Forum for American Leadership

<u>Mexico's Strategic Shift Away from the United States Threatens National Security—How U.S. Leaders Should Respond</u>

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This week's Summit of the Americas lays plain the truth of the current state of the U.S.-Mexico relationship: Mexican President Andres Manuel Lopez Obrador (AMLO) is pursuing a strategic shift away from close bilateral cooperation with the United States and the shared values of democracy and free markets. This reversal of a 20-plus year consensus in Mexican policy—that cooperation with the United States was in Mexico's best interest—is driving the bilateral relationship back toward a pre-NAFTA period when security cooperation was weak and Mexico pursued a foreign policy whose major aim was to confront the United States. The AMLO direction on economics and trade policy, the treatment of U.S. and other foreign investors, bilateral security cooperation, foreign policy, attacks on democratic institutions, and deterioration of human rights is increasingly harming U.S. interests and requires immediate attention from Congress and the Biden Administration.

Every indicator in the U.S.-Mexico bilateral relationship is headed in the wrong direction:

- **Record U.S. Overdose Deaths**. Mexico is now the [top source](#) of illegal fentanyl entering the United States. This year, the CDC [reported](#) record U.S. overdose deaths at nearly 106,000; more than 70,000 of those attributed to synthetic opioids, including primarily illegally manufactured fentanyl. This U.S. trend is accompanied by [record homicides](#) in Mexico.

- **Security Cooperation Further Deteriorating**. U.S. security agencies are [reporting](#) that security cooperation is reaching new lows as Mexico, step-by-step, is dismantling institutions and cooperation mechanisms.

- **Record Southwest Border Encounters**. Numbers on par with the population of a small U.S. town—7,500—are [arriving](#) at the U.S. Southwest Border every day. Mexican cooperation to stem flows is clearly not making a dent. U.S.-bound migration flows are expected to more than double if Title 42 is lifted as the Biden Administration intended before a recent court injunction maintained the public health order.

- **Rising Trade Tensions**. Trade disputes under the U.S.-Mexico-Canada Agreement (USMCA) are mounting across all sectors. Letters to the Administration regarding trade issues are piling up; from the [U.S. Hispanic Chamber of Commerce](#); multiple letters from the National Association of Manufacturers; the [U.S. Chamber of Commerce](#); [American Petroleum Institute](#); [Texas Governor Greg Abbott](#); along with many other trade [associations](#) and an increasing number of bipartisan [letters](#) from Members of Congress— about problems with USMCA. They all share the same theme: the unfair (and sometimes illegal) treatment of U.S. companies in Mexico.

- **AMLO is Undermining Democratic Institutions**. AMLO is continuing his attacks on Mexico's democratic institutions and independent regulators, including most recently the electoral authority (INE) whose leadership is widely respected across Mexico and the region.

- **Turning a Blind Eye on Human Rights**. AMLO has continued to attack the free press and, at best, ignore the rising number of murdered journalists who dare to write about the rise in criminality and the capture of local governments by the cartels.

- **Losing Ground to the Cartels**. According to the head of the U.S. Northern Command, the cartels now control 30-35 percent of Mexican territory. This is still likely an under-estimate of the amount of Mexican territory that the government no longer controls—a long-term increase that is accelerating. Additionally, Mexico's mid-term elections in June 2021 were the most violent on record driven by cartel violence and attempts to thwart the democratic process.

- **Mexican Foreign Policy Increasingly Anti-American.** AMLO's foreign policy contradicts his claims of non-interventionism: he is intervening all over the world, including in the United States, and on the wrong side. Mexico assumed a non-permanent seat on the United Nations Security Council in 2021, just as its foreign policy was beginning to shift toward deeper relations with Russia and China. AMLO has refused to condemn Russian President Vladimir Putin's invasion of Ukraine, and he boycotted the Summit of the Americas in order to try to force President Biden to invite the dictators of Cuba, Nicaragua, and Venezuela. AMLO is now even picking favorites in Colombia's upcoming presidential run-off, announcing his support for Maduro-sympathizing Gustavo Petro. AMLO's morning press conferences the week of Summit of the Americas also featured multiple personal attacks against sitting U.S. Senators for holding views that AMLO does not agree with.

<u>Six Recommendations for Congress and the Biden Administration:</u>

1. **Secure the Southwest Border from the U.S. Side, Period.** The United States cannot afford to continue giving AMLO leverage by outsourcing border security and immigration policy to Mexico and incentivizing illegal border crossings. AMLO believes that he has leverage over the Biden Administration because of immigration and border policy.

   - The United States should immediately resume construction of border barriers and should fully re-implement the Remain in Mexico policy across all ports of entry. Policies that reward, decriminalize, and otherwise incentivize illegal crossings must be reversed. If the Biden Administration refuses, programmatic funds for Administration and AMLO priority programs should be held by Congress until the White House relents.
   - U.S. border states should deploy their national guards and significantly more law enforcement resources to the border to send a signal to the cartels that the status quo

is not acceptable. States have a responsibility to protect their communities when the federal government fails to enforce the law.

- Biden Administration officials who fail to uphold the law should be held accountable by the Congress. If Republicans take control of Congress after November 2022 midterm elections, committees of jurisdiction must conduct vigorous oversight via hearings, records subpoenas, and restoring the use of resolution of inquiry.

2. **Washington needs to be firm, and public, on violations of USMCA, the deteriorating investment climate, and the mistreatment of U.S. companies**. The Biden Administration is seen by Mexico as unserious about protecting the rights of U.S. investors. Mexico perceives that in order to appease Washington on USMCA, it only has to cooperate on labor investigations. Congress must urge the U.S. Trade Representative (USTR) to do more than file labor cases (so far four and counting) against Mexico. It is time for USTR to vocally defend U.S. investments and the integrity of USMCA. If USMCA is seen as a model trade agreement, it must be enforced.

- Mexico's actions are setting up a very difficult situation when USMCA reaches its mandatory review period by the parties in 2026. Congress should begin signaling to Mexico, and to the Mexican business community, that the current treatment of US companies is not conducive to a smooth review in 2026. Additionally, Congress should determine whether Mexico's worsening investment climate is conducive for nearshoring of supply chains.

3. **Address AMLO's attacks against independent institutions and his anti-corruption agenda.** While the Biden Administration has been overtly vocal on challenges in El Salvador and Guatemala, it has remained silent against AMLO's relentless attacks on Mexico's independent institutions, thus emboldening AMLO. It's time for public statements, public pressure, and for Congress to implement conditions on assistance to Mexico to address AMLO's anti-democratic tendencies and efforts to undermine democratic institutions. AMLO's anti-corruption agenda has amounted to little more than using the idea, and his power, to target and persecute his political rivals, often without evidence.

- The Biden administration should shed light on corruption in Mexico, which continues to be a major challenge despite AMLO's rhetoric.

4. **Congress should call on the Administration to produce a comprehensive strategy to reboot security cooperation**. This strategy should:

- Prioritize the need for a detailed and resourced plan for addressing Mexican production and trafficking of synthetic opioids, including fentanyl, and targeting Chinese precursors entering Mexico, as an urgent priority.
- Dramatically expand and codify into law the Bicentennial Framework for Security (which is basically a watered-down version of the Merida Initiative), as it is insufficient to the task at hand.

- Press Mexico in public and in private to restart cooperation with the U.S. Drug Enforcement Administration in a serious way.
- Conduct oversight on the status of security cooperation following the implementation of Mexico's National Security Law.

5. **Congress should send bipartisan STAFFDELs and CODELS to Mexico to send a consistent U.S. message and to discuss economics, trade, and security cooperation as well as foreign policy and Mexican institutions.** The Biden Administration's approach to foreign policy, in general, and its soft touch with Mexico so far, requires that Congress fill the void and deliver strong bipartisan messages.

6. **The Biden Administration should postpone the July bilateral meeting it reportedly plans with AMLO and send a clear message from the United States that enough is enough.** The message must be that the preferred path on all areas is cooperation, but if AMLO continues to flout democratic norms and devalue the relationship, the U.S. will publicly pressure his administration and take firmer positions across the spectrum of the U.S.-Mexico relationship.

This paper is a product of the Forum for American Leadership's [Latin America](#) Working Group.

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