

# A strategic partnership

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**PATRICIA ESPINOSA** was appointed Secretary of Foreign Affairs in 2006. She has been a member of the Mexican Foreign Service since 1981 and was promoted to Ambassador in January 2000. She has served as Ambassador to the Federal Republic of Germany, Austria, Slovenia and Slovakia and as Permanent Representative to the International Organisations in Vienna. At the Secretariat of Foreign Affairs, she has been Director General of Regional Organisations of the Americas and Director of International Organisations.

**M**exico is one of the 13 most important economies in the world and the second largest in Latin America and the Caribbean. It is a country fully open to trade and a nation that takes pride in the changes and reforms that have led it down the road of democracy, diversity and transparency.

## **Economic openness and democratic consolidation**

Thirty years ago, Mexico was an economically unstable country, with limited foreign trade and a private sector reluctant to sell and compete abroad.

The free trade agreement that since 1994 binds Canada, the United States and Mexico together, was a milestone in the process of building an open economy that is based on a wide network of free trade agreements. This has allowed Mexico to increase trade flows with every region in the world and has given the country ready access to a market of more than one billion consumers. By strengthening its relations with its two regional partners, the North American Free Trade Agreement gave Mexico a whole new dimension in the international arena. By 1997, Mexico had achieved an Economic Partnership, Political Coordination and Cooperation Accord with the European Union and by 2000 had signed a Free Trade Agreement. The unprecedented levels of dialogue and understanding led to the formalisation of a Strategic Partnership last year.

As Mexico opened up to world trade and investment, social change gathered pace domestically, and a more diverse political landscape materialised across the country. Increased electoral competition at the municipal and state levels eventually led to changes in the composition of Congress and, in July of 2000, to the victory of the political opposition in the presidential election.

Today Mexican society attests to the strengthening of the country's democratic institutions, while the economy displays clear signs of stability and resilience. This is no small accomplishment and it explains why the current counter-cyclical measures adopted by President Felipe Calderón have been successful in withstanding the present global economic turmoil.

Mexico has become an export powerhouse. Exports account for almost half of its US\$500 billion in foreign trade every year. With the European Union, for instance, Mexico trades more than US\$50 billion a year, with exports showing a threefold increase over

the last decade. Mexican products and services stand out for their variety, price, and quality. In a word, they excel for their competitiveness.

Foreign investment flows into Mexico total between US\$20 billion and US\$25 billion every year, hard evidence of how dependable the Mexican economy is. Investors believe in Mexico, especially British ones, whose cumulative investments exceed US\$7 billion since 2001. Today, more than 800 British firms are doing business in Mexico.

The world is coming to Mexico, and Mexico is reaching out to the world, not only with goods and services, but also with technology, capital, and ideas. An increasing number of Mexican firms venture out in new markets and invest in a wide variety of sectors. We look for business not only in nearby countries, but in geographically and culturally distant nations, such as China or India. Be it in telecommunications, construction, the food industry and services, and many other economic sectors, Mexican companies operating internationally are conquering new markets and seeking new opportunities.

Mexican investment in Europe, particularly in the United Kingdom, provides an eloquent example of this trend: Mexico's direct investment flows into the UK total more than US\$5.8 billion, primarily in the cement industry.

## **Integration, cooperation and shared responsibility**

Change in Mexico is reflected in its new foreign policy. Today, a proudly democratic and growing Mexico defends democracy and democratic principles abroad, promotes free and fair trade and fights for the free flow of goods, services, technology and, above all, ideas. Mexico is a country that cherishes social participation and solidarity, and works hard abroad to defend cooperation, integration and shared responsibility among nations.

Mexico is a nation of multiple affiliations. That is why it endorses unity and integration in North America, where it has built a vital economic and strategic association with its neighbours.

Mexico also promotes unity and integration among the many nations of Latin America and the Caribbean, with whom it shares not only geography, but also identity, history, and cultural heritage. Mexico's determined efforts within the Grupo de Rio, a leading

regional dialogue mechanism in which it serves as Secretary Pro Tempore, have given a decisive impulse to integration and consensus building around issues of common interest.

Mexico also favours a fuller integration with Central American nations in a region that has been aptly called 'Middle America' (Mesoamerica), formed by Mexican southern states and the seven countries of Central America plus Colombia. Along with Mexico, these countries are exploring and promoting new and broader opportunities of development. Regional infrastructure projects of highways construction, electric interconnection, telecommunications, and security, among others, are achieving greater integration among member countries and increasing their competitiveness.

Across the Atlantic, Mexico and Europe have maintained a historic link even before Mexican independence. Through bi-regional meetings like the annual Ibero-American Summit or the biannual Latin America and the Caribbean-EU Summit, Mexico seeks to consolidate an association that not only supports the integration efforts of both blocs, but also endorses greater co-operation and shared responsibility between them.

In a globalised world shared problems necessarily require shared solutions. Mexico is fully aware that, in an increasingly integrated world, neither the problems are exclusive nor can the solutions be unilateral. In fact,

to become viable, a potential solution must be the fruit of free and open dialogue, such as the one prevalent in the G8 group of industrialised nations, and its extension to the G5, formed by Brazil, China, India, Mexico and South Africa, as leading developing countries.

Co-operation and dialogue among nations is of paramount importance in a number of tasks: the fight against poverty and the protection of human rights, the battle against transnational organised crime, the efforts to prevent global warming and climate change, and the protection of biodiversity. The importance of the issues at stake can hardly be exaggerated.

Today the consequences of our actions rapidly transcend our borders, affecting us all. This is why Mexico has raised its voice in key fora, such as the UN Security Council, where my country was elected to serve as a non-permanent member for the 2009-10 period. This is the time of shared responsibility.

All states, whether industrialised countries, emerging powers or developing nations, nuclear or non-nuclear, mega-diverse, multi-ethnic, insular, city-states or continent-states, they all partake in this global responsibility, not only with respect to their own populations, but to everyone in the world.

Humanity expects every State to join in the collective effort to build a brighter, peaceful, and sustainable future. Our peoples demand security, development, and justice. Such is the individual responsibility of each government. Such is, also, our shared responsibility. ■

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The headquarters of Secretaría de Relaciones Exteriores, designed by eminent Mexican architect Ricardo Legorreta