

# Lobbying and U.S.-Mexican Relations

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Probably no other relationship between countries is as special as the one between Mexico and the United States. Its uniqueness lies in its being a relationship between the world's leading power and a developing nation and their sharing one of the longest borders in the world (1800 miles). This geographical proximity forces them to deal with each other. Despite this interdependence, the relations are unequal.

As a world power, the United States possesses a capability of persuasion that it exercises globally; by contrast, Mexico's international influence is regional in scope. A developing nation's ability to influence the decisions of the U.S. government is limited, pushing it to use other kinds of mechanisms, such as lobbying.

Lobbying is one of the most widely used political practices in the United States; its aim is to influence decision making, particularly in Congress, both on domestic and international matters. Lobbying consists of public relations activities carried out by firms or groups of professionals, including the U.S. government, on behalf of corporations, society or of other governments, to promote positions that favor private economic or political interests, to foster certain solutions to

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specific problems or steer U.S. legislation in a particular direction.<sup>1</sup>

Lobbying as a political activity originated in the United States in the early nineteenth century and spread to countries like Spain, France and Germany. Initially, lobbying was a secret practice limited to influential minorities in the United States aimed at supporting bills before Congress or to impede their approval. In 1877, some states made it illegal, given the increasing number of cases of corruption, political pressure, bribery and intimidation associated with it.

As interest grew in enriching and achieving productive results from perma-

nent communication between the public and the government, it became necessary to regulate lobbying activities to avoid their damaging effects and protect democracy.<sup>2</sup>

From a positive point of view, lobbying has the advantage of effectively influencing the internal and external affairs of the U.S. government. This means that all nations with relations with the United States consider it a valuable foreign policy tool.

Nevertheless, lobbying is perplexing to foreign governments: they cannot lobby directly because of their lack of knowledge about how a decentralized political system like that of the United States works, their lack of appropriate governmental and business relations to promote their interests and the difficulty of knowing congresspersons' electoral commitments to their constituencies.

Despite this, many countries' need to improve their relations with the United States has led some foreign governments—like Mexico's—to hire professional lobbyists to promote their interests in Washington.

Mexico and the United States have a complex, asymmetrical, interdependent relationship, and for that reason, for many years our government spotlighted bilateral relations between the two chief executives without considering lobbying as an option. Among other reasons, this was

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**TABLE 1**  
**PAYMENTS TO FOREIGN AGENTS BY MEXICAN INTERESTS (1978-1990)**  
**(U.S. DOLLARS)**

<b>Aim</b>	<b>1978</b>	<b>1983</b>	<b>1985</b>	<b>1986</b>	<b>1987</b>	<b>1988</b>	<b>1989</b>	<b>1990</b>
Public Relations, Contacts and Transactions With Public Sector	72,869	44,498	67,229	482,143	296,935	295,765	185,682	3,062,125
Percent of Total	0.86	0.66	0.48	1.80	2.08	2.16	1.19	8.74
Public Relations, Contacts and Transactions With Private Sector	169,190	115,742	228,822	86,897	233,259	582,897	255,370	868,565
Percent of Total	2.01	1.73	1.65	0.33	1.64	4.25	1.64	2.48
Technical Services For Public Sector	17,607	298,720	107,615	310,391	12,737	65,382	0	82,801
Percent of Total	0.21	4.46	0.78	1.16	0.09	0.48	0	0.24
Technical Services For Private Sector	156,525	493,613	375,398	486,515	354,439	110,886	205,492	2,375,862
Percent of Total	1.85	7.37	2.70	1.82	2.49	0.81	1.32	6.78
Promotion of Tourism	8,064,007	5,742,322	13,106,309	25,357,006	13,364,884	12,668,021	14,944,138	28,644,227
Percent of Total	95.09	85.77	94.39	94.89	93.71	92.31	95.85	81.76
Total	8,480,198	6,694,895	13,885,373	26,722,952	14,262,254	13,722,951	15,590,682	35,033,580

**Source:** Registry of Foreign Agents, Department of Justice (Published in Todd Eisenstadt, *Este País* 15 [June 1992]).

**TABLE 2**  
**PAYMENTS TO FOREIGN AGENTS BY SELECTED LATIN AMERICAN GOVERNMENTS (1978-1990)**  
**(U.S. DOLLARS)**

<b>Public or Private Sector</b>	<b>Mexico</b>	<b>Brazil</b>	<b>Bahamas</b>	<b>Nicaragua</b>	<b>Venezuela</b>
Public Relations, Contacts and Transactions With Public Sector	3,062,125	0	695,993	461,944	246,304
Percent of Total	8.74	0	12.27	56.37	7.19
Public Relations, Contacts and Transactions With Private Sector	868,565	388,678	77,488	59,278	482,208
Percent of Total	2.48	20.22	1.37	7.23	14.08
Technical Services For Public Sector	82,801	816,760	0	298,274	2,326,071
Percent of Total	0.24	42.50	0	36.40	67.91
Technical Services For Private Sector	2,375,862	716,246	37,500	0	370,780
Percent of Total	6.78	37.27	0.66	0	10.82
Promotion of Tourism	28,644,227	0	4,860,653	0	0
Percent of Total	81.76	0	85.70	0	0
Total	35,033,580	1,921,684	5,671,634	819,496	3,425,363

**Source:** Registry of Foreign Agents, Department of Justice (Published in Todd Eisenstadt, *Este País* 15 [June 1992]).



because it mistrusted lobbying and associated it with negative effects on national sovereignty.

The Mexican government first approached Washington lobbyists during the administration of Luis Echeverría in 1974, with the aim of improving Mexico's image, which had suffered because of Echeverría's Third Worldist policies. In 1978, there was a second contact under the administration of José López Portillo, as part of an attempt to raise financial support for Mexico. These first contacts were important for Mexico's negotiating ability since they showed a change of attitude regarding using non-traditional mechanisms to promote its interests north of the Rio Grande.

During the administration of Miguel de la Madrid (1982-1988), bilateral relations hit one of their all time lows with the 1985 murder in Mexico of DEA agent Enrique Camarena. In those years, drug trafficking began to be a more important part of the bilateral agenda, and differing perceptions about the way to handle this problem caused friction between the two countries. In that context, the De la Madrid administration opted to seek the help of professional lobbyists to fight the negative image that the Mexican political system had in Washington, particularly regarding its fight against drugs and reputation for corruption.

The big turn-about in Mexico's attitude regarding lobbying took place during the Carlos Salinas administration in the framework of the negotiations for the North American Free Trade Agreement (NAFTA). This is reflected in the U.S. Justice Department's Registry of Foreign Agents, which indicated that Mexico's tab for lobbying increased a little more

than four fold between 1978 and 1990, going from almost U.S.\$8.5 million to more than U.S.\$35 million.

The Mexican government's priority on trade negotiations with the United States was so important that the Salinas administration "contracted the services of experienced politicians from both parties, specialized advisors in commercial and legal matters and the important public relations firm Burson-Masteller to head up a multi-million-dollar campaign targeting the U.S. public."<sup>3</sup> Along these same lines, Mexico also hired the services of important firms like Shearman-Stirling (attorneys at law), Fleishman-Hillard (public relations, contacts and business transactions), The Brock Group, Ltd. (trade advisory services), Public Strategies, Washington, Inc. (political advisors) and TKC International (contacts and business transactions).<sup>4</sup>

According to Todd Eisenstadt, Mexico's strategy was so effective that it overcame the opposition of several groups to NAFTA, particularly labor and environmental groups like the AFL-CIO, Ralph Nader's Public Citizen and the Sierra Club. As everyone knows, the strategy culminated in NAFTA coming into effect January 1, 1994.

The usefulness of lobbying for influencing U.S. decisions proved an effective alternative for Mexico in negotiations with its northern neighbor. It was expensive, which meant high fees for the 30 firms employed: the Mexican government's lobbying bill came to between U.S.\$75 million and U.S.\$100 million in 1991 alone.<sup>5</sup> By the end of the trade negotiations, our country was the Latin American nation that had spent the most in this kind of fees, although,

thanks to this and other factors, it was also the only one that achieved a trade agreement with the world's foremost power.

With the signing of NAFTA, Mexico and the United States formalized a trade relationship which had been developing rapidly in the second half of the twentieth century. Undoubtedly, lobbying contributed to this and also increased Mexico's ability in general to negotiate with the United States, even though the current administration of Ernesto Zedillo has not expanded in this area.

In future, our two countries' interdependence stemming from the great number of formal and informal links between us could well be the factor which, together with lobbying, propitiates better promotion of Mexico's interests in the United States. ■■■

#### NOTES

<sup>1</sup> In this case, public relations on behalf of another country is lobbyists' most common international assignment, including most frequently the creation of a positive public image, talks with members of Congress, forging alliances with the business community and legal advice.

<sup>2</sup> The Foreign Agents Registration Act of 1930, the Federal Regulation of Lobbying Act of 1946 and the Lobbying Disclosure Act of 1995 are the pieces of legislation that have regulated lobbying.

<sup>3</sup> Todd Eisenstadt, "Cabildeo y relaciones públicas en Estados Unidos," *Este País. Tendencias y opiniones* 15 (June 1992), p. 3.

<sup>4</sup> Todd Eisenstadt, "El TLC o los límites del cabildeo," *Este País. Tendencias y opiniones* 30 (September 1993), p. 11.

<sup>5</sup> Todd Eisenstadt, *op. cit.*, p. 3.