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**MEXICAN FOREIGN POLICY: MEXICO-U.S. RELATIONS, AND  
THE NARROW MARGINS OF ACTION FOR AN INDEPENDENT  
FOREIGN POLICY TOWARD LATIN AMERICA.**

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# INTRODUCTION.

When I first had to decide the topic for my thesis, I immediately thought about doing something related to my country, so as I am very interested in foreign affairs in general, I decided to write about the Mexican foreign policy inside the American continent. But considering the wideness of the topic, I had to focus on a more specific theme, so I first thought about writing something regard to the relations that Mexico has with the most important nations of the continent, at least for Mexico, on the basis of the commercial exchange, political strategy, economic interest, history, etc... and the position that Mexico occupies inside the continent, the good and the bad decisions that in some way affect on the relations with those nations.

But the scope of my work was still very general, so I thought on doing a review of the Mexican foreign policy, because I am very concerned about the actual situation of the Mexican foreign policy, because Mexico is just pointing to the north, especially since some years ago, and nowadays Mexico has an enormous deficit of credibility accumulated with Latin America and some other regions in the world, hardly covered by some good decisions like the “opposition” to the invasion of Iraq<sup>1</sup> and by some good diplomatic bilateral relations.

The role of Mexico in Latin America has become less and less significant and the government hasn't taken advantage of its geographical, and subsequently strategic position, because Mexico is situated between perhaps the most powerful nation of the world, the U.S. which whom the Mexican government has to keep excellent diplomatic relations and has constantly to cooperate, and the rest of the countries of Latin America, which whom, as we know, Mexico shares the same or similar culture and roots because of its colonial past, same language (with the exception of Brazil and some other little states), affective bonds, etc. what gives Mexico the privilege to serve as a bridge

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<sup>1</sup> From 2002 to 2004 Mexico was one of the non-permanent members of the U.N. Security Council. During that period, as one of the 10 non-permanent members, it had the right to vote on favour or against the war on Iraq. Inside the country, this right created a big debate within the society, the public opinion and the politics and a huge problem for the Government, because the whole society and public opinion was against the war, and we can say that also the government. The problem was originated due to the position that Mexico has always tried to keep with our neighbours from the north of support and accordance, especially in matter of foreign affairs. To increase this, was the fact that during that period a migratory reform that was going to favour the Mexican immigrants in the US was on the US Congress, so the vote of Mexico was conditioned to this, among many other things, because of the importance of this reform.

What the Mexican government did, was not to adopt a position at the beginning, but to wait until the last minute to get a decision (never really adopted it because the US went to war before the vote on the Security Council to get a resolution), with the excuse that they had to wait until all the inspections in Iraq to determine if there were or not WMD ended. “This indecision caused a lot of critics by the public opinion and by the opposition inside the country, and a high cost on the relations with the U.S. government because they were expecting us to vote on favour”. HERRERA-LASSO, LUIS. “Mexico ante el mundo: tiempo de definiciones”. Fondo de Cultura Economica, 2006. Pp 31.

between North America, the Caribbean region, Central and South America. This privileged position also represents a big responsibility for the government, because through this “bridge” can pass not just legal stuff like raw materials, technology, etc. but also illegal, like drugs and weapons, and not only these, but also most of the illegal immigrants from Central and South America, whom final destination are the U.S. or Canada. Some of them stay illegally in Mexico.

The arrival of Vicente Fox’s administration to the power in 2000 opened an interesting space for Mexico in the international field, particularly in front of those who considered the alternance of power as the best way for Mexico toward the democracy.<sup>2</sup> However, the new government didn’t have the fortune that the experts predicted and immediately lost its credibility whether inside or outside the country due to some internal factors, especially the absence of consensus in the Congress of the Union -which represents the Chamber of deputies and the Chamber of the senate gather together to approve important laws or reforms-, due to the lack of majority of the new elected president’s party in the Congress and of course due to some external factors, like the 9-11 terrorist attack that changed the U.S. agenda and modified the policy toward Mexico<sup>3</sup>, and the bad decisions taken by the government in matter of foreign policy toward Latin America that in some cases provoked diplomatic crisis with historical partners and friends.<sup>4</sup>

During his administration (2000-2006), Vicente Fox and his Secretary of Foreign Relations (Secretario de Relaciones Exteriores) committed many diplomatic mistakes with some of the most important Latin American nations especially for Mexico, like Cuba, Venezuela and Brazil, because of the strategic relations and interests we have with those countries.

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<sup>2</sup> Vicente Fox was the first candidate of a different party (PAN) in winning officially the presidential elections, after more than 70 years of what some people call a party dictatorship, in allusion to the fact that one only party was on power from the 30’s until 2000.

It is very premature every conjecture that talks about the alternance of power in Mexico; however, we can consider that the last two governments come from democratic elections after all these years, from an only political party as a unique regent of the national policy (PRI).

It is clear than the ex president of the Mexican Republic, Vicente Fox, that was the leader of the former administration comes from a democratic transition and this was established obviously by the vote of the majority of Mexicans on July 2000 and it represents one of the biggest desires of the Mexican society since its independence. A desire frustrated for many times, because of the educative emptiness and the interference of the socio-political Mexican society, constitute by castes (castas), derived from the three centuries of Spanish domination.

<sup>3</sup> Before the 9.11 attack the relations between both the U.S. and the Mexican government seemed to be full of good intentions and prosperity. The negotiation for a migratory reform in the U.S. Congress that would allow the continuous entrance and exit of Mexican workers to the neighbor country was at a very good point. After the attacks the migratory reform became unthinkable because of security reasons. Some months later, the relation between Mexico and the U.S. was about to get into its worst moment since many years, due to the “opposition” of the Mexican government to the invasion of Iraq.

<sup>4</sup> HERRERA-LASSO, LUIS. “Mexico ante el mundo: tiempo de definiciones”. Fondo de Cultura Economica, 2006. pp 26.

With Cuba Mexico used to have symmetry of interests with the U.S. in considering the island a territorial frontier between the two, because Cuba is the same distance from Florida and from Yucatan. This argument operated very well for many years, and the only reason of the change of attitude toward Cuba on behalf of Mexico was the U.S. pressure.

Just a few years ago, the Mexican foreign policy lived its most embarrassing moment in history when former president Fox asked Cuban president Fidel Castro not to stay more than one day at the Summit of the UN on Financing for Development that took place in Monterrey, Mexico<sup>5</sup>. This unfortunate scene represented a big offence by one head of State to another (President Fox to President Castro) and the submission to another head of State (President Fox to President Bush).

With Venezuela, Mexico has also adopted a wrong relationship in getting distance from that country, because with that nation Mexico has a very important strategic interest that has to do with oil and the Caribbean Basin.<sup>6</sup>

With Brazil, even though it is less evident, Mexico also committed some diplomatic mistakes when the Brazilian government expressed its aspiration to become a permanent member of the U.N. Security Council. In that moment, Mexico entered into rivalry with Brazil. There are some reasons to understand the concern of the Mexican government in the face of an eventual, even though improbable entrance of Brazil into the U.N. Security Council as a permanent member, but falling into a diplomatic rivalry doesn't make sense.

These big mistakes, and the pro-north American foreign policy, have created a distance between Mexico and the rest of Latin America, which has been evident in the last 10 years when Latin America stopped summoning Mexico to the meetings, and the strategy of the U.S. of the two American continents<sup>7</sup> was successful.

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<sup>5</sup> In 2002, the Mexican president at the time, Vicente Fox, called the Cuban president Fidel Castro two days before the summit to ask him not to stay longer than one day, (the day in which Cuba had its right to speak in front of the audience), because his presence caused him (Fox) many problems of security and attention. But the real reason was that president Fox wanted to prevent president Bush and president Castro from meeting during the lunch offered by president Fox to the leaders of the different countries. Some days after the Cuban Government published the conversation and there was a rupture of the diplomatic relations.

<sup>6</sup> In 1980 Mexico and Venezuela signed the Treaty of San Jose, through which both countries provide oil together every day to the Central American and Caribbean regions. Every year both countries renew the Treaty but in the last years there have been some difficulties because of the not very good relations between these two nations.

The objective of the Mexican foreign minister during Fox's administration was the idea to continue with the foreign policy used by the last administrations of having better relations with the developed countries and to forget those nations that Mexico didn't have any interest in. But especially the main idea was to strengthen, improve and cooperate closer in international diplomatic relations with the United States where more than 12 million Mexicans live and send more than \$23 billion in remittances to our country<sup>8</sup>, without taking care of the Latin American issue. This kind of foreign policy increased the already evident distance with Latin America, especially with those countries that we used to have very good relations and trade with.

However, the current Mexican President Felipe Calderon seems to be aware of the mistakes made by the former administration and seems to be interested in fixing this situation. During his campaign he promised that he was going to change the foreign policy, and especially that he was going to fix the spoiled relations with our Latin American friends and partners created by the inefficient foreign policy from last administrations. He also said that he was going to point less to the north and look more to the south, because he considered the Latin American nations as important as the U.S. and he wanted Mexico to begin taking more seriously its role of protagonist in the regional scene.

After he won the elections, his first official trip was not to the U.S. but to Europe where he talked about his desire to reintegrate with Latin America, while the prior Presidents used to make their first official visit to the U.S. almost as an obligatory tradition. This was a message to the nation and to the Latin American nations to make them see his wish to reposition Mexico on Latin America.

With Venezuela he started to rectify the diplomatic relations by sending a new ambassador to Venezuela and allowing Venezuela to send one to Mexico as well. With Cuba he expressed his intention of improving the relations between both countries, and finally he showed he was in favour of the idea of Brazil and Argentina to invite Mexico to become part of the MERCOSUR as a special

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<sup>7</sup> What the US calls the "domestic security zone" that ends in Panama and the "periphery autonomous zone", that goes through South America.

<sup>8</sup> Both, the US and the Mexican government, estimate that nowadays there are more than 12 million Mexicans living in the US, whether legally or illegally, and the remittances they send every year to Mexico (\$23 billion), represent the second biggest income for the country.

Source: Official website of the Secretariat of Government (Secretaria de Gobernacion). [www.gobernacion.gob.mx](http://www.gobernacion.gob.mx)



member<sup>9</sup>, because in theory Mexico cannot be part of that treaty because of its geographical position.

This “change” of direction in the foreign policy made by Felipe Calderon has been very hard to believe because he belongs to the most conservative group in the right wing party, which has always been more in favour of having a pro-U.S. foreign policy, and in fact this also has created a big disappointment within his own group. But in my opinion this behaviour is easy to comprehend because he came out from a very controversial election that divided the nation at the half (from the left and from the right wing), and he was, and is still trying to get the support of the people that didn't voted him, through a certain leftist foreign policy (or at least not that pro-U.S.), without mention the domestic policies that many times seem to come from a leftist government.<sup>10</sup> Obviously without spoiling the relations with our northern neighbour, because in real terms this is just a political tactic, to win popularity among the different social classes (within the majority of the Mexican society, any policy that increase the approach with Latin America and detach from the U.S. enjoys from a tremendous popularity).

To understand the traditional Mexican foreign policy of supporting, and many times submission to the U.S., that subsequently has created a detach with Latin America, I wanted to analyze first the main aspects of the history of the relations between both countries, (Mexico and the U.S.): wars, interference of the U.S. in the Mexican affairs and the eternal confrontation between both societies; the foreign policy in accordance to some interests: security, migration, drug trafficking and oil; and the domestic policy: economy and the legislation. But I also thought necessary to make a review of the relations with each single Latin American country that I was focus on: first with Cuba, because it represents a counterweight for Mexico on the relation with the U.S. and it is a historical friend; then with Venezuela, specially for the relations that both countries have in matter of oil, but also because of the popularity of that nation inside the continent, and what it represents; finally with Brazil, because Brazil is nowadays perhaps the leader of Latin America, (position that Mexico had

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<sup>9</sup> Nowadays Mexico only has an Agreement of Economic Complementation, signed with the MERCOSUR members in 2002.

Brazil and Argentina expressed their will of inviting Mexico to sign an agreement that would allow Mexico to become formally a member from the treaty, but as long as Mexico doesn't belong geographically to South America, Mexico would enter as an special member.

Source: Official website of the Secretariat of Foreign Relations (Secretaria de Relaciones Exteriores). HAKIM, MIGUEL. Mexico's Association with Mercosur: A Needed Step Towards Unity in the Americas. <http://www.sre.gob.mx/imred/publicac/rempe72/Miguelword.htm>

<sup>10</sup> He actually once declared while playing a joke, that he was overpassing the Mexican leftist wing (his oposition) to the left (referring to his leftist policies).

until some years ago), and because it has also, together with Venezuela and Mexico, the biggest quantity of oil in the continent. Once I had analyzed nation by nation: the kind of policy that Mexico has had and has toward them, and especially the importance that these nations have for Mexico, I wanted to make the review to the Mexican foreign policy, on the basis that Mexico had to decrease its relation with the U.S. and increase the relations with Latin America, or at least with these countries through which Mexico could diversify its foreign affairs into the continent; the mistakes that the Mexican government has made, their consequences; and the results of the policy of indifference toward Latin America, to understand the separation between Mexico and Latin America, to get finally to the conclusions that Mexico could really improve and diversify its foreign policy toward the rest of the Latin American nations, by giving the same importance to the relations with Latin America and the U.S. and being more independent from the U.S.

When I started to get some info related to the topic, to begin writing my thesis, I started having a lot of problems in getting the info about the diplomatic relations and the foreign policy toward the Latin American countries I wanted to focus on, but specially when I analysed deeply the relations between Mexico and these Latin American nations and the bonds that Mexico could really create with these and some other nations of the region and their utility, I realized that it was not because my research was inefficient, but because in the last years the books, articles, etc. related to Mexico and the Latin American issue, are very few, because the relations are almost symbolic<sup>11</sup>, and the info I found was the typical idealistic stuff written by subjects that yearn for an integration and a leadership into the Latin American bloc, but without taking into account the fact that Mexico doesn't depend totally from itself (especially in the continental scene), but many of the decisions taken are carefully decided, always thinking in the northern neighbour. In a sum up, all was about how it should be, but not about how things really are, in a more realistic way. The call for the Latin American fraternity and the alliance with the southern nations, in order to thwart the U.S. weight, have been a constant in the Mexican political speech. However, in the real facts the relations with Latin America are weak and erratic in political and economic terms, and even in the cooperation programs. This weakness have been stressed during the last years.

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<sup>11</sup> The trade with Latin America is few significant from the total of the Mexican foreign trade. Since the negotiation of the NAFTA Latin America started to watch Mexico as part of North America and not of Latin America anymore. Among other things, this created difficulties, seen until nowadays, for reaching regional economic agreements with the MERCOSUR member States.

In comparison with the exports of last decade (4.7% from the total Mexican exports), the current exports to Latin America, are just 2.2% from the total.

Source: Official website of the Secretariat of Economy (Secretaria de Economia) with info from the Bank of Mexico [www.economia-snci.gob.mx](http://www.economia-snci.gob.mx)

The reasons that make difficult a closer relation are different:

a) the relation with the region have been directed preferentially through multilateral channels, without paying attention to the bilateral allinaces.

b) the economic relation have lost importance as a consequence of the always bigger integration with the U.S.

c) the programs of cooperation are inefficient due to the weakness of Latin American political and administrative institutions.

d) Latin America is going through a process of fragmentation and differentiation from the economical and social development models.<sup>12</sup>

On the contrary, the info I was getting about the U.S.-Mexico relations was more actualized and wide, and the sad reality was becoming more and more evident: I arrived to the conclusion at last that Mexico is, (unfortunately for most of the Mexican people's wishes) obliged to increase always more and more, and give more and more priority to the relation with the U.S., and that the possibilities of having a more independent policy toward Latin America are always more reduced, no matter what or how our neighbours, partners and friends from Latin America (and also the people inside the country), think and like this, because that means that the margins of action for making a foreign policy more coordinated and closer to them will be always more, and more narrow.

The problem is not just what Mexico should do outside its border and how Mexican government should behave toward its Latin American counterparts, because even though the Mexican government would love to be more independent from the U.S. and would love to diversify more its relation among the continent; improve the relation with Latin America, and especially, play a role of leader inside the region, Mexico will be obligated, at least for the near future, to follow a U.S. policy or at least not to go against it (we saw the consequences from the weak posture of the Mexican government toward the U.S. invasion on Iraq), because Mexico's dependence from the U.S. is bigger from what everybody could think. Just before I started doing my thesis I was totally

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<sup>12</sup> HERRERA-LASSO, LUIS. "Mexico ante el mundo: tiempo de definiciones". Fondo de Cultura Economica, 2006. Pp 61.

conscious about the fact that Mexico depends in a great measure from the U.S. (we just have to think about the remittances that represent the second source of income for the country, just after the oil). But I had not realized or I didn't want to, that this dependence is much bigger than what I thought, and is not only from the Mexican side, but also from the U.S. side, because for example, most of their labour, which is the engine of the country, comes from Mexico, or right now that the U.S. presidential elections are taking place, we can see the candidates proselytising in the Mexican-American communities like never before, since they represent a significant percentage of the electorate in some States as California. So we can talk about a big interdependence.

The U.S. is for Mexico the biggest commercial partner, and Mexico is for the U.S. the biggest commercial partner together with Canada inside the continent, and the commercial exchange, exceed the 80% of the Mexican commercial relations. Then if we talk about security, the issue of the Mexican border is for the U.S. (in matter of foreign affairs), the biggest preoccupation inside the continent, because as I said, Mexico is the bridge and the passage of illegal stuff, immigrants, and even terrorists from around the world, plus the main issue, which is the Mexican illegal people that cross the border every day in huge quantities. The U.S-Mexico border is the most transited in the world.<sup>13</sup>

This doesn't mean that Mexico is obligated to follow a foreign policy, focus on the U.S. for the rest of its history. I actually believe that Mexico can still, and must diversify its relations into the American continent. But pretending to talk about an independent foreign policy toward Latin America, not just in a symbolic sense but also in a real way, is senseless if we first don't think about solving the domestic issues that subsequently limit the Mexican decisions in matter of foreign policy.

In the contemporary history, the opportunities for doing an independent foreign policy inside the continent have existed, though they have been just a few. For Example, during the cold war, Mexico's foreign policy appeared to take an independent track, particularly in Latin America. Despite official Mexico's evident distaste for communism and low tolerance for dissent at home, Mexican governments refused to toe the U.S. ideological line in the hemisphere. Not only did Mexico preserve diplomatic relations with Castro's Cuba, but it offered safe heaven for political exiles from throughout the region, and led the Contadora group of nations attempting to curtail U.S. intervention in Central America in the 1980s, in the face of overwhelming and public U.S.

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<sup>13</sup> Source: Yearbook of Immigration Statistics, Enforcement.

disapproval.<sup>14</sup> In fact, this is what this work is about. I will analyse the U.S.-Mexico relation (the main aspects), to emphasize the importance and co-dependence of this, and then we will see the period in which we can say that Mexico really had the opportunity for making an independent foreign policy toward Latin America, that lasted about two and a half decades, in which Mexico started to worry about the U.S. interferences in Latin America, specifically Central America, and tried to decrease the U.S. influence and tried to serve as a counterweight on the negotiation table, in order to prevent a new U.S. border in the south of Mexico.

Unfortunately the period in which Mexico was able to make a real independent foreign policy inside the continent didn't last too much, because as we will see, the increasing of the trade with the U.S. and subsequently the signing of the NAFTA ended with any dream of a political and economic integration with the Latin American bloc, and increased the co-dependence between Mexico and the U.S.

The fact of having as a neighbour one of the greatest markets in the world, and experienced a crescent integration to the North American market, awoke a certain distrust within the majority of the Latin American ministries of foreign affairs and a serious and complex debate about the future of the Mexican foreign policy, because the fact that one of the biggest countries from the Latin American region had redefined its relations with the northern neighbour in order to insure a market and major direct investment fluxes, led up the rest of the Latin American countries to think that the region was divided in two sub-regions, clearly identified: one that tries to have major links with the North, and the other that wants to experience its own integration process in the southern cone, from which Mexico is not part.

Is important to say that our foreign policy doesn't have to run out in the relation with the U.S. and take always in consideration that we are a country of multiple dimensions; from which three are the Latin American dimension, the pluriracial and the hispanic-speaker.

What happened is that Mexico has reconsidered the terms of its relations, but the basis of these, or better said, the reunion with a common identity, is a permanent characteristic that will never change. Latin America was waiting leadership from Mexico, but Mexico preferred to identify its interests in the continent and made them worth, having to sacrifice its position within Latin

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<sup>14</sup> Source: Official website of the Lyndon Baines Johnson Foundation. DOYLE, KATE. Double dealing: Foreign Policy Toward Cuba. <http://www.lbjfoundation.org/>

America. At the end, I think that having one of the most powerful nations from the planet as a neighbour, and not focusing most of our interests there, would be completely absurd.

## CHAPTER 1.

### BEGINNINGS OF THE MEXICO-U.S. RELATIONS.

## 1.1. THE FIRST APPROACH.

After 11 years of struggle, on September 1821, the independentist army entered to Mexico City and took possession of the quarters that had been vacated only four days earlier by the royalist troops. Some days after the Provisional Junta was formally installed and the cabinet of four ministers was formed.<sup>15</sup> Weeks later, a citizen of the U.S. by the name of Wilcocks wrote to John Quincy Adams, the secretary of state at Washington, concerning the friendly attitude of the new government toward the U.S. He said that he had had various conferences with the leading members of the administration, whose sentiments were to be fully explained to him (Adams) by Don Juan Manuel de Elizalda, the minister plenipotentiary that was already named and preparing to go to Washington.<sup>16</sup>

The portfolio of foreign affairs in the first Mexican ministry was held by José Manuel de Herrera, who despatched the first diplomatic communication in Mexican history, which passed from the new government to that of the United States, announcing the triumph of the revolution and the establishment of the independent government. He wrote that the Governing Regency immediately had thought it a primary obligation upon them to communicate with all despatch to the nations the events, which had gloriously terminated the war of liberty; that the people of Mexico were desirous of being united to all governments by means of friendly alliances and connections; that the United States of North America had a preferable right to demand of the Mexican Empire those considerations, the more just and reasonable because they were supported by the well-known maxims of policy. Even nature herself have separated both nations from Europe by immense seas and placed them upon the same continent and they might make common cause in reciprocally supplying their necessities and cooperating for their mutual felicity, he said. In closing he finally announced that the legally authorized envoy would soon go to Washington to act as the medium of communication "between two nations destined to be united in the bonds of the most intimate and cordial fraternity".<sup>17</sup>

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<sup>15</sup> KIRKWOOD, BURTON. "The History of Mexico". Greenwood Press. Westport, CT. 2000. Pp. 86.

<sup>16</sup> Source: Official website Library of the Congress, American State paper: Foreign Relations, letter from Wilcocks to Adams, Mexico, October 25, 1821. <http://memory.loc.gov/ammem/amlaw/lwsp.html>

<sup>17</sup> Source: Official website Library of the Congress, American State paper: Foreign Relations, letter from Herrera to Adams, Mexico, October 25, 1821. <http://memory.loc.gov/ammem/amlaw/lwsp.html>.



Due to the pressure of the Spanish crown, it was until one-year later, that the U.S. government finished to recognize the Mexican independence.

## 1.2. THE STRUGGLE FOR TEXAS.

Since the beginning of the relations, both countries started having difficulties and problems because of the interest of the U.S. government for expanding its territory beyond the initial border. The U.S. government early attempted to pressure Mexico to change the border to its advantage by moving the border from the West Coast, to include in U.S. territory the port city of San Francisco. In exchange, Mexico was to receive a sum of money to be negotiated.

From 1825 until 1830 the situation in the Mexican State of Tejas-Coahuila, now part of Texas, had become very volatile. The great inflow of American colonists overwhelmed the Mexican settlers and the feeble Mexican military garrisons spread thinly throughout the immense and almost totally undeveloped area. All this was exacerbated by the slavery issue, one that a generation later was to play an important role in the American Civil War.<sup>18</sup>

In 1831 a settler of Texas by the name of Stephen Austin, (later known as the “father of Texas”), organized a series of regional political conventions that culminated in a decision to send Austin to Mexico City to petition for the establishment of Texas as a separate State within the Republic of Mexico. The new Mexican government didn’t welcome Austin’s idea and imprisoned him. Months later he was released from prison and began the discreet purchase of arms in preparation for the next step: a fight for independence. While it is not surprising that the Anglo settlers in Texas proved eager to join his enterprise.

A few years later the battles for Texas independence started and in 1836, after the seizing of Anahuac’s area (now Galveston), and after the surrender of San Antonio Bejar (now San Antonio), a formal declaration of independence was signed. There were setbacks, such as Mexican general Antonio Lopez de Santa Anna's capture of San Antonio's.<sup>19</sup>

Under the duress of the moment, Santa Anna signed two agreements pledging him to withdraw his troops and to accept Texan independence and its boundary at the Rio Grande (to Mexicans, el Río Bravo y Grande del Norte), and, even more controversially, to attempt to persuade his government

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<sup>18</sup> CLINT E. SMITH. “Inevitable Partnership: Understanding U.S.-Mexico Relations”, Lynne Rienner, 2000. Pp. 17.

<sup>19</sup> Santa Anna, was a Mexican political leader who greatly influenced early Mexican and Spanish politics and government, first fighting against independence from Spain, and then becoming its general and president at various times.

Source: Official website of the Santa Ana Historical Preservation Society.  
<http://www.santaanahistory.com/articles/bibliography.html>.

to abide by these accords. His government repudiated the treaty, and Santa Anna's capitulation brought him into temporary disrepute in Mexico, but he was later to rise again and again as a war hero and several time president. Although Mexican government officials talked of re-conquering Texas, internal weakness and lack of federal funds precluded any major military action.

Mexicans were highly resentful of the loss of Texas and blamed the United States for the disaster, claiming that without the arms and other supplies pouring in from the United States, the Texans could not have prosecuted the war for independence so successfully. Furthermore, in December 1845 the U.S. Congress formally annexed Texas, making it the twenty-eighth state in the Union. The actions leading to annexation prompted Mexico to sever diplomatic relations with the United States for a period.<sup>20</sup>

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<sup>20</sup> CLINT E. SMITH. "Inevitable Partnership: Understanding U.S.-Mexico Relations", Lynne Rienner, 2000. Pp. 18-20.

### 1.3. THE WAR OF THE NORTH AMERICAN INVASION.

The secession of Texas from Mexico and its subsequent annexation by the United States represented the first of a series of calculated steps by the U.S. government that led in 1846 to what Mexicans call the “War of the North American Invasion” and Americans call the “Mexican War”, because Mexico did not recognize completely the secession of Texas in 1836 and considered Texas a rebel province, until 1848 when the Treaty of Guadalupe Hidalgo was signed between both the U.S. and the Mexican governments, and which confirmed the loss of Texas.<sup>21</sup>

It is very clear that in 1845, when the U.S. government sent a special envoy, to Mexico, the U.S. president was already prepared to initiate hostilities. U.S. government must have anticipated that the envoy’s offer to purchase what is now western Texas, New Mexico, Arizona, and California for \$30 million would be seen as totally absurd to the Mexicans. In fact, the Mexicans had rejected many times in the past the sale of Mexican territory at any price.

In 1846, when the new and inexperienced Mexican government refused to meet with the special envoy and claimed that Mexican territory included all of Texas (“the U.S. Government maintained that that territory was part of the Texas Republic annexed in 1845, while historically it did not”<sup>22</sup>), the U.S. President ordered to establish a military presence along the Rio Grande and the construction of a fort, across the river from the Mexican city of Matamoros.

The “War of the North American Invasion” began on April 1846, when a Mexican cavalry unit crossed the river and fired on a patrol of U.S. soldiers on the banks of the Rio Bravo. So the hostilities between these two young States began first, with a U.S. cavalry force soon augmented by several regiments of Texan and Louisianan volunteers that moved slowly and deliberately south to capture Monterrey, the regional capital of the state of Nuevo Leon.

Meanwhile, another battle plan was under way on several fronts: U.S. forces marched on Santa Fe, captured it, proceeded through Arizona, and engaged Mexican forces defending California. The U.S. Pacific fleet was ordered to seize San Francisco and Monterey. These operations were successfully completed and California was secured in January 1847. In the Gulf of Mexico, U.S. Navy units successfully blockaded Mexican ports.

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<sup>21</sup> HAMNETT, BRIAN. “A Concise History of Mexico”. Cambridge University Press. Cambridge, England. 1999. Pp. 151.

<sup>22</sup> IBIDEM. Pp. 153.

Not surprisingly, the multi-front attack by well-equipped and trained U.S. forces caused great dismay and political unrest in the Mexican capital. General Santa Anna, once again called to serve as president and commander in chief, found himself faced with substantial American armies in the north and south, his ports blockaded, and a much-divided Mexican body politic. An ill-advised effort by Santa Anna's predecessors to finance the war by seizing Church property and possessions caused a massive reaction on the part of many conservative, influential Mexicans, to say nothing of the powerful clergy. Even though the government soon gave up this tactic, much resentment remained, and the longstanding division between the clergy and landowners on the one hand and reformist liberals on the other was exacerbated.

As the war progressed with a series of U.S. victories, Santa Anna was wise enough to realize that further resistance to the American forces would only cause greater suffering for his people. Thus, his government leaders entered into negotiations with the U.S. president. These negotiations were soon stalemated, in part by the intransigence of Mexicans who did not share Santa Anna's views, and the campaign began anew. After a bloody struggle, the U.S. forces captured Mexico City on September 1847, effectively bringing the Mexican War to a conclusion.

Following U.S. forces victory in Mexico City, several months of arduous negotiations between the two countries led to the signing, on February 1848, of the Treaty of Guadalupe Hidalgo. Both governments at the end of May 1848 ratified it. Under the terms of the treaty, Mexico gave up all claims to Texas and ceded New Mexico, Arizona, Nevada, California, and parts of Colorado—virtually all its territory north of the Rio Grande—to the United States. In return for the cession of more than half its territory, Mexico received a cash payment of \$15 million (half of the initial offer) and relief from all outstanding claims by U.S. citizens, such claims to be considered and paid by the U.S. government.

But the U.S. victory brought more than huge territorial gains to the United States. The siege of Chapultepec and the death of los niños héroes, which have epitomized the “War of the North American Invasion” to generations of Mexicans, created in Mexico a degree of hatred, humiliation, and xenophobia—particularly anti-Americanism—that remained strong for generations and has never fully dissipated. The failure of U.S. people today to understand the legacy of the Mexican War—indeed, most U.S. people seem unacquainted even with its broad outlines—stands as a barrier to the awareness of Mexican sensitivities so vital to a healthy relationship between the neighbouring countries.

The sad end of the affair did not play out until 1853, when Santa Anna, serving as Mexico's

president for the eleventh time in his long and stormy career, and much in need of ready cash, agreed to the Gadsden Purchase. He thus raised \$10 million by the sale of 30,000 square miles of territory in what is now southern New Mexico and south-eastern Arizona. This so sickened the Mexican people that they rose against Santa Anna, who went into his final exile, never to reappear on the scene.<sup>23</sup>

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<sup>23</sup> CLINT E. SMITH. "Inevitable Partnership: Understanding U.S.-Mexico Relations, Lynne Rienner, 2000. Pp. 21-23.

#### 1.4. CONSEQUENCES OF THE U.S. INTERFERENCE IN THE MEXICAN SOCIETY AND IN THE MEXICAN DOMESTIC AND FOREIGN POLICY.

We saw how since the beginnings of the relations, the U.S. interest for having a control on its southern neighbour, that sometimes have degenerated in a completely interference and a violation of Mexican sovereignty, have been a constant from the U.S. foreign policy inside the continent.

The U.S. have directed its foreign policy inside the continent, based on the Monroe doctrine (see 1.5), through which the U.S. awarded a great control and influence inside the continent. This has firstly provoked a sense of anti-americanism within most of the Latin American people since the beginning of the independent era. In the Mexican case, this kind of foreign policy, together with the loss of a great part of the territory have influenced and marked the relation, even until nowadays.

After the end of the Mexican revolution in 1920, and once it was reached a political stability during the 30's, the Mexican government made a great effort to create a sense of patriotism traduced in anti-americanism, within the Mexican society, by blaming the U.S. for being one of the responsible of the economic inequality and social oppression, because after all most of the foreign private companies attracted to Mexico during Porfirio Diaz dictatorship, came from the U.S., and so they represented part of the bourgeoisie that contributed to their social gap.

Children in Mexican schools were taught about the war in a way that arouses nationalistic sentiments and anti-American feelings. The obligatory textbook for the first grade, for example has still a map of Mexico that depicts Mexico as it was before the loss of territory.<sup>24</sup> Mexican officials in their speeches constantly used to refer to the loss of territory to the U.S. A private statement made by Gustavo Diaz Ordaz, Mexico's president from 1964 to 1970, reveals how profoundly many Mexicans are affected, by past conflicts with the U.S. He said "There is no real Mexican who doesn't want to get even with the United States". These can explain the resentment that most of the Mexican people have against their neighbour.

Anti-American attitudes, however, are not universal. In the northern states, closest to the U.S. border, anti-Americanism is practically nonexistent. A plausible reason is that many northerners have visited the U.S. or been influenced by American culture and feel attracted.

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<sup>24</sup> Source: Official book of the first course of social science, during the primary school in Mexico. Ciencias Sociales, Primer Curso, Secretaria de Educacion, Cultura y Bienstar Social del Gobierno de Mexico. SEP.

Regarding to the Mexican domestic policy, this has been also very affected and marked by the U.S. interference. These interferences are not just unacceptable but also dangerous for our country, because they have helped to the destabilization: they are against their own interests and maybe against the interests of most of the Latin American countries too. The interference of the U.S. in the Mexican political system have helped to the arising of the insurrectionist movements in the country and encourage the delicate political equilibrium toward the very left side, instead than to the moderate right or left side, because Mexican people hates when the U.S. tries to impose its willing to our government or when our government works without autonomy and fulfilling the wishes of the U.S. They forgot that Mexico has an enormous revolutionary tradition. They also forgot that Mexico had for many years a government with popular support, and perhaps still has it. But they especially forgot that Mexico has a proved political stability that will never be threaten by the arising of new parties, pressure groups, etc. that the political speech has been almost always moderated and has always existed a continuous dialog between the political forces, and that Mexico has a vigorous economy, which is more oriented toward the market than toward the centralized control.<sup>25</sup>

The influence and consequences of the U.S. foreign policy inside the continent have been reflected in matter of foreign policy too, as I mentioned in the introduction, the Mexican foreign policy is the product of a historic experience, deeply marked by the foreign threatens. During its first 100 hundred years of independent life Mexico couldn't lay the foundations of its Nation-State without feeling the danger of a foreign interference, especially from the U.S. That's the reason why our foreign policy is sustained by basic principles of international coexistence: 1) non-intervention, 2) self-determination and 3) peaceful resolution of conflicts. Mexico believed these principles would shield them against foreign meddling in its internal affairs.

Mexican interpretation of the principle of non-intervention is expressed in the 1930 Estrada doctrine (named after Mexican foreign minister Genaro Estrada), stating that Mexico will grant unconditional diplomatic recognition to any government regardless of its ideology. The principle of self-determination is derived from the Calvo doctrine of 1868, which stated that citizens or corporations involved in economic activities in Mexico should abide by Mexican laws. Any intervention by a foreign government on behalf of these citizens or corporations was to be considered unjust and illegal.<sup>26</sup> These principles are also mentioned by the Mexican Constitution in

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<sup>25</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica, 2006. Pp. 50

<sup>26</sup> Source: Historical archives from the Secretariat of Foreign Relations (Secretaria de Relaciones Exteriores). [www.sre.gob.mx](http://www.sre.gob.mx).



the article 89.X.

“For much of its history Mexico had a passive foreign policy as a consequence of its historical unfortunate experience. In the early 70s, however Mexican foreign policy became very active inside the continent. Despite its traditional foreign policy, based on the mentioned international principles, Mexico supported the socialist government of Chile's Salvador Allende and denounced the "imperialism" of the industrialized nations. Then a decade later Mexico intervened in El Salvador as well as in Nicaragua. Mexico nonetheless contended that its foreign policy was non-interventionist foreign policy, which is largely an instrument of domestic policy. During the last decades it served for three main purposes: 1) to satisfy the political far left which, although relatively small, was powerful and well-organized, 2) to exploit nationalist sentiments, especially in the form of anti-Americanism, and 3) to distract popular attention from the troubled economy by presenting real or imaginary successes overseas.

Mexico also have used such international forums as the United Nations and the Organization of American States (OAS) to project an image of independence from the U.S. At the U.N for instance, Mexico championed regimes at odds with the U.S such as Nicaragua. Mexico also introduced resolutions that tended to undermine U.S. foreign policy, including a 1986 resolution criticizing El Salvador's human rights, and Mexico seldom voted with the U.S. at the U.N. During the 80's Mexico's percentage of agreement with the U.S. was 14.8 percent placing it in the bottom one-fourth of all Latin American countries. In the OAS, Mexico in 1975 persuaded the organization to lift its sanctions against Cuba and in 1979, Mexico played an important role in stopping the U.S. from sending an Inter-American peace-keeping force that might have prevented the Sandinista takeover. (I will dedicate a special chapter to the 70's and 80's decades because this have been the period in which we can say that Mexico could make a totally independent foreign policy toward Latin America).

Mexico, however, preferred the U.N. to the OAS because Washington exercises more influence in the OAS. Dealing with Mexico used to present many problems for the U.S. After all, no other country, in the long run, is more important to U.S. security. Wounds from the past disappear very slowly and anti-American rhetoric persisted in Mexican political discourse until few time ago”.<sup>27</sup>

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<sup>27</sup> Source: Official website of The Heritage Foundation: Leadership for America. SALAVERRY, JORGE. “Evolution of Mexican foreign policy”. 1988. <http://www.heritage.org/Research/LatinAmerica/bg638.cfm>

Nowadays the political rhetoric have changed a lot from before, especially since the arrival of the new political class, which favoured the aperture of the Mexican market, and the U.S. investment. With the arrival of the right wing party in 2000 to the power, the government has made a big effort in order to change Mexican people feeling and attitude toward the U.S. by repeating constantly in their speeches phrases of good intentions and using expressions never used before toward our Northern neighbour, like friends, brothers, best partners, etc. But despite this, the Mexican society in general, still thinks that they (the U.S.) see us as the little brother, or even as their son, and the sense of anti-Americanism is still very strong among the society, so it will be very difficult to make people change this attitude in a near future.

## 1.5. THE MONROE DOCTRINE.

The Monroe Doctrine states three major ideas, with one more added by President Theodore Roosevelt. First, it conveys that European countries cannot colonize in any of the Americas: North, Central, or South as well as islands of the Caribbean, which were considered to be a part of the Americas. Second, it enforces Washington's rule of foreign policy, in which the U.S. will only be involved in European affairs if America's rights are disturbed. Third, the U.S. will consider any attempt at colonization a threat to its national security.

The Monroe Doctrine was expressed during President Monroe's seventh annual message to Congress, December 2, 1823:

“At the proposal of the Russian Imperial Government, made through the minister of the Emperor residing here, a full power and instructions have been transmitted to the minister of the United States at St. Petersburg to arrange by amicable negotiation the respective rights and interests of the two nations on the northwest coast of this continent. A similar proposal had been made by His Imperial Majesty to the Government of Great Britain, which has likewise been acceded to. The Government of the United States of America has been desirous by this friendly proceeding of manifesting the great value which they have invariably attached to the friendship of the Emperor and their solicitude to cultivate the best understanding with his Government. In the discussions to which this interest has given rise and in the arrangements by which they may terminate the occasion has been judged proper for asserting, as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers....

It was stated at the commencement of the last session that a great effort was then making in Spain and Portugal to improve the condition of the people of those countries, and that it appeared to be conducted with extraordinary moderation. It need scarcely be remarked that the result has been so far very different from what was then anticipated. Of events in that quarter of the globe, with which we have so much intercourse and from which we derive our origin, we have always been anxious and interested spectators. The citizens of the United States cherish sentiments the most friendly in favor of the liberty and happiness of their fellowmen on that side of the Atlantic. In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it

comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparation for our defense. With the movements in this hemisphere we are of necessity more immediately connected, and by causes which must be obvious to all enlightened and impartial observers. The political system of the allied powers is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective Governments; and to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole nation is devoted. We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the Governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States. In the war between those new Governments and Spain we declared our neutrality at the time of their recognition, and to this we have adhered, and shall continue to adhere, provided no change shall occur which, in the judgment of the competent authorities of this Government, shall make a corresponding change on the part of the United States indispensable to their security.

The late events in Spain and Portugal show that Europe is still unsettled. Of this important fact no stronger proof can be adduced than that the allied powers should have thought it proper, on any principle satisfactory to themselves, to have interposed by force in the internal concerns of Spain. To what extent such interposition may be carried, on the same principle, is a question in which all independent powers whose governments differ from theirs are interested, even those most remote, and surely none more so than the United States. Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is, not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy, meeting in all instances the just claims of every power, submitting to injuries from none. But in regard to those continents circumstances are eminently and conspicuously different. It is impossible that the allied powers should extend their political system to any portion of either continent without endangering our peace and happiness; nor can anyone believe that our southern brethren, if left to themselves, would

adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition in any form with indifference. If we look to the comparative strength and resources of Spain and those old Governments, and their distance from each other, it must be obvious that she can never subdue them. It is still the true policy of the United States to leave the parties to themselves, in the hope that other powers will pursue the same course....”<sup>28</sup>

In 1845, U.S. President James Polk announced to Congress that the principle of the Monroe Doctrine should be strictly enforced and that the United States should aggressively expand into the West.

In 1852, some politicians used the principle of the Monroe Doctrine to argue for forcefully removing the Spanish from Cuba. In 1898, following the Spanish-American War, the United States obtained Puerto Rico from Spain and began an occupation of Cuba that lasted until 1902.

In 1863, French forces under Napoleon III invaded Mexico and set up a French puppet regime headed by Emperor Maximilian; Americans proclaimed this as a violation of "The Doctrine", but were unable to intervene due to the American Civil War.

In 1928, the Clark Memorandum was released, concluding that the Doctrine gave the United States the right to intervene in Latin American affairs when it perceived a threat to its interests or internal dangers, even without European interference. Internal dangers included events such as elections as acceptable justification for intervention. The policy would not be released to the public until 1930.

In 1954, Secretary of State John Foster Dulles evoked the Monroe Doctrine at the Tenth Inter-American Conference, denouncing the intervention of Soviet Communism in Guatemala.

U.S. President John F. Kennedy at an August 29, 1962 news conference:

“The Monroe Doctrine means what it has meant since President Monroe and John Quincy Adams enunciated it, and that is that we would oppose a foreign power extending its power to the Western

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<sup>28</sup> Source: official website of the University of Oklahoma. U.S. Historical Documents.  
<http://www.law.ou.edu/ushistory>

Hemisphere, and that is why we oppose what is happening in Cuba today. That is why we have cut off our trade. That is why we worked in the Organization of American States and in other ways to isolate the Communist menace in Cuba. That is why we will continue to give a good deal of our effort and attention to it.”<sup>29</sup>

Some Latin Americans have come to resent this "Monroe Doctrine", which has been summarized there in the phrase: "America for the Americans", translated into Spanish ironically as “América para los americanos”. The irony lies in the fact that the Spanish term *americano* is used to name the inhabitants of both North and South America. However, in English, the term *American* is related almost exclusively to the nationals of the United States, although this wasn't always the case. Thus, while "America for the Americans" sounds very much like a call to share a common destiny, it becomes apparent that it could really imply: America (the continent) for the United States. At the turn of the century popular resentment in Latin America gave rise to a series of left of center leaders who questioned Washington's sincerity. In order to explicitly explain what is meant, the phrase is usually changed to "America for North American Americans".

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<sup>29</sup> Source: Official website of The Library of Congress. <http://www.loc.gov/index.html>

## CHAPTER 2.

U.S.-MEXICO RELATION FROM THE 30's TO THE END OF  
THE 60's: A PASSIVE FOREIGN POLICY TOWARD LATIN  
AMERICA.

## 2.1. THE OIL EXPROPRIATION AND THE DETERIORATION OF THE RELATION.

During the “porfiriato”, which is the period that goes from 1876 to 1910 (year of the starting of the Mexican revolution) when Porfirio Diaz, -a U.S.-Mexican war volunteer, French intervention hero and president from Mexico- ruled the country in a regime, the relations with the U.S. were very contradictory and curious because in despite of the antipathy of Porfirio Diaz toward the U.S.<sup>30</sup>, during the boom period of his administration, half of the astounding \$2 billion foreign private direct investment attracted to Mexico, came from the U.S. These investments, involving thousands of U.S. and Mexican firms and individuals, from the widest range of commercial interests, were an important factor in the growth of economic and social interdependence between the United States and Mexico.<sup>31</sup>

However, this was not going to last for to long, because after the Mexican revolution, and the subsequent political instability, the relationship between Mexico and the U.S. gradually began to deteriorate, and finally the relations got frozen in 1938 when President Lazaro Cardenas nationalized the oil industry, and expelled all the foreign companies from which, the majority were American.

Cardenas was a man of deep personal commitment to social change. As governor of Michoacan (1928–1932) he opened new schools and invited peasants and industrial workers to organize and work within the political system. He improved conditions in Michoacan even as a worldwide depression was hitting the Mexican economy.

This success called the attention of the PNR (the party born after the revolution and then changed to the name of PRI), and its leader. Cardenas was invited to run for the presidency, which he easily won in 1934 (due that was the hegemonic party that actually governed the country until the year 2000).

The balance of the Cárdenas term (1934–1940) saw educational reform and the building of thousands of schools throughout the country; the growth of the Mexican labor movement; and land reform, whereby many giant haciendas were broken up and the land given to ejidos, or peasant

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<sup>30</sup> During an interview with a U.S. reporter, Porfirio Diaz mentioned a phrase that would become one of his most memorable phrases: “poor Mexico, so far from god, so close to the U.S.” (Interview Creelman-Diaz, 1908).

<sup>31</sup> CLINT E. SMITH. “Inevitable partnership: Understanding U.S.-Mexico relations”. Lynne Rienner, 2000. Pp. 35.



communities. But Cárdenas remains best known throughout the world for successfully taking on the United States and the powerful foreign oil companies that had been allowed to exploit Mexican oil fields for decades without even minimal government control, or a fair share of the profits for Mexicans.<sup>32</sup>

Despite the good relations established between Roosevelt and Cardenas on March 18, 1939, President Cárdenas signed an edict seizing the holdings of more than a dozen U.S. and all other foreign oil companies. But Cárdenas believed there was ample justification for the action. The oil companies had for some months taken illegal measures to stave off oil workers demands for wage increases, and had refused to obey a Mexican Supreme Court edict upholding pay hikes recommended by a government commission. Cárdenas, calling this intransigence a defiance of Mexico's national sovereignty, declared that his action was sanctioned by the Mexican Constitution of 1917.<sup>33</sup>

With the oil industry nationalization, inside the U.S. the voices for an intervention raised, but something very interesting happened: the old game of the oil interests broke down abruptly with Franklin D. Roosevelt, the most conspicuous democrat president that arrives to the White House in the early 30's with the policy of the "Good Vicinity". His objective was to put an end to the policy of unilateral interventionism in the hemisphere and to establish an alliance with the countries of this to aisle them selves from the European and Asian instability. Since this was a State policy, designed in a period of crisis, Washington decided to retire partially its support to the oil interests affected by the expropriation (to this also helped the fact that the oil interests were not just from the U.S. but also from the Great Britain). The Mexican president could take advantage of the situation, as he knew that Washington couldn't force him to change his mind, because an intervention could brake the alliance with Latin America and they couldn't support the enemies of the Mexican president neither, because that would mean to supporting the Mexican conservator and fascist forces.<sup>34</sup>

Meanwhile, PEMEX (the public oil company) was created and began to sell oil to Germany, which was building up its reserves in anticipation of World War II. President Roosevelt was concerned about the intransigence of the oil company, and encouraged an early resolution of the issue. It was

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<sup>32</sup> IBIDEM. Pp. 50

<sup>33</sup> Source: Official website of the U.S. Department of State. "Mexican Expropriation of Foreign Oil". <http://www.state.gov/r/pa/ho/time/wwii/92455.htm>

<sup>34</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica, 2006. Pp. 48, 49.

just until 1941, virtually on the eve of America's entry into the war, that a final agreement was signed giving foreign companies a total of \$40 million in compensation for their oil concessions.<sup>35</sup>

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<sup>35</sup> CLINT E. SMITH. "Inevitable partnership: Understanding U.S.-Mexico relations". Lynne Rienner, 2000. Pp. 51.

## 2.2. MEXICO-U.S. RELATIONS DURING AND AFTER THE SECOND WORLD WAR.

Since the Second World War, until the 70's we find that the basic interest of the U.S. toward Mexico was to have a prosperous and stable neighbour, in fact during those years people used to talk about a "special relation", since the U.S. seemed to understand that part of the Mexican stability was related to the need of taking an independent foreign policy that didn't necessary spoil the sensible points of their interests.<sup>36</sup>

Mexico and the United States have periodically established special mechanisms in order to overcome political barriers and to extend cooperation since the war. Among those mechanisms are the International Boundary and Water Commission, the Mexico-U.S. Trade Commission, the Commission on Undocumented Migration to the United States, and the Mexico-U.S. Commission for Border Development and Friendship.

The International Boundary and Water Commission has been considered a good example of Mexico-United States cooperation. The commission has facilitated the solution of numerous bilateral disputes, including the Chamizal during the 60's. The purpose of this mechanism was based on a mandate to deal with the "problems on the land and water boundaries susceptible to engineering solutions." This framework has proven successful largely because of the technical, that is, nonhuman, nature of the problems.<sup>37</sup>

During the WWII, the interdependence between the two nations became evident, because Mexico had a collaborative role in the conflict in regards to furnishing materials to build up the U.S. war effort, and by participating in the "bracero program"<sup>38</sup>, where the U.S. government gave permits for Mexican field workers to come to the U.S. and take over jobs that went unfilled by the soldiers fighting in Europe, Africa, Asia and the Pacific. In fact this was the first time that the U.S. allowed the massive entry of Mexicans to its territory.<sup>39</sup>

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<sup>36</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica. 2006. Pp 49.

<sup>37</sup> KAUFMAN PURCELL, SUSAN. "Mexico-U.S. Relations". Academy of Political Science. New York. 1981. Pp. 29.

<sup>38</sup> Between the period of 1942 and 1964, millions of Mexicans were imported into the U.S. as "braceros" under the Bracero Program to work temporarily on contract to United States growers and ranchers.

<sup>39</sup> Under the Bracero Program, more than 3 million Mexican farm workers came to work the fields of the United States. Impoverished Mexicans fled their rural communities and traveled north to work as braceros. It was mainly by the Mexican hand that America became the most lush agricultural center in the world.

Source: Official website from the Center for Immigration Studies. <http://www.cis.org/articles/2001/msk02-25-01.html>

Also the foreign policy toward Mexico became more careful because of the security factor. The U.S. government was afraid of having a pro-soviet neighbour, especially at the end of the war when the World order became bipolar and the sympathy for the USSR and the anti-Americanism increased.

In Mexico, a big socialist cultural movement had started before the war. The Mural movement for instance, whose leader was Diego Rivera, initiated in the 20's with the end of the Revolution, and was basically a way of expressing through mural (wall) paintings the needs of the oppressing pueblo (common people) and the sympathy for the Soviets. In fact, Mexico was the refuge for many soviet dissidents as for example Leon Trotsky, who came to Mexico during Lazaro Cardenas administration (he actually supported Cardenas's decision of nationalizing the oil companies), after arranging (Cardenas) a special train to bring him (Trotsky) to Mexico City from the port of Tampico.

While in Mexico, Trotsky worked closely with the leaders and supporters of the Socialist Workers Party of the U.S. what increased the fear of the U.S. of having a new, even though incipient socialist threaten just down them. In 1948 the Popular Socialist Party was created in Mexico, in response to the increasingly moderate and corrupt policies of the ruling Institutional Revolutionary Party (PRI). The mine, oil and rail worker's unions supported the Popular Party, but its potential strength in elections was reduced by the strength of the PRI.<sup>40</sup>

However, the relation between Mexico and the U.S. turned very good with new, private-sector-oriented president, Miguel Aleman Valdes (1946–1952), the first civilian in decades to be elected president of Mexico, who received the first visit by an American president to Mexico City when Harry Truman arrived in March 1947.

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<sup>40</sup> Source: Encyclopedia of Mexico: History, Society & Culture. Volume. 2. Contributors: Michael S. Werner. Fitzroy Dearborn Publishers. Chicago. 1997. Pp. 1355

### 2.3. THE 50's AND THE 60's: A SWITCH ON THE MEXICAN FOREIGN POLICY.

The relations with the United States, in general friendly and uneventful, were dramatically spoiled in 1954, when the U.S. government intervened in Guatemala to overthrow the reformist president Jacobo Arbenz. A leftist democrat determined to make a land reform program that threatened the considerable landholdings of the wealthy hacendados (landowners), and of the United Fruit Company. Arbenz was overthrown in a CIA-supported coup.<sup>41</sup> For the first time in Mexican history, thousands of Mexicans demonstrated on the streets against the U.S. actions inside Latin America. The CIA's support was widely denounced in Mexico as being all too typical of past U.S. interventions.

The end of the 50's and the beginning of the 60's was a very important period for Mexico in matter of foreign policy. The Mexican government at that time found his principal challenges in this arena. The first challenge was the Cuban Revolution of 1959 (see 2.4.). The second was the Chamizal matter. In 1864, due to a shift in the course of the Rio Grande (Rio Bravo) near the border towns of El Paso, Texas and Ciudad Juarez, Mexico, 440 acres of what had been Mexican territory (known as El Chamizal) became part of the U.S.

For a hundred years, numerous commissions were unable to solve this matter by reaching an agreement for a new boundary. In 1962, during a state visit, president Kennedy and president Lopez Mateos treated the topic and finally reached an agreement elaborated between Mexico's Secretariat of Foreign Relations and the U.S. State Department together. The agreement, which called for a permanent channelling of the river through the disputed area, the construction of an international park, and an international bridge connecting El Paso and Ciudad Juarez, represented an enormous success for Mexican government.<sup>42</sup>

López Mateos led the country skilfully during his administration, handling very well the Cuban crisis and developing good relations with a series of U.S. presidents (Eisenhower, Kennedy, and Johnson).

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<sup>41</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica, 2006. Pp.200.

<sup>42</sup> KAUFMAN PURCELL, SUSAN. "Mexico-U.S. Relations". Academy of Political Science. New York. 1981. Pp. 29.

## 2.4. THE CUBAN REVOLUTION: A COUNTERWEIGHT FOR MEXICO.

When the revolution headed by Fidel Castro triumphed in 1959 (a revolution which in its initial stages used Mexican soil to prepare itself) Mexico found in revolutionary nationalism a compelling trait, one that could possibly serve as a means to soften the U.S. hold on the region. Because of that, the successive government of the PRI from Adolfo Lopez Mateos (1958-1964) to Ernesto Zedillo (1994-2000), all of them fairly anticommunist and tilted to the right, did not break relations with socialist Cuba as the rest of the Latin American nations did, either by their own decision, or because of Washington's pressure.

The historic relationship between Mexico and Fidel Castro's Cuba is the stuff of legend, a legend that both nations have promoted tirelessly since 1959. In the years after the triumph of the Cuban revolution, despite intense pressure from Washington, Mexico proved a staunch ally to Cuba. In 1960, López Mateos demonstrated his backing for the new government by inviting Cuban President Osvaldo Dorticós to Mexico for a state visit. In 1961, the Mexican government led the charge in the United Nations to protest the Bay of Pigs invasion. Mexico repeatedly opposed the imposition of economic sanctions by the Organization of American States (OAS) against Cuba; and in 1964, became the only OAS member to reject the U.S.-led charge to break diplomatic ties with Havana.<sup>43</sup>

However this, the U.S. attitude toward Mexico didn't change to much. There were not significant consequences for our country for the support given to the island. Actually these series of events between the U.S and Cuba served to Mexico to make the U.S. realize that despite the importance and the vitality of their relation, Mexico wanted to take its own decisions and wanted to make an independent foreign policy, based on the principles of international coexistence as its tradition demanded.

The relation with Cuba acquire a new perspective during Salinas de Gortari's administration, due to the fact that the democracy and the human rights became the center of the debate of the so-called U.S. "legitimate interventions", inside the country.

In 1992 the OAS's document was reformed, in order to allow foreign interventions in the case of any threaten to the democratic systems. Mexico was the only one that voted against said reform,

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<sup>43</sup> Source: official website of the Lyndon Baines Johnson Foundation. DOYLE, KATE. Double dealing: Foreign Policy Toward Cuba. <http://www.lbjfoundation.org/>

because this was not only against the traditional principles of its foreign policy, but because even Mexico was considered part of the problem in more than one of these issues, especially regarding to the human rights issue, and the necessity of a major political opening.<sup>44</sup>

To tell the truth, the Mexican government supported Cuba not because of a matter of principles or because of the affective bonds we had with the island, but because of the rejection to the political opening and the presence of international observants on the electoral processes.

With the arrival of Vicente Fox to the presidency, the relations with Cuba suffered a deterioration because Mexico adopted a new position based on the priority to the democracy and the human rights as the pillar of its foreign policy platform. But also because of the lack of tact to deal with the island.

Nowadays the current administration is making good efforts to improve the relations with the island, and it seems to go on the right track, but is evident that the big mistakes made against Cuba during the last administration, will take some time to heal. (see also the conclusions about Cuba).

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<sup>44</sup> HERRERA-LASSO, LUIS. "Mexico ante el mundo: tiempo de definiciones". Fondo de Cultura Economica, 2006. Pp. 260.

## CHAPTER 3.

# THE 70's AND THE 80's: AN INDEPENDENT FOREIGN POLICY TOWARD LATIN AMERICA.



### 3.1. THE 70's: AN ACTIVE FOREIGN POLICY.

Although the Mexican government made a foreign policy of rapprochement with Latin America, and especially with Central America, during the 60's, the region wasn't that important for Mexico in its international task until the end of the 70's decade, when Mexico had to turned down its southern frontier to face up the challenges of political regional instability and prevent a possible U.S. intervention that would finish to let us, in fact, with two U.S. frontiers.

However there was a limit in the role that Mexico could play because Mexico was still an unknown mediator country in the international context, and Mexico could only made a foreign policy based more in the declarations and the accuses inside and outside of the multilateral mechanisms from the region, and not a foreign policy based on the actions. Once and once again Mexico continued using the principles of international coexistence in which its foreign policy was based on, during the conflict of Guatemala in 1954, when we refused to break down our relations with Cuba in 1960, and when we condemned the invasion of the Dominican Republic in 1965. These actions were sustained almost in an instinctive way on the idea that we had to defend our neighbour's autonomy, in order to open a space of manoeuvring for ourselves.

“In a great measure, the Mexican foreign policy toward Latin America, and especially toward Central America, was motivated for the interventionist relation that the U.S. have had in those countries, which whom the U.S. considers its influential natural zone”.<sup>45</sup>

The foreign policy of the 70's had great choices that made Mexico to have a more significant international presence. Despite the troubles that plagued his administration in the domestic arena, Echeverria played an extraordinary role in the World scene. He brought Mexico to play the role of Third World leadership, and followed a path between capitalism and socialism. During his administration, he travelled to Africa, the Far East, and elsewhere, becoming a leader not just inside Latin America, but also inside the whole developing World. He promoted a “Charter of Economic Rights and Duties of States” that was passed by the UN General Assembly. Finally, he committed one big mistake that put him away from what would had meant an extraordinary success in Mexico's foreign policy history: when he was running for being elected Secretary General of the UN, perhaps in a desire to win Arab support, he lent Mexico's voice to a 1975 UN General

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<sup>45</sup> DE OLLOQUI, JOSE JUAN. “La diplomacia total”. Fondo de Cultura Economica. 2006. 192.

Assembly resolution equating Zionism with racism. The result was the indignation of the American Jewish community and the Mexican Jewish community, which was already considerable at the moment. Additionally he won the rejection of the U.S. government.<sup>46</sup>

During the 70's the U.S. economy entered into recession, which meant a big challenge for Mexico: to negotiate with the U.S. when both countries were in difficult circumstances. The World economic crisis brought immediately difficulty to the economy and Mexico hoped a special treatment from the U.S., which never arrived. Mexico didn't get the special relation that had reigned years ago.

Neither the vicinity, nor the strong economic relation were enough for the U.S to considering Mexico in its prior agenda or to feel the compromise or the necessity to build a special relation with its southern neighbour. Richard Nixon was more occupied in bringing the U.S out from the recession, in ending the war in Vietnam, in signing the first agreement on nuclear weapons with the USSR, in its approach with China and in the war on the Middle East, than preoccupied in building a special relation with Mexico.<sup>47</sup>

However, since the early 1970s, both governments made efforts to discuss undocumented migration. In practice, these efforts were not well coordinated, and given the absence of an authorized framework for real negotiation until the end of the decade when in 1979 the working groups for the consultative mechanism were expanded and transformed, creating eight specific groups to deal with the different bilateral matters, including border cooperation, trade, finance, tourism, migration affairs, energy, and legal matters. Furthermore, the committees and existing consultative groups in the fields of science and technology, cultural cooperation, agricultural, forest, and wildlife conservation continued to meet.

To improve the coordination of efforts, President Carter named a coordinator for Mexican affairs with the rank of ambassador at large; the government of Mexico, as part of the reorganization of the foreign ministry, created a bureau for North America.<sup>48</sup>

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<sup>46</sup> Source: Official website from Encyclopedia Britannica: Luis Echeverria Alvarez.  
<http://www.britannica.com/eb/article-9031892/Luis-Echeverria-Alvarez>.

<sup>47</sup> HERRERA-LASSO, LUIS. "Mexico ante el mundo: tiempo de definiciones". Fondo de Cultura Economica, 2006. Pp. 248.

<sup>48</sup> KAUFMAN PURCELL, SUSAN. "Mexico-U.S. Relations". Academy of Political Science. New York. 1981 Pp. 28.

### 3.2. THE 80's: FROM THE DECLARATIONS TO THE ACTIONS.

Finally at the 80's we past from the declarations to the actions, and when I say the actions it doesn't mean that before Mexico didn't take actions for trying to solve the different conflicts in the region, but because this time Mexico assumed the role of leader for the solution of the conflicts, political, economical instability, etc. that at the time were threaten some Central American States, through the Contadora Group, which principal aim, was to bring the peace to the region, through the mediation and conciliation with the different parts. Even though at the end the results were not as the majority of the nations involved nations wanted (because of the U.S. interests), it represented a great opportunity for Mexico to get closer to Latin American.

### 3.3. CONTADORA GROUP.

The Contadora Group was an initiative launched in the early 1980's to deal with the military conflicts in El Salvador, Nicaragua and Guatemala, which were threatening to destabilize the entire Central American region.

This group, which consisted of Mexico, Panama, Colombia and Venezuela, explored ways of reaching peaceful settlement of internal and regional disputes and for the verification of such settlements by an international body. It also received the backing of Argentina, Brazil, Peru and Uruguay, which were known thereafter as the Contadora Support Group.

The initiative from the Mexican government to create the Contadora Group responded to the necessity of having presence and voice in what was happening on the region. The scope of the multilateral strategy was to decrease the direct confrontation with the U.S. since our perspectives about the crisis and the mechanisms for a solution differed notoriously. We might note that for the first time in the Mexican official speech, appeared the concepts of "national interest" and "national security".<sup>49</sup>

"In 1984 seemed that the countries involved have arrived to a general consensus under the auspicious of Contadora, but the U.S. realized that the Central Americans were about to accept an agreement that would let intact the Sandinista regime. So they made a great effort to put down the agreement; and so, the Contadora efforts came to a standstill and the role that this group played on the successive agreements of pacification diminished dramatically. This coincided from the one hand, with an intensification of the bad tone of the U.S.-Mexico relations and, from the other hand, with the economic difficulties in the middle of the decade".<sup>50</sup>

Since the beginning of the initiative of Contadora, there were many critics about the diplomacy that Mexico was developing in that area, because it was creating unnecessary events without possibilities of success.

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<sup>49</sup> Source: Official website of Foreign Affairs. Article of President de la Madrid. "Mexico: The New Challenges". 1984. <http://www.foreignaffairs.org/19840901faessay8397/miguel-de-la-madrid-h/mexico-the-new-challenges.html>

<sup>50</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica. 2006. Pp. 194-195.

Even though Mexico thought that the Nicaraguan Revolution was a legitimate movement, Mexican government didn't have to forget that no matter what happened, the U.S would have never permitted a switch to the left in Central America, and so Contadora Group had to be more realistic when negotiating. The first negotiations took the rest of the countries to think that the group was getting divided in two: Mexico and Nicaragua from one side and the U.S. and the rest of the Central American countries from the other side, so this was creating us problems with the rest of the countries involved, and was bringing little progress on that region. Actually any country from the area could react against Mexico.<sup>51</sup>

The Mexican initiative, was despite all the troubles a great success, since it helped to open many alternatives of negotiation for the nations involved, which realized that they could have their own voice. It also settled the bases of the verification mechanisms for insuring the fulfilment of the successive agreements from Esquipulas, Guatemala,<sup>52</sup> as well as the summits and the multilateral cooperation mechanisms in the area.

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<sup>51</sup> IBIDEM. Pp. 195.

<sup>52</sup> Negotiations between the five Central American states of Honduras, Nicaragua, Guatemala, Costa Rica and El Salvador signed in 1987 an Agreement known as "Esquipulas II" or as the "Guatemalan Agreement", because it was signed in Guatemala City, which committed each of them to take a number of specific measures in order to terminate conflicts in the region. Source: Agreement on the Procedure for Establishing a Firm and Lasting Peace in Central America, ILM 26 (1987), 1164.

## CHAPTER 4.

# MEXICO-U.S RELATIONS FROM MIGUEL DE LA MADRID TO ERNESTO ZEDILLO.

#### 4.1. 1982: THE APPEARANCE OF THE NEW POLITICAL CLASS AND THE INCREASING OF THE DEPENDENCE.

The arrival of president Miguel de la Madrid in 1982, inaugurated a new period for the Mexican policy characterized for the appearance of a neoliberal government.<sup>53</sup> Even though his antecessors tried to make a more active foreign policy inside and outside the continent (like president Echeverria did), tried to keep Mexico detached from the U.S. Also because the U.S. didn't consider Mexico in its prior agenda and didn't feel the compromise or the necessity to rebuilt with Mexico an special relation, and Mexico from its part didn't do too much efforts for gaining the sympathy of its northern neighbour, but on the contrary Mexico tried to follow an independent foreign policy that actually, not in a few times, was completely opposed to the U.S. policy, which could have put on risk the relation with the U.S., as we just saw.

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<sup>53</sup> "Mexico's neoliberal transformation began with macroeconomic stabilization and structural adjustment programs undertaken during the administration of President Miguel la Madrid ( 1982-88). The president and his top economic advisers utilized the crisis to put into practice reforms that many neoliberal economists long had advocated but that had been blocked by those groups who had for decades benefited from state-led capitalist development." Encyclopedia of Mexico: History, Society & Culture. Vol. 2. Contributors: Michael s. Werner. Fitzroy Dearborn Publishers. Chicago. 1997. Pp. 1015.

## 4.2. DE LA MADRID.

De la Madrid was the first of a series of Mexican presidents and politicians (the so-called technocrats), that made part of their studies outside the country, specially the U.S., so they brought new ideas about how governing, another way of thinking, but specially they had the intention of bringing Mexico nearer to the U.S. by opening the economy.

The strategy of de la Madrid's administration considered two aspects: from the one hand, the normalization and eventual institutionalization of the economic relation with U.S. together with the beginning of a process of important adjustments in the Mexican economy. From the other hand, the promotion and instrumentation of international political positions in the areas of the national interest.<sup>54</sup>

The great Mexican multilateral activism in global themes and in the promotion of the international law past aside; on the contrary, issues as the drug trafficking and the immigration acquired great importance in the agenda with the U.S. The ideological pluralism in the international relations and the attempts of diversification stayed the same, but this time based on an strategy with priorities and objectives perfectly delimited: to solve the financial crisis through a better understanding with the U.S. and to avoid an escalation of the conflicts in Central America.

In this period, the financial issue dominated the relation with the U.S. Two restructurings of the public external debt were launched and three of the private debt.<sup>55</sup> Mexico acquired great prestige as an international financial negotiator and positioned itself as a trustworthy partner in front of the U.S.

The arrival of president Reagan left behind the syndrome of Vietnam (not involving in conventional wars of high cost and human lives, and especially of doubtful political benefits), for incursion again in the use of the force as an instrument from the U.S. foreign policy (Granada in 1983, Panama in 1989). With the end of the Cold War, the U.S. government substituted the drug trafficking for the

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<sup>54</sup> IBIDEM. 1015.

<sup>55</sup> Source: Official website of the World Bank. VAN WIJNBERGEN, SWEDER. "Mexico's external debt restructuring in 1989-1990", Vol. 1. 1990.



communism as the “threaten to combat” and the way for legitimate the interventions, as it happened in Panama.<sup>56</sup>

The last two U.S. administrations (Carter, Reagan) made clear to Mexico that constructing a “special relation” was more in the interest from Mexico than from the northern neighbour and that, for negotiating with them was necessary to know better the rules of the game. It was also clear for Mexico, after the failed attempts of diversification from the two last Mexican administrations, that the future of the Mexican economy was inevitably associated to the good understanding in the economic issues with the U.S. The financial relation during de la Madrid’s administration was the first story of success.<sup>57</sup>

In 1984, at the time when the Mexican government was working hard, together with its Latin American counterparts for finding a solution to the conflicts in Central America, Carlos Salinas de Gortari who was the Secretary of State, was working for positioning the Mexican economy into the new international scenario. At the middle of 1985 important reductions in the public sector were announced and also most of the tariffs, what meant the beginning of the economic aperture.<sup>58</sup>

In the foreign policy two issues were incorporated to the agenda: from the one side, the entrance of the cocaine from Mexico to the U.S during the 80’s, would significantly complicate the drugs issue in the relation with our neighbour, a topic that had kept stable thanks to the drugs detection and eradication policies from the Mexican governments. However, in 1985, the assassination of the Drug Enforcement Administration (DEA), Enrique Camarena, in Guadalajara, put the drug trafficking issue in the centre of the agenda with the U.S.<sup>59</sup>

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<sup>56</sup> “Panama was the first case of militar intervention outside the Cold War framework. The U.S. justified the intervention in the context of the combat against the drug trafficking. Mexico didn’t endorse the intervention, but didn’t oposed neither”. HERRERA-LASSO, LUIS. “Mexico ante el mundo: tiempo de definiciones”. Fondo de Cultura Economica, 2006. Pp. 260.

<sup>57</sup> IBIDEM. Pp. 256.

<sup>58</sup> In 1985, the Mexican government decided the entry of Mexico to the GATT and subsequently, to dismantle progressively the protectionist barriers for the entry of foreigner products. Source: Official website of the Secretariat of Economy (Secretaria de Economia). World Trade Organization. [www.economia.gob.mx](http://www.economia.gob.mx)

<sup>59</sup> MAZZA, JACQUELINE. “Don’t Disturb the Neighbors: The United States and Democracy in Mexico, 1980-1995”. Routledge. London. 2001. Pp. 31.

From the other side, was the approval on the U.S Congress, of a new Migratory Law in 1986, which permitted 2.3 million Mexicans to regularize their residence in that country.<sup>60</sup> But at the same time this constituted an advice of the magnitude of this phenomenon, which would grow enormously during the following years.

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<sup>60</sup> Source: Official website of the Migration Information Source. DURAND, JORGE. "From Traitors to Heroes: 100 Years of Mexican Migration Policies". March 2004. <http://www.migrationinformation.org/Feature/display.cfm?ID=203>

### 4.3. SALINAS DE GORTARI.

In a retrospective we can say that there were two big omissions during de la Madrid's administration and from which Mexico would have to pay later the consequences. The first one, was that the government didn't know how to reinforce the economy in order to prevent another economic crisis at the end of the administration as it happened before. So in 1987, Mexico experimented again a devaluation and a period of economic destabilization. The second big omission was to postpone, for the third consecutive administration, the process of political modernization of the country. The modernizer efficiency of the technocrats in some areas, was not reflected in the political field.<sup>61</sup>

This provoked that for the first time after the creation of the PRI, the presidential candidate, Carlos Salinas de Gortari, faced up during the electoral process in 1988, a great opposition by his opponent, the ex priista (a former member of the PRI) Cuauhtemoc Cardenas, who was also the grandson of Lazaro Cardenas (the author of the oil expropriation in 1938), and who actually won the elections, but thanks to a scandalous electoral fraud orchestrated by the PRI, he couldn't get to the power.<sup>62</sup>

After overcoming the economic struggles from the end of last administration and the difficult political atmosphere, generated for the controversial elections, Carlos Salinas maintained two basic lines as the conductor thread of his foreign policy: to privilege the economic relation with the U.S. and to strengthen other international bonds that would position better the nation in the political and commercial field.

The strategy for the first objective was fabricated since the beginning of his administration, and consisted on preparing the field for the negotiation of a free trade agreement with the U.S and

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<sup>61</sup> HERRERA-LASSO, LUIS. "Mexico ante el mundo: tiempo de definiciones". Fondo de Cultura Economica, 2006. Pp. 257.

<sup>62</sup> Inside the country people knew that during the electoral process of 1988 there was an interference by the governing party, but everything remained as a very probable hypothesis until this year, when "ex-president de la Madrid in an autobiography, gave the firmest confirmation to date one of Mexico's biggest open secrets: the presidential elections of 1988 were rigged.

Political analysts and historians have described that election as one of the most egregious examples of the fraud that allowed the Institutional Revolutionary Party to control this country for more than seven decades, and the beginning of the end of its authoritarian rule". Source: The New York Times. THOMPSON GINGER. "Ex-president in Mexico Casts New Light on Rigged 1988 Election". March 11. 2008.

Canada, process that concluded successfully in 1993 with the signing of NAFTA (see 4.3.). This agreement would later mark a detachment with the rest of Latin America that fortunately didn't mean a barrier for Mexico to become promoter of important initiatives and to keep an important leadership on the region during that period. Once that the more intense period of the conflict in Central America was overcome, the margins for the constructive initiatives were widened and the differences with the U.S about the future of the region diminished.

On the commercial negotiation with the U.S. and Canada, the private sector participated directly for the first time.<sup>63</sup> During Echeverria's administration, this was one of the omissions that brought to failure the first attempt of converting the trade in a central instrument of the relations with the U.S. The "State-businessmen" formula, as a substantive component of the economic relations with the exterior was incorporated to the Mexican government strategy.<sup>64</sup> The second round of economic negotiations with the U.S. was successful and fulfilled its objective.

Within the framework of the political relations, the secretary of Foreign Relations, Fernando Solana, had to do great efforts in Latin America to maintain what the next chancellor and current Secretary-General of the OECD, Jose Angel Gurria, would call "the multiple presences of Mexico",<sup>65</sup> referring to the different roles of Mexico inside the continent. So the work of the chancellor Solana wasn't easy at all, since he had to convince the rest of the Latin American nations that the negotiation of NAFTA didn't mean a lack of interest for constructing and strengthening bonds with them.

The balance of Salina's administration is complicated. Never before in Mexican history, an agreement of the importance of NAFTA had been signed; during his administration, Mexico entered into the OECD and the APEC; in Latin America new initiatives were promoted and it was possible to keep a certain leadership; inside the country the economy grew at a good rhythm and prevailed an atmosphere of political and social stability.<sup>66</sup>

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<sup>63</sup> Mexico began to divest itself of public-sector enterprises in 1983, but just in the small public-sector entities and yet with a big State presence.

The effort for privatizing would intensify during Salina's administration, and would finish with the completion of larger and substantially more complex privatization operations. Source: The McKinsey Quarterly. No.2. ASPE, PEDRO. "Thoughts on the Mexican Privatization Experience". 1994.

<sup>64</sup> HERRERA-LASSO, LUIS. "Mexico ante el mundo: tiempo de definiciones". Fondo de Cultura Economica, 2006. Pp. 259.

<sup>65</sup> IBIDEM. Pp. 259.

However, during the last year of the administration a series of events took place and brought the country into a traumatic scenario.

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<sup>66</sup> Encyclopedia of Mexico: History, Society & Culture. Vol. 2. Contributors: Michael s. Werner. Fitzroy Dearborn Publishers. Chicago. 1997. 1329-1332.

#### 4.4. 1994: A DIFFICULT YEAR.

On January 1, 1994, two contrary events took place in Mexico. From the one hand, the enactment of NAFTA, synonymous of modernization and development, and from the other hand, the insurrection of the Zapatist National Liberation Army (EZLN), synonymous of poverty and inequality. Two Mexican realities that were completely linked between each other. Three months later, Luis Donaldo Colosio, who was the PRI's candidate for the presidential elections that were about to take place, was assassinated, and months later, another important member from the same party would be assassinated. Until today there are still not concrete answers about the intellectual murders.

These series of events provoked that inside the country the doubts about the continuity and the credibility of the institutions increased, but especially about the electoral processes and the legitimacy of the government. But oddly, something strange happened inside the society that was from the one hand, fed up of the same government and was eager of change, but from the other hand, considering the delicate situation of the country, the same society was not feeling prompt for new adventures and elected Ernesto Zedillo, the new PRI's elected candidate after Colosio's death.

#### 4.5. ZEDILLO.

During the first month of Zedillo's administration, almost as a tradition, Mexico lived a new economic crisis, that demolished many of the achievements made by the last administrations. This time, the foreign policy was not able to disassociate from the domestic policy, and the dependence on the U.S. increased because their help for overcoming the crisis became essential.

The U.S. from its part was very interested on helping Mexico to solve the economic crisis, because this was also affecting its economy. Both economies were already very linked.

Consequences for Mexico:

- 1.- Most Mexicans were immediately 20-30% poorer than they were a year before.
- 2.- Bank interest rates skyrocketed (30-40%)
- 3.- Inflation zoomed to 20%+
- 4.- Capital flowed out of Mexico by the Billions
- 5.- Mexican located manufacturing companies such as Ford, and V.W. cut production plans for 1995 by 50%
- 6.- Restaurant, consumer and retail establishments indicated that business was down drastically
- 7.- Social confidence and faith in the Mexican government was shattered.
- 8.- Borrowers in Mexico were severely hurt by interest rates and bank failures
- 9.- The poorest of Mexico was hurt the worst, because standards of living declined with the loss in purchasing power.
- 10.- Bank failures began in the next few months.

11.- Massive lay-offs in the productive sector.

12.- Government and political leaders were hard pressed to maintain stability.

13.- Increasing exports from Mexico to the U.S.

Consequences for the U.S.:

1.- Immediate decrease in exports to Mexico.

2.- Immediate decrease in Mexican consumer ability to purchase U.S. consumer goods (with devastating impact on Texas/Mexico border towns)

3.- Immediate increase in illegal immigration.

4.- The 47 to 52 billion \$ loan bail out package was not totally repaid.

5.- NAFTA was discounted as an expensive failure, brought about prematurely, before the Mexican economy evolved adequately for a closer merging with U.S. financial structures.

6.- With labor costs in Mexico lower than ever, Mexico continued to be able to produce labor-intensive goods cheaper than American companies. Therefore, more American jobs and products were lost to Mexican manufacturers. American exports to Mexico were drastically declined.

7.- America suffered a trade deficit with Mexico.

Interest rates were being driven up in the U.S.A and the U.S. dollar was weakened in International markets as a result of the overall combination of the above factors.<sup>67</sup>

In front of the economic crisis, president Clinton gave Mexico the necessary support through the creation of an economic package that would help to solve the crisis, which resulted successful.<sup>68</sup>

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<sup>67</sup> Source: Official website of Iowa State University. <http://www.public.iastate.edu/~rjsalvad/scmfaq/crisis.html>



However, in other fields, new policies were approved in the U.S., which would complicate the relation with Mexico.

In the migratory theme, there were two events that put Mexico in a difficult situation. The first one, was the construction, for the first time in history, of a containing wall in the border between San Diego and Tijuana to stop the entry of illegal immigrants and the instrumentation of the “Operation Gatekeeper” that was a police operative to impede the illegal crossings. These two last implementations spread out later to the whole frontier, with different names.

The second event was the approval, in 1996, of a new migratory law that established more strict criteries for the legal migration and major sanctions for the illegal immigration. All these measures put the border and migration issue in the middle of the bilateral agenda.<sup>69</sup>

Things were neither easy for Mexico in the drug trafficking theme, especially when it was discovered that the most important person who was in charge of the combat against the organized crime, during the first four years of Zedillo’s administration, was involved with one of the principal drug trafficking groups of Mexico.<sup>70</sup>

Apart from these, we can say that this was in general a very quiet administration in its appearance, but full of strong changes inside the country, which caused a foreign policy very focus on the U.S. relation care, and few propositive on the regional scene. With Latin America, no initiatives were registered, except from the creation of the Regional Migration Forum in 1998.<sup>71</sup>

We can say that the political period the nation was living had a lot to do with the kind of foreign policy developed. For the first time in more than six decades the government didn’t have the majority on the Congress and it was also in front of an increasing opposition in the capital with the left-wing party on power (PRD) and in many of the northern States of the Republic with the right-wing party (PAN). The Institutional Revolutionary Party (PRI) did not show any sign of change or

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<sup>68</sup> MAZZA, JACQUELINE. “Don’t Disturb the Neighbors: The United States and Democracy in Mexico, 1980-1995”. Routledge. London. 2001. Pp. 123.

<sup>69</sup> NEVINS. JOSEPH. “Operation Gatekeeper: The Rise of the Illegal Alien”. Routledge. New York. 2002. Pp. 62.

<sup>70</sup> Source: N.Y. Times. GOLDEN, TIM. “U.S. Officials Say Mexican Military Aids Drug Traffic”. March 26, 1998.

<sup>71</sup> HERRERA-LASSO, LUIS. “Mexico ante el mundo: tiempo de definiciones”. Fondo de Cultura Economica, 2006. Pp. 268.

fixing and Zedillo's administration was preparing the path for the last "priista" government, after more than 70 uninterrupted years on power.

#### 4.6. THE NEW COMMERCIAL PARTNER.

Until 1992, Mexico had never been formally considered as a partner of the U.S. but merely as the southern neighbour. The commercial relations between Mexico and the United States entered, from 1985 in one of its most interesting and dynamic periods, as a direct consequence of the decision of the Mexican Government, to entrepreneur a wide revision of its commercial policy, which includes the entry of Mexico into the General Agreement on Tariffs and Trade (GATT) and the decision to dismantle progressively the protectionist barriers for the entry of foreigner products.<sup>72</sup>

In 1987 both governments made an important step when they signed an Agreement on trade that established the general principles for the creation of a proper atmosphere for the commercial relation and a mechanism for the solution of the eventual disputes.<sup>73</sup> This agreement was basically an understanding that showed precise procedures for the solution of problems and pointed to the fast discussion of topics as the intellectual property, investment, services, textiles and iron, among others.

The agreement also changed the perspective of the economic relation between both countries. For example: Mexico accepted to take in consideration the foreigner investment and the U.S. compromise them selves to treat all the topics of the commercial relation in coordination with Mexico.

Although these agreements, there was still a diffidence from the Mexican government who believed that the U.S. would finish to put some protectionist barriers, because in 1988 from the one hand the U.S. was compromise with a policy of commercial aperture that was reflected through the defence and promotion of the multilateral negotiations at the hearth of the GATT, but from the other hand, the protectionism of some developed countries, was creating a huge discontent in the U.S. that threatened to put up strong commercial barriers.<sup>74</sup> To increase this diffidence was the fact that there already existed a Free Trade Agreement in North America, but just between the U.S. and Canada.<sup>75</sup>

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<sup>72</sup> Source: Official website of the Secretariat of Economy (Secretaria de Economia). World Trade Organization. [www.economia.gob.mx](http://www.economia.gob.mx)

<sup>73</sup> Source: Official website of the U.S.-Mexico Chamber of Commerce. <http://www.usmcc.org/b-nafta1.html>

<sup>74</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica. 2006. Pp. 44.

This was the atmosphere in which some years later, both governments started the negotiations to establish the North American Free Trade Agreement, which included Canada, U.S. and Mexico. This agreement created the largest free market in the World<sup>76</sup>, and for Mexico it was the complement of the unilateral process of commercial aperture that the government was trying to have.

The interest of the U.S. to sign this Treaty was mainly due to the fact of the increasing competitiveness of Europe and the aggressiveness of Japan and the countries of the Pacific Basin.<sup>77</sup> With the Treaty, the U.S. would achieve a major international competitiveness, because the causes of the deterioration of its position were not the lack of capital or the lack of technology, but the cost of the labour. In addition, the U.S. would have access to the largest market of consumers.

For Mexico the interests were a little bit different: with the Treaty Mexico wanted to become an important partner of the world's most powerful economy at the time and not just a simple neighbour (as the U.S. used to see Mexico before the negotiation of the Treaty), in addition, Mexico was conscious of the great opportunity of being part of one of the world's most important economic blocks. In front of the threaten of a generalized commercial war Mexico would have ensured a 300 million inhabitants market (according to the population of Canada and the U.S. at the time); and finally this Treaty, instead of being a custom house union or a common market, it functions as the basis for establishing commercial relations with other countries because it is not against the aperture toward other economies.

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<sup>75</sup> Source: Official website of the Canadian Ministry of Economy. Canada-US Free Trade Agreement:Eliminating Barriers to Trade. <http://canadianeconomy.gc.ca/english/economy/1989economic.html>

<sup>76</sup> Nowadays is still the largest trade bloc in the World in terms of combined GDP of its members. Source: Official website of the NAFTA Secretariat. [www.nafta-sec-alena.org](http://www.nafta-sec-alena.org)

<sup>77</sup> DE OLLOQUI, JOSE JUAN. "La diplomacia total". Fondo de Cultura Economica. 2006. Pp.45.

#### 4.7. NAFTA.

In February 1991, Presidents Bush from the U.S., Salinas from Mexico and Canadian Prime Minister Mulroney formally announced that their governments were preparing to negotiate (the negotiations started in June) a historic free-trade agreement that would serve enormously for the hemispheric economic growth.

As talks took place in June 1991, trade negotiators for the three countries were assigned four major tasks, which were later included in the article 102, chapter 1, of the official NAFTA final text:

1. - Reduction of all tariffs to zero over the following years;
2. - Elimination of pesky non-tariff barriers to North American trade;
3. - Ensuring an open climate for private direct investment among the three countries; and
4. - Full protection of intellectual property rights such as patents, trademarks, and copyrights.<sup>78</sup>

One of the greatest challenges to the NAFTA negotiators arose from the fact that the three economies were highly asymmetrical: In 1991 the gross national product of the United States was about \$5.3 trillion, while Canada's \$460 billion and Mexico's \$200 billion were far more modest.<sup>79</sup> Population patterns were also quite different: In 1990 the United States had 260 million people, Mexico 88 million, and Canada only 26 million.<sup>80</sup>

But the aggregate statistics for a North American economy were impressive: a gross product of nearly \$6 trillion and a population of 362 million. These statistics compared favourably with those of the European Union, which had an output of less than \$5.5 trillion and a population of 350 million. It was anticipated that NAFTA would provide advantages: employment gains, higher

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<sup>78</sup> Source: Official NAFTA text. Art. 1, Chapter 1.

<sup>79</sup> Source: Official website of the U.S. Department of Commerce: Bureau of Economic Analysis. <http://www.bea.gov/national/index.htm#gdp>  
Official website of the Canada's National Statistical Agency. [http://www40.statcan.ca/101/ind01/12\\_3764.htm?hili\\_none](http://www40.statcan.ca/101/ind01/12_3764.htm?hili_none)  
Official website of the Mexican Secretariat of Economy (Secretaria de Economia). <http://www.economia.gob.mx/>

<sup>80</sup> Source: Official website of the U.S. Census Bureau. <http://www.census.gov/main/www/access.html>  
Source: Report of the Democratic Situation in Canada 1991. <http://www.popline.org/docs/235109>  
Source: Official website of the Mexican National Geographical and Informatical Statistical Institute. <http://www.inegi.gob.mx/est/contenidos/espanol/proyectos/integracion/inegi324.asp?s=est&c=11722#tres>

incomes, and improved international competitiveness through production sharing, technology transfer, and economies of scale, equal to or better than Europe's.<sup>81</sup>

The successful conclusion to the NAFTA negotiations among executive-branch teams of experts from the three countries was a necessary but insufficient step. While legislative-branch approval of the NAFTA agreement was easily accomplished in the Canadian Parliament and Mexican Congress, it was a different story in the United States. The U.S. Congress had to approve the agreement, when a new president, coming into office in January 1993, had expressed reservations about NAFTA during the campaign (though some of his worries were presumably allayed by the undertaking of negotiation of NAFTA side agreements on environment and labour).<sup>82</sup> President Bush, along with his Mexican and Canadian counterparts, signed the basic agreement in December 1992.<sup>83</sup>

During 1993, however, there was much uncertainty about the priority President Clinton was giving to the passage of NAFTA, and the inclination of key members of Congress, particularly from labour districts, to pass it. The American Federation of Labour and Congress of Industrial Organizations (AFL-CIO) kept up a drumbeat of opposition to NAFTA during these months, and there was little response from pro-free traders in the Congress, the private sector, or the White House. Finally, with the side agreements negotiated, Clinton did send the package to Capitol Hill in September 1993. After a good deal of intense political activity the package was approved by the U. S. Congress in November 1993, and came into force on January 1, 1994.<sup>84</sup>

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<sup>81</sup> CLINT E. SMITH. "Inevitable partnership: Understanding U.S.-Mexico relations". Lynne Rienner, 2000. Pp. 192-194.

<sup>82</sup> MAZZA, JACQUELINE. "Don't Disturb the Neighbors: The United States and Democracy in Mexico, 1980-1995". Routledge. London. 2001. PP. 87.

<sup>83</sup> VON BERTRAB, HERMANN. "Negotiating NAFAT: A Mexican Envoy's Account". Center for Strategic and International Studies. Westport, C.T. 1997. Pp. 79.

<sup>84</sup> CLINT E. SMITH. "Inevitable partnership: Understanding U.S.-Mexico relations". Lynne Rienner, 2000. Pp. 192-194.

#### 4.8. NAFTA's AFTERMATH.

The signing of the North American Free Trade Agreement (NAFTA) in November 1993 represented a historic point of reference in relations between Mexico and the United States. NAFTA was expected to bring about a substantial expansion of trade among the three member countries and to give a strong boost to economic growth in Mexico. It also represented recognition of efforts, extending over the prior decade, to modernize and open up the Mexican economy to the global trading system. But above all, it was to be the basis for a new closer relationship between Mexico and the United States.

A strong growth in trade between the U.S. and Mexico continued after the implementation of NAFTA. Total bilateral trade, which amounted to only \$53 billion in 1989, rose in anticipation of NAFTA to \$81.5 billion in 1993, \$100.3 billion in 1994 and more than \$290 billion in 2007.<sup>85</sup>

NAFTA is symbolic for the increased effort both countries are making to find cooperative solutions to bilateral problems. Since 1981, a Binational Commission was created and started to hold annual plenary meetings, and many subgroups meet during the course of the year to discuss a wide range of issues at the highest level of both governments, like border security and counter terrorism, trade and investment opportunities, financial cooperation, consular issues and migration, legal affairs and anti-narcotics cooperation, education, energy, border affairs, environment and natural resources, labor, agriculture, health, housing and urban development, transportation, and science and technology.<sup>86</sup> Furthermore, the ratification of NAFTA created new institutions to deal with trade disputes and environmental and labor-related issues. There is no doubt that the setting for a more constructive relationship is in place.

For Mexico, NAFTA meant the culmination of an extraordinary long process of economic reform in which it shifted away from an inward-oriented development policy that emphasized import substitution and close regulation of commercial ties with other nations.<sup>87</sup> Mexico also wanted

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<sup>85</sup> Source: Official website of the Secretariat of Economy (Secretaria de Economia). Evolucion, Comercio e Inversion. Bilateral Trade Mexico-U.S. [http://www.economia.gob.mx/work/sneci/negociaciones/tlcan/pdfs/evolucion\\_comer\\_inversion\\_tlcan.pdf](http://www.economia.gob.mx/work/sneci/negociaciones/tlcan/pdfs/evolucion_comer_inversion_tlcan.pdf)

<sup>86</sup> Source: Official website of the U.S Department of State. U.S-Mexico Binational Commission. <http://www.state.gov/p/wha/ci/mx/c10787.htm>

<sup>87</sup> Since the middle of the 80's, Mexico promoted a policy of economic liberalization, sharply reducing restrictions on external trade, and expanding the role of private markets. In its macroeconomic policies Mexico emphasized fiscal

NAFTA as an instrument to contrast the arbitrariness of the U.S. trade policy, guaranteeing access to a market that accounts for about 80% of Mexico's total exports.<sup>88</sup> Mexico was facing significant market access problems in apparel, steel, and agricultural products. NAFTA includes a set of procedures for dispute resolution that would theoretically give Mexico greater input into decisions that affect bilateral trade that part.<sup>89</sup>

Mexico is now ranked 13th among the world's largest trading countries, and ranks third in the Western Hemisphere, after the United States and Canada. Thus NAFTA includes the top three trading countries in the hemisphere. Mexico is the United States' third largest trading partner, and second most important market for U.S. exports.<sup>90</sup>

By every reasonable measure, NAFTA has been a public policy success since it was signed. It has deepened and institutionalized Mexico's drive to modernize and liberalize its economy and political system. It has spurred trade, investment, and integration between the United States and Mexico. And in a more modest way it has enhanced American productivity and prosperity.

“However, NAFTA is just an agreement that formed a free trade region and citizens of both countries, the United States and Mexico are very nationalistic to think about integration beyond the economic sphere. Despite NAFTA, the relationship will continue to be highly asymmetrical. Americans tend to be self-absorbed, and when they do look beyond their own borders no one country dominates: Mexico is only one among many nations competing for the attention of U.S. policymakers. Mexicans, in contrast, are far more focused on the bilateral relationship and resentful of what they regard as heavy-handed and unwarranted U.S. interference with their internal affairs”.<sup>91</sup>

While different groups advocate for a further integration into a North American Community,

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consolidation and sharply lower rates of inflation. Mexico also began an extensive program of privatization and deregulation of domestic economic institutions, and in the period between 1991-1994 the previously nationalized banks were returned to private ownership. Encyclopedia of Mexico: History, Society & Culture. Vol. 2. Contributors: Michael s. Werner. Fitzroy Dearborn Publishers. Chicago. 1997. Pp.1021.

<sup>88</sup> Source: Official website of the Mexican Secretariat of Economy (Secretaria de Economia): Statistics. [http://www.economia-snci.gob.mx/sphp\\_pages/estadisticas/cuad\\_resumen/expmx\\_e.htm](http://www.economia-snci.gob.mx/sphp_pages/estadisticas/cuad_resumen/expmx_e.htm)

<sup>89</sup> Official website of the NAFTA Secretariat. [www.nafta-sec-alena.org](http://www.nafta-sec-alena.org)

<sup>90</sup> Official website of the U.S. Department of State: Bureau of Western Hemisphere Affairs. <http://www.state.gov/r/pa/ei/bgn/35749.htm>

<sup>91</sup> BOSWORTH, BARRY; COLLINS, SUSAN. “Coming Together? Mexico-United States Relations”. Brookings Institution Press, 1997. Pp.2.



sensitive issues have hindered that process. The three countries have pursued different trade policies with non-members (for example, Mexico has signed FTA's with more than 40 countries in 15 agreements),<sup>92</sup> making the possibility of creating a customs union difficult to accomplish. President Vicente Fox had promoted the idea of enhancing NAFTA (into what he labelled "NAFTA-Plus", or possibly a North American Community)<sup>93</sup>, but after the attacks of 9/11, priorities in the United States changed. The Security and Prosperity Partnership of North America was signed, instead, as a separate and unrelated agreement.<sup>94</sup>

Few countries have shown interest in joining NAFTA. Instead, many countries preferred to negotiate three separate bilateral agreements with the three current NAFTA members, with different restrictions to liberalization of their industries and the regulation of environment protection.

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<sup>92</sup> Source: Official website of the Mexican Secretariat of Economy (Secretaria de Economia). Acuerdos y negociaciones. <http://www.economia.gob.mx/?P=2113>

<sup>93</sup> Source: Business Week Magazine. "It May Be Time for a NAFTA Plus". December 22, 2003.

<sup>94</sup> CLYDE HUFBAUER, GARY. "NAFTA Revisited: Achievements and Challenges". Institute for International Economics. 2005. Pp. 469-470.

## CONCLUSIONS.

First of all, I think it is important to understand the concept of dependence and interdependence. During this work, I made use of these two words for many times when talking about Mexico-U.S. relations. In fact, these concepts are frequently used in the majority of the works made about this complex topic. From my point of view I consider that the dependence is a situation in which one country's economy is conditioned by the development and growth of other countries. The interdependence on the contrary, is characterized by the existence of a bilateral or multilateral relation such that the development of the countries involved is mutually conditioned. Dependence and interdependence are similar, in the sense that both are the result of a strong weave of tight bonds between the nations, but they differed on the fact that while interdependence is a relation between equals, dependence is between unequals.

Regarding to the relation with the U.S. these two concepts must be used with too much attention, because it is clear that there are some areas in which Mexico is totally autonomous, but there are some others in which Mexico depends in a great measure from its northern neighbour. But considering the importance and vitality of the commercial exchange between both nations, and the infinity of the issues derived from the vicinity that involved these two nations, we can talk about an interdependence,<sup>95</sup> even though Mexico and the U.S. are not equal States, but on the contrary, the relation is completely asymmetrical. For instance, many of the policies that the U.S. government could adopt against the Mexican interests, would have negative consequences inside the U.S. itself and provoke, as a consequence, an internal opposition.

So in my opinion I would say that the relative Mexico's autonomy and the consequences of the tight interrelation between both economies, provide the necessary grounds for Mexico to exercise a policy of not-dependence, but a policy of interdependence.

Unfortunately, in the last two decades we have seen how Mexico has not taken advantage of the importance that Mexico has for the U.S., and has been influenced by the U.S. government either inside or outside the nation, with the consequences that this means: more dependence on the U.S. = less chances for an independent foreign policy toward Latin America (in matter of foreign policy inside the continent). We actually saw how the chances haven't been many.

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<sup>95</sup> "The growing involvement between Mexico and the United States has led Americans in particular to speak of the "interdependence" of the two countries". KAUFMAN PURCELL, SUSAN. "Mexico-U.S. Relations". Academy of Political Science. New York. 1981. Pp. 1.

Mexico's dependence is largely due to the sad fact, that inside the country things are not going well. Is like for example, if any young man doesn't want to have to rely on his parents, needs to get the resources and the ability to become independent. In this case Mexico has the resources but no the ability to become independent. Let's remember that Mexico has almost 200 years of being an independent State, but just 7 of having a robust democracy; that in Mexico there is still too much work to do in matter of reforms that are crucial for the country's welfare, like the energetic reform (which is about of being negotiated), the fiscal reform, the electoral reform, in a sum up, the State reform. The Mexican government must also create more sources of employment to stop the massive exodus of people to the U.S. because they could represent the labour force inside our country and not outside, and what is still more concerned is the brain draining that Mexico is having due to the few opportunities inside the country. All these, in addition to the problems and interests derived from the vicinity, make that Mexico has to be more tied up to their decisions and more needed from their help, and subsequently this reduce the margins of action for an independent foreign policy toward Latin America.

Is easy for many people, inside and outside the country, to think that Mexico could now return to those times in which we didn't care that much about the relation with U.S., for example from the end of the 30's, when the government nationalized the oil industry and expelled all the U.S. companies from the Mexican territory, and the following governments that followed or tried to follow an independent foreign policy, that kept the U.S. a bit far from their decisions, until about 3 decades ago, when we became commercial partners and years after signed the NAFTA treaty; when we started to send labour to that country losing the control of the situation and when the Mexican government declared the war to the drug traffickers, just a few years ago.

The reality is that nowadays more than ever the Mexican government has to start to coordinate more with the U.S. government and has to stop thinking or making people think, that Mexico doesn't depend that much from the U.S. and what happens in the U.S. not necessarily will affect Mexico. For example in this moment when there is a big risk for the U.S. economy of falling in a recession, some Mexican leaders, including president Calderon and the head of Mexico's central bank Guillermo Ortiz are saying that Mexico doesn't have to worry about because the Mexican economy is well prepared for an eventual recession in the U.S. and that in Mexico the consequences will be just few, as if they don't know that Mexico will be the first affected country if the predictions become real, and as if they want to make people think that Mexican economy is independent enough from the U.S., not to care about what is happening to our northern neighbour. According to Miguel Angel Gurria (a former Minister of the Treasury in Mexico and the current Secretary-

General of the OECD), “is unrealistic to affirm that Mexico will not suffer the effects of an eventual U.S. recession. Mexico sends the 90% of its exports to the U.S. (basically manufactures), and we can see how right now they are decreasing, so of course there will be a great impact”, he said in a press conference from the World Economic Forum, in Davos, Switzerland.<sup>96</sup> The Mexican people also have to start to realize that unfortunately Mexico cannot follow a foreign policy detached from the U.S. and must stop to demand a much more active Latin American foreign policy, because the margins of action for having it are narrow, as I just said. So it is very idealistic to think that Mexico will suddenly detach from the U.S. and will start to take its own decisions in matter of foreign policy, and will start to give the same importance to the relations with Latin America. The Mexican people has to accept this inevitable partnership and we also have to learn how to coexist with the U.S. and try to get the best from the relation and the geographical position, because at the end we are geographically part of North America even if many people don’t know about it. The relation with the U.S. represents the most important component of the Mexican international relations. Our neighbourliness with this powerful country has arisen historically a relation of opportunities and challenges; the challenges have focused on maintaining the sovereignty and territorial integrity, in a relation of asymmetry of the economic and military power, and the opportunities in taking advantage from the fact of being neighbour of one the biggest market in the World.

We have to remember that there is an open war between the Mexican government and the organized crime inside the territory that is costing a great sum of money and lives, and it will be impossible for the government to win this war without the U.S. support, and that there is still the issue of the migration to be solved by the U.S. and the Mexican government together. We also have to remember that there is a free trade agreement already signed that allows both countries to exchange freely raw material, goods, services, etc. and this (NAFTA), have provided advantages like employment gains, higher incomes, and have improved international competitiveness through production sharing, technology transfer, etc for both countries, even though there are some productive sectors that have been affected by the treaty (especially the small producers of been, milk, corn and sugar cane).<sup>97</sup> That there is an agreement signed in June 2000, with the U.S. government that is basically a sort of moratorium too, for the co-exploitation of oil in the oil field called “the donut hole”, on the Gulf of Mexico that belongs to both nations according to the law of the sea delineations, so the Mexican government must hurry up to negotiate with the Congress, an

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<sup>96</sup> source: Macroeconomia magazine. <http://macroeconomia.com.mx/articulos>.

<sup>97</sup> Is evident that, with the total liberalization of the commercial barriers in Gennuary 2008, many countrymen have been affected because is obvious that they cannot compete (with their impoverished lands with a significant structural backwardness, without efficient public policies, and without a significant Federal government incentivation), against the U.S. producers. ([http://news.bbc.co.uk/hi/spanish/business/newsid\\_6989000/6989099.stm](http://news.bbc.co.uk/hi/spanish/business/newsid_6989000/6989099.stm))

energetic reform that modified the Constitution, to allow private and foreign companies to exploit the energetic resources inside the country, otherwise the U.S. will start to exploit the oil in 2011 (according to the established in the Treaty), from its side, taking what also belongs to Mexico because of the characteristics of that oil field.<sup>98</sup>

In these two last issues, Mexico has the urgency of finding a rapid and efficient solution for not suffering the consequences (already almost inevitable), of the mistakes made inside and outside the country, and in both cases, the Mexican government cannot blame any one else about these. Regarding to the NAFTA Treaty, is Mexico's fault if the exchange is unequal and unfavourable for some productive sectors, because the Mexican government had the opportunity to check carefully what it was going to be signed, and had enough time to help these productive sectors to become strong enough, to compete against the U.S. biggest producers. And it depends completely on the Mexican government to do something to benefit us completely from the Treaty. Regarding to the so called "donut hole" field, we cannot wait until the 2011 arrives and then start to worry about what we have to do with the Mexican oil, as is happening right now with the tax deduction, established since much more than 10 years ago by the NAFTA. This is a warning for the Mexican government to realize that is useless to make international efforts that could bring development and welfare to our country, if the weak internal bases don't permit a total benefit, and to create agreements with the political, the social and the productive forces in order to find the best solutions for these two critical issues.

So I would say that independently we agree or disagree with the privatization of PEMEX, we don't have other alternatives than the energetic reform, that would allow private companies to explore and exploit together with the public company the petroleum resources. Is important that the Mexican people don't misunderstand the intentions of the current administration of finding a solution to the oil issue. President Felipe Calderon's preoccupation for negotiating with the Congress an energetic reform is not new, but is something that he had proposed since he was Minister of energy, during Vicente Fox's administration.

We have to know that this is a topic that stir up strong debates and confrontation between the different political and social groups, and that unfortunately many political and social forces use the oil issue as a tool to create a division between the society with the stupid affirmation that the people

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<sup>98</sup> PALACIOS TREVINO, JORGE. "La defensa del petrolero mexicano al trazarse la frontera submarina con Estados Unidos", Universidad Iberoamericana, México, 2003. Introduccion.

who is on favor to the privatization are the bourgeois pro-Americans, and the people who is not are the common people who is under the American yoke. As I said before, this is not matter of pleasure, but this is matter of necessity. This is not matter of ideology, but this is matter of national interest. That most of the people in Mexico would love to have a strong enough public oil company, able to take advantage of the great quantity of the Mexican petroleum resources. Unfortunately this is not the reality, but quite the contrary.

Regarding to the ilegal immigration issue I think that paradoxically, the illegal workers are not a charge for the U.S. but they constitute a positive element for its economy. If they wouldn't have come to the U.S. many marginal lands wouldn't have been cultivated and a great part of the hard labour wouldn't have been done, but especially, many companies wouldn't have the same incomes if they had to employed different labour.

In a frame of an aggressive global competence the role of the Mexican workers is determinant for maintaining the competitiveness of the U.S. production, so this fact cannot be minimize. When negotiating with the U.S. Mexico has to start from the fact that its immigrant workers represent a big contribute to the U.S. economy, as they know very well. Besides of doing works, that in general, nobody wants to do, and spending part of what they earn there, so their contribution to the U.S. economy is doubly positive.

However if that country really wants to discourage the flow of Mexican workers, in despite of the advantages that they bring to them, the best way to get it is by supporting the Mexican economy growth. Construct a wall or refusing categorically of admitting Mexicans there, is an offence not just for Mexico but also for the rest of Latin America and the civilized World. From other side, the U.S. cannot expect that the Mexican government will forbid to its citizens to leave the country because that would violate the Mexican Constitution and is a practice that the U.S. it self has always disapproved when executing by other countries.

From its part, the U.S. has to realize that Mexico needs to follow an independent foreign policy inside and outside the continent, with the confidence that Mexico will never take a decision that will compromise the relation, because Mexico knows very well the importance of this. But also Mexico waits the U.S. to value the relation according to the reality and give Mexico the importance and the treatment that it deserves.

Mexico's agenda and itinerary in the U.S. should focus on the following key points:

- a) Growing the Mexican economy and exploring ways the U.S. and Mexico can work together, in order to expand trade, create jobs, open the Mexican economy, and improve global competitiveness;
- b) Exploring areas for energy development, cooperation, and security;
- c) Examining new ideas and partnerships for developing human capital with education, job training, and environmental protection.
- e) Continuing and increasing the cooperative effort to fight drug cartels and the drug trade on both sides of the border; and
- f) Building secure, legal border links that facilitate documented travel and streamline commerce while discouraging illegal entry and preserving maximum vigilance against terrorists, drug traffickers, and smugglers.

The reasons to understand how important is the relation with the U.S. and how difficult is for Mexico to get distance from that country, in order to increase the relations with Latin America are endless, as the examples of how strong are the interests that force the Mexican government to consolidate the relation with the U.S. and bow down to their economic bloc. In a realistic speech, I dare to say that Mexico has not any other option that taking advantage of the factors that oblige it to stay closer to the U.S. and once and for all, integrate to the North American economic bloc, which is in my opinion the most convenient for the Mexican development. And that for the moment, Mexico has to leave the idealistic idea of an economic integration with Latin America, because nowadays the bases to achieve this don't exist.

However, I think that Mexico must change its attitude with regard to the rest of Latin America to solve its problem of integration, because Latin America is unthinkable without Mexico and Mexico is unthinkable without Latin America. There must be a change of mentality and a sense of connection between Mexicans and other Latin Americans, because there are a lot of people in Latin America that consider Mexico lost, and this unfortunately, is understandable because of the behaviour and the decisions taken by the last governments in matter of foreign policy. In a few words, Mexico must start taking real advantage of its geographical position and serve as a real bridge between the north and the south, and way not, as a point of agreement between north and south.

Is important to realize that even inside the rest of the Latin American region, the sense of union and fraternity that had characterized most of the Latin American countries is falling down because of the divergence of ideas in the way of governing, for example. That the arising of radical governments is creating a big confrontation between Latin American nations that hadn't had problems between each other, at least in modern history. So the idea of a real integration of the Latin American nations in a supranational scheme is far from becoming true, due to the lack of convergence and the lack of leadership of the majority of the presidents from the region and the nationalist and anti-capitalist glorification of a significant part of its political class. Most of the "Latin American nations live in a permanent lie: the politicians win the elections with populist proposes and govern with programs of adjustment. And the press, the intellectuals and the academics are still using a nationalist and anti-capitalist speech, which is in a complete contradiction with the international reality, and the worst thing is that in the most of the cases they don't even believe in what they say, but they repeat what they know that is going to bring them more popularity".<sup>99</sup>

From its part, the Mexican government should take into account the following important points of the diplomatic agenda to come back to those times when Mexico used to have good relations with the Latin American nations and was considered a vital nation for the region. Is not that the relations between Mexico and the rest of Latin America in this moment are bad (at least not with all), but the thing is that the relations could improve, get a new value and, what is even more important, serve as a counterweight, in order to gain a little bit more independence from the U.S. and diversify, at least a little bit more, our relations inside the continent:

a) Rectify completely the situation with Venezuela and understand well the intentions of Brazil, without creating rivalry because with these two countries Mexico now has the possibility more than ever to achieve its old dream of an alliance between PEMEX, PETROBRAS and PDVSA (the three public oil companies from each country), that would represent an extraordinary co-development. Or at least with Brazil, because it seems that unfortunately with Venezuela the relations are becoming to get worst again, but this time not because of the inefficiency of the Mexican diplomacy, but because of the Venezuelan President Hugo Chavez willing, to continue nationalizing the private sector, that this time is threatening the Mexican companies too. So the Mexican government must work actively to prevent any excuse that could provoke an eventual exit of the Mexican companies

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<sup>99</sup> OPPENHEIMER, ANDRES. "Cuentos Chinos: El engaño de Washington, la mentira populista y la esperanza de America Latina". Plaza Janes. 2005. Pp. 41



from Venezuela, plus consolidate the agreements of cooperation and supplying in Central America and the Caribbean to maintain our partners from that region and prevent any rupture with them. Returning to Brazil, let's remember that this country is advancing always more through the way it drew up: becoming a world power. This project would move him further away, in some way, from the Latin American scene despite the MERCOSUR or other treaties signed inside the region, and so Mexico should take advantage of this to increase its weight on the region. Then, Brazil has together with Mexico (apart from the petroleum resources), the greatest quantity of natural resources inside the continent to export, but with the difference that Brazil (contrary to Mexico), has could diversify its exportations and has followed an aggressive exporter strategy, which have been one of the central aspects on the control of its foreign debt. Plus a foreign policy, maybe among the most developed in the region with one of the most sophisticated foreign services in the world, for which Mexico should know that instead a rival, Brazil could be a good option inside the continent to work with together, and from which is possible to learn at least a little bit.

b) Increase its interest in an articulation with Central America and the Caribbean because the majority of the countries from that region are very important partners of our country, and consumers of oil from Mexico, but also from Venezuela, so is important to insure an optimal relation with each country of that region in order to avoid that in front of an eventual rupture with Venezuela, those nations would stop buying us oil for idealistic reasons, remaining Venezuela as the only provider. The Mexican government must also work very hard together with each Central American government in order to combat the expansion of the criminal gangs, especially from El Salvador (Las Maras), that in the last years are serving as hired killers to the organized crime from our country. Then in the long term, Mexico must take advantage to the fact that the nations from Central America see Mexico as a good way of rapprochement toward the U.S., and try to become a leader for that region, and make a reality that the U.S. must think twice in the relation with Mexico, before acting in that region.

c) Claim its right to have good relations with Cuba and with any other nation regardless of its political system, in order to respect the Self-determination and the non-Intervention principles of International Law. In front of the eventual changes inside the island, I think it will be difficult for Mexico to play a role of a mediator as it would like to because of different reasons: 1) the relations between Mexico and Cuba got frozen during the last administration because of the ineptitude of the Mexican president and his minister of foreign affairs to manage the relations with Castro's regime, and despite today the relations got normalized and the diplomatic bases are strong, Mexico lost

some credibility with the island; 2) Mexico's actual President is from the right-wing party, what make it less possible, despite he is a moderate leader; 3) Mexico is closer to the U.S. than any other country in the continent. So instead of thinking in something that is very improbable, Mexico must be prepare because when Cuba will open to the world, it will become a natural contender for Mexico in foreign investment and trade. Finally when the moment arrives, Mexico must support the Cuban government when it claims for Guantanamo.

d) Continue increasing the relations with Chile, which is the wealthiest Latin American country. Even Chile has not been a strategic country for Mexico in matter of foreign policy (except during Allende's era), because of the distance between these tow nations and the poor diplomatic relations they have had due to the fact that they don't really need each other. But nowadays Chile is the best example of democracy and economic welfare, so the Mexican government must profit the recognition from the American community of being one of the wealthiest American States, with a strong political stability together with the Andean nation, and enforce the Agreement of Strategic Association that came into force in 2006, which is the only one of a kind between two Latin American democracies in a hemispherical level, and which scope is the institutionalization under a unique juridical instrument from the political dialog, the commercial and economical relations, and the cooperation, and which impact will be not just for these tow nations but for some other nations from the region, throughout different projects with social impact.

e) Mexican foreign policy is the product of a historic experience, deeply marked by the foreign threatens. During its first 100 hundred years of independent life Mexico couldn't lay the foundations of its Nation-State without feeling the danger of a foreign interference, especially from the U.S. That's the reason why our foreign policy is sustained by basic principles of international coexistence that can be only understand through the logic of our historical experience, and so the Mexican government must continue protecting its sovereignty through these principles and why not, being a promoter of these inside the continent.

Finally there are some questions that the Mexican government must continuously ask itself, like: what the most important changes occurred in the national and international context are, and how these changes modify the Mexican foreign relations? How the terms of the relation with North America –bloc were we belong to- are? How the terms of the relations with Latin America -region where we belong to- are? How much possible has been for the Mexican government to diversify the

foreign relations into the American continent? In order to understand the position that Mexico occupies inside the continent, but specially, in order to design a program with organized, well-balanced and compatible priorities to take on the relations with the different nations of the continent.