



Challenges and Opportunities of Mexico in Latin American Integration

Abstract: In recent years, Mexico has changed paradigms in its contribution to Latin American Integration. It has transitioned from an active leadership disputed role with Brazil to an active participation on an equal basis with all countries. This is due to the recent rise of the left-wing in the largest economies of Latin America. This article exposes the challenges and opportunities that Mexico has in regional integration as times have shifted and political ideologies have tilted the balance.

The project of integration throughout the years

The project of the integration of Latin America is an idea that sees its origins in the early 1800s when the recently independent nations were seeking to define their identity. It was under Simon Bolivar that this idea of sovereignty to all American countries, the creation of structures, and unique citizenship became a dream that was sown, and bloomed in the post-WWII era, taking the form of many different integration projects in the region.

Ever since, Mexico has actively participated in many of these integration projects, among which the CEPAL, the Alianza del Pacífico, the CELAC, and the ALADI (among others) stand out. However, these organisms are limited due to the creation of too many different structures that have been led by countries with ideological discordance and therefore stagnated.

Since President AMLO began his mandate, Mexico has been consistent in its foreign policy, particularly toward the US and Latin America. In terms of Latin American integration, the role of Mexico has been limited due to three approaches to the 6 year-term of Lopez Obrador:

1. There has been a pattern of continuity and change in different policies.

2. Mexico adopted a pragmatic approach based on the traditional principles of foreign policy engraved in the constitution, chief among which President Obrador mentioned no intervention, self-determination, and the peaceful settlement of disputes.
3. AMLO has combined a pattern of conflict and cooperation (particularly with the US, Bolivia, and Peru).

Challenges and Opportunities

The recent momentum gained by the left wing in the largest economies of the region, such as Colombia, Chile, and Brazil, is both an opportunity and a challenge that could help overcome the crisis of Latin American multilateralism. It is an opportunity because the discourses of the left in Latin America (notably that of Mexico when it held the pro-tempore presidency of the CELAC), have focused on the international equality of nations, above political coloration. However, it is a challenge because this lack of leadership could backfire, as initiatives would require consensus without actually having a lobbying strategy to move towards a clear goal, driven by one nation or group of nations (this is the reason why many projects stagnated). This discourse also lacks credibility as President AMLO recently decided to deny ceding the pro-tempore presidency of the Alianza del Pacífico to Peru, after former President Pedro Castillo was arrested by Peruvian authorities and the right-wing regime of Dina Boluarte was instaurated.

Another challenge is to overcome the influence of the US in matters of Latin American integration, whether in terms of economic policies, or political coordination. As an example, the USMCA Free Trade Agreement has given the US extra-territorial leverage as it was able to incorporate a clause (article 32.10), that would limit both Canada and Mexico not to join a Free Trade Agreement with a third country that does not have a market economy (namely China, but could also apply to Cuba, Nicaragua and Venezuela). Moreover, former President Trump was able to pressure Mexico into adopting tighter migratory control by threatening to leave the Agreement and increase import taxes.

However, this treaty is also an opportunity that raises interest for other Latin American countries to deepen economic ties with Mexico to benefit from the geographic closeness to the US and the USMCA Free Trade Agreement. That is one of the many reasons why Mexico has been gaining momentum, in fact, among the 13 Free Trade Agreements that it has ratified, 8 were agreed upon with Latin American countries or subregions, fostering thus, the relocation of foreign companies into the country (a phenomenon known as nearshoring), where Foreign Direct Investment saw a record high of 21 thousand million USD in the first quarter of 2022.

Finally, as elections will take place this coming 2024, Mexico and the US have an unclear path of continuity and conflict that might prove decisive in Latin American integration projects, especially those of the CELAC and the Alianza del Pacífico.

As for Mexico, it should continue deepening cooperation in matters such as the exploitation of lithium with Bolivia, Argentina, and Chile; push forward the agenda of migratory policies as a cooperation tool; continue to expand cooperation in Central America in the framework of the Plan de Desarrollo Integral; and lastly, contribute to the pool of thought that seeks to find our own model of development and cooperation not based in that of other first-world countries.