

Defining Canadian–Mexican relations: The inescapable partnership ... with the United States

Lloyd Axworthy, former Canadian minister of foreign affairs, declared in February of this year that the decision of George W. Bush to choose Mexico for his first official visit as president of the United States should make Canadians think about their foreign policy priorities. He recommended that Canadians broaden their perspective in the context of North America, just like the new Mexican president, Vicente Fox, had already done.

Axworthy's reaction captures, in a very precise manner, the essence of Canadian–Mexican relations. Reflecting the geography of North America, the links between these two countries are inevitably marked by their common neighbour, the United States. What Canada does in its bilateral relations with the United States has become increasingly relevant in Mexico City and vice versa. There are situations when joining forces becomes a sound strategy for both countries in order to “contain” the imperialist impulses of Washington—the reactions of Ottawa and Mexico to the *Helms-Burton Act* illustrates this point. Whether unilaterally or bilaterally, Mexico and Canada share a common destiny in North America and have an inescapable partnership with the United States.

“LA LONGUE DURÉE”

The long-term future of North America should be considered from the perspective of the social, economic, and political forces that are reshaping the world's political economy. The concept of “complex interdependence,” rather than the ambiguous concept of globalization, captures the transformation that has been taken place in North America since the end of the Second World War.

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What we have is a very dense, diverse, and complex network of interdependence involving non-governmental and governmental actors, with transnational cultural, economic, and political contacts operating through multiple channels of modern communication.

Of course, there are important differences between the two situations of interdependence. A good illustration of these differences is the welfare and democratic gap that separates north from south in world development. Even Mexico has its own north and south. Yet, when the conservative government of Brian Mulroney, in Canada, decided

to move from CUSFTA to NAFTA, the means to connect the north and south of North America was created. It would certainly be hard to say that Mulroney or Salinas had the vision of Jean Monnet when he foresaw the European integration process in the 1950s. Projects and international institutions, however, often outgrow the ideas of their creators and evolve in unexpected directions.

I believe this interdependence between the United States and Canada on the one hand, and between the United States and Mexico on the other, provides the contemporary specialist in international relations with a fascinating empirical “laboratory” to observe, study, and compare one of the most important processes of change in international politics since the integration trajectory of Western Europe.

THE COMPLEXITY OF INTERDEPENDENCE

Just like the history between France and Germany, or Spain and Great Britain, conflict and territorial disputes have marked the history between the United States and its two neighbours. Even today, Mexican and Canadian nationalism has a negative image of the United States as one of its central elements. Examining the changes that have taken place in North America in recent decades, particularly since the signing of the CUSFTA and the NAFTA, one might wonder whether we are witnessing the emergence of a new actor in world politics, an actor of similar stature as the European Union. Are we in North America evolving from national to supranational actors?

The answer to that question will depend on the direction of change. The

critics of NAFTA tend to see the agreement as a project of North American political elites and multinational corporations that will lead to a scenario of “wild capitalism,” where salaries will keep going down and income will be more concentrated. In other words, it will make the poor poorer and the rich richer, and the social security network will be weakened. Over time, particularly in Mexico, this would feed social unrest, and the multiplication of critical social movements like the *Zapatistas* of Chiapas.

On the other hand, the optimistic view of NAFTA believes the agreement creates new economic opportunities with the creation of trade and competitive advantages for the three national markets. In other words, NAFTA is seen as a means to increase the level of welfare in North America. I consider myself an optimist. I see NAFTA as representing the first building block of a new North America characterized by institutionalized cooperation, with more transparent rules for the three players and more opportunities to foster educational, cultural, and social contacts.

THE OPTIMISTIC SCENARIO

My optimism is based on the fact that, with or without NAFTA, the process of interdependence between the United States and its two neighbours is not going to unravel. This is a process that has its own dynamics, one that escapes, in many senses, the policies and interests of individual national governments. Paradoxically, NAFTA is the potential first step to prevent the “wild capitalism,” which has been growing for decades along the Mexican–American border. International cooperation and the concerted policy programs of North American governments are a better response to the problems of unregulated migration, drug traffic, and environmental damage. We know that it is not an easy task for Mexico and Canada to cooperate with Washington under the asymmetrical conditions of North American interdependence. But we should see that as a challenge rather

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than an obstacle. After all, geography determines for both Canada and Mexico the inescapable need for partnership.

“EL CORTO PLAZO”

Mexico now has a democratic government. The internal legitimacy of the new president, Vicente Fox, gives Mexico a fresh start internationally. In the eyes of Washington and Ottawa, a legitimate democratic government represents a more reliable and trustworthy partner. The new Mexican president is aware of this fact, and has wasted no time in presenting important initiatives to deepen NAFTA. As president elect, he visited Canada and the United States, and in his conversations with Jean Chrétien and the two American presidential candidates, Al Gore and George W. Bush, he mentioned the idea of creating a common market of North America.

Most importantly, once he and Bush had taken office, they met in February 2001, in Guanajuato, Mexico. This was precisely the meeting that provoked Lloyd Axworthy’s declaration referred to above. Further illustrating my point that Canadian–Mexican relations are connected through the United States,

on December 17, 2000, the federal government of Canada expressed in public its concern that the new American president was paying more attention to Mexico than to Canada.

As a result of the Guanajuato meeting between Fox and Bush, the two governments issued a joint communiqué, which clearly reflects Fox’s decision to push forward the agenda for a deepening of NAFTA. In their declaration, the two presidents introduced, for the first time, something that sounds like a social agenda for the three North American partners. The declaration read, “[A]fter consulting with our Canadian partners, we will make efforts to consolidate a North American economic community, which benefits the less developed areas of the region and the most vulnerable social groups.” They also expressed their political will to adopt policies with regard to migration that should lead “to an ordered scheme of the migratory fluxes, assuring human treatment, judicial security and safe working conditions to the migrants.” Finally, the declaration addressed the issue of energy, with the statement,

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“[I]n consultation with our Canadian partners in NAFTA, we will develop a North American approach to the topic of energy resources.”

BROADENING THE AGENDA?

It is not only important, in this new context, that the new Mexican president is trying to broaden the North American agenda, but even more relevant is the fact that the American executive is eager to cooperate and join forces with Fox. It is too soon, at this point, to know how far this new situation will go in changing or deepening the NAFTA. Ottawa does not seem as enthusiastic as its two southern neighbours do.

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Furthermore, on several occasions, the Chrétien government has expressed reservations about the idea of creating a North American approach to energy resources. So one of the questions that remains open for the future of North American cooperation is whether the efforts of President Fox, which are supported by Bush, will lead to a deepening of NAFTA or to a bilateral scheme between Mexico and the United States running parallel to NAFTA.

Despite the reservations expressed by Ottawa, it is my impression that the Canadian commitment is still an open question and, obviously, it is necessary to see what concrete proposals emerge regarding a social agenda, migration, and energy. In any case, Canada has already moved once from a bilateral scheme (CUSFTA) to a trilateral one (NAFTA). It would be hard to imagine a North American integration process moving at “different velocities.”

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THE UNCERTAIN FUTURE OF THE FTAA

Finally, the other question that should be considered in thinking about the future of North America is the FTAA. Certainly, the media made a lot of noise during the meetings held in Quebec City in April this year. As is usually the case with these kinds of multilateral meetings, a lot of rhetoric and diplomatic enthusiasm was displayed. A promise was made by the 34 chiefs of governments gathered at Quebec that the FTAA will be in operation no later than December 2005. A lot of things, however, could happen in between.

The FTAA as a project has been in the air for over 10 years now. It was President Bush senior who came up with the idea, and negotiations have actually been going on for years within the Organization of American States. The political conditions and the receptivity of some of the key players, however, remain untested. Brazil and Mexico have made it clear that the FTAA is not a priority for their commercial diplomacy. Most importantly, will the U.S. Congress pass the treaty? Will the lower rates of economic growth that we are now expe-

riencing reduce the enthusiasm expressed at Quebec?

With the FTAA on uncertain ground, it is hard to imagine exactly what the effect might be on NAFTA. Three different scenarios can be foreseen. The first one is the failure to ratify the agreement by leading countries, thus making it irrelevant. There is a strong likelihood this could happen, given the economic geography and heterogeneity in terms of levels economic development, culture, and politics among the 34 countries of the Americas.

The second scenario is that of possible diplomatic failure. Historically, there are plenty of examples where an American diplomatic effort to render this kind of pan-American promise collapses. This might very well be the case. Where a diplomatic incident, even a minor one, between Washington and Cuba, Venezuela, or another Latin American country, could escalate to a point where it would force Canada or a group of Latin American countries to withdraw their support from the FTAA and refuse ratification.


The third scenario is that of the approval of a “rhetorical FTAA.” In my

opinion, this is actually the one with the highest degree of probability. In this case, the agreement would not have a serious impact on trade and investment flows in the region. However, it could function as a diplomatic forum for the partner countries. As it is already happening with the summits of the Americas, the FTAA could become institutionalized as the economic forum of the Organization of American States.

It should be obvious at this point that I am a FTAA skeptic. Therefore, if the agreement is ever concluded, it will not have a major impact upon NAFTA. It is the condition of complex interdependence between the United States

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and its two neighbours that their trade bloc is different from the rest of the continent. It is that condition that makes it an international economic region with the potential to transcend national boundaries and become in

the future a new international actor. It is that condition as well that, for good or evil, binds the future of Canada and Mexico (therefore the “regionalization” of North America) to the future of the United States. 

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showcased prospective closer relations with both Fox and Bush, and in many ways the new directions in Mexican foreign policy enhance the prospects for both bilateral and multilateral relations with Canada. Regarding the complex issue of migration, for example, the three presidents declared in Quebec that “they would guarantee the mechanism of trilateral cooperation to serve the needs of immigrants and take measures against the illegal traffic of people” (*La Jornada*, April 23, 2001). On balance, the expectation in Ottawa is that relations with Mexico will flourish now that the three governments share approaches to democracy and human rights issues, confident that the extraordinarily diversified and close relationship with the United States underpinned by an even more dense web of civil society bonds will continue to deepen regardless of change of presidents in Mexico City or Washington.

A COUNTERWEIGHT TO THE UNITED STATES

The challenge for Canada and Mexico is to maximize cooperation and limit rivalry in the mutual interests of managing the United States relationship more

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effectively. Many issues in play are both controversial and expensive: migration and energy policy, NAFTA and the FTAA negotiations, an effective North American Development Bank (NADB), Cuban policy, Canadian participation in the “Plan-Puebla-Panama” initiative for Central America, the conflict in Colombia and Venezuela, environment, and trade imbalances, to name only a few. A huge effort will be required in an Ottawa exhausted by summitry to develop a comprehensive bilateral policy.

Ultimately, however, the most important issue for Canadian–Mexican collaboration lies in the domestic success or failure of the Fox administration. It remains a bright star in the major capitals of the West, but the glitter could tarnish quickly at home if early defeats or miscalculations undermine public credibility. The electoral campaign may have

generated unrealistic expectations for an unorthodox new team comprising exceptional ideological diversity. Fox’s inability to resolve the Chiapas crisis after the Mexican Congress redesigned the COCOPA (Commission on Concurrence and Pacification) agreements into a “light” accord rejected by the *Zapatista* leadership, as well as protests against tax increases on medicines and foods, are intimations of a disconnect between image and reality. In a recent national poll, only 15 percent of Mexicans indicated that they believed the promises of the president (*New York Times*, May 9, 2001). Canadians are also split on prospects for the new Mexico. While Ottawa remains euphoric, some Canadian civil society groups foresee an early end to the honeymoon. The verdict remains out, but the stakes are high for Canada as well as for Mexico. 