





AN ASSESSMENT OF CARTER ADMINISTRATION RELATIONS WITH MEXICO.

(//) Arturo/Gándara

1112.

// May 1980

14 RAND/P-6498

Disurbation I shoulded

√ P-6490

-396600

81 2

18 018

The Rand Paper Series

Papers are issued by The Rand Corporation as a service to its professional staff. Their purpose is to facilitate the exchange of ideas among those who share the author's research interests; Papers are not reports prepaid in fulfillment of Rand's contracts or grants. Views expressed in a Paper are the author's own, and are not necessarily shared by Rand or its research sponsors.

The Rand Corporation Santa Monica, California 90406

AN ASSESSMENT OF CARTER ADMINISTRATION RELATIONS WITH MEXICO

by

Arturo Gándara The Rand Corporation

INTRODUCTION

One can begin an assessment of this administration's relations with Mexico by comparing them to relations under the preceding administrations. Mexico, a country whose importance to the United States is now routinely accepted, was treated with benign neglect by Kissinger, the principal architect of America's foreign policy under Nixon and Ford. As a telling reflection of this inattention the long-awaited Kissinger memoirs mention Mexico only once. Prior to his departure on his secret trip to China, his appointment schedule was arranged so that the preparations for the trip would not arouse suspicion in Washington. Included in his "nonchalant" schedule was an appointment with Mexico's foreign minister. This solitary indirect reference to Mexico, while not wholly descriptive of U.S.-Mexico relations at the time, symbolizes the low priority placed on U.S.-Mexico relations.

The Carter administration cannot be similarly faulted. The current administration has given Mexico unprecedented attention. Three Presidential meetings, PRM-41, a unique consultative mechanism, a Special Ambassador, and forbearance of Mexican foreign policy posturing are all clear examples of the Carter administration's attentiveness towards Mexico. Despite this, U.S.-Mexico relations have not improved. In fact, they are more strained than ever. But strain, in this instance, may not necessarily be bad.

Presented at the 28th Annual Conference of the Rocky Mountain/Council on Latin American Studies, Santa Fe, Mexico, April 4, 1980.

Source of Strain

In recent years, it has become standard to point to the conduct of American domestic and foreign policy as the root cause of strained relations with Mexico. Yet, it is somehow forgotten that you need two parties to have a relationship and that the apportionment of blame for a strained relationship is rarely self-evident and even more rarely is only one party clearly at fault. Responsibility for success or failure lies with both parties and a recitation of recriminations will not undo history and serves only as a diversion from the business at hand of making the present relationship a workable one.

Without acknowledgement of shared responsibility for the deterioration of U.S.-Mexico relations, there is easily created a false expectation that it takes action by only one party, in this case the United States, to better U.S.-Mexico relations. A brief review of the areas of interaction that led to strained relations makes evident that action by both the United States and Mexico is required if relations are to improve.

Undocumented Aliens

The Carter administration inherited the undocumented alien problem after it had been whipped up to a peak by General Chapman, the Immigration and Naturalization Service (INS) Director of the preceding administration. Carter, unlike his predecessors, did not avoid the issue and rather than concentrate solely on enforcement, proposed a plan that exhibited compassion for many undocumented persons through the inclusion of an amnesty component. While not perfect, the Carter plan was a positive initiative. Carter, likewise, was responsive to the human (and political) aspects of the issue and appointed Lionel Castillo to be Director of the INS. Presumably, Castillo as a Chicano would bring a much needed perspective to the INS. Again that was a positive initiative to deal in a nontraditional way with the issue. That Castillo did not prevail against the bureaucracy does not diminish the Administration's intent. The proposal to build a fence along a part of the border, the celebrated "tortilla" curtain, that would maim

those who tried to jump it was, however, a diplomatic blunder.

Carter's efforts were not matched by any Mexican initiative equivalent in scale or intent that was specifically directed at ameliorating the situation. A Mexican birth control program is beginning to reduce the birthrate but it is not explicitly directed at the immigration issue and its effect won't be felt for several generations. With respect to increasing job opportunities in Mexico, there is a National Industrial Plan but its claims of job creation potential are overblown. It is a capital intensive plan that will not create enough jobs for new job seekers much less reduce the present unemployment and underemployment. In fact, high ranking Mexican officials have stated that the unemployment and underemployment problem cannot be alleviated until after the year 2000.

So, Mexican policy is directed at raising the issue of the human rights of undocumented workers in the United States, while avoiding discussion of Mexico's human rights obligations in Mexico to those same workers, and in pointing out the low costs and large benefits accruing to the United States from undocumented migration to the United States, while resisting a similar undocumented migration across its southern border with Guatemala. Mexico has also been unreceptive to U.S. suggestions of what economic steps Mexico could take to reduce the flow of undocumented aliens to the U.S., and instead taken the position that the United States cannot impinge on the sovereignty of Mexico. Yet, easily overlooked is the infringement on U.S. sovereignty by the presence of undocumented Mexicans in the United States. On this issue, the U.S. has been inaccurately portrayed as unreceptive to Mexican immigration and Mexico has been equally inaccurately portrayed as unable to do anything. In fact, the United States has attempted to regulate, not close-off, the flow. And Mexico has been unwilling, not unable, to do much. This, most obviously, has contributed to strained relations.

Energy

The Carter administration performance on U.S.-Mexico energy issues has contributed to the strain in relations. Department of Energy rejection of a gas deal between Pemex and the U.S. gas companies severely jolted Mexican expectations. Approximately 80 percent of Mexico's oil is sold to the United States; therefore, it was not an unrealistic expectation that the United States would be a principal gas purchaser. The set of complex domestic reasons, including the gas companies desire to fit a high price prior to deregulation is well known. Nonetheless, the cavalier subjugation of long-term foreign policy and trade considerations to short-term domestic issues was inappropriate.

Less publicized, but an equally significant contributor to strained U.S.-Mexico energy relations, was the invocation of the Non-Proliferation Act which resulted in a U.S. refusal to forward enriched uranium, already owned and paid for by Mexico, to their Laguna Verde nuclear plant. Occurring about the same time as the gas faux pas and taken in combination, these actions played to easily aroused Mexican fears of becoming too dependent or interdependent with the United States and reinforced the view of nationalist elements that only a diminution of ties with the United States and a policy of self-sufficiency could assure Mexico's independence.

The United States was compelled by the Congress-initiated Nuclear Non-proliferation Act to embargo the enriched uranium to Mexico unless it agreed to renegotiate particular safeguards. This was to Mexico an assault to its integrity given that they were the prime movers behind the Treaty of Tlatelolco and that appropriate safeguard treaties had already been entered into with the International Atomic Energy Agency.

Ironically, in seeking to prevent proliferation the U.S. action may have steered Mexico toward a more proliferation prone path—a natural uranium fuel cycle that uses their own domestic uranium resources and that utilizes a simpler technology less subject to safeguard controls, the same technology that allowed India to develop

its nuclear bomb and that has raised concerns as to Argentinian intentions.

Also contributing to Mexican nervousness over energy issues has been the U.S. response to the Iranian situation. Mexico does not view itself as another Iran except in one way -- they both possess oil the United States needs. In viewing the various pressures brought to bear on Iran, Mexico sees itself as a possible future victim if the United States really needed Mexico's oil. The crackdown on Iranian students by the Immigration and Naturalization Service is a reminder of past U.S. action against Mexicans in the United States. The economic pressures on Iran recall past American economic pressures such as the embargo on petroleum technical assistance and equipment tollowing the nationalization of the oil industry and the Jewish tourist boycott following Mexico's U.N. vote regarding Zionism during the Echeverria administration. Mexico economically depends on the United States and feels quite threatened by the ability of the United States to exert these pressures. Adding to Mexican paranola are American discussions of purchasing, in advance, oil in Mexican fields as a strategic reserve and the recent Department of Defense emphasis on a Rapid Deployment Force to extend American military influence to areas where our vital interests are threatened.

Mexico's contribution to strained energy relations was the refusal to discuss remedies for gamages created by the runaway oil well, IXTOC. Mexico's refusal to even discuss the issue could lead to a backlash by a U.S. public who is reminded of the financial ability of Mexico to provide a remedy by the daily discussion of Mexico's oil wealth.

Trade

Tomatoes, other winter vegetables and GATT (The General Agreement on Tariffs and Trade) have led to strained trade relations. The importation of Mexican tomatoes was challenged by American growers. Both the Treasury and Commerce Departments eventually found that there was no dumping but Mexico felt that their winter vegetable production and export trade was being held hostage to force Mexico into

GATT. On the other side, American trade specialists are frustrated by Mexico's insistence on protectionist policies while it decries the U.S.'s investigation of the dumping allegations. Ironically, while the Carter administration eventually ruled in favor of Mexican tomatoes, Mexico refused to join GATT. Thus, Mexico opted for continuing a bilateral trade relationship that it finds threatening at times and that protects its inefficient and heavily subsidized industries. In this area the Carter administration gets positive marks for initiatives taken to reduce strain while Mexico gets negative marks for failing to respond.

Strain--Good or Bad?

Is the resulting strain in U.S.-Mexico relations necessarily bad? Perhaps not. A Mexican foreign policy analyst once said that the problem with U.S. foreign policy analysts is that they approach U.S.-Mexico relations from a perspective of cooperation. He suggested that it would be beneficial to approach the analysis of U.S.-Mexico relations from a perspective of conflict. An exchange with other Mexican foreign policy analysts over whether Democratic or Republican administrations were best for U.S.-Mexico relations elicited the following responses. One concluded that Republicans were best because you could count on stability. Republicans were not too imaginative and consistently acted in total disregard of Mexico's interests. Another said that Democratic administrations were best because their inconsistencies and instability kept Mexico alert to U.S. interests harmful to Mexico. The latter believed that Republicans could lull you to complacency while Democrats kept Mexico confused but alert. The common theme in these opposing views was that the Mexican national interest was unlikely to intersect with the American national interest. By Mexican definition, American national interests are harmful and in opposition to Mexico's. The only possible outcome is conflict.

Therefore, returning to the <u>initial</u> Mexican premise and approaching the problem from a perspective of conflict, the strain in U.S.Mexico relations may reflect a state of inevitable tension that allows

an acceptable venting of hostilities. It assures an arm's length relationship that satisfies the Mexican need for respect of sovereignty and independence and it prevents Mexico from being smothered in the bosom of America's cooperative friendship. The benefit to the United States is that acceptance of such a relationship, while initially disconcerting, allows the United States to change from a repentant giant seeking "satisficing" solutions to a nation that identifies and pursues its national interests with firm resolution.

