PROTECTING THE HEMISPHERE

SAFEGUARDING US INTERESTS AND PRIORITIZING PARTNERSHIPS FOR A STABLE HEMISPHERE

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Abstract

Mexico holds a crucial position as one of the foremost trading partners and economic powerhouses for the United States in Central and Southern America. Given its proximity to the United States and its unwavering alliance from a security standpoint, Mexico plays a pivotal role in US foreign policy endeavors. However, the escalating levels of Chinese investment in the region pose a growing economic threat, endangering the standing of the United States. Consequently, it is imperative for Washington to prioritize efforts aimed at countering any potential economic competition that could prove detrimental in the context of Mexico.

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Neighbors play a crucial role in geopolitics, offering opportunities for trade, collaborative security efforts, societal development, and the exchange of ideas, programs, and initiatives that benefit both nation-states. Collectively, these interactions can significantly enhance foreign nations and establish a formidable force in diplomatic engagements with other nations or during military conflicts. However, if relations with a neighboring nation are strained, stemming from various factors such as historical animosity or differences in political ideology, the bond between both nations can deteriorate, evolving into a larger geopolitical threat.

While the relationship between the United States and its southern neighbor Mexico is not inherently negative, it is beset by challenges that could potentially escalate over time. One emerging concern, posing a threat to the United States, is the evolving relationship between Mexico and China.

China and Mexico

The historical relationship between China and Mexico spans several decades. According to a February 2022 article from the China Daily, a newspaper owned and controlled by the Publicity Department of the Chinese Communist Party, the mutually beneficial connection between China and Mexico originated “a few months
after the People’s Republic of China (PRC) resumed its seat in the United Nations, with strong support from Mexico.\textsuperscript{1}

In 1971, Mexico voted for the United Nations General Assembly Resolution 2758, recognizing Taiwan as “a part of the People’s Republic of China” and granting the PRC permanent membership in the UN Security Council.\textsuperscript{2} This naturally provoked anger among many Taiwanese and the Taiwanese government, leading to Mexico maintaining only unofficial relations with the Asian island.

Since the 2000s, China’s relationship with Mexico has experienced substantial growth across economic, social, and security dimensions. The Asian nation’s “rapid growth and resulting demand” have significantly contributed to Latin America’s “subsequent commodities boom” through the importation of “higher-value-added manufactured products, a trade some experts say has undercut local industries with cheaper Chinese goods.” In return, China benefits from Latin America, particularly in terms of “soybeans, copper, petroleum, oil, and other raw materials that the country needs to drive its industrial development.”\textsuperscript{3}

China has entered into multiple free-trade agreements with nations across Latin America and actively collaborates with the region to expand participation in its infrastructure investment and economic integration program, the Belt and Road Initiative.\textsuperscript{4} According to Tecma, a business advisory service based in El Paso focusing on US–Mexico relations, “China is Mexico's second largest trading partner . . . [with] Mexican integration with the US economy provides the perfect gateway for Chinese businesses to strengthen access to the US market.”\textsuperscript{5} The trade volume reached “$86.6 billion, marking a year-on-year increase of 41.9 percent,”\textsuperscript{6} according to the Global Times, another daily news source controlled by the Chinese Communist Party.

\textsuperscript{1} Marcelo Ebrard Casaubon, “Mexico, China celebrate 50 years of friendship,” China Daily, 14 February 2022, http://global.chinadaily.com.cn/.


Concurrently, in 2019, “Mexico displaced China as a main trade partner of the United States.”\(^7\) This shift underscores China’s increasing significance as a trading partner with Mexico, posing a potential threat to America’s economic development and national security interests.

**How This Developing Relationship Threatens the United States**

The substantial revival of economic cooperation between Mexico and China inherently poses a series of threats to the United States, extending beyond purely economic concerns.

Firstly, China’s deepening involvement in Mexico, as well as the broader Latin American region, is not solely driven by economic motives but extends to strategic considerations. According to the Council on Foreign Relations, an independent US-based think tank, “China’s focus on soft power . . . has helped Beijing build political goodwill with local governments and present itself as a viable alternative partner to the United States and European states.” This strategy contributes to the isolation of Taiwan on the global stage, boosts sales of Chinese small arms and military equipment, and supports authoritarian governments, including those in Cuba, Nicaragua, and Venezuela.\(^8\)

From a national security perspective, this presents a significant and grave threat. The United States, particularly under the Trump administration in recent years, has not aided its cause in this realm.\(^9\) This is notably exemplified by the release of the former Mexican Secretary of Defense on money laundering charges by the United States, with Mexico subsequently dropping these charges while presenting evidence of the Defense Minister’s cartel connections and claiming US-fabricated evidence.\(^10\) In addition to political and economic objectives, China has advocated its own solutions to anticorruption and poverty issues while getting involved in various projects led by the Mexican president, as highlighted by Roman Ortiz, the

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7 Juan Carlos Gachúz Maya, “Mexico’s Trade Relationship with China in the Context of the United States-China Trade war,” *Journal of Current Chinese Affairs* 51, no. 1 (April 2022), https://journals.sagepub.com/.

8 Roy, “China’s Growing Influence in Latin America.”


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owner of a political risk and analysis firm and former advisor to the Colombian minister of defense.\textsuperscript{11}

The increasing presence of China in Mexico poses a potential challenge to the comprehensive national and homeland security framework that the United States has been diligently developing since the early 2000s to address terrorist activities, international criminal enterprises, and illegal immigration. China could potentially offer training to Mexican soldiers for counterterrorism missions and exert influence on the collection, gathering, or utilization of intelligence against nonstate actors that pose a threat. Given China’s deep involvement in Mexican organized criminal enterprises and illicit trafficking, this could have detrimental effects on the United States while actively benefiting China in both national security and economic terms.\textsuperscript{12}

While the relationship is a cause for concern, it is essential to emphasize that China is not aiming to turn Mexico into a surrogate state. Instead, they would be engaging in competition against the United States, working similarly to enhance security resources against nonstate threats and counter threatening foreign powers. Nevertheless, this still presents a challenge to America’s national security interests and has the potential to harm American security, further destabilizing relationships in Latin America.

These considerations highlight the imperative to prioritize the South, with a particular focus on Mexico. The Biden administration is already taking steps to re-prioritize US–Mexico relations and mend the strained connection. According to the Wilson Center, a public policy and research think tank, in 2021, Pres. Joe Biden “worked with Mexican counterparts to reconstruct the institutional framework for that economic relationship” while revitalizing the North American Leaders’ Summit and the High-Level Economic Dialogue which created “a framework and a channel for exploring new directions in the bilateral economic relationship, while at the same time, allowing for discussion of potentially thorny issues.”\textsuperscript{13}

\textbf{Conclusion}

The escalating level of cooperation between Mexico and China raises legitimate concerns. It is noteworthy that many experts do not express serious concerns about

\textsuperscript{11} Ortíz, “Mexico, China & the US: A Changing Dynamic.”.


these Chinese investments completely displacing the United States as a trading partner.

Margaret Myers, the Director of the Asia and Latin America Program at the international affairs-oriented think tank Inter-American Dialogue, remarked, “Economic ties between the U.S. and Mexico are so profound that a slight increase in China-Mexico activity is not going to fundamentally change that dynamic.” She maintains that China could never replace the United States as a dominant or primary economic partner.14

Nevertheless, the United States should consistently strive to enhance its relations with neighbors, especially those with whom it values ongoing economic and security cooperation.

In an article for *America’s Quarterly*, Martha Bárcena Coqui, the former Mexican Ambassador to the United States from 2018 to 2021, discusses how the evolving relationship with China and the diminishing ties with the United States should prompt Mexican policymakers to reassess their perspectives. She writes:

> China is the main competitor in the U.S. market for certain Mexican products. Is it feasible to substitute those U.S. imports from China with Mexican imports? If so, what is the best way to do this? And can Mexico substitute some of its imports from China with American or Latin American imports? . . . Mexico, China and the U.S. should work together to identify areas of trilateral and multilateral cooperation. The most obvious example is cooperation on climate change . . . Mexico’s economic competitiveness is directly linked to information technologies, one of the areas of fierce confrontation between the U.S. and China. Which 5G system Mexico adopts is one of the big issues to be defined.15

> Mexico holds a strategic geographical, political, and economic position that could serve as a conduit to mend the deteriorating economic ties between the United States and China. Such cooperation would not only significantly benefit Mexico financially but also enable the nation to strengthen ties with two superpowers in various aspects. This collaborative approach aims to benefit the Mexican people and foster substantial growth in the Central American nation without either antagonizing or disregarding larger superpowers.

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Moving forward, the Mexican government must chart a “third way,” reminiscent of its stance during the global Cold War. In that era, Mexico “refused to align themselves either way in a bid to remain neutral . . . [neglecting] to join America’s bloc not because of ideological sympathy toward the Soviet communists, but because of its own sense of nationalist self-preservation.”16 By working with both the Soviet and American nation-states without seeking exclusive benefit like Somalia, Mexico successfully navigated political ideologies.17 This approach proved beneficial for the Latin American nation in the long run, contributing to economic, social, and political stability and preventing it from becoming a military hotspot or a victim of foreign interference by either the Soviet Union or the United States. Ambassador Coqui concludes in her article, stating that “while the economic and foreign policy decisions that Mexico will adopt regarding China will also affect the U.S., a constant presence and partner, they will be based on its own national interest—on what is good for Mexico and the Mexicans . . . a confrontation between the U.S. and China will benefit neither Mexico nor its neighbors.”18

A confrontation would not be beneficial for anyone within the Western Hemisphere and is likely to exacerbate the deterioration of relations between the United States and China. Therefore, the United States and Mexico must collaborate to develop mutually beneficial economic and security cooperation that does not unfairly exclude China. Instead, the goal should be to benefit all three nation-states, fostering a stable and sustainable region.

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18 Coqui, “Why Mexico’s Relationship with China Is So Complicated.”