CELAC: MEXICAN FOREIGN POLICY INTEREST ON LATIN AMERICAN AND CARIBBEAN REGIONALISM

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Abstract
La Comunidad de Estados Latinoamericanos y Caribeños (CELAC) was initiated in 2011 as a forum for dialogue and consensus between Latin American and Caribbean governments where it forms a trading block that excludes the United States and Canada. The US objected to the establishment of CELAC which seemed to challenges the former regional organization (OAS). This paper aims to analyze the considerations of the Mexican government to join CELAC in the midst of mutual agreement with US and NAFTA. Theory of formulation of foreign policy is used to answer the sources of political consideration of the Mexican government. It is a qualitative descriptive research that used primary data comes from Mexican government reports, content of CELAC official website, and journals. Data is obtained from library research. The analysis technique is carried out through generalization of the evidence and organization of the data so that it presents a coherent and consistent picture in proving the basic assumptions of the theory. It examines determinant of Mexico foreign policy formulation include 1) expansion of FTA in order to raise national economy, 2) maintaining the legitimacy of the government through multilateral cooperation, 3) identity politics as a Latin American, 4) increasing state performance in dealing with eradication of drugs and immigrant problems, 5) state economic revival post 2008 global crisis, 6) CELAC as a bridge to expand bi-regional trade with the European Union, and 7) forum to balance US dominant interest in the region.

Keywords:
Caribbean, CELAC, Foreign Policy, Latin America, Mexico
INTRODUCTION

This research focuses on the joining of Mexico in Latin American and Caribbean countries regional cooperation known as La Comunidad de Estados Latinoamericanos y Caribeños (CELAC). Based on the spirit of its founding, CELAC is the successor and replacement of the Latin American and Caribbean countries' summit namely The Latin American and Caribbean Summit on Integration and Development (CALC) and Rio Group. CELAC was formed with the aim of bringing together the 21st Rio Group Summit and the 2nd CALC Summit on February 23, 2010 at Mayan Riviera, Mexico (Fuentes, 2011; NTI, 2017; O’Boyle, 2015).

On December 3rd, 2011, leaders from 33 Latin American and Caribbean countries met in Caracas to formalize the new regional bloc excluding the United States and Canada. The host of the summit, Venezuelan President Hugo Chavez, was very critical of The Organization of American States (OAS) and the dominance of the United States in the OAS. The other CELAC leaders believed that CELAC should not replace the OAS. CELAC was formed to be a forum for regional discussion and cooperation. Attendees at the summit expressed their concerns regarding the economic crisis, drug trafficking and climate change. In addition, they agreed to oppose the US trade embargo on Cuba (CELAC, 2018; Kennedy & Beaton, 2016; Portales, 2012b).

CELAC was initiated as a forum for intergovernmental dialogue and consensus that emerged as a commitment to enhance regional integration that referred to the political, economic, social and cultural interests of Latin American and Caribbean countries. Discussions at the CELAC forum emphasized the government's efforts to address global problems which include issues of social development, education, nuclear disarmament, local agriculture, culture, finance, energy and the environment. In addition, CELAC is expected to be a regional institution that represents the common interests of Latin American and Caribbean countries in the discussion of global issues and becomes a forum that is able to project the interests of Latin American and Caribbean countries to the international community (CELAC, 2011, 2018; Gurria, 2017; Lopes Jr., 2015; Ruano, 2017; Segovia, 2013).

The Mexican government is very confident in alliances with Latin American and Caribbean countries. Whilst, the United States seemed to object to the formation of CELAC which excluded Western countries and seemed to rival the existing OAS.
As President of Mexico, Felipe Calderon declared: “We have decided, for the first time to form the Community of Latin American and Caribbean as comprises all regional states space.” Calderon said: “We cannot remain disunited; We cannot succeed in the future based on our differences; Now it’s up to us to unite undiscounted things that make us different to unite on the basis of our similarities far outweigh our differences (CELAC, 2011).

CELAC excludes the US and Canada despite the fact that in some of the security and political agenda Mexico still relies on US and Canada’s assistance (Kusumaningrum, 2018; Morris, 2013; OAS, 2015, 2017c, 2017a, 2017b; Speck, 2013; UNODC, 2007, 2012a, 2012b). Furthermore, Mexico has been bound by the North American Free Trade Agreement (NAFTA) with the US and Canada since 1994. The economic liberalization program agreed upon in NAFTA encouraged the development of investment flows (FDI) to Mexico and increased the number of jobs in the industrial sector. The US government is the biggest trading partner for Mexico. About 80% of Mexico's exports go to the US market, and around 47% of Mexico's imports are supplied by the US (Campos-Vázquez, 2013; Escobar Gamboa, 2013; Esquivel & Rodríguez-López, 2003; Hanson, 2003; Ibarra-Yunez, 2003; Moreno-Brid, Santamaría, & Rivas Valdivia, 2005; Ramirez, 2003, 2006; Spreen, 2000; Villanueva, 2017; Villarreal, 2017; Waldkirch, 2010).

Based on the background above, the objective of this paper is to analyze the sources of foreign policy consideration of Mexican government joining the CELAC regional cooperation amid a fairly strategic bilateral relationship with the United States. The research is expected to contribute to the reference to International Relations studies relating to the theory and analysis of foreign policy especially those interested in the American politics and regionalism.

ANALYTICAL FRAMEWORK

Determinants of Foreign Policy Formulation

The making of a state's foreign policy can be influenced by 3 (three) levels of analysis refers to the influence of the international environment/international system, domestic structure, and individual perceptions of policy makers (Kegley & Wittkopf, 1999: 45). The international system means the external conditions related to certain condition such as civil war and interdependence on international exchange. Meanwhile, the domestic structure emphasizes on political system consist of the type of government and
consideration of public opinion. Perceptions of policy makers are recognized as the role of leaders in realizing national interests. It is influenced by their intersubjective ideas and beliefs (Baylis & Smith, 2001; KJ Holsti, 1983; OR Holsti & Holsti, 1985; Kegley Jr. & Wittkopf, 1999; Thi & Nguyen, 2014).

This paper applies the analytical framework of Legg & Morrison (1991: 59-68) in his work "The Formulation of foreign policy objectives" which explains the rationality of formulating the objectives of a state’s foreign policy. According to Legg and Morrison, the formulation of foreign policy objectives can be identified based on internal and external factors of a state. The government has to pay attention on those identification so that foreign policy decisions are in accordance with the state’s objectives. By identifying internal and external factors, a state can determine the limits of the national capacities that can be maximized in order to achieve state’s objectives through exercising good and orderly foreign policy.

Based on Chart 1.1, internal factors are considered as determinants include economic needs, political needs, state image, and state capability. Whereas external factors are involving the opportunities and challenges of international trade system, the momentum of war/economic crisis, and global agendas that are able to increase the prestige or image of the country (Legg & Morrison, 1991).

Chart 1.1. Internal and External Determinants of Foreign Policy Formulation

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<th>Internal Factors</th>
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<td>1. Economic Needs</td>
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<td>2. Political Needs</td>
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<td>3. State’s Image/Identity</td>
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<td>4. State Capability</td>
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<th>External Factors</th>
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<td>1. The Momentum of War/Economic Crisis</td>
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<td>2. The Opportunities and Challenges of International Trade</td>
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<td>3. International momentum to increase prestige.</td>
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Based on the analysis framework, this study believes the government of Mexico develops cooperation with Latin American and Caribbean countries is influenced by several determinants come from internal and external factors. Determinants originating from internal factors include: 1) the importance of expanding Free Trade Agreement (FTA) in order to improve the Mexican economy, 2) the effort to maintain the legitimacy of the government through multilateral cooperation, 3) the urgency to strengthened identity politics as a Latin American nation, and 4) increasing national capability in dealing with eradication of drug trafficking and immigrant problems. Furthermore, external factors determinants are including: 1) restructuring state economy post 2008 global crisis, 2) opportunities for expansion of bi-regional trade with the European Union, and 3) an effort to balance US dominance in the region.

**RESEARCH METHOD**

This paper is a descriptive qualitative research that focuses on the study of American regionalism. The foreign policy of Mexican government become a member of CELAC is an unit of analysis of this research. Primary data are obtained from content analysis of Mexican government reports, publication of CELAC official website, and research dissemination from any journals that refer to Mexican policy, the framework of Latin American cooperation, the policy of Caribbean countries and the United States interests.

It used an analytical technique consisting of the framework introduced by Miles and Huberman (1994) which described the stages of the qualitative data analysis process consist of data reduction, data presentation and drawing conclusions and verification (Berkowitz, 1997). Thus, the analysis technique is carried out by gathering data in the form of words and letters taken from documents and transcripts of Mexican government report, CELAC official website, and research publications. Data analysis is conducted by extracting themes or generalizations from evidence and organizing data to present a coherent and consistent picture to prove the basic assumptions of the theoretical foundation.

**DISCUSSION**

Based on this framework, this paper believes that the purpose of Mexico's foreign policy formulation joining CELAC is influenced by rationality originating from internal factors, including: 1) Mexico's need to develop domestic economic potential through expanding free trade agreements; 2) Political needs in order to maintain the legitimacy of the
Mexican government; 3) The need for Mexican identity politics as part of the Latin American nation; 4) The needs of the Mexican government to build state capability in overcoming domestic problems, especially drug trafficking and immigrants.

Furthermore, the implementation of Mexican foreign policy is also influenced by considerations originating from external factors, including: 1) The momentum of the 2008 economic crisis that has an impact on countries in the American region; 2) Better trade opportunities with CELAC inter-regional partners, one of which is the European Union; 3) The international momentum to increase prestige, where the Mexican government takes part of the solidarity of the Latin American nations who intend to balance the dominance of the United States in the region.

**Consideration of Internal Factors**

*Enhancing Mexican Economy through Expanding FTA Commitments*

Mexico expands regional cooperation as a form of greater economic integration with global markets and structural economic reforms. There are dynamics of employment growth in regional and sectoral level in the states of Mexico between 2004 and 2014. The competitive effects from several industries such as science-related industry and smaller scale supplier industry lead to the formation of industrial corridors with neighboring countries connecting the central region with the northeastern region of Mexico. The existence of Nuevo Leon, Queretaro, Guanajuato, San Luis Potosi, and Puebla industrial zones have positively influenced neighboring countries in terms of the level of employment growth. In effect, the concentration of economic activities circulates in the capital city -Mexico City- towards neighboring countries (Flores, Medellin, & Villarreal, 2018).

Mexico is committed to develop trade integration and liberalization through the establishment of free trade agreements (FTAs) since the 1990s. The Mexican government increased its active role in establishing free trade agreements to reduce economic dependence to the US and increase national income through new markets. This fact is significant since US is the most significant trading partner for Mexico.

Based on Congressional Research Service (CRS) report, the US market is Mexican export destination comprised by 80% of total export. Meanwhile, approximately 47% of Mexican domestic economic needs are supplied by the US. In the same report, it is stated that Mexico tried to increase trade with other countries. It is noted that the Mexican government has signed eleven free trade agreements involving...
46 partner countries. This includes agreements with the US and Canadian governments that came to light under North American Free Trade Agreement (NAFTA) framework. Furthermore, Mexico's free trade partner countries consist of Chile, Colombia, Costa Rica, Nicaragua, Peru, Guatemala, El Salvador, and Honduras. It is including several countries outside the region that have agreed on FTAs with Mexican governments such as Israel, Japan and the European Union (Villarreal, 2017).

Based on the Mexican perspective as a Latin American country, the expansion of FTA commitments is a strategic step in preventing the return of the crisis. As stated in some literature, the Latin American region is economically quite fragile. Trade liberalization in this region is expected to be able to increase export-oriented industrialization capacity. But indeed not all Latin American countries support the conception of free trade. Some countries such as Venezuela, Ecuador and Argentina tend to maintain protectionist and anti-free market policies (Andreas, 1996; Rojas-Suarez, 2010; Ruano, 2017). Some strategic issues have developed as the drivers of regionalism and economic integration in the Latin American region. The entry of China and the European Union in this region, made CELAC countries think about the stability of the regional economy as a pulling factor of investment. It is along with the investment potential of Venezuela, Ecuador, Bolivia and Paraguay which focus on developing electricity hydropower and Brazil which possesses biofuel technology (Tussie, 2014).

Thus, CELAC is important multilateral cooperation for the Mexican government. Indeed, economic interest becomes the main driving force for the formation of free trade agreements between its member countries. The Mexican government believes that the expansion of the free trade agreement is capable to overcome national economic conditions, which is expected to result in greater investor confidence, attract more foreign investment, and create jobs (Andreas, 1996; Flores et al., 2018; Neto & Malamud, 2015; Ramirez, 2006; Villanueva, 2017; Waldkirch, 2010).

**Efforts to Maintain Mexican Government’s Legitimacy**

The legitimacy of the Mexican government in the international political arena of Latin American region has declined under the leadership of President Fox. The Mexican government was involved in competition with Brazil, Cuba, and Venezuela which resulted in the withdrawal of its ambassadors. Likewise in the competition for the OAS Secretary General, Fox administration generated political tension with Argentina and Chile- traditional Mexican allies in South America. Thus, the Mexican government tends
to be pushed aside from the regional cooperation for that period, such as in UNASUR and ALBA. Brazil calls Mexico as part of North American alliance rather than of Latin American (Ziccardi, 2014).

As written by Ziccardi (2014), Calderon administration seeks to improve the situation by restoring the position of Mexico as part of Latin American countries solidarity since 2006. One strategic step for Mexican government is to be actively involved in regional cooperation and to initiate new multilateral arrangement namely CELAC and the Pacific Alliance which was first launched at the 2010 Cancun Summit.

The joining of Mexico with CELAC guarantees government performance due to its capacity building related to strengthening democracy, citizenship, and human rights. Based on Sanahuja's argument (2015), the commitment to democracy, human rights and the rule of law has been the initial motivation and foundation of the partnership between the European Union and Latin America and the Caribbean since its establishment in the 1970s. Dialogue and regional cooperation contributes in the transition and consolidation of democracy in the 1980s and 1990s in Latin America. In addition, this cooperation also supports the promotion of the two regions' identities as "normative agents" in the international arena (Sanahuja, 2015).

The development of inter-regional cooperation in the American continent has developed since the 1990s and changed the political economy architecture in Latin and Caribbean countries. In the mid of 2000s, the idea of founding several new organizations emerged in the region. This is partly the response of countries to reduce the role of the United States in the American region. The development of regional integration effects on the shift of the OAS as the key organization and the platform for Latin American countries multilateral cooperation. For example, UNASUR and CELAC were founded around 2010. CELAC became an organization that houses the interests of Latin American and Caribbean countries by declaring a Peace Zone at the 2014 Summit in Cuba, and agreed to reject US sanctions in Venezuela, and support Argentine rights to Falkland Islands at the 2015 Summit in Costa Rica (Hoffmann & Tabak, 2017).

Regional cooperation on the global health project became an example of the effort to strengthened the legitimacy of the Mexican government which includes the Central America, South America, and Caribbean regions. There are gap of national capacity of American countries to meet the demands of public health as a human right issue. Moreover, health problems are one of the millennium development targets (MDGs). The awareness about the need for cooperation between regions and international
partners drives members states of UNASUR, CELAC, and CAN to develop a framework of cooperation with the United Nations and global partners to strengthen institutional capacity of the country (Hoffmann & Tabak, 2017).

**Mexican Solidarity as a Latin American Nation**

The initiative to form CELAC is a step taken by the Mexican government to strengthen the political power of Latin American and Caribbean countries in the international arena. As Portales (2012) points out, the presence of CELAC does not replace the agreements that have been born in regions with more specific visions, such as Mercosur, CARICOM, and ALBA. The CELAC emerge as an alternative representation and political consensus of Latin American and Caribbean countries in the region in order to balance OAS which tends to accommodate Western interests.

CELAC was formed from the Rio Group merger and the Latin America and Caribbean Summit on Integration and Development (CALC).

The Rio Group, a mechanism for joint political consultation and action, was established in 1986, which builds on the experience of the Contadora Group (Mexico, Venezuela, Colombia and Panama), which has developed a Latin American response to President Reagan's policies in Central America, and Contadora Support The group, consisting of new democracies formed in the 1980s in Argentina, Brazil, Peru and Uruguay. The Rio Group defines itself as a political reference, a democratic voice for Latin America in the world that precedes and follows the fall of the Berlin Wall, and then becomes a regional substantive interlocutor with other countries in the world. At the United Nations (UN), he succeeded in articulating a shared voice for the region until it was overcome by Venezuela after the early years of the Chavez administration. During the 1990s, the Rio Group supported the agreement reached at OAS in 1991 to establish a democratic clause, which then led to the adoption of the Inter-American Democracy Charter in 2001 (Portales, 2012a).

CELAC is a forum that allows Cuba to join the 2010 Summit and develop broader partnerships between China, the European Union and Latin American and Caribbean countries (LAC). CELAC emphasizes consultation and cooperation in a
number of fields. On economic field, CELAC takes a role to create a common reference in order to establish a working group to prepare a proposal on tariff preferences in Caribbean and Latin American countries. Thus, CELAC cooperation focuses in facilitating, strengthening, and equipping regional integration mechanism. Including in bridging Cuban opposition to US policies.

CELAC also formally takes the role as a dialogue partner between European Union and other LAC countries, and in dialogues that have been scheduled by the Rio Group with countries or groups of countries in the UN General Assembly. However, CELAC is only a forum. It does not have a secretariat structure and the country that hosts the next summit is responsible for the temporary secretariat function. CELAC is also not an agreement-based institution. This institution is a political agreement founded with the basis of Latin American and Caribbean countries solidarity.

The Mexican government's consideration of joining CELAC was influenced by a sociological attachment as part of a group of Latin American countries. Geographically, Mexico is located in the North America Region along with Canada and the United States. Meanwhile, Latin America is an area that stretches from the southern border of the United States to the tip of Chile, Puerto Toro. More than 8 million square miles is an area inhabited by 550 million people. Latin America is an area that generally refers to areas that speak Spanish or Portuguese. Countries that speak these languages are mostly located in Central and South America, the Caribbean Islands, and Mexico. Mexico's neighbors, which are central American countries, consist of seven countries, namely Belize, El Salvador, Guatemala, Honduras, Costa Rica, Nicaragua and Panama. Caribbean island nations consist of 13 countries including Antigua and Barbuda, Bahamas, Barbados, Dominica, Grenada, Haiti, Jamaica, Cuba, Dominican Republic, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Trinidad and Tobago. Whereas the South American countries consist of 12 countries, namely Argentina, Bolivia, Brazil, Chile, Ecuador, Guyana, Colombia, Paraguay, Peru, Suriname, Uruguay and Venezuela (Bakewell, 1998; Kusumaningrum, 2018; Wiarda & Kline, 2007).

The term "Latin America" according to some opinions of geographical experts in the sixteenth century is a name given to areas that were colonized by Spain and Portugal, as well as territories that refer to Latin-based languages. But other opinions reveal that "Latin America" originated in France in the 1860s under the rule of Napoleon III, as a
result of the efforts of the French state in expanding its territory as neocolonial empire. France used the term "Latin" to show that there are several levels of cultural similarity between the region and France. Where the area consists of people speaking Spanish, Portuguese and French. These languages were later developed from Latin during the Roman Empire. Then Europeans called them "Latin" people, hence the term was coined as "Latin America". (Teresa A. Meade, 2010).

Latin American countries have demographic characteristics that are influenced by the history of colonialization on the American continent. According to Richard C. Williamson in the "Latin American Societies in Transition" the background of the ethnicity of Latin American countries can be grouped into four major groups; 1) Group of 'mestizo' population countries. This ethnic group inhabits South American countries such as Venezuela and Columbia, and Nicaragua, El Salvador, Honduras, and Panama in Central America and Mexico. 2) Groups of European descendants, namely Argentina, Chile, Uruguay and Costa Rica. 3) Groups of countries that generally inhabit the highlands and descendants of Indians, namely Guatemala, Ecuador, Peru, Bolivia, and Paraguay. 4) Groups of countries dominated by a mixture of Africans are Brazil, and Caribbean countries such as Cuba, the Dominican Republic, and Haiti (Wiarda & Kline, 2007).

Independence in Latin American countries is considered as a great opportunity to accelerate economic development. International capital access is indeed a driving factor for potential economic development. Academics point out that in the nineteenth century it was the starting point of capitalist development. However, Latin America has not been able to enjoy the same accelerated economic development as achieved by Europe and the United States, because in the nineteenth century Latin America was busy in political consolidation and the formation of political regimes (Bakewell, 1998; Bethel, 1995; Bland, 2011; Ochoa, 1996; Perry & Berry, 2016).

Based on political context, in the period of 1820 independence of Latin American politics was dominated by hierarchical and authoritarian governments. It were built by individuals who possess regional powers and dominate politics. These condition leads to a centralization of authority and development of a corporatist type of state. Latin America government worked with main political interest groups such as the military and trade unions to support the political regimes. Latin American governments were experienced centralization and corporatism that strengthened authoritarian regimes (Teresa A. Meade, 2010).
According to Meade (2010), in the past two decades Latin American countries have no consensus on political culture. Elections are seen as the only way to obtain political power. However, to gain political power, coup and violence activities are considered legitimate among several segments of society. These made authoritarian culture and elites from land and mining interest groups oppose the development of democratization in the country. It means the values of democracy is opposite with socialist and communist political culture. The post 1880s, the uneducated poor society and the elites who wanted to replaced the regime were promoting Western-style forms of democracy due to prevent the power of political elites who had dominated Latin American politics. It resulted the absence of dominant power. Fragmented Latin American political culture has produced a range of political ideology spectrum from Marxism and communism on the left, populism and social democracy at the center, to conservativism, extreme authoritarianism and including fascism on the right. These various ideologies have principled the political guidance in Latin America such as communism in Cuba, various authoritarianism and fascism developed in countries such as Uruguay, Brazil and Chile (Thomas, 2005).

Since the 1980s, presidential elections and general elections have been held in many countries in Latin America, and a multi-party system based on election has taken root in these countries. At present, almost all of the 33 Latin American and Caribbean countries have established democratic governments. Meanwhile, each country has deepened its recognition of the market economy and is pursuing reforms such as the privatization of national companies and trade liberalization based on the principles of market-oriented economy. However, serious problems of debt accumulation and other economic difficulties continue to cause social unrest. Deteriorating public order and drug abuse in some countries have become unpleasant source of threats for the progress of democratization (Bland, 2011; Morris, 2013; Thomas, 2005).

**The Needs of State’s Capability Improvement on Tackling Drugs and Immigrant Problems**

The Mexican government experiences national problems in the form of drug trafficking and immigrants which become transnational issue and affect relations with its neighboring country, the United States. The state capacity to overcome drug trafficking and immigrants are highly dependent on US assistance, both in terms of financial and technical assistances (Ginong Maulidyatama, 2016; Hernandez et al., 2004;
Kusumaningrum, 2018; Magis-Rodríguez et al., 2004; Rani & Samosir, 2015; Sanchez et al., 2004; Saraswita, Dharmiasih, & Resen, 2014; Satria, 2014).

The escalation of drugs and immigrant problems as transnational organized crime influence the political consideration of the Mexican government (Maulidyatama, 2016: 73),

“Narcotics problems have seriously threatened Mexico's domestic security. It generated murder, kidnapping, and extortion as common situation experienced in Mexico. The rate of acts of violence caused by narcotics estimated from December 2006 to June 2012 has claimed about 50,000-70,000 casualties (Courtney, 2013: 15). The highest murder rate occurred in 2011, which claimed about 22,480 fatalities (Gomez, 2015).

The Pew Research Center (2015) states that the population of illegal immigrants living in the US reached about 11.1 million people in 2011. Approximately 58% came from Mexico (Pew, 2013). First, the lack of capability of Mexican government in overcoming drug cartels and the increasing people migration to the US become highlight political discourse between two countries since the 90s. In 2005 the US government established an Immigration Act which mention that illegal immigrants lived in United States was considered as criminal behavior. Based on the act, each of employer in the United States has an obligation to check the status of their workers. It will be legal punishment applied if they deliberately employ illegal immigrants (BBC, 2005).

Second, there is administrative problem due to the increasing number of illegal immigrants in line with the increasing of opportunities for illegal document dealers. The present of illegal immigrants affect to the declining of tax revenues. This is caused by the fact that illegal immigrants are not taxed and also given low salaries by enterprises owner in the United States. Third, the social problem emerged since illegal immigrants are living in dense housing. In 2005 more than 55,000 Pennsylvania households were deemed as “crowded” or “very crowded” housing because illegal foreigners mostly work in low-paying jobs, so they can only afford cheap housing payment. Some of families who live in apartments let their garages as bedrooms for rent (Martin, 2017).

Cooperation between the United States and Mexico to combat illicit drug trafficking began since the establishment of Drugs Enforcement Administrations (DEA). According to Maulidyatama (2016), there are three forms of cooperation between the two
countries in tackling the illicit trafficking of narcotics, namely 1) joint operations, 2) training, and 3) creating a framework for bilateral cooperation. The joint operation carried out by the two countries began in 1974 until 2007. Therefore, it is considered as national security aspect as the forth point.

In its cooperation development, Mexico and the US agreed on "Bi-National Drug Control Strategy" cooperation framework in 1998. The aim of this cooperation framework is to reduce and to stop the consumption, production and transaction of narcotics in both countries. The efforts in strengthening bilateral cooperation was chiefly intensified until Juan Felipe Calderon administration. On June 30th 2008, US President - George W. Bush met with Mexican President in Merida, state of Yucatan, Mexico to agree on the framework of cooperation to overcome drugs problem known as the Merida Initiative. It was funded by the United States about $1.4 billion from 2008 to 2010. Merida Initiative is an improvement of the Bi-national Drug Control Strategy (Ginong Maulidyatama, 2016).

Fifth, it is considered as health problems. Based on data retrieved from the United Nations Joint Program on HIV/AIDS (UNAIDS), Mexico is classified as a country with a concentrated AIDS epidemic that is characterized by the prevalence of HIV infection that is rapidly disseminated in certain subgroups but which have not reached the general population. This issue poses a threat to the US government, given that there is a significant relationship with the increase in individuals infected with HIV/AIDS with drug user in cities across US border, including California. Researchers have found link between the progress of the case with the phenomenon of large scale migration towards the United States, considering the evidence of a greater prevalence of HIV/AIDS in the destination of migration, which in its territory, can have negative consequences in the place of origin (Hernandez et al., 2004; Magis-Rodriguez et al., 2004; Sanchez et al., 2004).

The study of Magis-Rodriguez, et al (2004) provides an overview of the relationship between migration to the United States and cases of AIDS in Mexico. This research is based on sexual behavior of Mexican migrants. One of the consequences of the 1992-2000 migration study was concerns about increasing the prevalence of AIDS in women, given their vulnerability as a result of the fact that the traditional feminine role in Mexico implies a low level of power to negotiate sexual practices with their migrant partners. The study has also focused on the points of the southern Mexico border where people from Central American countries transit on trips to the United States.
In addition, immigrants are a transnational problem that requires cooperation between the Mexican and US governments. The California-Mexico AIDS Initiative was created by the University of California, Presidential Office, in collaboration with Mexican Health Secretariat, to handle epidemiology, prevention, health care services, and public policy issues related to HIV/AIDS, sexually transmitted diseases, and tuberculosis among Mexican migrant communities in California and in their home communities in Mexico. This transnational cooperation is based on the premise that Mexican migrants in the United States are very vulnerable to epidemics of infectious diseases such as HIV, sexually transmitted diseases, and tuberculosis (Hernandez et al., 2004).

Finally, drug trafficking has grown to become a big cartel and at the same time, the wave of immigrants into the United States resulted by poverty problems in Mexico (Sullivan, 2019). A lack of economic growth causes limited employment in Mexico so that working as migrant workers in the US is the best possible alternative (Satria, 2014). According to data from the World Bank in 2010, the receipt of remittances from the Mexican government from immigrants is the third largest in the world (Yang, 2011).

Cases of drug smuggling and Mexican immigrants have evolved into a transnational problem that is quite complex, considering that this crime also leads to cases of gambling, human trafficking, prostitution, and smuggling of weapons that are latent in nature. Drug cartels not only expand their networks horizontally, but also try to bribe members of the government (Bureau of Public Affairs, 2016; Kusumaningrum, 2018; O'Neil, 2009; Rani & Samosir, 2015; Saraswita et al., 2014; Seelke, 2011). Thus, the Mexican government cannot only rely on cooperation in overcoming the issue of drug trafficking and immigrants only with the US government. Regional cooperation with regional partners and international partners is needed.

**Consideration of External Factors**

**Impact of the 2008 Crisis on Mexico**

This research believes that the joining of Mexico in the Cooperation of the Latin-Caribbean Region (CELAC) is based on efforts to restore economic stability after the 2008 crisis. This argument is supported by several publications stating that the Latin American region was affected by the 2008 global financial crisis. This region experienced economic recession which according to the IMF reached -2.5%. The economic recession
was due to trade setbacks, a decline in money transfers, and massive capital withdrawals in the capital market. This contributed to sharp currency devaluation in late 2008-early 2009. Mexico, Bolivia, Ecuador, and most major countries that are members of the Central America and the Caribbean were badly affected by the decrease in income from labor migrants (Guillén, 2011).

Blanco (2010), Suarez (2010) and Guillen (2011) stated that the economic vulnerability of Latin American countries was due to the considerable dependence on the United States market. Mexico put a huge concentration of trade on the US, so Mexico had the biggest 2008 crisis impact in the region compared to Brazil, Costa Rica, Chile and Peru. Before the crisis, the absence of financial and capital market disbursements in the majority of Latin American countries made private companies look for sources of funds from abroad with low prices and better conditions. But when the crisis hit, international capital markets failed to generate revenue so private companies had difficulty in getting funds. This then created increased foreign debt, especially companies from Mexico and Brazil (Rojas-Suarez, 2010).

Remittances received from immigrants who work abroad is one of the most important indicators for state income. The decline in remittances from immigrants to their home countries is caused by rising unemployment rates of immigrants from Latin America in the US from $241 to $230. Mexico is the only country to receive debts from the IMF, but faces a risk of a decline in GDP around 7-8%, the highest in the region (Blanco, 2009; Guillén, 2011).

**CELAC-EU Bi-Regional Cooperation as Mexican Opportunity**

Mexico considers more profitable economic opportunities with an increase bi-regional cooperation between the EU and Latin America and the Caribbean. The closeness of the EU economy with Latin America and the Caribbean is more prospective since the development of free trade agreements within the framework of Mercosur, Caricom, and Andean Community.

After the Euro crisis in 2008, EU were intensively approaching Latin America, especially the Mercosur countries and Central America. The development of cooperation with the regional trading bloc in the American region is an opportunity to overcome the crisis. This was confirmed by the EU Trade Commissioner, Karel De Gucht, at an EU, Latin America and Caribbean summit [held in Madrid on May 17-18 2010. "And because we face difficult times that we must be prepared to do a lot more of joint business to
ensure increased regional and economic stability". Leaders at the 2010 summit decided to relaunch negotiations for the EU-Mercosur Free Trade Agreement, to give political approval to the outcome of a comprehensive trade agreement between the European Union, Peru and Colombia. The leaders also supported the outcome of the negotiations between the European Union and Central America. On May 17, 2010, EU Trade Commissioner De Gucht and Caribbean leaders held the first meeting of the Joint Council of the EU-CARIFORUM Economic Partnership Agreement. According to De Gucht, the bi-regional collaboration is an effort to avoid protectionism which is a deadlock from the Doha Round negotiations and to achieve demands from the political economy needs of both parties (EU 2010).

As quoted in the European Commission report (EU 2010), in 2009, trade in goods with Latin America amounted to € 71 billion for imports and € 63.4 billion for exports (6% of total EU trade). Trade in service worth € 19 billion for imports and € 28 billion for exports representing 4.35% and 5.44% of global trades, while EU direct investment in Latin America is worth € 275.4 billion. European Union tend to have a negative trade balance for trade in goods, but positive trade balance for trade in services. Therefore, EU relies on primary products imported from Latin America by 70%, while 85% of Latin American machinery and transportation equipment needs are exported by the EU.

In 2008, EU was the first largest trading partner of Mercosur (Argentina, Brazil, Paraguay and Uruguay), representing 20.7% of the total trade in Mercosur. In 2008, the European Union was the largest investor in Mercosur. Mercosur was ranked 8th among EU trade partners, accounting for 2.7% of total EU trade in 2009. The European Union is Mercosur's first market for agricultural exports, for about 19.8% of total EU agricultural imports in 2009. EU goods exports to Mercosur mainly focuses on industrial products including machinery, transportation equipment and chemicals.

Based on the European Commission report (2010), the EU is an important trading partner for Central America (Costa Rica, Guatemala, Honduras, Nicaragua, Panamá and El Salvador) which began with the two sides negotiations since 2007. In 2008, the EU became second largest trade partner in the region after the United States with a market share of around 10%. Central American exports to the European Union are dominated by agricultural products, especially coffee, bananas and other fruits, which accounted for 36% of exports to the European Union in 2007. The most important exports from the European Union to Central America are machinery, chemicals, ships, boats, vehicles and
fuel. Exports of EU goods to Central America 2009 amounted to € 4.2 billion, while imports of EU goods from Central America 2009 amounted to € 4.6 billion.

Mexico joined CELAC politically and economically influenced by the opportunities of the cooperation with the EU-Latin America in 2009. Mexico and Chile became the first country in Latin America to agree to a Free Trade Agreement with the European Union. The EU-Mexico Agreement was agreed in 1998 (trade conditions were adopted in 2000 and 2001) and the EU-Chile Association Agreement was signed in 2002 (trade conditions came into force in 2003). The two Free Trade Agreements have provided a framework for significantly enhancing bilateral trade relations. Trade has increased by more than 100% since the FTA, even taking into account the negative impact of the 2008-2009 economic crisis. EU exports of goods to Mexico in 2009 amounted to € 15.9 billion. Imports of EU goods from Mexico in 2009 amounted to € 9.9 billion. European Union investment in Mexico in 2008 amounted to € 49.0 billion (European Commission, 2010). Thus, the development of the EU cooperation framework with CELAC is believed to be an opportunity for Mexico to increase exports to the EU.

**Multilateral cooperation forum to balance US domination**

As a superpower, the United States has a big influence on Latin American countries. The United States is the biggest economic partner and contributes to funding development programs in Caribbean countries through donor agencies such as the IMF and World Bank. In some cases such as Venezuela, this partnership is seen as a form of domination. As is known, Venezuela is having a socialist government that could possibly oppose the intervention of the United States. United States intervention in Venezuela began when George W. Bush took office in 2002 (TeleSUR, 2015).

Referring to one of the purposes of the CELAC establishment, which is to strengthen regional organizations in overcoming the hegemony of the United States in Latin America, in line to that the phenomena that occurs in one-member country is a problem that should resolved together. Although CELAC gives the right to self-determination of member countries, they are committed to resolving various problems that occur in member countries. For example, the problems experienced by Venezuela are a concern in Latin America. The crisis occurred in April 2002 due to the failure of a military coup supported by the United States of America against President Hugo Chavez (Rojas, 2015). CELAC as a regional bloc was formed to promote Latin American
integration, initiated by Hugo Chavez based on the principle of unity, cooperation and solidarity between member countries and also as a manifestation of the mission of Bolivian President Evo Morales. The left wing of Bolivian President Evo Morales called on CELAC to continue its mission to liberate Latin America from US imperialism and dependence on international monetary institutions - the IMF (Rogatyuk, 2016).

Based on the Congressional Research Service report (2012) strong economic growth has increased Latin American trust in its ability to solve its own problems. The region also diversifies economic and diplomatic relations with countries outside the region. Over the past few years, several Latin American regional organizations have been formed which do not include the United States. Therefore, the US began to adjust to the development of the Latin American and Caribbean regions with the character of foreign politics focused on four priorities: 1) promoting economic and social opportunities; 2) ensuring the safety of citizens; 3) strengthen effective democratic institutions; and 4) secure future 'clean energy'. There is substantial continuity in US policy towards the region under the Obama Administration, which has pursued some of the same basic policy approaches as the Bush Administration. However, the Obama Administration has made several significant policy changes, including an emphasis on partnerships and shared responsibilities.

In order to confront the strengthening solidarity of Latin America and the Caribbean, Obama Government continued the policy of the Bush administration which still provide counter-drugs aid and security to Colombia, Mexico, and Central America. The US government has spent billions of dollars in counter-drugs assistance programs since the mid-1970s aimed at reducing the flow of Latin American illegal drugs (mostly from the rural areas) to the United States. The aid programs to combat illegal drugs such as initiatives Mérida in Mexico, CARSI in Central America, CBSI Caribbean and US support for domestic initiative regarding security borders (Sullivan, Beittel, Meyer, Seelke, and Taft-Morales, 2012).

The United States government pays attention to democratization in Latin America and the Caribbean. The worsening of democracy in several Latin American countries, including Nicaragua, where Daniel Ortega was re-elected in November 2011 in elections widely viewed by the US as a serious flaw. In addition, there have been several years of concern about the deterioration of democratic institutions and the threat to freedom of speech and the press in Venezuela. The US government is also trying to avoid unnecessary public fights with President Hugo Chavez, but at a time that remains
critical of the undemocratic actions of the Venezuelan government and drug trafficking and worries against terrorism.

The United States seeks to build goodwill through policy changes to Cuba that lift restrictions on family travel and remittances, restart semi-annual migration negotiations, and reduce restrictions on types of travel and remittances. At the same time, the Obama administration continues to talk about the poor human rights situation in Cuba and has repeatedly called for the release of US government subcontractor, Alan Gross, who has been imprisoned since late 2009 (Sullivan et al., 2012).

The expansion of CELAC’s cooperation with the EU and China brought this region to a better economic condition to reduce US dominance. Based on a report from the Economic Commission for Latin America and the Caribbean (ECLAC), regional economic growth was recorded at 6% in 2010.

These closer trade and investment links have been both a cause for and a result of the increasing number of trade agreements already in force or under negotiation that link various countries of the region with the European Union and Asia-Pacific. In this context of special opportunities and diversification of trading partners, the share of the United States of America in the region's trade has been shrinking. More importantly, there is a perception in Latin America and the Caribbean that the United States lacks strategic vision vis-à-vis the region.

The economic reforms have been achieved in the region over the past few decades, fiscal prudence and macroeconomic and good financial oversight, together with the commercial relations that are getting closer to China and other developing countries, have not only succeeded through the worst international crisis in the last 80 years. but also entering a new decade with promising growth prospects and quality of life. For the first time in history, this region achieved high growth, macroeconomic stability, poverty reduction and increased income distribution (CEPAL, 2011).

**CONCLUSION**

Mexican foreign policy joining CELAC in the midst of US criticism is an interesting phenomenon to analyze. The study of international relations regarding the formation of regionalism has largely reviewed about the motivation for the formation of regional organizations and cooperation which are influenced by political, economic and security
motivations. Even since the WTO supported regional economic integration, the development of the free trade blocs was increasingly massive after the 90s. This is influenced by negotiations at the international level which are complicated. As the Doha development agenda that surfaced in the Doha Round still leaves a dispute about agricultural subsidies. It means regional agreement would be the one of political alternative to penetrate trade liberalization and open market among member countries.

In practice, inter-regional trade negotiations are not an easy matter. The process of accommodating the interests of parties can take years, considering that each country is acknowledged as sovereign entity and pursues its national interests. Thus, the neoliberal approach in the aspect of regionalism raises a debate between market access to increase national income vs. agreement to common perspective in reducing import tariffs for regional welfare. This phenomenon turns into the complexity of the trade bloc in the American region which called as the 'noodle bowl theory'.

CELAC in this study describes the urgency of regionalism in the American region. The establishment of CELAC as a regional institution to achieve economic interests through free trade agreements between Latin American and Caribbean countries consist of Mexican political interest influenced by internal and external factors. Mexico as a country in North America is believed to have similar background of interests with the South America, Central America, and Caribbean countries under the sense of Latin America solidarity. Since its strategic relationship with the United States as Mexico's main trading partner and donor country, Mexican government tried to shift regional architecture in dealing with the policy to develop national capacity and legitimacy.

In addition, as the member of CELAC Mexican government gets greater opportunity to expand inter-regional partnership with the European Union. In dealing with recovery situation after the economic crisis, the economic cooperation between CELAC and the European Union give mutual benefits between member countries. This bi-regional economic agreement achieved based on former trade negotiation process that had run by Central America, the South America and the Caribbean countries. Therefore, by joining CELAC Mexican government get a chance to bring prospectus collaborative framework of cooperation throughout the American region.

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