The more things stay the same: A Mexican perspective on the 2008 US election

MOVING FORWARD OR JUST SPINNING OUR WHEELS?

The 2008 US presidential election has attracted international attention, but it has been particularly interesting for the United States’ southern neighbour. Mexico is interested in the election results in the hopes that a new president will introduce policy changes that will benefit the Mexican people. However, this may be nothing more than wishful thinking. Although it is true that the president has the power to change US policy, it is actually rather absurd to think in terms of which candidate is better for Mexico. Even if a candidate seems to have a “favourable” position on one issue that affects Mexican life, such as immigration, it does not mean that this candidate will have a similarly desirable position on another, like drug trafficking or multilateral policy. In addition, courting Latino voters of Mexican origin is not the same as holding an election in Mexico; and candidates’ campaign promises do not always result in changes to public policy.

Twice in the past, during the 1982 and 1995 financial crises, both Republican President Ronald Reagan and Democratic President Bill Clinton responded in similar ways when Mexico’s financial problems threatened to seriously affect US interests. However, public policy is not only determined by the head of state, and presidential actions during those times of crisis provoked profound disagreements about Central American policy under President Reagan and about the militarization of the border under President Clinton. This shows that, despite the outcome of any election, the bilateral relationship that exists between Mexico and the United States has its own dynamic because of the millions of trade and financial transactions and daily social, cultural, and even criminal contacts that make up a complex network that is independent of the individual or party who sits in the White House.

THE 2008 CAMPAIGN CLIMATE

Heading into the 2008 election, the US government has some important global issues to deal with, including the slowdown of the world economy, the ups and downs in the oil market, and the security threat of different political “red lights” that are flashing from Kosovo to Iran. These issues are likely to come up in election platforms as alternatives to the Iraq war, proposals for economic revitalization, and new questions of national security and immigration. In addition to the questions of immigration and national security, both the economic slowdown and the performance of the oil market are crucial for Mexico’s immediate future and continuing bilateral relations.

For US voters, the 2008 campaigns have a series of unprecedented characteristics. Barack Obama and Hillary Clinton have not been the usual presidential candidates. Their presence as Democratic hopefuls in this election has been part of a process that seems to herald a new era of social and political activism in response to eight years of the Bush administration.

But despite this appearance of change, a new president may not be enough to put an end to the political consequences of the Bush administration. With the changes that have occurred since September 11, 2001, such as the approval of the Patriot Act and the creation of the Department of Homeland Security, the US political system has gone through a transformation so great that fundamental aspects of the country’s own constitution are brought into question. These institutional changes tend to perpetuate themselves. The changes that President Harry Truman made during the Cold War were never reversed. The institutions and laws that President Bush fostered may also long outlast his presidency.

REASONS FOR CHANGE

These transformations—above all the security measures and the war on terror that have followed US policy since 2001—are the ones that most affect foreign policy toward Mexico. In a situation like this, seemingly, only the economic, financial, and bilateral trade agenda enjoys relative autonomy vis-à-vis the filter of security policy. This despite the fact that the issues of migration and drug trafficking, as well as a series of other issues, have been dealt with bilaterally for years by two neighbouring countries that have always, despite a few tensions, lived together in peace.

In this context, the challenges for the future are formidable and are linked to both countries’ domestic policies as they face processes of profound social and political division. In Mexico, these divisions manifested themselves during and after the 2006 elections in the lack of an agreement on energy, agricultural, labour, and fiscal policies, the reform of the state, and growing social violence. In the United States, President Bush’s low approval ratings, the Democratic victory in the mid-term elections, and the close
The passion of NAFTA  

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$25 billion. However, some of this FDI was not actual new productive investment but rather the acquisition of already existing local firms that felt unable to compete with foreign ones, preferring to sell to large US corporations.

One important failure of NAFTA was the expected increase in employment. The idea behind opening up the economy, in the first place, was to promote exports and, thereby, create jobs. In practice, NAFTA has resulted in a slightly different outcome. Total paid employment in Mexico, including underemployment, has been growing at an average annual rate of 2.6 percent, for the last 25 years. In the NAFTA period, the level of employment associated with exports increased at higher rates, so the percentage of employment generated by exports with respect to the total spiked in 1995 and reached the level of 15 percent in 2000. Considering that total employment has not increased to a significant extent, and that in 1995, when export employment grew, the total level of employment actually diminished because of the economic crisis, it seems clear that export activities have been attracting workers from domestic market activities, especially those displaced by imports. As a result, the net creation of jobs by Mexican foreign trade has been actually very little.

MOVING FORWARD

According to experts assessing NAFTA’s future, the next step in the integration process would be to unify commercial and monetary policies, which means establishing a customs union and adopting a common currency. These two projects face many obstacles from different and opposing interest groups in the countries involved. In the case of Mexico, the next logical step would be to fill in the missing part in NAFTA regarding free factors mobility through a migration agreement. This is urgently needed for regulating the unstoppable migrant flow from Mexico to the United States. In addition to this, there seems to be a need to revise and renegotiate some parts of NAFTA with the United States.

In the United States, most politicians seem to endorse the workers organizations’ claim to revise NAFTA, believing that the lack of jobs comes from the US trade deficit with Mexico. This view somehow overlooks the gigantic trade deficit that the United States has with Japan, China, and the European Union. The next government in the White House, whether Democrat or Republican, may want to reopen NAFTA. Before implementing any changes or proposing steps forward, it would be prudent for the US government to evaluate existing asymmetries, especially those between Mexico and the United States, and to suggest actions that would close the gaps, for the sake of everybody.

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race between Senator Barack Obama and Senator Hillary Clinton clearly show that a large sector of US society is sick and tired of the current state of affairs.

THE PRESIDENTIAL HOPEFULS

For the Republican Party, Senator John McCain’s virtual presidential nomination may give him the time he needs to staunch the blood from his wounds and prepare himself for the general election in November. However, the fact that the Republicans need their more conservative riders to get the vote out in November means that migration and, therefore, policy toward Mexico cannot be discussed reasonably within the party.

Inside the Democratic camp, the candidates competed for the African American vote, women’s votes, the Latino vote, and the vote of young people of all ethnicities. For the Democrats, the best strategy is one that can attract voters from all groups because any constituency that does not feel sufficiently represented could stay at home in November, which could either of the two hopefuls the presidency.

THE MORE THINGS CHANGE …

It is reasonable to think that US–Mexico relations could be better in 2009 simply because any change could make a new beginning possible. A Democratic administration might seek to change the tone of the relationship, but the complexity of the bilateral agenda will likely not permit a radical shift. Even if Senator Obama, who seems to favour inclusive immigration policies, won the elections, he would still have to deal with a Congress that could slow down or dilute his proposals. Senator McCain would face constraints imposed by the more conservative sectors of his party on migratory issues and by a possible Democratic majority in Congress on other issues.

The 2008 US electoral process may open up the possibility of renegotiating the tone of relations between the two countries’ chief executives and perhaps of reviewing a few isolated issues. However, the general dynamic of a relationship as complex as this will not change substantively no matter who wins in November.