GOOD FOREIGN POLICY MAKES FOR GOOD DOMESTIC POLICY

COMEXI

November 2018
# Table of Contents

Executive Summary ........................................................................................................... 3  
The world in Mexico........................................................................................................ 6  
Relationship with the United States ............................................................................. 7  
The Northern Triangle.................................................................................................... 9  
  The Case of Southern and Southeastern Mexico ....................................................... 11  
Latin America and the Caribbean ............................................................................... 11  
The European Union ................................................................................................... 14  
China and the Asia-Pacific ......................................................................................... 15  
Multilateral Organizations ......................................................................................... 16  
The importance of strengthening Mexican diplomacy ............................................. 17  
Authors ......................................................................................................................... 18  
Legal Notice .................................................................................................................. 19
As at the start of every presidential term, the Mexican Council on Foreign Relations (COMEXI) presents its view of the current international setting, the importance of foreign policy, and a series of recommendations meant to serve as a positive contribution in the next six years. Currently, the rise of populism, a perceived lack of government efficacy, and anti-institutional sentiment present a challenge to democratic consolidation. In that sense, both the work of organizations like COMEXI and diplomatic efforts to defend liberal democracy is becoming essential.

The Mexican Council on Foreign Relations, COMEXI (by its acronym in Spanish—Consejo Mexicano de Asuntos Internacionales) is a non-profit Civil Association dedicated to the study, analysis, and dialogue on international relations. Its goal is to generate proposals that contribute to decision-making and that—strategically—influence the definition and implementation of the public policies that affect Mexico. It also seeks to contribute effectively to Mexico’s impact and positioning in the world. The wealth of COMEXI lies in the talent of its constituency, consisting of more than 500 associates who are experts in various sectors and disciplines (scholars, members of the business community, public officials, diplomats, and opinion leaders). We also have participation of embassies, international organizations, and research centers dedicated to the study of the political, social, and economic life of the country.
Executive Summary

The electoral results of July 1st 2018 bring an extraordinary opportunity to rethink Mexico’s foreign strategy in order to position the country in accordance with its domestic goals and its international reality, considering the means that the country has at its disposal to increase its appeal and competitiveness on the international stage.

Mexico has several comparative advantages that can be leveraged—and, at the same time, reinforced—in the international arena. These include the country’s geographic position (bridging the Atlantic and the Pacific), demographics (with an average age of 28 years), language (Spanish is the second-most spoken language in the world), energy resources, 12 trade agreements with 46 countries, economic and political stability, and a denuclearized, interstate Zone of Peace free of religious conflict.

The next Mexican administration will face an unusually complex international environment that will force it to give special priority to its foreign policy. Challenges that arise in the international arena could affect national stability, undermine Mexico’s room for maneuver, and impact its development goals. Therefore, having a clear, relevant, and viable strategy that addresses the fundamental interests of the Mexican people and that also has enough clout on the international stage, is crucial.

On a global scale, the two flashpoints of the new international reality are, on the one hand, the relative decline of United States power and, on the other hand, the rise of China as a power with global interests. Within this context, the potential for tensions in different parts of the world—whether it be in markets, access to raw materials, or the establishment of spheres of influence—will mark a period of rivalry not seen since the Cold War.

On a regional scale, the main threat in North America is the United States’ new role as a disruptive actor. The country that once shaped the North American economic and security system is now the one that questions its value the most. More specifically, whereas the country’s main goal with regard to Mexico was once the development of a strong, prosperous, allied neighbor, it now eyes it with suspicion. The foundations of the U.S.-Mexico relation are constantly called into question. Establishing a relationship that is less centered around the presidency and encouraging reliable institutional relationships with local legislatures, governors, business associations, and civil society will also be important.

Regarding the USMCA, its ratification by all three countries needs to be secured and leveraged to establish a new relationship with the United States Congress.
Currently, **Latin America** is divided, both as a diplomatic bloc and in face of great powers. Aside from China’s growing involvement in Latin American—but not Mexican—markets and natural resources, American and Russian disengagement is obvious. This forces the region to find new means of integration and political deliberation. However, deep ideological divides and the distant relationship between Mexico and Brazil, the two great powers, have precluded the establishment of a common Latin American ground meant to position this group of countries more advantageously on the global stage.

Mexican policy toward **Guatemala, El Salvador, and Honduras** (The Northern Triangle) has been characterized by the United States’ definition of regional security. Nevertheless, the increase in both the flow of migrants and the number of asylum cases in Mexico makes pivoting to a policy that improves security on the southern border and deepens regional cooperation (especially with the United States), which is needed to minimize sources of the systemic violence that overwhelms those countries, as well as to address the limited opportunities for human development offered by their economies. Only in this way will they be able to gradually break the vicious cycle that has made them migrant exporters.

For the next few months, the **European Union (EU)** will be focused on addressing its own challenges, such as Brexit, the threat of Italy’s possible withdrawal from the eurozone, upcoming parliamentary elections in May 2019, the resurgence of populist and far-right political groups in several countries of the Union, migration from Africa and the Middle East, and Russia’s destabilizing policies, among others. Mexico’s priority will be securing the ratification of its Global Agreement with this bloc—which requires approval by member states’ respective legislatures—as well as initiating trade negotiations with the United Kingdom, maintaining a close, friendly relationship with the new Spanish government, and successfully developing its relationship with France.

**China and the Asia-Pacific region** present both a challenge and an opportunity. In the current context, the United States sees China as a disruptive power and an economic competitor. On this matter, Mexico should not position itself as the back door to the American market, nor should it remain disengaged and miss out on the potential economic benefits of closer cooperation with China. On the contrary, Mexico should position itself as an attractive option for anyone considering moving their production chains to North America as a result of President Trump’s trade policies. It is also essential that we take advantage of the Trans-Pacific Partnership (TPP) to expand commercial and political relationships with the rest of the Pacific Basin countries.
Finally, Mexico’s active participation in **multilateral and regional organizations** is key not only as a means of influencing global decision-making, but also as an instrument for defending our interests and as a way to access international best practices.

The above requires a profound re-engineering of Mexico’s foreign policy. As of late, Mexico has demonstrated a limited capacity for politically influencing regional and global decision-making. However, it maintains and can enhance its international convening power in order to launch initiatives in the national interest. Even so, this calls for a strengthening of the Mexican apparatus and its diplomatic presence, as well as having clear objectives abroad.

In light of this assessment, a series of needs and opportunities arises for the development of the Mexican government’s foreign policy. In some cases, such as migration and human rights, there is a fine line between domestic and foreign action. On these matters, the country needs to show significant development, for both domestic and international purposes.

Recognizing Mexico’s contributions to the world, as well as the world’s contributions to Mexico, is an appropriate starting point when drafting the country’s foreign policy.
The world in Mexico

We live in legal ambiguity in Mexico, where not only are constitutional reforms a common practice, but there also are several discretionary laws that make the government’s behavior unpredictable, not only because of their ambiguity, but also because they make it difficult to curb government abuse. Trade agreements include mechanisms that provide legal certainty to investors registered abroad, allowing for the creation and development of several sectors of the Mexican economy that have succeeded in integrating into the world economy and competing on a global level.

It is imperative that this legal security framework be extended to the general population, not just economically but in all spheres of national life. Today we find that the degree of legal certainty varies, depending on an investor’s nationality and this impacts the success of any Mexican that does not enjoy the protection of the “umbrella” of rule of law. Mexico’s integration into international monitoring systems, both multilateral and those that promote the exchange of best practices, could help strengthen our own institutional capacities (judicial, arbitration, mediation, law enforcement, etc.).

Foreign trade policy is important because it determines how a country will integrate into the global economy. Mexico has established a network of trade agreements, among which the North American Free Trade Agreement (now the USMCA) is of singular importance.

For more than 25 years, these treaties have solidified the opening of the Mexican economy, providing investors with certainty even in the face of political transitions and international economic crises. They have also contributed to the rise of certain standards (in areas such as labor, environment, transparency, among others) and to the adoption of international best practices.

An open economy provides access to capital goods, intermediate products, and raw materials under the best possible conditions. International competition also imposes discipline on the domestic market which promotes knowledge transfer and increases efficiency and productivity. An open economy makes a wide range of products and services available to consumers at the best price and at the highest quality possible, consequently strengthening the population’s purchasing power. It is an opportunity to make the most of trade, industry, science, and innovation. In the digital age, an open economy is the key to attracting, retaining, and developing talent, as well as expanding national capabilities.
International agreements, whether regional or multilateral, provide certainty to economic players. The high cost of cancelling these agreements extends the planning horizon of investment projects and, with it, their profitability. Additionally, international trade agreement disciplines, including mechanisms for conflict resolution, help strengthen the institutional environment for doing business in a certain country.

Foreign trade and foreign direct investment flows are essential, but they are not enough by themselves to underpin the growth strategy of a developing country like Mexico. A proper integration into the global economy also entails a permanent process of modernization and strengthening of the domestic market.

**Relationship with the United States**

The Mexico-United States bilateral relationship has a direct and immediate impact on the security and prosperity of both nations. Despite the asymmetry between the two countries, the role that Mexico plays in immigration, trade, geopolitical security and cooperation issues is a strong hand of cards that the Mexican government can and should use while dealing with the American government.

The relationship between Mexico and the United States, with all its different elements and issues, encompasses domains of varying degrees of relevance to both countries. Therefore, the Mexican government should direct its strategic positioning toward the relationship as a whole, not its individual components. Only then will the country be able to show that shared prosperity should be the cornerstone of regional security and the basic premise behind our exchanges.

In matters of security, it must be acknowledged that a cooperative and stable Mexico is essential to United States security, and vice versa. This makes focusing on regional and national security necessary. Although bilateral cooperation has increased in the last few decades, both governments are still far from recognizing that there is an intrinsic link between both countries’ security and the fact that it goes beyond the border domain. In fact, as long as serious public safety failures in Mexico go unaddressed, they will continue to erode all security efforts. The approach to these problems must recognize other fronts that are highly relevant to both countries, such as the issue of drugs, arms, and illicit financial flows; corruption and the rule of law; handling of migratory quotas and binational communities; peacekeeping and socioeconomic stability; and cybersecurity, to name a few.

More binational institutional cooperation is needed at all levels of government in order to improve the quality of life of those who live on the Mexico-United States border and
to reduce disparities between north and south, as well as developing binational economic and trade regions and strengthening the border so that it is safer and more efficient. The two countries share vastly important environmental services and ecosystems, which should be major factors to consider.

Currently, the Trump administration wants to prioritize infrastructure development, which opens up the possibility of proposing joint development. This would create an opportunity to streamline flows and establish paradigms of cross-border cities as centers for growth and binational understanding (for example, San Diego-Tijuana, the busiest border crossing in the world, or Laredo-Nuevo Laredo, the most important land port of entry in the world). The goal should be a border that satisfies the mutual need for security and prosperity. It will also be important to expand the border security area inward in order to face challenges before they arrive at our borders.

It is imperative that Mexico also encourages subnational relationships, such as with Arizona, California, and parts of Texas, where there are players who have the political will to develop a better relationship with our country. The states have governors, mayors, and local and federal representatives that could champion an agenda of mutual benefit. An important starting point would be to resurrect the Border Governors Conference.

Addressing immigration requires an initial recognition of the fact that Mexican immigration is not predominantly undocumented: of the nearly 37 million Mexicans and Mexican Americans in the United States, approximately 85 percent are either American citizens or legal immigrants, not undocumented immigrants. Additionally, immigration is a two-way street: Mexico is also the top destination for the American diaspora.

There is an opportunity to turn the Mexican diaspora into economic partners and levers for development, starting with a linkage strategy. It is worth remembering that the remittances that Mexican nationals send back to Mexico constitute a significant source of the country’s foreign currency (20 billion dollars annually, reaching a record 27 billion dollars in 2016). These transfers are mainly used by these citizens’ families to cover current expenditures. The Mexican government could champion an incentive system that favors investment in the country. Organically uniting Mexican communities both within and outside the country would be one of the cornerstones of Mexico’s new international strategy.

Though Mexico has traditionally been a country of origin of migrants, we have recently become a country of transit and destination. This presents new challenges for the
country’s domestic policy, foreign policy, and international image, which will require leadership and consistency and should be addressed bilaterally and multilaterally.

In order to protect our nationals, it is essential that we preserve the role and momentum that the consular network in the United States has been given and build new political alliances at the local level (with several sectors of society). Mexico should also acknowledge that it now welcomes immigrants—as well as political refugees—from around the world, so our policies should therefore align with what we demand of other countries, while recognizing the country’s internal realities and needs, as well as agreements recently signed in the United Nations (UN). Along with the constant flow of Central American migrants, these are sensitive issues that represent major challenges in the bilateral relationship that compel Mexico to rethink how they should be addressed.

The Northern Triangle

In recent years, Mexico’s policy toward Central America, especially toward Guatemala, El Salvador, and Honduras, has been characterized by the United States’ definition of regional security. In 2014, with the arrival of tens of thousands of unaccompanied Central American minors on the United States’ doorstep, Enrique Peña Nieto’s government created the Coordinating Office for Comprehensive Attention to Migration at the Southern Border (Coordinación de Atención Integral al Migrante en la Frontera Sur). Although this organization was never solidified institutionally, immigration policy toward the south increasingly relied on containment, detention, and deportation, mainly carried out by the National Institute of Migration (Instituto Nacional de Migración, or INM).

Many in the region, including in the United States, spoke out against Mexico for doing the “dirty work” of its northern neighbor, without much clarity regarding what it got in return. One theory suggested that the Peña Nieto administration would “cash in” on those favors as part of the renegotiation intended to bring about NAFTA 2.0. With these practices, the Mexican Agency for International Development Cooperation (Agencia Mexicana de Cooperación Internacional para el Desarrollo, or AMEXCID) of the Secretariat of Foreign Affairs (Secretaría de Relaciones Exteriores, or SRE) significantly contradicted its rhetoric of friendship and technical, educational, and cultural cooperation with Central America.

The systemic violence that overwhelms the Northern Triangle has its origins in an extractive economic model and the vicious cycle of remittances. Exporting the poor is a lucrative business for local oligarchies. Add to this the brutality of domestic and
international maras, gangs and other organized crime groups that no longer trigger migration, but rather an unstoppable exodus of people headed north. Additionally, the cost of energy and commercial transactions in the region is greater than in other countries, making other productive activities nonviable. However, the region also boasts more successful development models, specifically in Panama and Costa Rica.

The so-called Alliance for Prosperity in the Northern Triangle, conceived by the United States, Central American presidents, and the Inter-American Development Bank (IDB) is well-intentioned, but it has neither the scope nor the structural approach that would be necessary to resolve the region’s underlying issues.

Recently, asylum requests from Central Americans have increased, as has the number of requests approved by the Mexican government. Both the current and incoming governments agree not to succumb to pressure from Washington to sign an agreement that would identify Mexico as a “safe third country” and automatically deny asylum in the United States to applicants who have arrived at the US border from Mexican territory. This encourages the use of Mexico as a transit country, which puts the Mexican government under enormous and constant pressure. It is unclear whether this designation could reduce this pressure and signify the acceptance of Mexico’s role as a de facto destination country for Central American refugees.

In the meantime, the incoming government has the intention of contributing to the creation of economic opportunities in Central America to make emigration a voluntary action, rather than one forced by economic difficulties and violence. Mexican cooperation must change tack. The Mexican private sector has demonstrated some leadership with major investments in the region, such as in energy and infrastructure.

Due to the natural aging of the Mexican population and our own democratic transition, we will stop exporting laborers north in a few years and it will be increasingly necessary to encourage Central American workers to till the regions of our country where labor is already scarce, beyond the growing cross-border labor market with Guatemala. A long-term regional vision would consider this reality.

Mexico needs to move toward policies that improve security on the southern border without criminalizing migrant workers and protecting human rights at the same time, using technology and intelligence to distinguish between bona fide migrants and criminals.

Infrastructure development programs in Central America are necessary, but even more important is the orientation of these cooperation efforts toward projects that invest in people, especially in technical training, in order to close the skill gap and develop,
certify, and standardize expertise in order to promote labor mobility in an integrated and regulated regional labor market. We must do away with the double standard that withholds from the south what we demand from the north and prevent xenophobic reactions by forging a path toward a well-regulated and well-managed immigration.

The Case of Southern and Southeastern Mexico
Clearly defining domestic and foreign policies can help increase economic development in the south and southeast regions of the country, by recognizing that the region’s potential economic foundation lies in the development of exportable goods and services (tourism, fine woods, fish, livestock, and technological development).

It is clear that upholding a rule of law that guarantees the proper function of the economy is the foundation of any serious effort at regional development. However, public investment in infrastructure that provides access to the right to connectivity, triggers both domestic and foreign private investment, and develops an energy matrix that supports growth will also be key. Continuing and expanding the program of Special Economic Zones that incentivize investment can serve as a testing ground for best practices that, if successful, may be applied even more extensively.

Latin America and the Caribbean
For Mexico, the relationship with Latin America and the Caribbean (LAC) is unique and irreplaceable. The reasons are numerous and wide-ranging: common history, cultural identity, similar development challenges, shared geopolitics, and emerging economies that present opportunities for trade and investment. There is a clear connection between the main issues that make up the Mexican domestic agenda—corruption, organized crime, illicit markets, immigration, natural disasters, environmental erosion, and the energy transition—and the social, political, economic, and security dynamics of other Latin American countries. Therefore, domestic policies will lack efficacy if they go unaccompanied by concerted actions and subregional and regional approaches.

Latin America is a strategic priority because it constitutes the primary means of representation that Mexico has in advancing its interests in global fora and negotiations. Another oft-misunderstood singularity is that government, economic, and social actors in other parts of the world—the United States, China, and the EU—see Mexico as a network and action hub for their initiatives for Latin America and the Caribbean.
So, Latin America is a natural setting in which to seek strategic allies for concerting actions and strengthening initiatives. With the United States’ volte-face toward protectionism, South America’s recent change of direction, and multilateralism under attack, Latin America is becoming increasingly relevant as an area for diversification, a platform for interaction in both the Pacific and the Atlantic, and a united front in defense of international norms.

In the last few years, Mexico’s relationship with LAC has materially improved and solidified in terms of trade and investment flows. Among the country’s accumulated assets, the following stand out: Mexican companies’ economic projections (76 percent of Mexican investment abroad goes to LAC); the gradual liberalization of trade exchanges despite their relatively low value (4.2 percent of foreign trade); and the Pacific Alliance’s continued progress as a mechanism for integration and a platform for foreign connection, especially with Asia. This is accompanied by the increasing institutionalization of the numerous mechanisms that Mexico has for consensus-building, political dialogue, and bilateral, regional, and multiregional cooperation.

Politically, Mexico currently enjoys positive relationships with the countries of the region—except for Venezuela—that are friendly and fluid, unthreatened by political or economic tensions. This positive development is not insignificant when we consider the variety of coalitions in power, the heterogeneity of economic models in the region, and the current cycle of political instability, social unrest, and slow growth that several Latin American countries are currently experiencing, especially Brazil and Argentina.

Nonetheless, rapprochement has been limited and the results moderate. Mexican policy toward the region has pursued a strategy that is fundamentally pragmatic and economic in nature. Mexico has focused its attention on the Pacific Alliance countries—friendly and dynamic, even if relatively small—but has not been able to articulate a consistent policy toward the larger countries, especially Brazil, in order to overcome an implicit rivalry and economic competition and find common ground in multilateral fora.

Intraregional trade between Pacific Alliance countries barely exceeds 3 percent, despite the bloc’s ambitious agenda of movement of goods, services, capital, and people, and negotiations to broaden and deepen Mexico’s Economic Complementarity Agreements (Acuerdo de Complementación Económica, or ACE) with Argentina and Brazil remain incomplete. Mechanisms for regional cooperation and integration are paralyzed (Mercosur), anemic (CELAC), polarized (OAS), or in a clear state of atrophy (UNASUR), and a lack of leadership and treaties among Latin American countries has hindered the organization of effective collective responses to the crises in Nicaragua and Venezuela and their humanitarian consequences.
The main challenge of the next six years will lie in elevating Mexico’s continued presence and level of attention to LAC as a region that, although valued for its cultural proximity to Mexico, is addressed in a desultory way without a thorough understanding of its strategic, economic, social, and security importance.

A first step in the right direction would be to rethink Latin America in all its complexity and heterogeneity, not as one unified region but rather as three subregions with distinct dynamics and priorities, in each one of which Mexico should prioritize different issues. The key to the relationship with Latin America is paying more attention to the formation of strategic alliances with specific subregions and countries based on Mexico’s economic, political and security interests. **Mexico’s regional priority should be Central America.**

**In the Caribbean,** new opportunities are emerging for an increased Mexican presence in the areas of development cooperation, climate change resilience, energy, and sustainable tourism alongside organizations such as the IDB and European and Latin American countries. The time is also ripe for raising the Mexico-Cuba relationship to a Strategic Partnership in order to create opportunities for investment and trade and, above all, establish a dialogue regarding how to overcome polarization and paralysis in the region. There are also opportunities to expand our relationship with the Dominican Republic in this area, given that Mexican companies’ tourist investment in this country is growing significantly and presents opportunities to take on a natural leadership role.

**In South America,** Mexico must take advantage of the material and institutional consolidation that has built up in the region to advance a strategy of gradual and selective diversification that is based on a long-term vision and executed with precision. The two strategic alliances we must maintain are with the Pacific Alliance and Brazil. The Pacific Alliance has proven effective in record time, but there is still much to be done in order to consolidate it as a platform for economic influence toward Asia and as a united front in defense of the multilateral trading system. We need to articulate a clearer joint strategy toward the Pacific that considers the economic power and global influence of countries like China, Japan, and India.

A rapprochement between Mexico and Brazil that is accompanied by joint initiatives would have an impact at the regional level, as well as being a necessary step in advancing the current process of convergence between the Pacific Alliance and Mercosur with technical assistance from ECLAC and the IDB. In terms of trade, the successful completion of negotiations to broaden and deepen ACE 53 is urgently needed. We must define and develop a common agenda around issues important to
both countries such as infrastructure, digital revolution, sustainable development, anti-corruption efforts, agro-industrial development, and combating inequality and poverty.

Lastly, we must take up regional dialogue around issues of national and global relevance like narcotrafficking and organized crime, international migration, arms control, climate change, and the defense of multilateralism.

The European Union

It seems like Mexico’s relationship with the EU could not be any better. There are no substantial political or economic disagreements between the parties and they both support each other in defense of common goals like supporting multilateralism, both political (the UN and its agencies) and economic (free trade and the importance of the World Trade Organization). They are also both committed to fighting climate change.

Mexico relies on a solid institutional framework and three key instruments. The first is the Strategic Partnership Agreement signed in 2009 along with other important actors, which strengthened this bilateral relationship. The second is the free trade agreement in effect since 2000, which was just successfully updated to include new sectors. However, this Global Agreement still needs to be ratified by the EU’s 27 national parliaments. The third is the bi-regional relationship established between Europe and all of Latin America through CELAC.

So, the next administration should consider the EU a powerful and important ally in defending and advancing Mexico’s interests internationally. Specifically, given its influence, the EU could serve as a useful ally vis-à-vis the United States and China.

But there is always room for improvement. There are still several initiatives to advance. It is important to note that the relationship between Mexico and the EU will be defined by political issues beyond the economic realm. There are points of friction: violence and human rights abuses, as well as corruption, explain the EU’s diminished interest in Mexico during the previous two presidential terms, combined with the bloc’s own self-absorption, brought on by the various crises that it has experienced.

Mexico can reposition itself with a legitimate, legal, transparent, and visible strategy to combat violence and corruption. An important step forward would be to seek out advice and opportunities for collaboration.
More specifically, Mexico could place more importance on the clause of the Strategic Partnership Action Plan regarding triangular Mexico-EU cooperation toward Central America or Africa. Central America, which also signed an agreement with the European bloc, could serve as an example of this kind of cooperation.

Mexico also needs to diversify its relationships in Europe. In political debate as well as economic decision-making, Germany, France, and Spain are not the only countries that matter. During the previous administration, Mexico’s choice of favored partners did not prove ideal, except for Germany and France. A case in point is the United Kingdom, with whom relationship had been strengthened and who then decided to leave the EU. Not only that, Turkey and Poland, with whom Mexico initiated a diversification strategy, are questioning their commitment to the European project. Therefore, being seen as their ally could be counterproductive to defending Mexican interests.

However, the need for diversification remains. The Nordic or the Baltic countries are viable alternatives; the EU has programs that support this kind of effort in matters of trade and education, for example.

There is also an opportunity to develop Mexican soft power by being more involved in activities such as debates on migration, cultural encounters, academic exchanges, etc.

**China and the Asia-Pacific**

Mexico’s interest in China can be summed up in one sentence: it is a growing power that has achieved extraordinary milestones in transforming its economy and reducing poverty. In this context, Mexico should see China as part of the geopolitical triangle that makes up its geographical reality and its goal of diversification. With this perspective, Mexico could see China as a potential export market, source of investment, and political counterweight to the United States. It is imperative that we define what we want from the rising Asian power, as well as what we can reasonably expect from it.

Some Latin American countries have been important factors in China’s plans for growth, both as producers of raw materials and as markets. The rise and fall of economies like Brazil’s during the last fifteen years exemplifies China’s modus operandi: establishing purely transactional relationships rather than long-term relationships, in other words, relationships that only work as long as they serve Chinese interests.
In economic terms, China competes with Mexican products in a wide range of sectors. In fact, it has supplanted entire Mexican industries like footwear, clothing, textiles, toys, and electronics. However, China is changing its profile as an exporting country to that of a consumption-based economy, which grants Mexico access to its market.

The reason China has not invested in Mexico is that the country is not a natural exporter of the kinds of products (mainly grains, meat, and other raw materials) that currently make up the bulk of Chinese purchases. That is, the main reason is that Mexico does not produce the types of goods that China once demanded. Not only that, China operates according to a clear geopolitical understanding from which it does not stray.

From this standpoint, China’s distant relationship with Mexico is better explained by the closeness and the economic ties that Mexico maintains with the US—in other words, geopolitics—than by strictly commercial reasoning. Any China-Mexico relations strategy must be based on the premise that relations cannot simply be binary.

Several countries in the Asia-Pacific region—Australia, New Zealand, or South Korea, for example—have expressed interest in Mexico. As economies with high purchasing power, they represent clearer and more tangible options for diversification than China does. Needless to say, Mexico has solid free trade mechanisms about to go into effect, like the TPP, that will facilitate this rapprochement.

**Multilateral Organizations**

In order to diversify our economic and political relationships, as well as expand our geopolitical influence, it is important for Mexico to maintain an active presence in other parts of the world that are similar to Mexico in terms of history, position toward the international order, culture, and that also promote the world order that Mexico seeks.

Mexico should assert its image as the developing country that contributes the most to the UN’s regular budget, occupying the tenth place globally, above countries like the Russian Federation, India, or Brazil and just below China, which sits in ninth place. Mexico also decided to take part—albeit modestly and on a trial basis—in peacekeeping operations. So, the country has tangible means of setting UN mechanisms in motion on important issues.

**The main initiative that Mexico should launch from within the UN is a strategy and global action plan to combat arms trafficking and transnational organized crime.** This kind of phenomenon, which affects Mexico, can only be addressed globally.
The substance of this initiative, as well as the countries that cosponsor it, must be one of the central points of Mexico’s new foreign policy. Organized crime is a threat to international peace and security and, as such, is a UN matter. Its offshoots extend across the globe through issues like money laundering, arms trade, their corrupting influence on institutions, human trafficking, addiction, and public health, as well as violence and a growing participation in these activities that has links to the political life of several nations.

Maintaining a fluid relationship with the Human Rights Council and exercising best practices in this area is essential to the Mexican government and its international image. It is necessary that we take advantage of international mechanisms and standards, training systems, and methodologies that can counteract the insecurity, violence, and abuse in the country.

Furthermore, it is in our interest to continue advocating for a comprehensive reform of the Security Council that includes both the expansion of non-permanent membership and improvements to this body’s working methods. Mexico and the Unitings for Consensus movement also participate in intergovernmental negotiations to reform the Security Council, defending a compromise proposal that promotes the creation of non-permanent seats with long-term mandates and opportunities for immediate re-election, including the increased participation of countries from regions that are underrepresented by the current makeup of the Council.

The importance of strengthening Mexican diplomacy

The Mexican Foreign Service (Servicio Exterior Mexicano, or SEM) is one of the few public institutions that favors a serious, long-term professional career that develops institutional professionals. That is why it is in Mexico’s interest to uplift, support, and instill confidence in its members; this comprises addressing inclusion and equity issues. We must ensure that senior positions of Mexican representation abroad are filled based on merit, skills, and experience.

With the potential closure of institutions like ProMéxico—whose absence will leave a significant vacuum when it comes to promoting and attracting investment, internationalization, and strengthening Mexican export companies—the Secretariat of Foreign Affairs will have to rely on both human and budgetary resources to fill this void.
It must be said that it is important to establish consulates and offices in embassies that specialize in business intelligence and competitive technologies and are constantly identifying and providing updates on opportunities for Mexican companies and organizations abroad.

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