



## CONFERENCE REPORT

### WHERE ARE WE GOING? CANADA AND MEXICO LOOKING BEYOND 2006

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#### INTRODUCTION

The Canada-Mexico relationship is experiencing a momentum reflected in the launching of the Canada-Mexico Partnership (CMP), the Security and Prosperity Partnership (SPP), and in the excellent rapport between the two countries in bilateral, North American and global affairs.

In the last decade, this relationship has evolved into a dynamic, mature and very strong relationship, to the point that for Canada it is only second to the relationship with the United States in the context of the Americas. Initially propelled by the signature of the North American Free Trade Agreement (NAFTA), this bilateral relationship can now best be described as a set of multiple and frequent exchanges on a broad range of issues, including foreign policy, human rights, elections, governance, human capital development, trade and investment—just to name a few. Exchanges between government officials, businesses and people actively shape the dynamics of the relationship.

The strengthening of this bilateral relationship has run in parallel with, and been reinforced by, important domestic changes in Mexico. Political advances in that country crafted over decades of reforms paved the way to the possibility of alternation of power at the presidential level in 2000 and the strengthening of democratic institutions. Domestic changes, in turn, created the conditions for a transformation of Mexico's international behaviour that



brought Canada and Mexico's views of world affairs closer together.

Thus, when Canada and Mexico refer to each other as a strategic partner, they allude to the sum of these multiple linkages structured around the principles of convergence, coincidence and complementarity.

Given the fact that the bilateral relationship is not circumscribed to government exchanges and instead is dispersed among numerous actors, the analysis of domestic variables is key to identifying niches to strengthen the relationship. Likewise, the stronger this relationship grows, the greater the need is for deeper understanding about each other, particularly during electoral races, where there is potential for changes in the set of priorities for the new government.

With this in mind, the Canadian Foundation for the Americas (FOCAL) proposed to incorporate a political dimension by inviting political parties to think about the future of the Canada-Mexico relationship. Under this premise, FOCAL convened the high-level meeting *Where are We Going? Canada and Mexico Looking Beyond 2006* in Ottawa on November 24, 2006. Participants in the conference included senior representatives from Mexico's three main political parties, representatives from the Federal Electoral Institute (IFE) and the Federal Institute for Access to Public Information (IFAI), academics and journalists with the purpose of learning first-hand what are Mexico's priorities according to different stakeholders and to establish a direct dialogue with their Canadian counterparts.

Also present were a representative from the Office of the Information Commissioner and the Privacy Commissioner of Canada. The original idea behind this meeting included the participation in this dialogue of Canada's four main political parties—the Conservative Party of Canada (CPC), The Liberal Party (LP), The New Democratic Party (NDP) and the Bloc Quebecois (BQ)—and Elections Canada; however the political timing of the conference prevented them from attending.<sup>1</sup> We are confident that there will be other opportunities in the future to engage them.

The meeting was divided into four themes. The core of the discussions was on the areas of foreign policy, economic relations and governance, where bilateral cooperation has been strong and productive. However, given the relevance of media, we deemed important to examine the potential for the establishment of shared spaces and values in other areas and convened a panel on media perceptions.

Presentations, particularly in the first session of the meeting, focused largely on Mexico, underscoring the importance of this country to Canada. To spur dialogue Canadian presenters or commentators in each panel were included to explain concurrent Canadian developments and events to Mexican participants and exchange points of view.

This meeting was the first one of its kind. For the first time outside Mexico the National Action Party (PAN), the Party of the Democratic Revolution (PRD) and the Institutional Revolutionary Party (PRI) participated in the same event, presenting their views on foreign and economic policies prior the elections. Moreover, in some cases, the themes they touched were aired for the first time.

Perhaps one of the most important findings from the conference *Where are we Going? Canada and Mexico Looking Beyond 2006* was that regardless of the different visions expressed by the PAN, PRI and PRD, they stated their interest in strengthening the relationship with Canada and referred to it as strategic to deal with bilateral, North American and global affairs. There was also consensus in terms of defining the agenda with Canada in the following issue areas:

- ❖ To strengthen the bilateral relationship to balance the relationship with the US in the context of North American integration.
- ❖ To promote academic, student and scientific exchanges.
- ❖ To expand the Seasonal Agriculture Workers Program (SAWP) and other managed temporary migration programs.



- ❖ To strengthen cooperation with Canada in multilateral fora.

This is our starting point to look into the Canada-Mexico relationship after the elections of 2006.

Below are the proceedings of the meeting, which we expect will form the basis for further discussions and dialogue.

## MEXICO AS A PARTNER IN NORTH AMERICA AND THE WORLD

Foreign policy generally reflects the point of equilibrium between values and interests (*i.e.* the balance between long-term guidelines of behaviour and short-term objectives). However, when this balance is no longer useful to respond to international and/or domestic realities, a redefinition of foreign policy is required.

In Canada, the International Policy Statement (IPS), released in April 2005 was the outcome of that introspective process. Touching on foreign policy, international trade, defence and international assistance, the IPS aimed at creating the strategy to enhance Canada's position in the world.

In the definition of the new priorities, the IPS established North America as a priority, bringing in Mexico instead of centring its attention exclusively on the Canada-US relationship. This vision responds to demographic changes in North America in the last years. For instance, the number of Mexicans and Mexican-Americans living in the US amounts to 25-28 million, while Canada increasingly is becoming less familiar with and in the US. Over the years there has been a shift of power in the US from the northeast to the southwest, where Hispanic groups have a lot of influence over US legislators. A trend that is likely to increase as can be seen in the demonstrations that have taken place in several cities in the US since March 2006. Finding common ground with those groups is important for Canada. Thus, the relationship with Mexico is perceived as a doorway to US politics.

Mexico is seen as a strategic partner to balance the relationship with the US in North America and to work closely in the framework of the Security and Prosperity Partnership (SPP). Mexico is also considered an important partner in world affairs.

From the point of view of the Canadian government, the question regarding the future is how to build up the relationship and good rapport that exists between the two countries beyond the economic relationship? Some of the areas suggested were:

- ❖ Landmines, arms traffic, terrorism.
- ❖ People-to-people linkages, for instance under the SPP; there is still need to create more networks on North American issues.

Canada and Mexico need to be able to anticipate future challenges (*e.g.* rise of China and security) and to work together to tackle them. To promote that it would be important to:

- ❖ Foster academic exchanges and an expansion of Canadian scholarships.
- ❖ Develop research on energy, demography and migration.
- ❖ Increase Policy Planning Talks.

According to the Mexican government, in Mexico, important discussions around foreign policy have taken place during the administration of President Vicente Fox as well. This illustrates the tensions that exist between traditional and new views on foreign policy and as such is a healthy democratic exercise. In this regard Canada's experience in the elaboration of the IPS has been of great use for Mexico.

It seems necessary for Mexico to reassess and to reconcile the meaning of sovereignty with the realities of the 21<sup>st</sup> Century, particularly in the areas of Responsibility to Protect, Peacekeeping, North American integration and other world affairs.



*But what role should Mexico play in the world? What are the priorities in terms of regions and themes? The following are the visions of Mexico's three main political parties.*

### **PAN: A FOREIGN POLICY OF THE 21<sup>ST</sup> CENTURY**

The National Action Party (PAN) is a relatively young party and so is its candidate Felipe Calderón. For this reason it offers a distinct view on foreign policy. Mexico's new foreign policy requires a strategic assessment of the current international order and of what Mexico's interests should be. In the view of the PAN, Mexico should undertake a process of evaluation of its foreign policy, similar to Canada's IPS. This exercise would not aim at radically transforming Mexican foreign policy but at adapting it to the challenges and realities of the 21<sup>st</sup> Century.

According to the PAN, there is no need to amend the Constitution to change the principles of foreign policy included in Art. 89,<sup>2</sup> but it is important to prioritize some over others. Specifically, the promotion of peace and security should be a priority and be above the principle of self-determination in today's world.

Foreign policy should be inclusive. To provide long-term visions and policy recommendations, the PAN proposes the establishment of a Citizens' Consultative Group composed of experts in the field. Mechanisms should also be created to enable the participation of civil society in the formulation of foreign policy.

Mexico should be an active player in multilateral fora, and should seek a seat—permanent or non-permanent—at the United Nations Security Council (UNSC).

Latin America should be another foreign policy priority for Mexico. Mexico should work to ensure peace and stability in the region. According to the PAN, particular attention should be given to Central America, with which Mexico shares common problems (*e.g.* irregular migration flows, drug trafficking, organized crime, vulnerability to natural disasters). Mexico should also foster

economic and social development in the region. The launching of the second phase of the Plan Puebla-Panamá—which is centred on energy and includes parts of the Caribbean—would serve that purpose.

It is clear that North America would remain the most important area for Mexico under a government from the PAN. Commitments undertaken under NAFTA would be respected, but Mexico would work to improve the dispute-settlement mechanism.

At the bilateral level, Mexico would seek to strengthen the relationship with the US and to address the phenomenon of migration under the principle of shared responsibility.

Mexico would also strengthen the relationship with Canada through the Canada-Mexico Partnership (CMP). But it would also seek to strengthen linkages between government and people. In the first case, the PAN proposes the institutionalization of the bilateral relationship through the establishment of a Bilateral Commission and the promotion of exchanges between public officers in certain ministries (not related to security). It also proposes to explore the possibility of sharing embassies (Belize, St. Lucia) or consulates in the US. As well, the proposals include the expansion of the Seasonal Agriculture Workers Program (SAWP) to other sectors and greater student mobility, with the goal of making Canada the second destination for Mexican students abroad. Under a PAN government, Mexico would also explore ways to work with Canada in multilateral fora.

### **PRI: RECUPERATING MEXICO'S ROLE IN THE WORLD<sup>3</sup>**

According to the Institutional Revolutionary Party (PRI), in the last years Mexico has lost its place in the world, both in terms of competitiveness and relevance in world affairs. In its view, the definition of a state foreign policy needs to be based on the full respect of national sovereignty; it should also strengthen Mexico's international position and promote its interest in the world.



Such policy, nonetheless, requires the creation of a national consensus among all political parties as well as the inclusion of other actors in the formulation of foreign policy (e.g. the Senate should play a more active role in foreign policy-making).

To recuperate Mexico's leadership in the world, Mexico needs to begin by modernizing its Armed Forces and be ready to assume greater international responsibilities. Mexico should promote a decisive and committed participation in multilateral organizations and foster reforms of international organizations—e.g. United Nations (UN) and the Organization of American States (OAS).

A PRI government would restore Mexico's ties with Latin America and the Caribbean—a region with which Mexico shares cultural and historic ties—and recuperate its role as a legitimate interlocutor in the region. The PRI believes it is crucial to respect regional integration processes and groupings in South America, even if it does not participate in them.

In the North American context, Mexico would foster deeper cooperation with the US and Canada under the Security and Prosperity Partnership (SPP)—particularly in the prosperity agenda—and seek the establishment of an improved dispute settlement mechanism and the expansion of the role of the North American Development Bank (NADBank).

The relationship with Canada is seen as key to balance the relationship with the US and to work in multilateral fora. Mexico would seek to expand the SAWP.

In its bilateral relationship with the US, Mexico would cooperate in the fight against terrorism, organized crime and money laundering, as well as in border management and migration. In the latter, a PRI government would seek to address migration under the principle of shared responsibility and guarantee respect for human rights of migrants. It would also promote greater labour mobility and foster the recognition of professional credentials.

Other priority regions for Mexican foreign policy would be Europe—particularly within the Ibero-

American summits—and Asia-Pacific, where Mexico would seek to enhance its relations with China, India, Japan, Australia and New Zealand.

### **PRD: BUILDING AN ALTERNATIVE GLOBALIZATION**

According to the Party of the Democratic Revolution (PRD), the combination of globalization (driven by multinational firms) and US political unilateralism have caused great disparities and inequalities in the world, and are eroding national sovereignty and countries' capacities for self-determination.

In Mexico, the decision to prioritize the relationship with the US has affected the historic relations Mexico hitherto had with Latin America and has reduced the margins for diversification with other regions such as Europe and Asia-Pacific. The problem, according to the PRD, is that this decision, as well as the decision to participate in the SPP, were made without consulting the public.

Therefore, Mexico needs to redefine its foreign policy to respond to new challenges. For that reason it is necessary to build a national consensus on foreign policy and to promote a constitutional amendment to vest the Senate with greater powers in the formulation of foreign policy and with the responsibility of ratifying the Minister of Foreign Affairs. Also, international agreements should be submitted to public approval through the use of direct democracy mechanisms.

Mexican foreign policy in North America should focus on those themes that are relevant to Mexico, including the establishment of development funds for regions affected by NAFTA, promotion of labour mobility and respect for migrants' rights, the expansion of the role of the NADBank, environment co-responsibility, opening spaces for citizens' participation and the revision of the agriculture chapter of NAFTA;<sup>4</sup> and not exclusively on security.

Mexico should establish a mature and respectful relationship with the US and try to negotiate



cooperation for assistance programs for the agricultural sector and to foster regional development. The cornerstone of the relationship should be the negotiation of a migration pact that includes the Central American countries.

With Canada, Mexico should propose the expansion of the SAWP, the promotion of technology transfers and academic and scientific exchanges (particularly in the realm of environmental protection). Canada would also be a key partner in multilateral fora—a space that will be given priority.

Mexico should restore the relations with Latin America, starting with Central America and Cuba. Mexico should also promote the creation of a community of nations in Latin America and the Caribbean to foster economic and social development. According to the PRD, the strengthening of the Latin American Parliament, the Group of Rio and the Latin American Association for Integration (ALADI) would be key to that goal.

Diversification should be two-pronged: the establishment of strategic relationships with Canada, Guatemala, Belize and Cuba (and potentially with Brazil, China and India as well); and through multilateralism and by enhancing relations with Europe and Asia-Pacific.

## **OTHER VOICES**

Doubts were cast about some of the proposals presented by the political parties, particularly with regards to the existence of a national consensus on foreign policy before the Fox administration. Consensus then was a myth, and to try to achieve it now may prove an impossible task, argued that participant.

It was argued by one participant that Mexico cannot afford to isolate itself and relegate foreign policy to the backburner. Rather, it should have an active foreign policy, leaving behind old traditions and speeches.

Moreover, given the deep connections that Mexico has with the US, Mexico should avoid being confrontational with that country, that participant

argued. Mexico should rather try to build a strategic relationship with the US.

There were also questions about the lack of a project to develop a North American community. While currently it seemed reasonable to work on the bilateral relationships with the US and Canada, eventually it would be important to develop the trilateral dimension of the relationship.

Another participant questioned the assertion that the bilateral relationship with Mexico could level the playing field in North America, and inquired about the interest that Canada could have in that regard. In the view of one participant, the relevance of Mexico was related to the demographic change in the US and the weight that it could have in the future of North America.

## **MEXICO AS AN ECONOMIC PARTNER: INVESTMENT CLIMATE AND TRADE POLICY**

There is no doubt that promoting economic growth will be a priority for the next Mexican government. During the Fox administration, the management of macroeconomic variables has given stability to Mexico's economy and certainty on investments. However, Mexico's economy is currently facing important challenges, including a loss of competitiveness, unemployment, regional inequalities, high levels of migration, and relatively high levels of poverty and inequality.

There is growing consensus around the need to undertake structural reforms in order to match macroeconomic achievements with microeconomic needs. While most stakeholders agree on the need for structural reforms, there are important nuances in their visions of the reforms that have become evident in the rejection of all the initiatives in this realm submitted to Congress by the Fox administration.

According to Mexico's main political parties, the following should be Mexico's economic priorities.



## **PAN: BUILDING ON MACROECONOMIC STABILITY TO FOSTER DEVELOPMENT**

According to the PAN, Mexico needs to build on macroeconomic stability to foster economic development. In order to do that, the first priority should be to guarantee the rule of law, both to provide certainty for investments and to ensure personal security. The rule of law entails full respect of intellectual and property rights, transparency in the establishment of contracts and dispute settlement mechanisms, and fighting against corruption.

The party's economic proposal is centred on the private sector and regional development. The role of the state in the economy should be that of guarantor of the rule of law and to facilitate the establishment of businesses through the simplification of administrative requirements. It would also develop infrastructure in partnership with the private sector (highways, airports and railways).

### **AGRICULTURE**

A PAN government would incentivate the substitution of non-competitive crops for others with higher profitability levels.

### **STRUCTURAL REFORMS**

Given the complexity of the decision-making process in Mexico, priority should be given to the tax and energy reforms.

#### *Tax reform*

- ❖ Reduce the government's current dependence on oil revenues.
- ❖ Eliminate tax evasion.
- ❖ Promote the increase of tax responsibilities for state and municipal governments.

#### *Energy reform*

In the energy sector, Mexico needs to undertake reforms that would provide producers with lower-cost energy, and that would reduce Mexico's dependence on imports (natural gas and refined products). The PAN proposes to achieve this according to the following initiatives:

- ❖ No privatization of energy state-owned corporations (Mexican Petroleum – PEMEX; Federal Electricity Commission – CFE; and Light and Power Company-Luz y Fuerza – LyF).
- ❖ Changes in the regulatory framework to allow municipal governments to produce electricity in partnership with the private sector.
- ❖ Allow PEMEX and CFE to establish joint ventures to have access to new technologies.
- ❖ Complement public investment with private participation in the areas of refining, natural gas and petrochemicals.

### **TRADE AND INVESTMENT**

In the PAN's view, Mexico should expand its network of free trade agreements (FTAs) and take full advantage of existing ones. Special emphasis should be placed on Central America, where Mexico should try to coordinate administratively the three FTAs it has with countries in this region.

With a PAN government, the commitments established in NAFTA would not be questioned. However, Mexico would continue to object to measures it considered unfair and would impose mirror measures if deemed necessary.

Emphasis on the rule of law and on the creation of infrastructure would serve to stimulate foreign direct investment.



## **PRI: AN ECONOMIC POLICY FOR GROWTH AND EMPLOYMENT**

According to the PRI, it is essential to maintain macroeconomic stability in order to promote economic growth. However, to foster a more just society, Mexico's economic policy needs to implement measures to incentivate the expansion of the domestic market, job creation—the number one priority—and greater development.

For this purpose the financial sector needs to go beyond the provision of credit lines for consumption and mortgages, and serve to finance productive activities. A reform of the pension system is also relevant to generate savings that could be channelled to productive activities and the creation of infrastructure.

In the view of the PRI, industrial policy needs to promote competitiveness, by creating tax incentives for business incubators, fostering production chains, and promoting the development of technological advances. A PRI government would focus on those sectors that could have a great impact in the creation of jobs or in the consolidation of Mexico's competitiveness, including tourism, energy, fisheries, creation of infrastructure and housing.

To reduce regional disparities, the government would implement a development project in the South and Southeast regions of Mexico, to create infrastructure, foster agriculture and to prevent natural disasters.

### **STRUCTURAL REFORMS**

With regards to the reforms needed to foster economic growth, the PRI proposes the following initiatives:

#### Tax Reform

- ❖ Expand base of taxpayers by making the system more efficient.
- ❖ Promote fiscal federalism, by increasing tax responsibilities for state and municipal governments.

- ❖ Foster greater accountability in the use of funds and results achieved at the three levels of government.
- ❖ Pension reforms to increase savings to finance the creation of infrastructure.
- ❖ Reduce the revenue tax on companies to increase their competitiveness, and for individuals.

#### Energy Reform

Energy reform would be the basis to improve Mexico's competitiveness.

- ❖ Promote a tax regime that allows state-owned energy companies to channel resources to the creation of infrastructure and research and development (R&D) activities.
- ❖ Promote strategic alliances to finance the exploitation of oil in deep waters.
- ❖ Move away from exporting crude oil toward more value added products.

#### Labour Reform

- ❖ Reform the current legislative framework to flexibilize the labour market.
- ❖ Ensure the protection of workers and unions' rights.

### **AGRICULTURAL SECTOR**

According to the PRI, the agricultural sector is one of the most important sectors in the economy and remains one of its priorities. The agricultural sector needs to increase its competitiveness and be modernized. Some of the initiatives to modernize the agricultural sector include:

- ❖ Develop financing mechanisms for the agricultural sector



- ❖ Facilitate the acquisition of new technologies.
- ❖ Create a special fund for farmers affected by NAFTA.
- ❖ Regularize land tenures of communal lands.

#### TRADE AND INVESTMENT

- ❖ Mexico would seek the establishment of a permanent tribunal to settle disputes in NAFTA, given the failure of the ad hoc panels.

#### RULE OF LAW

For the PRI it is important to uphold the rule of law by strengthening the judiciary and granting independence to regulatory agencies.

Finally, according to the PRI its commitment to the dismantling of obstacles to economic growth is illustrated by the fact that it was the first political party to endorse the Pact for Unity, Rule of Law, Development, Investment and Employment Pact, also known as the Pact of Chapultepec—an initiative driven by the private sector calling for the creation of consensus among different political and economic stakeholders and members of Mexican society to work in tandem to tackle Mexico's most urgent needs independently from partisan politics.<sup>5</sup>

#### PRD: FOR A DEMOCRATIC, EGALITARIAN AND PRODUCTIVE SOCIETY

According to the PRD, the Mexican economy has grown at insufficient and unstable rates, negatively impacting wages, employment, the environment and the overall quality of life of Mexicans for more than two decades. In their assessment, productive infrastructure is insufficient; the agricultural sector is in precarious shape. Thousands of small and medium enterprises (SMEs) are disappearing, deepening the uncertain and volatile nature of employment. The growth of the informal economy, the weakening of social networks, low tax collection

rates, and increasing levels of migration are consequences of the underperformance of the economy.

The objectives of the PRD's economic proposal are to:

- ❖ Promote economic growth.
- ❖ Improve income distribution.
- ❖ Strengthen the domestic market.
- ❖ Modernize the productive apparatus.
- ❖ Foster sustainable development.
- ❖ Tackle problems of poverty, health, education and employment.

In order to do so, the first priority of a PRD government would be to develop a strategy on education and health, ensuring universal access (*vs.* targeted programs).

To stimulate the economy, the party proposes that Mexico implement a program involving the use of public investments to develop necessary infrastructure, with particular emphasis on the construction of affordable housing.

According to the party, special attention should be focused on the development of the Isthmus region through the implementation of energy projects, creation of infrastructure (railways and highways), and the promotion of agro-industries, forestry, and fisheries.

Respect for the environment should be a crosscutting issue for all economic strategies, promoting the rational use of water, energy savings, and reduction of pollutants.

#### STRUCTURAL REFORMS

The need for structural reforms is not questioned; however, the PRD questions the content of the proposals for structural reforms submitted by the other parties.

#### Labour reform

A successful labour reform should not focus on flexibilizing legislation to promote labour turnover, but instead centre on the creation of human capital



and the development of new skills. Priorities are thus to:

- ❖ Recuperate wages, foster training and the defence of collective agreements.
- ❖ Finance social security.

The creation of jobs needs to go hand in hand with the improvement of workers' skills. This requires more investment in education and training programs (in collaboration with employers), as well as the development of special programs for unemployed youth. Education and the development of science and technology would be nodal points of Mexico's economic performance.

#### Energy Reform

The energy sector is the engine of economic development and because of that state-owned energy companies should not be privatized. Rather, it is important that Mexico grows from being a net exporter of crude oil to focus on products with greater value added (e.g. petrochemicals). For that purpose it is important that the tax regime applied to energy companies allow them to invest in infrastructure and in the development of technology.

#### Reform of the financial sector

According to the PRD, in recent years the financial sector has not assumed the role that they should play in the promotion of economic development and has centred exclusively on financing consumption and housing. Loans for productive activities, however, remain expensive and almost unattainable for companies, particularly SMEs.

- ❖ Make loans accessible to the productive sector.
- ❖ The government should complement that activity with the creation of development banks.

#### Reform to budget and Public Spending

- ❖ Direct budget priorities to infrastructure and social spending in education and health.
- ❖ Government austerity (reduce wages for public officers).
- ❖ Greater transparency in the use of public funds.

#### Tax reform

- ❖ Combat tax evasion.
- ❖ Progressive rates of income tax (for people and firms).
- ❖ Incentivate state and municipal governments to collect taxes to complement fiscal transfers.

#### **AGRICULTURAL SECTOR**

- ❖ Revision of subsidies, financing and price structures programs to achieve food sovereignty.
- ❖ Establish guaranteed prices for basic grains and agri-foods.

#### **TRADE AND INVESTMENT**

With these reforms Mexico would seek the establishment of an alternative globalization that would reduce the negative effects of opening its markets. At the national level this requires the establishment of a common agenda between political parties and civil society organizations. And at the international level, it requires a reform of international organizations, particularly to ensure that:

- ❖ Trade agreements include mechanisms to compensate regional development disparities.



- ❖ Greater control on capital flows, through the establishment of an international tax on them (Tobin tax).
- ❖ The renegotiation or cancellation of external debt of the poorest countries in the world.
- ❖ Protection of the environment.
- ❖ Technology transfers.
- ❖ Reform of international financial institutions.

The role of the state in this program is to complement the activities of the private sector, provide the conditions for greater inclusiveness and social justice. However, the government would be smaller, less bureaucratic and expensive and less corrupt; in other words it would be more efficient. Emphasis would be on accountability and on responding to the demands of citizens.

Upholding the rule of law would be key to provide certainty to investors with regards to intellectual property and to combat contraband.

## **STRENGTHENING GOVERNANCE: CANADA AND MEXICO SHARING EXPERIENCES**

One of the best examples of the benefits of the bilateral relationship is cooperation on governance and the strengthening of democratic institutions, particularly in the realm of organization of elections and more recently in the area of access to information and privacy rights.

### ***ELECTIONS IN MEXICO***

Without question exchanges between Mexico's IFE and Elections Canada have been an emblem of productive cooperation that continues to date.

Between 1977 and 2000 there have been six elections in Mexico, and each one of them has brought a new electoral law. Those were a response to the need to strengthen and legitimize electoral processes. The

electoral reforms undertaken throughout these years have served to create confidence around polls, and to consolidate a plural, solid and strong party system.

The challenges that Mexico now faces with regards to elections are similar to those faced by Canada:

- ❖ Public financing during electoral campaigns
- ❖ Control over electoral expenditures
- ❖ Foster greater party accountability
- ❖ Regulation of the role of media, particularly in light of the amounts of public financing parties' invest in media ads during political campaigns and its potential effect in electoral outcomes.

There are also social demands for greater transparency on the part of electoral institutions. How much does democracy cost in Mexico? What new roles should IFE undertake? Also, according to IFE, its new agenda should lean towards exerting greater control over party expenditures and levelling the playing field among political parties to ensure equal conditions in the competition.

Despite these demands, IFE continues to be a very strong institution and it will ensure a fair election in 2006. The only challenges identified for this election are the organization of the vote abroad and how to treat candidates without a party affiliation.

Although some cast doubts about the benefits that Mexico would have from granting of political rights to people who do not live or pay taxes in Mexico anymore, in the view of the Mexican government the recognition of this right is the acknowledgement of the contribution that Mexicans abroad make through the remittances they send to the country. Registration to vote, however, was not as high as it was expected.



## ACCESS TO INFORMATION VS. PRIVACY RIGHTS

If the organization of fair elections was at the core of the agenda to consolidate democracy in Mexico before, the main theme is now transparency. Considered a human right under Article 19 of the United Nations' *Declaration of Human Rights*, the public's right to access to information is seen as essential to ensure government accountability, and constitutes the basis for an effective and participatory citizenry. Access to information is key to learning about governments' decisions and actions and about the personal information held by government agencies.

Mexico has taken a step further in that direction with the passage in 2002 of the Federal Law on Transparency and Access to Public Information. It is important to note that the approval of this act had the full support of all political parties.

According to the act:

- ❖ All information is public and in cases of doubt transparency should prevail.
- ❖ Anyone, regardless of their citizenship, can request information from public entities.
- ❖ It is not necessary to have a judicial interest to request such information.
- ❖ All federal instances are obliged to post relevant information in their web sites, and information on salaries of public officials and on public bids and contracts should be made available.

The IFAI has quasi-judicial attributes (it is a kind of tribunal) and its resolutions cannot be questioned. The access to information law has placed its attention on the use of information technology. That is why government agencies are required to post information on their web sites and why individuals have to use the internet to request information.

Although the law has been an important achievement, it only applies to federal agencies. At

present, the task is to make every state develop its own legislation. Thus far, there are 28 local laws on access to information but they are quite dissimilar. In a few cases, they go further than the federal law; in others, they will soon need to be amended, as has already started to happen.

IFAI has had important achievements in ensuring access to information, for instance in the opening of the files of the Savings and Loans Security Commission (IPAB-Fobaproa). However, to take full advantage of the right of access to information it is important to go beyond questions like how and when was money spent, and ask why. IFAI could request very valuable information, but a large number of the information requests received by it are more concerned about the small questions.

### CHALLENGES AHEAD ON ACCESS TO INFORMATION:

- ❖ Create an archives law that establishes the obligation to create and maintain data and archives.
- ❖ Pass a privacy law to protect personal information.
- ❖ Foster a culture of transparency and accountability through an education program for children.
- ❖ Increase dissemination of information about the IFAI despite its limited resources.

### CONVERGENCE WITH CANADA

The lack of good records and mechanisms to retrieve information are also a challenge in Canada. Often access to information is hampered by the confidentiality of information, the destruction of records (accidentally or intentionally), and the hesitation of government agencies to release the information.

Other challenges include the problems arising from the use of electronic access to submit information requests, excessive fees, and the interpretation of the exclusions to the provision of information. In



general terms, the rule should favour disclosure and not the opposite.

The other challenge is the fact that the Information Office is not covered by the Access to Information Act. Its current status is that of an ombudsman, thus forcing it to rely on persuasion, through non-binding recommendations. One of the current proposals is to vest greater powers in the Information Commissioner; however, the bill was put in the backburner during the Canadian elections.

With the mandate to guarantee the provision of information by government agencies, IFAI and the Information Officer sometimes face the reluctance of those agencies to release information. Although that is not the common rule and the majority of the requests are addressed, there have been some problems.

For instance, in the case of Mexico some public officials have resorted to legal actions against IFAI's resolutions, even though the law clearly states that these resolutions are not disputable. Over time, government agencies have also learnt to deny the information on the grounds that it does not exist, or by increasing the complexity of the process for access to information.

Just as access to information is needed to ensure transparency, it is also important to have clear regulations to protect people's privacy. Therefore it is necessary to create legislation to protect privacy as a complement to access to information.

Mexico has established dialogue and exchanges with Canada in the area of privacy both at the federal and provincial levels—the tradition of civil law of Quebec coincides with Mexico's legal tradition. At the federal level, meetings have been held with deputies, senators and with IFAI to exchange experiences.

This dialogue has also served to externalize concerns as members of the North American community, particularly because Canada and Mexico do not share the same criteria on privacy of the US. In that country, personal information can be

bought easily without any control about its potential use. Also worrisome are the US requests for access to airline passenger lists for flights over US airspace.

Currently there are discussions about a private security mechanism under the SPP, particularly between Canada and the US.

Setting the boundaries of access to information and privacy rights is not straightforward. For instance, not long ago, IFE—based on the rights conferred by law—attempted to control parties' expenditures and requested information from the National Bank Commission about cases for which there was suspicion of illicit use of funds for the electoral campaigns. Some of these requests have been denied on the grounds that they infringe on privacy rights. So, how does one reconcile these two rights or draw the line between them?

In essence, the key is to have a clear definition of the limits in the exercise of the right to access information and privacy rights. The clearer the legal framework is, the easier it will be to address general concerns about what should be public and what should be private.

Currently, Mexico is examining different experiences with regards to privacy legislation, including Canadian and Spanish laws.

## **CANADA AND MEXICO SEEN THROUGH THE EYE OF MEDIA**

Perceptions of—and attitudes towards—one group of people by another are often influenced by the images used to describe that group. These images in turn are used to provide answers to questions like what differentiates us from the other group. But more importantly, what are the values that two groups, or countries, share and what could bring them closer together? In essence, the recognition of ourselves in others is in principle the basis of increased cooperation and the definition of the future of the relationship between two countries.



This process takes place at different levels, often through direct interaction. However, given the fact that media constitutes one of the most important conductors of images, and as such is important in the construction and reproduction of cultural identities, FOCAL wanted to explore its potential role in the strengthening of the relationship. For this purpose, journalists from Canada and Mexico were asked to explore how these two countries are seen through their respective media, to identify the presence of each in the other's media, and to explain the editorial decision-making process on publishing or broadcasting news in each country's media.

The overall consensus of presenters and participants was that both countries were "under-reported" by the other's media, particularly in light of the relevance of the relationship and the deep linkages that have evolved over the last decade.

Canadian presenters agreed that Mexico began to enjoy more media coverage during the negotiation of NAFTA, and later with the uprising in Chiapas. However, the level of attention decreased after it became evident that Mexico did not represent a threat for Canada (e.g. loss of jobs or driving US attention away from Canada). Although attention on Canada is increasing, coverage of Canadian issues and developments remains relatively low in Mexico.

In the case of Canada, presenters suggested that this is explained by the combination of a number of variables, including human resources, demand for international news, levels of exchanges, and the criteria to select the information that will be aired based on the coverage of English print media,

#### Human resources

It was noted that the exchange of news correspondents is very limited, constituting a first obstacle in the identification of newsworthy materials and the capacity to report immediately on them in situ.

#### Demand for international news

They also argued that with the decline of Canada's international engagement there has been a decline in the demand for international news as well, and that the few spaces devoted to them are generally used for events of human interest and great impact (wars, natural disasters).

#### Newsroom Decisions

The decision of what will be aired or not is based on media's perception of what news consumers want. The selection of news is generally done according to the impact they will have in viewers (mostly, tragedies, natural disasters, conflicts and irritants).

Although at times these events could serve to build solidarity links between people, most of the time they convey negative images. See for instance, over-reporting of Mexico in the US—particularly on migration—or the impact that the Iraq intervention had in Mexican public opinion.

Insufficient coverage therefore does not mean lack of interest on the other country necessarily. Rather it likely means that the relationship is in good shape and does not feature a lot of irritants—"no news is good news."

#### **FREQUENCY VS. IMAGES PORTRAYED**

What do people perceive through media? Are the images portrayed in media supportive of a common shared space—North America? Participants in the conference pointed to the predominance of the US in media coverage of Canada and Mexico. In the case of Canada, the construction of North America remains constrained to Canada and the US, leaving Mexico, as part either of Central or Latin America. In the case of Mexico, attention on the US is generally so overwhelming that space for coverage on Canada is limited.

Reporting on the bilateral relationship in Canada is still concentrated on the economic dimension of the relationship, followed by tourism, and themes of human interest, with political exchanges at the bottom of the list. In Mexico there is increasing



interest in North American issues among specialized audiences.

One of the challenges in the construction of the future of the relationship will be to change the media's perceptions of what is newsworthy in the context of the bilateral relationship. For instance, although the SPP was covered in media, it did not capture the imagination of people as pointed out by one participant. According to that participant information about the relationship is not just insufficient, but often inaccurate as well, misrepresenting and underestimating its potential. To enhance the relationship thus it is necessary to underline realities about people and their interconnections.

In understanding the role of media in the construction of the Canada-Mexico relationship one participant questioned the decision to use English-speaking traditional media to analyze media coverage, inquiring whether other means (internet and web logs) would provide more insights.

Another participant pointed out that in light of Quebec's strong ties with Latin America, it would be interesting to explore if the analysis of this province's media coverage on Mexico would have given different results.

## **WHERE ARE WE GOING?**

Since the conference, some important developments have occurred that could shape the future of the bilateral relationship.

Led by Stephen Harper, the Conservatives won the January 23, 2006 elections in Canada, returning to power for the first time since 1993—although under a minority government.

Immediately after the elections, Mexico news media reported concerns about the future of the Canada-Mexico relationship in light of the expressed interest of the Conservative Party of Canada (CPC) to prioritize the relationship with the US and the emphasis on domestic politics of the government of

PM Harper—government accountability, reduction of the GST, fight against crime, child care assistance and health sector.

However, PM Harper's participation in the trilateral summit in Cancun in March to evaluate results of the SPP is an indication that in the view of the Canadian government, Mexico remains a relevant partner and interlocutor. The fact that his first encounter with US President George W. Bush as Canada's Prime Minister took place in Mexico, after the encounter with Mexican President Vicente Fox, together with the creation of a bilateral working group on security represents a clear signal in that regard.

The change of government in Canada should be seen as a window of opportunity for the strengthening of the bilateral relationship, particularly in areas of common interest, such as government accountability, the fight against corruption, law enforcement, public security, emergency preparedness and disaster relief, and social policy.

Mexico, like Canada, has a minority government and most polls suggest that the most likely outcome of the election of 2006 will be another divided government where the executive will not have the majority in the Congress. This is important to understand policy-making in Mexico and what issues are likely to be included in the government's agenda.

The analysis of Mexico's parties' platforms is thus an important tool to identify the priorities of the next government, the areas where the three parties converge and the nuances in their proposals in these areas that could influence policy-making and the dynamics of executive-legislative relations.

In the realm of foreign policy, these issue areas have been identified in the annex of this report, which was created with the information that Mexico's political parties presented in Canada in November and their electoral platforms. Noteworthy, the PRI and the PRD have established alliances with other parties to run in the 2006 elections. The former is running in a joint-ticket with the Ecologist Green



Party of Mexico (PVEM) under the label of “Alliance for Mexico,” and the PRD is running with the Labour Party (PT) and Convergence under the label of “Alliance for Everyone’s Well Being.”

#### FOREIGN POLICY

One of the areas where Mexican political parties agreed was on the need to undertake a debate about Mexican foreign policy in order to adapt it to the current international context and to best serve Mexico’s interests. While the PRI and the PAN talked about the need to create consensus among political parties and other social actors, some doubts were cast about the pre-existence of such consensus and the feasibility to reach it currently.

Regardless of these doubts, all three forces agreed on the need to make foreign policy more inclusive, by vesting the Senate with a more active role in the formulation of foreign policy and to include the participation of civil society.

Beyond the will to revisit foreign policy, according to Mexico’s parties, the two priority regions for Mexican foreign policy are North America and Latin America.

In the North American context, the relationship with Canada is seen as strategic on one hand to balance the relationship with the US. At the bilateral level of the relationship, Mexico sees potential in the development of human capital (through the promotion of academic, student and scientific exchanges) and in the expansion of managed temporary labour migration programs (*e.g.* SAWP). At the international level, Mexico would like to strengthen cooperation with Canada in multilateral organizations.

Although most of these themes already form part of the bilateral agenda, they give certainty about the level of importance that the relationship will be given by the Mexican government and constitute the basis for the steps forward that both countries could take.

Mexican foreign policy will focus on Latin America—particularly with Central America and the Caribbean, with the countries with which it shares borders. With notions of border management and security (shared challenges, vulnerability to natural disasters), the parties’ platforms also emphasize the need to promote development and stability in the region.

According to the Speech from the Throne on April 4, 2006, Canada will develop a special bilateral relationship with the US. It will also seek to establish other special relationships to work in parallel to multilateral organizations to advance shared values and interests.

The Western Hemisphere constitutes an area where Canadian foreign policy can make a difference and contribute to the security and stability of the region. And the bilateral relationship with Mexico is extremely important in that regard.

#### Recommendations:

- ❖ **Explore the possibility of working in tandem with Mexico in the region, particularly in Central America and the Caribbean:**
  - **Security and governability** (law enforcement, protection of critical infrastructure, intelligence cooperation, border management).
  - **Strengthening of democratic institutions** (electoral assistance, access to information, good government, civil society inclusion in policy-making).
  - **Economic assistance** (development of infrastructure, particularly energy and communications through private-public partnerships; attention to economic inequalities through social policy).
- ❖ **Increase collaboration in multilateral organizations**



❖ **Strengthen exchanges at the bilateral level to foster common interests in the context of North American integration.**

- Dispute settlement mechanism.
- Security and law enforcement.
- Labour mobility.

**ECONOMIC POLICY**

According to the PAN, the PRI and the PRD, economic policy should maintain and build on macroeconomic achievements and implement policies that foster economic growth, employment and development. The creation of jobs and of programs to tackle regional disparities should be at the front and centre of the next government in Mexico.

To achieve these goals all parties agreed on the need to invest heavily in the creation of infrastructure throughout the country to foster investment and promote economic development, especially in the areas that have not reaped the benefits of free trade agreements. Such actions would complement the work done during the Fox administration and initiatives underway under the Pact of Chapultepec, like the \$100 million pesos private-public fund to develop feasibility studies to identify infrastructure projects launched in March 8, 2006.

Aside from investment in infrastructure to improve Mexico's competitiveness, the new government in Mexico will need to foster the development of human capital and technological advances. In parallel, the new government should design and implement an industrial policy that incentivates the linkages between research institutes and the productive sector, and that provides incentives for the creation of industrial clusters.

Regardless of the differences that Mexico's political parties have on the energy reform, all of them agree on the strategic nature of this industry in the economy, its role in boosting Mexico's competitiveness, and its capacity to create economic

spillovers for other sectors (e.g. construction, petrochemical and chemical sectors). Moreover, lower-cost energy is paramount to increase competitiveness of Mexico's productive plant. However, Mexico would still need to find a way to endow PEMEX with more resources to develop new reserves and to have access to technologies to work in deep waters without affecting government revenues.

According to Mexico's political parties, the solution to regional disparities requires the participation of the federal government (through fiscal transfers and the creation of infrastructure), but it demands as well that state and municipal governments assume greater responsibilities in the collection of taxes and in the promotion of economic development.

The three political parties agreed on the need to undertake structural reforms in order to stimulate economic growth and increase Mexico's competitiveness, including tax, energy, labour, and education reforms. The order in which these reforms should be undertaken or the content of parties' proposals differs depending on the issue area.

With regards to trade all parties agreed that it is necessary to harmonize the administrations of Mexico's FTAs to take full advantage of them.

Finally, the PAN, the PRI and the PRD stressed the need to uphold the rule of law as the cornerstone in the promotion of investment. Clear legal frameworks (e.g. in intellectual property rights) and transparency in contracts would provide the certainty required for investors.

**Recommendations:**

❖ **Strengthen the CMP, particularly in the area of human capital development.**

- Exchange provincial and municipal experiences in the development of economic clusters.



- Promote joint research initiatives (e.g. refining of heavy oil, renewable energy, environment, and biotechnology).
- Promote researcher and academic exchanges.

- Promote exchanges between municipalities to explore best practices in the development of their own revenues.

#### **PUBLIC DIPLOMACY**

As was pointed out in the conference, one of the ways to strengthen the bilateral relationship is to favour people-to-people exchanges. Thus, the following would be important groups to include in the definition of the future of the relationship:

- ❖ **Parliamentarians: increase exchanges between parliamentarians.**
- ❖ **Promote and strengthen linkages between sub-federal entities (provincial and municipal).**
  - Explore the possibility of establishing regular meetings between provincial and state governments.
  - Foster the establishment of linkages between associations and organizations of municipalities.
- ❖ **Promote student and professional exchanges**
  - Foster the establishment of linkages between student and professional associations both at the federal and provincial/state level.

#### ❖ **Areas of interest for investment:**

- Infrastructure: railways, highways, airports, sea ports and energy infrastructure.
- Energy: (provision of services and training for PEMEX and the CFE, petrochemicals and refining, renewable energy).

#### **GOVERNANCE**

Governance has been one of the most productive areas of cooperation between Canada and Mexico, particularly since 2000 and has included themes like professionalization of public officers, federalism, e-government, and good government.

Discussions in the context of the meeting touched on the organization of elections and access to information and privacy rights as tools to make governments accountable, some of the challenges Canada and Mexico face in those areas, as well as on cooperation between the two countries in this realm.

Aside from the issues that were pointed out in the discussions of the panel on governance, collaboration in the area of federalism would find a fertile soil.

#### **Recommendation:**

- ❖ Exchange experiences on decentralization and fiscal federalism.
  - Include sub-federal entities in these discussions.

#### ***For more information, please contact:***

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## ANNEX 1. FOREIGN POLICY PLATFORMS

FOREIGN POLICY	PAN	PRD	PRI
<b>ASSESSMENT OF WORLD AFFAIRS</b>			
	<ul style="list-style-type: none"> <li>International context has changed dramatically and Mexico needs to adjust its foreign policy to the needs of the 21st Century.</li> </ul>	<ul style="list-style-type: none"> <li>For a globalization that leads to more equitable relationships between countries and region.</li> <li>Foster multilateral initiatives for peace, democracy, human rights and solution of international problems (e.g. organized crime, drug trafficking, world pandemics, and irregular flows of people).</li> </ul>	<ul style="list-style-type: none"> <li>Need to strengthen and to democratize international organizations to prevent the unilateral imposition of certain countries.</li> <li>Need to strengthen simultaneously bilateral and multilateral relations to respond to challenges (environment, poverty, drug trafficking)</li> </ul>
<b>MEXICAN FOREIGN POLICY</b>			
	<ul style="list-style-type: none"> <li>Mexico should consolidate its new role in the world and develop a responsible foreign policy that fosters human capital and sustainable development.</li> <li>Respect for principles enshrined in the Constitution but need to prioritize some over others.</li> <li>Mexican foreign policy should be active that contributes to the construction of a more just international order</li> </ul>	<ul style="list-style-type: none"> <li>Foreign policy should be coherent with domestic priorities and based on the full respect of sovereignty.</li> <li>Strengthening of a foreign policy based on the principles stated in the Constitution and the protection of the environment.</li> <li>Mexico's foreign policy should be based on multilateralism but it should also develop strategic bilateral alliances.</li> </ul>	<ul style="list-style-type: none"> <li>Mexican foreign policy should serve to preserve Mexico's sovereignty (which resides in the people and not the government), to strengthen its presence in world affairs and to promote Mexico's interests.</li> <li>Full support for principles of foreign policy stated in art. 89 of the Constitution.</li> <li>Strong participation in multilateral fora.</li> <li>Promote respect and protection of human rights</li> <li>Strengthen international cooperation in the war on terrorism</li> </ul>
<b>WHAT IS NEEDED DOMESTICALLY</b>			
	<p>Create a Citizen's Council on Foreign Relations</p> <p>Greater inclusiveness: incorporate civil society in the formulation of foreign policy through mechanisms of direct democracy.</p>	<ul style="list-style-type: none"> <li>Need for national consensus on foreign policy priorities to turn it into a state policy.</li> <li>Greater inclusiveness in the formulation of foreign policy, including the strengthening of the role of the Senate and of society through the use of mechanisms of direct democracy.</li> </ul>	<ul style="list-style-type: none"> <li>Need new consensus around foreign policy</li> <li>Foster greater engagement of legislators in inter-parliamentary fora and international organizations.</li> </ul>

Note: Areas marked in green denote convergence between the three parties; areas marked in blue flag convergence between two political parties

FOREIGN POLICY	PAN	PRD	PRI
<b>NORTH AMERICA</b>			
	<ul style="list-style-type: none"> <li>Promotion of a prosperous and secure North America that facilitates the movement of people, goods and services.</li> <li>Promote schemes of regional cooperation for the development of infrastructure</li> <li>Foster the creation of working groups in areas of common interest and strengthening of the CMP and P4P, which are vehicles to strengthen the relationship with Canada and the US.</li> <li>Improved dispute settlement mechanism</li> </ul>	<ul style="list-style-type: none"> <li>Revise NAFTA seeking greater equity in economic relations and redefine the SPP according to Mexico's interests and to make it compatible with Mexico's sovereignty.</li> <li>Implementation of regional development funds</li> <li>Increase the budget of the NADBank</li> <li>Improved dispute settlement mechanism</li> <li>Foster labour mobility</li> <li>Strengthen cooperation in judicial affairs</li> </ul>	<ul style="list-style-type: none"> <li>Promote respectful relations with the US and Canada and foster greater cooperation with both of them.</li> <li>Cooperate to respond to environmental problems (particularly along the US-Mexico border)</li> <li>Expand the role of the NADBank</li> <li>Promote the establishment of a permanent tribunal for the solution of trade disputes in NAFTA.</li> <li>Advance guest workers programmes</li> <li>Assume responsibilities on security, war on terrorism, and international crime as defined in the SPP</li> </ul>
		<ul style="list-style-type: none"> <li>Promote greater consultation with civil society</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>US</b>			
	<ul style="list-style-type: none"> <li>Deal with Migration under the recognition of shared responsibility</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Promote a migration accord that recognizes the contributions made by migrants and that includes Central America as well as an amnesty for Mexican migrants already in the US.</li> </ul>	<ul style="list-style-type: none"> <li>Migration (shared responsibility), seek respect for human rights.</li> <li>Promote greater labour mobility and foster the recognition of professional credentials</li> </ul>
	<ul style="list-style-type: none"> <li>Promote legal, secure, orderly and dignified flows of people (which contemplates greater coordination with Central America)</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Maintain a mature, respectable, and when possible a balanced relationship</li> </ul>	<ul style="list-style-type: none"> <li>Agree with the US on a foreign policy and regional security agenda that meets the interests of both countries</li> </ul>
	<ul style="list-style-type: none"> <li>Foster development programs targeting regions with high rates of expulsion of migrants</li> </ul>	<ul style="list-style-type: none"> <li>Seek support for economic development and social policy in Mexico</li> </ul>	<ul style="list-style-type: none"> <li>Need for greater transparency in joint operations within Mexican territory.</li> </ul>
<b>CANADA</b>			
	<ul style="list-style-type: none"> <li>Canada is a strategic partner (strengthen the CMP)</li> <li>Foster close cooperation in multilateral fora and explore the possibility of having common positions in international organizations</li> <li>Expand the SAWP to include the areas of construction, services and health.</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Mexico should develop a strategic partnership with Canada to strengthen their negotiation capacity vis-à-vis the US and other regions.</li> <li>Foster greater collaboration in multilateral fora.</li> <li>Advance in the creation of a temporary workers program</li> </ul>	<ul style="list-style-type: none"> <li>Continue strategic alliance with Canada.</li> <li>Foster cooperation in multilateral fora.</li> <li>Strengthen the SAWP.</li> </ul>

Note: Areas marked in green denote convergence between the three parties; areas marked in blue flag convergence between two political parties

FOREIGN POLICY	PAN	PRD	PRI
<b>CANADA (CONTINUED)</b>			
	<ul style="list-style-type: none"> <li>Promote academic and student exchanges and make of Canada the second destination for Mexican students.</li> <li>Create a Bilateral Commission to institutionalize the bilateral relationship</li> <li>Possibility of sharing some embassies and consulates (e.g. Belize, St. Lucia, and some consulates in the US).</li> <li>Foster exchanges of government officials between the two countries in some ministries</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen academic and cultural relations</li> <li>Foster technology transfers (particularly in the area of environment).</li> </ul>	
<b>MEXICANS ABROAD</b>			
	<ul style="list-style-type: none"> <li>Transform the Institute for Mexicans Abroad into a National Commission and promote the creation of a Bicameral Standing Committee at the Congress.</li> <li>Guarantee full exercise of civil rights and progressively expand the right to vote of Mexicans abroad.</li> <li>Improve training of public officers that deal with Mexicans abroad and services provided in US consulates.</li> <li>Incentivate the creation of business incubators in regions that have high level of migrations and channel remittances to schemes of popular savings</li> </ul>	<ul style="list-style-type: none"> <li>Law for the protection of migrants</li> <li>Promote the recognition of economic, social and political rights of migrants.</li> <li>Develop scholarship programs for people of Mexican origin to study in Mexico</li> <li>Promote the creation of Mexican -American SMEs and the creation of transborder associations of professionals</li> </ul>	<ul style="list-style-type: none"> <li>Develop government strategies for Mexican migrants</li> <li>Promote migration approaches that consider the full respect for human rights of Mexicans abroad</li> <li>Strengthen Mexican consulates in the US to defend the rights of Mexicans.</li> <li>Facilitate repatriation and develop programs to promote their incorporation into the Mexican market</li> </ul>
<b>LATIN AMERICA</b>			
	<ul style="list-style-type: none"> <li>Concern about problems of governance and potential instability in the region. Mexico needs to work in the region.</li> <li>Promote especial relations with Latin America to create an authentic community in the region (with emphasis on human, economic and trade integration).</li> <li>Mexico should develop a strategic alliance with Central America to face common challenges (migration, organized crime, natural disasters preparedness and security)</li> </ul>	<ul style="list-style-type: none"> <li>Mexico should restore its ties with Latin America</li> <li>Central America should be a priority for Mexico, not only in terms of economic liberalization and projects of infrastructure but also to foster development, greater equality and less social exclusion</li> </ul> <p>Mexico should establish strategic alliances with Cuba, Guatemala and Belize and work to ensure that the rights of Central Americans migrant workers are respected in Mexican territory.</p>	<ul style="list-style-type: none"> <li>Mexico should look to Latin America and the Caribbean again to recuperate Mexico's lost international prestige.</li> <li>Establish agreements with Guatemala and Belize on borders.</li> <li>Undertake a more active role in the region through the OAS and the G-3 (Venezuela, Colombia and Mexico). Foster cooperation in the region in the social agenda (culture, science &amp; technology).</li> </ul>

FOREIGN POLICY	PAN	PRD	PRI
<b>LATIN AMERICA (CONTINUED)</b>			
		<ul style="list-style-type: none"> <li>Promote the creation of a Community of Nations in Latin America and The Caribbean to foster economic and social development.</li> </ul>	
	<ul style="list-style-type: none"> <li>This relationship should include the establishment of joint-projects to foster social and economic development in the region. The launching of the second phase of the PPP will be important to deepen social development and energy initiatives. It should include parts of the Caribbean as well.</li> </ul>	<ul style="list-style-type: none"> <li>Promote an assistance plan for the poorest regions in Latin America</li> </ul>	<ul style="list-style-type: none"> <li>Foster academic, cultural and scientific exchanges</li> </ul>
		<ul style="list-style-type: none"> <li>Promote the strengthening of Latin American institutions like the Group of Rio, the Latin American Parliament, ALADI</li> </ul>	<ul style="list-style-type: none"> <li>Mexico should offer absolute respect for integration efforts in South America (MERCOSUR) and with the Andean Pact.</li> </ul>
<b>OTHER REGIONS/PRIORITIES</b>			
	<ul style="list-style-type: none"> <li>To take full advantage of the agreement that Mexico has with Europe</li> <li>Foster strategic alliances with Asia countries to foster Mexican economy</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the relationship with emerging powers (Brazil, India and China).</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen cooperation with Europe, by taking full advantage of the FTA and fostering education and science &amp; technology exchanges. Ratify links with Ibero-American countries</li> <li>Asia Pacific: strengthen Mexico participation in the Asia Pacific Economic Council</li> </ul>
<b>MULTILATERAL ORGANIZATIONS</b>			
	<ul style="list-style-type: none"> <li>Foster the establishment of a new and more humane world architecture</li> <li>Seek a (temporal or permanent) seat at the United Nations Security Council</li> <li>Promote the inclusion of Mexicans as senior officials in international organizations.</li> <li>Subscribe all the reforms to the Charter of the OAS to strengthen the promotion and defence of democracy in the region.</li> </ul>	<ul style="list-style-type: none"> <li>Promote UN reform and the democratization of decision-making of other international organizations (e.g. IMF, WTO)</li> </ul>	<ul style="list-style-type: none"> <li>Promote a multilateral system of cooperation for development and also an effective system of international peace and security.</li> <li>Promote UN reform</li> </ul>

Note: Areas marked in green denote convergence between the three parties; areas marked in blue flag convergence between two political parties

## ANNEX 2. SECURITY AND DEFENCE PLATFORMS

SECURITY AND DEFENCE	PAN	PRD	PRI
<b>PROPOSALS AND PRIORITIES</b>			
	<ul style="list-style-type: none"> <li>• Emergency preparedness and disaster relief polices</li> </ul>	<ul style="list-style-type: none"> <li>• Emergency preparedness and disaster relief polices (shared responsibility with the population)</li> <li>• Update atlas on national risks to identify areas at risk and to relocate populations exposed to natural disasters</li> <li>• Develop in coordination with state and municipal governments infrastructure to prevent natural disasters</li> <li>• Articulate responses to processes of global degradation of the environment</li> <li>• Train civil society (through those serving their military service) on emergency preparedness programs from the Army</li> </ul>	<ul style="list-style-type: none"> <li>• Emergency preparedness and disaster relief polices</li> </ul>
	<ul style="list-style-type: none"> <li>• Modernize legal framework of the government agencies part of the Council on National Security, to foster greater coordination and to effectiveness.</li> <li>• Strengthen legislative control on national security agencies, through the professionalization of the Bicameral Committee on National Security.</li> </ul>		<ul style="list-style-type: none"> <li>• Design a national security agenda geared domestically toward greater coordination of the three levels of government domestically.</li> </ul>
	<ul style="list-style-type: none"> <li>• Propose the establishment of agreements on hemispheric security to consolidate trilateral cooperation with the US and Canada.</li> <li>• Design a strategy with Guatemala and Belize on border management (modernization).</li> </ul>	<ul style="list-style-type: none"> <li>• Total rejection to unilateral or international interventional military interventions on other countries without a mandate from the UN</li> </ul>	<ul style="list-style-type: none"> <li>• Promote information and intelligence exchanges with other countries, particularly with US and Canada.</li> </ul>
	<ul style="list-style-type: none"> <li>• Provide all ports of entry (by land, air and sea) with the technological and human resources to identify and stop potential threats to the environment, health or public security</li> </ul>		<ul style="list-style-type: none"> <li>• Protection of critical infrastructure in Mexican territory.</li> </ul>
	<ul style="list-style-type: none"> <li>• Fight against transnational crime – particularly drug trafficking, money laundering, terrorism, and traffic of arms, organs and people.</li> <li>• Create Special Tribunals for Organized crime</li> <li>• Convert the Technical Secretariat from the Council on National Security into the coordinator of all intelligence information to enable the Presidency and other agencies to take timely and sound decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Fight against transnational crime</li> </ul>	<ul style="list-style-type: none"> <li>• Promote a Strategic Program for sustainable development of the southern border and to fight against the violence created by organized crime like the Mara Salvatrucha.</li> <li>• Foster the modernization of intelligence services</li> </ul>

Note: Areas marked in green denote convergence between the three parties; areas marked in blue flag convergence between two political parties

SECURITY AND DEFENCE	PAN	PRD	PRI
<b>PROPOSALS AND PRIORITIES (CONTINUED)</b>			
	<ul style="list-style-type: none"> <li>Strengthen training of public servants working on national security and design of reliable security clearance mechanisms.</li> </ul>		<ul style="list-style-type: none"> <li>Strengthen the Armed Forces, providing them with equipment and increasing their capacity to protect strategic infrastructure.</li> <li>Foster resolution of domestic conflicts that put national security at risk through dialogue and negotiation.</li> </ul>

Note: Areas marked in green denote convergence between the three parties; areas marked in blue flag convergence between two political parties

## END NOTES

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<sup>1</sup> Weeks before the conference, the NDP decided to withdraw their support for the government of Paul Martin, and submitted a non-confidence motion 4 days after the meeting of November.

<sup>2</sup> According to Art. 89 of the Mexican constitution, the principles of foreign policy are: self-determination of peoples, non-intervention, the peaceful resolution of controversies, the proscription of the threat or use of force in international relations, equity among states, the promotion of international cooperation for development, and the promotion of peace and security.

<sup>3</sup> The party platform of the PRI was not ready at the time of the conference. The ideas presented in this section are exerts from the book *Bases para un gobierno firme y con rumbo* by Roberto Madrazo, the PRI candidate and in certain cases we have added information using the platform of Alliance for Mexico, that was published in January 2006.

<sup>4</sup> Representatives of the PRD have at times expressed their desire to renegotiate the chapter of agriculture of NAFTA, and at others they have specify that they will use the mechanisms provided within the treaty to protect corn and black beans producers.

<sup>5</sup> The signatories of the pact which include entrepreneurs, professional associations, political parties, state and municipal governments – among others – agree to work in five areas: rule of law and public security, development with justice, economic growth and employment, development of human and social capital, the creation of physical infrastructure and to promote a reform of public administration.