negotiated peace. This was probably the only discordant issue in bilateral relations; one could even say that for a few years, bilateral political relations became infused with the issue of Chiapas. The financial and moral support that some Canadian NGOs gave pro-Zapatista organizations was a matter for mutual concern. Nevertheless,

trust and frankness always won the day, as well as the tacit agreement to not intervene in each others' internal affairs.

Today, bilateral cooperation has deepened to such an extent that dialogue and communication have had the upper hand with regard to human rights conflicts such as the case of the murder of Digna Ochoa, and the murders of women in Ciudad Juárez.

TWO DEMOCRATIC GOVERNMENTS MEET

Canada's interest in clean elections that would bring Mexico into the ranks of the fully democratic nations led the Canadian government to foster broad NGO and federal officials' participation as observers of the 2000 elections; most Canadian embassy officials in Mexico and personnel from the Canadian Foreign Ministry Mexico Office participated. The Canadian electoral agency, which publicly recognized that there was much to learn from the Mexican electoral process, also provided advisory services and important cooperation with Mexico's Federal Electoral Institute.

The electoral results and Vicente Fox's victory were understood both by the public and officials of both governments as a democratic success. Mexico had never before received so much attention and good press, sparked by the announcement of the president-

elect's visit to Canada. Once there, his statements about Mexico's interest in achieving in the medium term what he called "NAFTA Plus", which he defined as the creation of a North American regional space where people and goods could freely circulate, surprised the public even more.

This began an intense debate that continues to the present day. The idea was received ambiguously by some Canadian government circles. At the same time, the Canadian government's willingness to support the future administration was surprising: this was shown by the high-level audiences given by then-Prime Minister Jean Chrétien's ministers and councilors to the Mexican transition team. Mexico was also given special treatment during President Fox's state visit in April 2001, the only state visit in the framework of the Summit of the Americas. For Mexico, the meaning of the visit was to reiterate the strategic nature of its relations with Canada, not only as a trade partner, but also to guarantee a certain counterweight to relations in North America and to build hemispheric and multilateral alliances.

After identifying new avenues of cooperation, the chief executives signed a joint political statement, "Mexico and Canada: Friends, Partners and Neighbors." It seeks to strengthen mechanisms for cooperation between both countries' energy industries, to study the possible expansion of the Program for Temporary Agricultural Workers,

and to broaden cooperation with regard to natural resources and the development of human resources.

In addition to the bilateral and hemispheric component of the visit, after the Summit of the Americas concluded, the first trilateral meeting of the leaders of North America was held, a meeting which revived the debate about the region's future. In their joint statement, the three leaders expressed their commitment to continue promoting NAFTA until it is fully implemented and stated that a sense of community would be built to ensure that its benefits reached all regions and sectors of society in the three countries. Also, a trilateral working group on energy was created to design a North American focus on this issue. Finally, they committed themselves to studying the options for strengthening the North American association. In this way, an intermediate platform was created, situated between President Fox's audacious proposal and the more moderate Canadian vision.

Since this state visit, bilateral relations have been very dynamic. Numerous meetings between the heads of government, ministers and vice-ministers from both governments have made it possible to advance in new areas of bilateral action like education, human rights, human and social development, agricultural cooperation and culture. The two governments have committed themselves to developing joint actions to preserve and disseminate

cultural and linguistic diversity and broaden cooperation between the two countries' cultural industries and in preserving both nations' patrimony, as well as to strengthen the Program for Artist Residencies. In addition, as a result of the "democratic bonus" and the synergy achieved with the Fox administration, an intense agenda for cooperation on matters of federalism and good government has been developed. This includes the signing of new international instruments and a strengthening of dialogue and links between Mexican and Canadian states, provinces and municipalities. Specifically, both governments are working closely together to develop an on-line educational portal that will offer Mexican civil servants electronic training effectively and transparently. This experience could serve as a model in the hemisphere in the Summit of the Americas process.

Cooperation with regard to energy is particularly important given Canadian businessmen's expectations for increasing their Mexican investments, particularly in electricity and gas. This depends on an appropriate legal framework being in place, which is why they have expressed their concern over the delays and uncertainty about the approval of a new Mexican law in the matter.

Since September 11, 2001, Mexico and Canada have each had high-level bilateral meetings with the United States to reinforce security in the region

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through their border modernization programs. They have also consulted together about their border negotiations with the U.S., and in particular with regard to migratory policy.

One of the great challenges in all these experiences of cooperation is finding a horizontal perspective that would eliminate the tendency to think that the more developed country with the better economic and quality of life indicators should be the one to unilaterally support the other. It has always been easier to say that Mexico can learn from the experience of Canadian good government and its technological and scientific strength than to recognize the benefits Canada can receive from Mexico.

These benefits not only consist of Mexico as a real and potential market, but are also due to its innovative practices, its creativity in facing problems, the wealth of its cultural diversity, the advantages of its particular insertion in Latin America and its experience with indigenous groups.

Beyond agreement on values and positions on global issues, and in accordance with Mexican foreign policy's priority of strengthening Mexico's multilateral presence, in its first three years, the current administration has paid special attention to coming to common positions prior to multilateral meetings. Thus, starting with the Durban Conference, both governments have held consultations on human rights issues and very particularly on matters per-

taining to indigenous questions in the hemisphere.

They have also exchanged information about specific situations in certain Latin American countries like Venezuela and Argentina, especially with regard to the strategies that each government will adopt as a result. These efforts are in addition to the annual consultations held for more than five years between both Foreign Ministries' foreign policy planning offices with the aim of reviewing the most important positions and the joint actions that can be taken.

Despite a mutual interest in exploring this vein of bilateral action, the results are still very initial. Undoubtedly, more effort and discipline are needed so that, with a long-term vision, common positions can be arrived at in the multilateral sphere, with respect for each country's specificities and agendas with regard to the different issues.

TOWARD A NORTH AMERICAN COMMUNITY

In the 45 months since President Fox's proposal to take the U.S.-Canada-Mexico trade agreement further, a dynamic dialogue has developed about the future of the region that has led to the review of the North American imaginaries. The interest awakened, particularly in Canada and Mexico, has spread to all three countries' intellectual centers.

It is fair to say that Canada has established more mechanisms for a systematic review of the issue. These include Parliament's Foreign Affairs Commission, which published a detailed report about the consultations it made in the three countries to get an overview of the opinions of parliamentarians, businessmen and intellectuals.⁸

Despite government skepticism, curiously enough, it has been Canada where a broad, serious public debate has begun, particularly in the press, about the pros and cons of greater regional interdependence. Even though much of the thinking is about Canada's relationship to the United States, the Mexican component has always been present. Since September 2001, the discussion has centered on security issues, particularly with regard to the creation of a possible "North American security perimeter" and, therefore, the management of borders with the U.S. For reasons linked to sovereignty, however, the issue has been kept bilateral.

In Mexico, the discussion has emphasized the need to create new trilateral institutions. In Canada, meanwhile, the debate has centered on the different scenarios involving closer relations and greater interdependence with the United States, in which Mexico is just one more variable. The Canadians discuss Mexico's difficulty in giving the proposal concrete content, such as the polemical issue of creating "cohesion funds," which has centered that

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part of the debate on the mechanisms whereby Canada could help Mexico bilaterally and trilaterally to achieve “healthy public management.” Another point of discussion is which aspects of Mexican development should continue to be financed by international banks, which ones with support from the OECD and which should be solved bilaterally between Mexico and the United States.⁹ The discussions have continued in the two additional meetings of the three countries’ leaders who—in the manner of Solomon—expressed their interest in continuing to deepen a sense of community and explore the potential for strengthening the association. In that light, President Fox referred to the “Initiative for North America” during his bilateral meetings with his U.S. and Canadian counterparts in January 2003.

This is how the debate has evolved through the discussion of the possible scenarios for greater integration: all the way from maintaining the status quo to a North America conceived of as a confederation with supranational institutions.

In the last 13 years, relations between Mexico and Canada have not only strengthened, but starting with Mexico’s new administration, have gone from a strategic-discursive stage to a strategic-real stage in which a new understanding of the issues on the global agenda has been sought, issues which previously were discordant and today are spaces for cooperation. However, the new dynamic continues to present important challenges. The impetus in the relationship could stagnate if new mechanisms for bilateral cooperation are not forged, mechanisms that make it possible to transcend mere contact for exchange of information. Given the

difference in the political systems and Canada’s extreme decentralization, new forms of rapprochement among the different levels of government of the two countries must also be explored. Bilaterally, but with the aim of fully implementing NAFTA, additional efforts are required so that not only large corporations but also medium-sized and small industries are represented in the process. Additionally, greater coordination between the governments for the possible implementation of common initiatives and policies toward third countries or multilaterally is desirable.

The dynamism that Mexican-Canadian relations have acquired in the new century could avert an impasse if both governments are able to strengthen their association. This can be achieved through effective policies and the negotiation of common positions toward our mutual neighbor that would make it possible to exercise a certain counterweight to its power, at the same time inviting it to seriously consider the discussion of the steps for building the North American Community. In addition to the three bilateral relationships that already exist, this could become the fourth regional relationship. In this entire process, Mexico should advance toward a clear definition of its vision of the region’s future. In addition to Canada’s contributions to the discussion, it will be fundamental that it reconsider some type of participation in the two mechanisms Mexico proposed to achieve greater social convergence: the Partnership for Prosperity and the Puebla-Panama Plan.

In this scenario, the celebration of 60 years of Mexican-Canadian relations and their first decade as trade partners is an unparalleled opportuni-

ty to also celebrate the consolidation of a singular and productive strategic relationship that—together with the United States—outlines the future of North America. **NM**

NOTES

¹ Canada established its first trade mission in Mexico in 1887.

² For an excellent analysis of the history of relations between Mexico and Canada, see Secretaría de Relaciones Exteriores, *Canadá y México: Los vecinos del vecino* (Mexico City: Instituto Matías Romero de Estudios Diplomáticos, 1997).

³ Carlos Rico, “Mexico-Canada. A Growing Relationship,” *Voices of Mexico*, no. 45, October-December 1998.

⁴ Statistics on trilateral trade from Mexico’s Office of the Ministry of the Economy in Ottawa, August 2003, <http://www.nafta-mexico.org/trade/statistics/AAGO03.pdf>

⁵ <http://www.economia.gob.mx/pics/p/p1239/CANJUN03.doc>

⁶ Approximately one million Canadians visit Mexico every year, that is, one out of every 30. This leads to greater sensitivity about the situation in Mexico. At the same time, only a little over 150,000 Mexicans travel to Canada every year.

⁷ The last Mexico-Canada Ministerial Commission meeting was held in Ottawa in February 1999.

⁸ Bernard Patry, “Report of the Standing Committee on Foreign Affairs and International Trade, ‘Partners in North America. Advancing Canada’s Relations with the United States and Mexico,’” (Ottawa: House of Commons, December 2002).

⁹ Wilson Forsberg Stacey, “Canadá y México: búsqueda de puntos comunes en el continente norteamericano,” paper presented at the seminar “North American Linkages: Perspectives from the Policy Research Community,” in Ottawa in February 2002.