

IDENTITY AND GLOBALIZATION

Mexico's Relationship with the United States

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Much has been said recently about globalization, although no one has come up with a good definition. However, there is consensus on what it might mean. A first approximation could define it as a process wherein different states negotiate their way forward toward establishing joint mechanisms of rules and norms for their peoples' activities, particularly in the economy, but without excluding a broader range of undertakings. Globalization actually includes everything: culture, politics, etc.

In fact, according to Mexico College researcher Gustavo Vega, each segment of the world's economies depends increasingly on the rest, and the nations that have understood and become part of this concept of development have been the most successful.

Personally, I am inclined toward a broader definition that would include the interrelationships among countries in one or several fields of endeavor.

Clearly, it would be appropriate for Mexico to understand globalization as a worldwide phenomenon which, if correctly comprehended, would allow it to diversify and pick its best economic and political options. But this is impossible if it depends on a single market, as it does now vis-à-vis the United States, with whom Mexico carries on 80 percent of its foreign trade. The United States has always

determined when to declare war, sign the peace and, frankly, a goodly part of our bilateral agenda.

For us Mexicans, accustomed as we are to seeing our northern neighbor as our natural enemy, and who still remember the turn-of-the-century saying, "Poor Mexico, so far from God and so close to the United States," the idea of a North American Free Trade Agreement (NAFTA) caused just as much concern as expectation. We realized it could mean a substantial change in our way of life. And it could not be otherwise, since even the Canadians, whose relationship with the United States has been less traumatic than ours, pondered many of the same concerns when faced with the prospect. The rivers of ink which flowed north and south of the border about NAFTA are indeed significant, although in the United States the coverage of NAFTA was relatively meager.

Obviously, the U.S. point of view is different. In a certain sense, and with a flexible idea of globalization, the United States was better prepared for it. It is sufficient to consider its geographical size, the heterogeneity of its population, the broad diversity of its culture and, above all, the magnitude of its economy. However, an important part of the U.S. public is also plainly reluctant to any kind of opening, particularly toward a country as different from its own as Mexico. Historically, for example, during the little more than two centuries since U.S. independence, in addition to the two large parties, others have sprung up which, while more or less short-

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Globalization. Mexico cannot concentrate all its foreign trade in a single market and also expect to expand its economy.

lived, have postulated extremist views opposed to Catholicism, immigration, involvement with other countries, etc., without ever taking into account that the United States' current greatness and general welfare are due in large part to exactly what they oppose.

When Mexicans think about the United States, our feelings are ambiguous. On the one hand, we are irritated by a country that we consider took more than half our own territory and has been the agent of numerous interventions and pressures. On the other hand, while we recognize its successes and blame it for our failures, at the end of the day, we always end up feeling a vague moral superiority.

In today's world of global integration, NAFTA has been conceived of as a possible way out for many of Mexico's most deeply rooted problems, a mechanism that would allow us to inaugurate a period of better living conditions for the population, naturally without isolating ourselves from other countries and regions.

How did the signing of NAFTA affect Mexico's relationship with the world? Not as much as was originally thought. Undeniably, however, international interest in Mexico and its economic possibilities have increased significantly.

With respect to the United States, if we concentrate our analysis on the economy, we can say that NAFTA created an

institutional framework for a de facto situation that already partially existed, especially in certain regions and sectors. It should be noted that the treaty recognizes the three countries' different levels of development and establishes appropriate mechanisms for discussion and settlement of disputes, in addition to those that already existed.

In another sense, the treaty has increased concern about national sovereignty and independence on the part of some Mexican political actors—more in discourse than in practice. They argue that the

treaty may negatively affect our exercise of sovereignty as a nation.

NAFTA has also influenced life and social relations along the border, understood not just as a dividing line between both countries, but rather as a reciprocally interdependent social and cultural area. For many generations, our border states have had a fluid, constant relationship with the United States. That is why I do not think that the treaty has accentuated U.S. influence on the Mexican side of the border as much as Mexico has begun to have an impact on the U.S. side. In fact, what we are seeing today is the formation of a very special cultural area: more Spanish than English is spoken, for example, in Laredo, Brownsville or El Paso, Texas, something inconceivable 50 years ago. There are areas where Mexican music has a larger audience than any other kind or where the majority of the inhabitants are from Mexico. Naturally, this phenomenon decreases as the distance from the border increases.

At the same time that these hybrid cultural identities are being constructed, the reality of cultural globalization must be faced. I think the most intelligent attitude is to accept it as an international tendency and fight only those aspects of it that affect our historic and cultural traditions. In this sense, I consider nationalism the affirmation of what is ours and not the negation of "the other."

Mexico is a country rich in cultural traditions with a broad regional diversification of its people. This means that globalization could only with great difficulty eradicate such a complex and rich national identity. It is very clear for Mexicans that our increasing determination to progress must not be achieved at the cost of sacrificing our national culture and history.

During all the years of my activity in the sphere of foreign relations, I have always emphasized that we should broaden our ability to act vis-à-vis the United States, seeking ways to avoid unnecessary antagonism

with a country with which we are united by both geography and its very power. In other words, we should undertake serious action to achieve the greatest possible independence with regard to the United States and do away with old practices, like the rhetoric of some supposedly nationalistic politicians, which accomplishes nothing, particularly when nothing really effective has been done to lessen our dependency. For example, we cannot concentrate all our foreign trade in a single market and expect our economy not to be affected; our vulnerability in international trade is an invitation to our powerful neighbor to levy sanctions against us.

For geographical and historical reasons, the United States is, and should be, our best customer. Thinking anything else would be naive. However, we must try—indeed it is urgent—to balance our relationship and find other alternatives. If we do not, the talk about globalization is absurd.

Mexico must attempt to make the best of two worlds in its relations with the United States: it needs autonomy to make decisions based on its own national interests as well as the ability to increase the benefits from its geographical proximity to the world's most powerful country. It is important to avoid dependency in order to exercise the greatest possible number of options.



For Mexicans, the idea of a free trade agreement with the United States sparked both expectations and fears.

Imagenlatina-Marco Antonio Cruz

Obviously, our interests very often do not coincide with those of the United States. Foreign relations consist of pursuing well defined goals that presuppose particular national interests and not only friendly encounters or the creation of committees that get no results.

The dilemma of our relationship with the United States could be at least partially resolved if Mexico concentrated on *optimizing* bilateral trade instead of maximizing it. To that aim, we must strengthen our internal market and develop a greater degree of self-sufficiency without delay.

The NAFTA negotiations did not go as well as they could have, among other reasons because Mexico did not pay full attention to what I consider are the three cornerstones of any negotiation of this type: selectiveness, gradualism and reciprocity. However, I must say that the overall strategy was correct for the extremely complex historical moment in which the negotiations took place.

More than the loss of our cultural identity—which, I repeat, is practically in no danger at all—I am concerned with the severe crisis of our banking and financial system. Today, more than 15 percent of bank capital is in the hands of foreign companies. If we include banks based in Mexico but 100 percent owned by foreign capital, the figure goes up to 25 percent. The monies the Mexican government obtained through the

privatization of the banks has been returned to them in spades through support in the form of state purchase of the overdue loan portfolio to head off greater problems for our financial system and debtors. For all these reasons, greater foreign participation will probably be necessary very soon, particularly if we consider the weak showing of the banking system. I am also concerned that a large part of the foreign investment that has recently come into the country is not going into setting up new companies, but is being used to buy already existing ones from their Mexican owners. It is to be supposed that the profits from these investments will not be reinvested in Mexico and therefore will not help increase production or create jobs.

Patricia Galeana, the president of the Mexican Association of International Affairs, has dealt very seriously with recent changes in our relations with the United States. She asked me recently how our relations had changed with the United States since my stint as Mexico's ambassador in Washington 25 years ago. My answer was that there had actually not been a substantial change, except in attitudes. Before, we sought to differ with the United States about everything, on the basis of our principles and even in detriment to our interests. Opposing the United States was, to a certain degree, a matter of principle. This is no longer the case. We still honor our principles, but we take a less antagonistic tack.

Historically, our problems with the United States have not varied: delimitation of borders, water, debt, trade, fuel and different viewpoints about international affairs stemming from our different histories and the ways our societies have developed. Today, questions like drug trafficking, migration and, although to a lesser degree, the environment have come to the fore.

More than 70 years ago, in 1925, the United States and Mexico held a meeting to deal with migration and drug trafficking. Recently, however, drug trafficking has become more and more of a problem due to the great demand for drugs in the United States itself and is, therefore, more a U.S. problem than a Mexican one, even though our northern neighbor does unfairly blame us for it. In any case, in my view, the main conflict between our two nations continues to be that of migratory workers.

In the future, the problems will probably continue to be the same, although the emphasis may vary depending on the circumstances. Our relations with the nations of North

America are not all covered by NAFTA, which we should not visualize as the backbone of our project as a nation. I think it indispensable to use the international recognition Mexico has as a cultural power to better our relations with other countries and increase our influence in the world concert, particularly in the United States. It should be remembered, for example, how important the Jewish lobby is in the United States, and that one of every three of the world's Spanish speakers is Mexican or of Mexican descent.

We should also take into account that a resurgence of anti-Yankee feeling in Mexico is not impossible, particularly if the people feel we have been complacent in our dealings and negotiations with the United States. This is a logical outcome of two factors central to the relationship between our countries:

a) *Geographical proximity.* It is a principle of international policy that the closer one country is to another, the greater its interest in studying its neighbor and the more actions and considerations of national security will be implemented.

b) *The importance of trade between the two countries.* Large trade flows increase the possibility of tensions, and any country which centers its trade in a single nation will have less leeway in formulating its own foreign policy.

National security is a question which should be analyzed on its own. By describing it more broadly than its natural definition (the safeguarding of both territorial integrity and a country's inhabitants) and including questions like migration, the conservation of the environment, drug trafficking, etc., the United States goes too far in delineating its national security policy. However, it is well known that Americans tend to resolve their problems outside their own borders and that they overreact on the question of security, even today,

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when they are the only superpower on the planet, and their absolute security means the almost absolute insecurity for the rest of the world.

We should not be concerned about U.S. isolationist tendencies vis-à-vis Mexico. As the world's only great power, it will probably apply its policies selectively, but its "commitment to democracy" will never go beyond its commitment to its own interests. In that sense, we will be able to continue to oppose some of its policies as long as we do not affect its main objectives. For example, we will be able to continue our criticism of that aberration of international law, the Helms-Burton Act. But, if we begin to affect any of its vital interests, we should be prepared for a forceful reaction.

We should remember that in matters of foreign policy, it is always a good idea to keep in mind—and even carefully weigh—what is fair, what is desirable and what is probably really attainable. If we forget this, we will base our policy on imaginary suppositions. One example of this was Mexico's efforts in the Contadora Group, which an-

nounced peace in Central America prematurely, even though it was unthinkable for the United States to allow an ideology so antagonistic to its own as *Sandinismo* to proliferate, particularly in an area so close to home. Another case was Grenada, in which, despite world opposition, including that of his English allies, President Reagan did not hesitate to order the invasion and overthrow a legitimately established government. The Mexican people opted clearly in that case for what they considered fair and not for what was really possible to attain.

Coming back to globalization, we can say that Mexico has enormous potential, especially because of its privileged geographic position. If we accept the maxim that oceans do not divide but unite, our position is truly enviable because we are across the Pacific from Japan and across the Atlantic from Great Britain. We could consolidate our relations with Asia, chiefly our economic relations, and with Europe we could do the same in both the political and economic spheres, especially if we take into consideration the historic ties that link us to the Old World. In that sense, it



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is also important to keep in mind our integration with the countries of Central and South America, with which we are irrevocably tied not only for historical reasons, but also because of cultural and traditional similarities, like language and religion.

To successfully become part of the globalization process, Mexico has in its favor an extraordinary and enviable geopolitical situation. It is one of the largest countries in Latin America, the bridge between North and South America and the only Latin American country with access to the Atlantic and Pacific Oceans as well as the Caribbean, our third border. Geographically, we are part of North America

and therefore belong both to the North Pacific and North Atlantic regions, the two great basins where the political and economic decisions are made that affect today's world, in contrast with the South, where usually nothing ever happens. We are also both Central Americans and Latin Americans and we have important political and economic influence in the area. Clearly, then, few countries in the world have Mexico's great geopolitical advantages. This is something that should become a central factor in determining our economic and foreign policies. We are, among other things, a North American, Atlantic, Pacific, Central, South and Latin American, Spanish-speaking, multi-racial country and an emerging power. We should make the best of our many possibilities and of all these dimensions, including the cultural one.

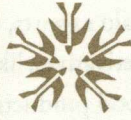
I will never tire of repeating that I am convinced that Mexico is and will continue to be the maker of its own destiny, that it is destined for greatness, and that internal divisions and sterile denunciations will not pave the way for Mexico to achieve that greatness. It will be achieved with vigorous, firm action. Only success is respected. Mexico will be successful. 



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