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*Peripheral Realism versus Complex Interdependence: Analyzing Argentine and Mexican Foreign Policies since 1988**

Varun Sahni

In International Relations research, foreign policy analysis is an important tool in understanding how state élites view their country's place in the international system. Comparative foreign policy analysis, in particular, can provide us with important theoretical insights into the behaviour of states in the system. In this article an attempt is made to analyze and compare the changes in the foreign policy orientation of Argentina and Mexico since the late 1980s.

Argentina and Mexico are ideal cases for comparative foreign policy analysis. Both countries are middle powers in Latin America, and both have historically taken policy positions opposed to US interests in the region, although for very different reasons. In recent years, however, they have softened their anti-US stance through major policy changes.

The anti-US stance of Argentine diplomacy was the product of at least two factors. The first was Argentina's troubled relations with Brazil. This was due not only to rivalry between the two neighbours, but also their differing perspectives on the US role in the Western Hemisphere. Argentina perceived Brazil as seeking to establish its "sub-hegemony" in Latin America under the umbrella of US hegemony. This made Brazil the biggest impediment to the creation of Latin American solidarity under Argentina's leadership. The second factor was Argentina's close ties with Europe, based not only on its agro-exports to Great Britain and the Continent, but also to the predominantly European extraction of its population.

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Mexico's traditional antagonism towards the US may be traced back at least to 1848. In that year, under the terms of the Treaty of Guadalupe Hidalgo, Mexico was forced to cede a large part of its territory (from California to Texas)—which constituted half of its national territory—to the US for the paltry sum of \$15 million. While relations between the two did improve during the *porfiriato*,¹ US hostility and intervention during the Mexican Revolution made anti-US posture a cardinal feature of Mexican foreign policy. Through most of the twentieth century Mexican-US relations have remained troublesome if not conflictual. Specific issues have periodically arisen over the last 75 years to cloud bilateral relations between the two neighbours. However, it is undeniable that Mexico's opposition to US interests in Latin America was at least partly a legacy of the Mexican Revolution. Mexico's continuation of diplomatic relations with Cuba after 1959, in the face of US opposition, is a manifestation of this revolutionary legacy.

All the policy certainties of the past seem to have been steadily eroded over the last decade. Argentine diplomacy has evolved a new doctrine of *realismo periferico* (peripheric realism) during the presidency of Carlos Saul Menem (1989–99). Argentina can now be regarded as having one of the most pro-US policies in the hemisphere.² The change in direction of Mexican foreign policy has been less dramatic, but nevertheless substantial. By joining the North American Free Trade Agreement (NAFTA) during the *sexenio*³ of Carlos Salinas de Gortari (1988–94), Mexico had indicated that it is both a North American and a Latin American country, depending on whether it is defined geographically or culturally.⁴

This comparative policy analysis has a theoretical dimension too. An extensive study of the theoretical bases of the foreign policy changes in Argentina and Mexico in the post-Cold War period could significantly enhance our understanding of how middle powers deal with great powers in the international system and the regional subsystem. There is a tendency to explain Mexico's accession to NAFTA in terms

¹ The liberal regime of General Porfirio Díaz, president of Mexico from 1876 to 1880, and more enduringly from 1884 to the Mexican Revolution in 1911.

² It can be plausibly argued that in its search for development, Argentina has alternated between accommodating the major powers on their terms and seeking independence and autonomy from them. From this perspective, Argentina pursued a foreign policy of accommodation from the 1860s to the 1930s, followed by a foreign policy of autonomy from the 1940s to the 1980s; peripheric realism is therefore just another swing of the pendulum. There are, however, two important qualifications to this perspective: first, the pendulum would appear to swing in the *longue durée* and second, unlike in the past, this time Argentina is seeking greater engagement with the US rather than the European powers. I thank the anonymous referee of *International Studies*, for this historical insight.

³ "*Sexenio*": the six-year presidential term without re-election, an uninterrupted practice in Mexico since 1934.

⁴ A Mexican diplomat expressed it as: "*Estamos en Norteamérica pero somos latinoamericanos*" ("We are in North America but are Latin Americans"). According to the diplomat, it is incorrect to say that Mexicans are *both* North Americans *and* Latin Americans. As he explained to me, while the same verb "is" denotes both location and identity in the English language, in Spanish "being *somewhere*" and "being *something*" are denoted by the verbs "*estar*" and "*ser*" respectively.

of the well-known theory of complex interdependence, as developed by Robert O. Keohane and Joseph S. Nye.⁵ The policy changes in Argentina, on the other hand, appear to be driven by a radical new theory of peripheral realism, which has been enunciated most forcefully by Carlos Escudé.⁶ The theory of *realismo periférico* deserves our attention for at least three reasons. First, it represents a powerful post facto theoretical justification for the foreign policy changes in Argentina since 1989. Second, Carlos Escudé himself has played an important role in the evolution of this new foreign policy doctrine.⁷ Third, Escudé explicitly posits peripheral realism in opposition to complex interdependence. This is particularly important because it suggests that complex interdependence and peripheral realism are not merely competing explanations of policy, but rather two distinct bodies of theory with diametrically opposed policy implications.

This article is divided into three sections. In the first section, both the similarities and differences between Mexico and Argentina that have an impact on their respective foreign policies are analyzed. The second section focuses on Escudé's theory of *realismo periférico*, its explicit opposition to Keohane and Nye's theory of complex interdependence, and its ability to explain the changes in Argentine foreign policy since 1989. The final section explores whether peripheral realism can explain the foreign policy changes in Mexico since 1988, or, in contrast to the Argentine case, whether complex interdependence between the US and Mexico can provide a better explanation for foreign policy changes in the latter.

I

There are a number of reasons why Mexico and Argentina are suitable cases for a comparative foreign policy analysis. First, both countries are middle powers, which lack the system-influencing capabilities of the great powers, but whose size, power, and regional role nonetheless preclude them from being ignored by the great powers.⁸

⁵ See Robert O. Keohane and Joseph S. Nye, *Power and Interdependence: World Politics in Transition*, rev. ed. (Glencoe: Scott, Foresman & Co., 1989).

⁶ Carlos Escudé has developed and refined his theory of peripheral realism over the years. See Carlos Escudé, "Cultura política y política exterior: el salto cualitativo de la política exterior argentina inaugurada en 1989 (O breve introducción al realismo o periférico)", in Roberto Russell, ed., *La política exterior argentina en el nuevo orden mundial* (Buenos Aires: FLACSO/Grupo Editor Latinoamericano, 1992); Carlos Escudé, *Realismo periférico: fundamentos para la nueva política exterior argentina* (Buenos Aires: Planeta, 1992); and Carlos Escudé, *El realismo de los estados débiles: la política exterior del primer gobierno Menem frente a la teoría de las relaciones internacionales* (Buenos Aires: Grupo Editor Latinoamericano, 1995). The last book has been translated into English as Carlos Escudé, *Foreign Policy Theory in Menem's Argentina* (Gainesville: University Press of Florida, 1997).

⁷ In 1991–92, when the doctrine of peripheral realism was being formulated, Escudé was adviser to the Minister of External Affairs at the Palacio San Martín, the Argentine foreign ministry.

⁸ For a thorough analysis of the characteristics of middle powers, see Carsten Holbraad, *Middle Powers in International Politics* (New York: St. Martin's Press, 1984), especially chapter 3.

Both countries are located in the Western Hemisphere. This implies that their external environment, for most of the period of their existence as sovereign states, has been characterized by the regional hegemony of the US.⁹ In geo-strategic terms, both Mexico and Argentina are continental states with no real maritime tradition or culture. This is particularly so in the case of Argentina, whose territorial disputes with Britain and Chile are predominantly maritime in character.¹⁰

Second, both countries share Spanish colonial heritage, which has deeply influenced not only their social structures but also their political traditions, institutions, behaviour and culture. An example of this political heritage in the foreignpolicy arena is the strong diplomatic tradition of both countries, with particular emphasis on international law. This foreignpolicy orientation, along with the other factors mentioned in the previous section, has resulted in the traditional anti-US posture of both countries.

Finally, even though the political systems of both Argentina and Mexico were founded on liberal-constitutional values, both the countries have experienced a steady erosion of these liberal elements in the recent past. In the twentieth century, in particular, both have witnessed the growth of strong nationalist tendencies in the area of economic policy. In both the cases, this economic nationalism has been bolstered by their increasing self-sufficiency in petroleum, especially from the mid-1970s.

To these similarities must be added the processes of radical transformation that both countries have undergone since the late 1980s. The new trends in macro-economic and foreignpolicy in Argentina and Mexico have great contemporary relevance. Despite significant domestic opposition, neo-liberal restructuring has won considerable legitimacy and acceptability in both countries in a very short period of time. One of the important aspects of neo-liberal economic policy is an outward orientation of the economy. In the place of protectionist measures such as quotas and tariff barriers, neo-liberal policy aims at the complete integration of the country into the global economy. Thus, the rhetoric of South-South cooperation and the revisionist agenda for a new international economic order (NIEO), prevalent in the 1970s and early 1980s, are no longer relevant for either country. On the contrary, both have adopted a new status-quoist foreignpolicy that emphasizes close bilateral relations with the US. Indeed an important factor that has impelled Argentina and Mexico to neo-liberal restructuring has been their desire for closer economic links with the United States. Thus, at least apparently, both Argentina and Mexico are reconciled to the power reality of the existing international system

⁹ An excellent analysis of the impact of the regional hegemony of the US on Latin American middle powers can be found in David R. Mares, "Middle Powers under Regional Hegemony: To Challenge or Acquiesce in Hegemonic Enforcement", *International Studies Quarterly* 32 (December 1988), pp. 453–71.

¹⁰ On the difference between continental and maritime states, see Colin S. Gray, "Seapower and Landpower", in Colin S. Gray and Roger W. Barnett, eds, *Seapower and Strategy* (Annapolis: United States Naval Institute, 1989).

and the Western Hemispheric subsystem, and are desperately seeking the best possible deal for themselves.

If the similarities between Argentina and Mexico are impressive, so too are the differences. Perhaps the most significant difference is their respective sense of history. Mexico is the successor state not only to the *Virreynato de Nueva Espana* (Viceroyalty of New Spain) but also to the Aztec capital Tenochtitlan; Mexicans trace their ancestry to the Aztecs, the Mayas and the Olmecs. Argentineans, on the other hand, have tended to regard their country as a land of wide open spaces, as exemplified by the historical terms “*la conquista del Desierto*” (“The Conquest of the Desert”)¹¹ and “*gobernar es poblar*” (“To govern is to populate”).¹²

Another difference relates to the geographical location of both countries: Mexico as a part of North America, well north of the Equator; Argentina in the antipodes, one of the southernmost countries on the planet. History and geography have obviously had a differential impact on both countries: while Mexicans have never felt that they exist on the margin, the feeling of being on the periphery has always been an intrinsic aspect of Argentine identity.¹³ In terms of the ethnic composition, while Mexicans celebrate *mestizaje*,¹⁴ Argentinians emphasize their history of massive European immigration. Argentinians in general, and the Argentine élite in particular, have tended to identify with Western Christian civilization; Mexico’s cultural touchstone, in contrast, is its native *tradición guadalupana*.¹⁵

The impact of the Mexican Revolution and Peronism in the twentieth century, have also been radically different. After the initial years of turmoil, the Mexican Revolution produced a state structure and a governing ideology which united the people in a new consensus. The rise of Peronism, on the other hand, created the great schism in Argentine society between the Peronists and the anti-Peronists. Thus, while the Mexican Revolution had a unifying impact, the legacy of Peronism was entirely divisive. This fundamental difference is reflected in the respective political trajectories of both countries for most of this century: remarkable stability under the hegemony of a single political party in Mexico; perennial instability in Argentina due to the irreconcilable differences between the Peronists, their civilian opponents and the military.

¹¹ “The Conquest of the Desert”, a term commonly used in mainstream Argentine histories to describe the military campaign against the indigenous tribes of Patagonia.

¹² “To govern is to populate”, a slogan that summarises the positivist project of the “Generation of 1880” aimed at encouraging European immigration to the Pampas.

¹³ These radically different feelings of marginality will assume considerable importance when we consider the explanatory power of peripheric realism in relation to the foreignpolicy changes in Argentina and Mexico.

¹⁴ “*Mestizaje*”: mixture (of blood and culture). Mexico officially celebrates the biology and history of multi-ethnic and multicultural interaction by calling itself a *mestizo* (mixed-race) country, an auto-definition that is increasingly at odds with the manner in which indigenous groups in Mexico view their ethnic identity.

¹⁵ The cult built around the veneration of the Virgin of Guadalupe, the dusky Madonna who for two centuries has been the religious and secular centerpiece of Mexican national identity.

There are also significant differences in the socio-economic profiles of the two countries. Argentinians enjoy a much higher standard of living than Mexicans: Argentina's GNP per capita in 1995 was \$8,030 while in the case of Mexico it was \$3,320.¹⁶ Argentina is also the more urbanized country, with 88 per cent of its population in 1994 living in cities compared to 75 per cent in the case of Mexico.¹⁷ The infant mortality rate in Argentina in 1995 was 22 per 1,000 live births while in Mexico it was 33.¹⁸ In 1990, 5 per cent Argentinians and 13 per cent Mexicans were illiterate.¹⁹

Further, Argentinians and Mexicans differ in the manner in which they relate to their past. Nostalgic about a privileged position among the world's wealthiest countries, the Argentinians have suffered from a pervasive sense of national decline for most of the twentieth century. Such a sentiment is completely missing in Mexico: while many Mexicans feel that they are perpetually living in a crisis, there is no golden past to which they can look back.

An example of the Argentine sense of national decline is the obsession with the "lost territories" in that country, ranging from well-known territorial disputes over the South Atlantic islands and the Beagle Channel islands to the far more extravagant claims over Bolivia, Uruguay and Chile. The Argentine territorial obsession can be contrasted with Mexico's attitude toward the substantial territory that it lost to the US in the nineteenth century. Unlike the Falklands/Malvinas dispute, few analysts other than international lawyers have even heard of Mexico's dispute with France over the Clipperton island in the central Pacific.

These radically different approaches towards the territorial issue are even more striking when we consider the centrality of *la tierra* (land) in the ideological discourse of the Mexican state. Unlike the Argentine *gaucho* (cowboy), the *campesino* (peasant) has been at the heart of Mexican political rhetoric since the revolution. The respective attitudes of the two countries to the territorial question are indeed paradoxical. While Argentina, the country of wide open spaces, has waged war to regain the territory that it claims, the territorial issue does not feature in the foreign-policy concerns of Mexico, a country whose governing regime is based on the promise of land to its most deprived citizens.

The two countries also differ in the nature of their links with the US. Unlike Argentina, Mexico has always looked northwards, an obvious product of its geographical proximity to the US. The vast difference in the closeness of Mexico and Argentina to the US is amply reflected in their trade transactions with the latter. In 1993, 78.42 per cent of Mexico's total exports were to the US as compared to only 9.06 of Argentina's total exports. In the same year, Mexico's total imports from the US stood at 68.24 per cent, while in the case of Argentina it was 22.61 per

¹⁶ *The World Bank Atlas 1997*, pp. 36–37.

¹⁷ The World Bank, *World Development Report* (1996), p. 205.

¹⁸ *The World Bank Atlas 1997*, pp. 16–17.

¹⁹ *The World Bank Atlas 1996*, pp. 8–9.

cent.²⁰ What is even more significant is that Mexico is now the third largest trading partner of the US, after Canada and Japan; recent trends suggest that Mexico will soon edge out Japan and move into second place. Thus, as the Peso crisis of 1994 demonstrated, developments in Mexico are crucial to the US economy. A similar importance cannot be attached to Argentina.

Yet another difference between Argentina and Mexico is the degree of emphasis they place on traditional national security concerns. The Argentine élite placed considerable importance on military power, particularly during the years of rivalry with Brazil and Chile. Indeed, Argentina was one of the few countries in the world after the Second World War where geopolitical and geo-strategic notions flourished and had a distinct policy impact.²¹ Mexico, on the other hand, did not attach importance to military power and began marginalizing its armed forces in the late 1930s.²²

Finally, although both Argentina and Mexico have made significant changes in their foreign policies since the late 1980s, particularly with regard to their relations with the US, only Argentina has come close to enunciating a new foreign policy doctrine. Mexico's approach to the changes in its foreign policy has been far more nuanced and subtle than Argentina's.

II

There has undoubtedly been a qualitative change in Argentina's foreign policy since 1989, which has been systematically explained by Carlos Escudé through his theory of peripheric realism.²³ First, under Carlos Saúl Menem it has recognized the leadership of the US in the Western Hemisphere. It has not hesitated to follow the US lead on international issues in which its own material interests are not involved. These include issues on which there is a consensus within the Western bloc, such as the Persian Gulf War, during which Argentina was the only Latin American country to commit its forces, or issues which broadly reflect or are in accordance with the "fundamental values" of democratic Argentina, such as human rights violations in Cuba. Escudé's argument is that Argentina should oppose US policy

²⁰ International Monetary Fund, *Direction of Trade Yearbook*, 1994. Quoted in Guadalupe González and Jorge Chabat, "Mexico's Hemispheric Options in the Post-Cold War Era", in Gordon Mace and Jean-Philippe Therien, eds, *Foreign Policy and Regionalism in the Americas* (Boulder: Lynne Rienner Publishers, 1996), p. 41.

²¹ See Jack Child, *Geopolitics and Conflict in South America: Quarrels Among Neighbors* (New York: Praeger Publishers, 1985); Philip Kelly, *Checkerboards and Shatterbelts: The Geopolitics of South America* (Austin: University of Texas Press, 1997); and Virginia Gamba-Stonehouse, *Strategy in the Southern Oceans: A South American View* (London: Pinter Publishers, 1989).

²² See Mónica Serrano, "The Armed Branch of the State: Civil Military Relations in Mexico", *Journal of Latin American Studies*, vol. 27, no. 2 (May 1995), pp. 423–48.

²³ See Escudé, "Cultura política y política exterior", pp. 185–93.

only when its material interests are adversely affected by US actions, but even in those cases it should manage the conflict as prudentially as possible. In cases where US policy, while not affecting Argentina's material interests, is nevertheless contrary to its fundamental values, it should stay aloof from the US without gratuitously offending the latter. Finally, Argentina should take a principled and moralistic stand only on those issues that do not impose a material cost upon it, and which do not bring it in confrontation with the US.

Several developments in Argentine foreignpolicy since 1989 are notable in this context. Argentina re-established diplomatic relations with Britain and resolved the costly Malvinas dispute. It continued the process, initiated during the previous administration of Raúl Alfonsín (1983–89), of strengthening links with Brazil, particularly in Mercosur,²⁴ and of trying to resolve the boundary dispute with Chile. Argentina buried the nuclear hatchet with Brazil, signed the Tlatelolco Treaty and the Nuclear Non Proliferation Treaty, and agreed to joint International Atomic Energy Agency (IAEA) safeguards with Brazil of its nuclear facilities. Furthermore, Argentina deactivated its Cóndor II missile programme, which was aimed at developing an intermediate range ballistic missile with funding from Iraq and Libya. While it sought to develop its relations with the European Union (EU), it was a member of the Cairns Group of agro-exporting countries that opposed both the US and the EU during the Uruguay Round of GATT negotiations.

There are two central notions upon which Escudé bases his theory of peripheric realism. The first notion is that of a citizen-centric foreignpolicy. Escudé is extremely critical of standard "Anglo-American" International Relations theory, which privileges the state by treating it as the basic unit in the international system. This, Escudé argues, in effect privileges ruling élites at the cost of the common people who do not in many countries have even the most basic civic and human rights. The other notion relates to the question of development, which is of crucial importance to economically weak states. In weak states, all policy, domestic and external, must be aimed at economic development not only because that is the only way they can gain power, but also because it is in the best interests of the common citizen.

Thus, peripheric realism is in complete disagreement with structural realism, which regards security as the central problematic of international relations and states as the basic unit in the international system. It is also not in agreement with classical political realism. However, what is of particular interest to us is Escudé's criticism of the complex interdependence theory of Keohane and Nye.²⁵

The first aspect of complex interdependence that Escudé criticizes is the notion that there is no longer a hierarchy of issues in the international system. While agreeing with Keohane and Nye that military power has indeed been devalued in current international politics, he insists that a clear hierarchy of issues continues to exist for weak states. Given their central problematic of economic development,

²⁴ *Mercado Común del Cono Sur*, the Common Market of the Southern Cone.

²⁵ See, in particular, Escudé's chapter, "How Peripheral Realism Differs from Complex Interdependence", in Escudé, *Foreign Policy Theory in Menem's Argentina*, pp. 103–27.

weak states have no option but to fear the economic weapon even more than the military one. Furthermore, the possibility of issue linkages, far from increasing the freedom of action of weak states, has put them in a more disadvantageous position than before.

Escudé also criticizes the idea that the increasing cost of issue linkages for the powerful states will inevitably increase the manoeuvring space for weak states. He argues that this reasoning does not take into account the relatively far greater costs that the weak states have to bear for any action that they may undertake. He questions the notion of increased global interdependence, and further argues that the few indications of increased interdependence that do exist have little relevance to the non-OPEC developing countries, which have become *more* and not less dependent on the industrialized countries. Escudé is very critical of the idea that international organizations increase Third World power by pointing out that in powerful organizations such as the UN Security Council and the Bretton Woods Institutions, the “one-state-one-vote” norm does not prevail.

But perhaps the most powerful theoretical contribution of Escudé is to question the concept of “autonomy”. He questions the widely accepted assumption that autonomy leads to development, and argues that the opposite causal relationship, that development leads to autonomy, is far more convincing. He makes a distinction between the exhibition of autonomy, which he considers a mere consumption of autonomy, and the use of autonomy to generate more power, which he terms as an investment of autonomy. As he puts it, “autonomy should be defined in terms of the costs of using the freedom of choice and manoeuvre that any middle-sized state has almost limitlessly.”²⁶

Several of the issues that Escudé raises are undoubtedly valuable. As one of the formulators of the foreignpolicy changes in Argentina since 1989, Escudé is able to provide a strong theoretical rationalization and post facto justification of the new Argentine policy. But he does not succeed in showing whether the new policy will deliver the goods to Argentina. The moot question is: why should a powerful state like the US pay any attention at all to a weak and peripheral state like Argentina? On the face of it, an assertive and somewhat troublesome middle power should be able to garner far more policy attention in Washington than a distant but well behaved middle power.

To avoid being ignored by the great power, a well behaved middle power has no option but to seek an alliance relationship or partnership with the former. That is what Mexico has succeeded in doing vis-à-vis the US during the Salinas *sexenio*. The section that follows will evaluate the relevance of peripheral realism as an explanation of the foreign policy changes in Mexico since 1988.

III

An indication of the new level of US-Mexican relations is that regular summit meetings have become a significant feature of their bilateral relations over the last

²⁶ Ibid., p. 124.

few years. This has also demonstrated the increasing importance of Mexico in US foreign policy concerns. Bilateral trade has become the single most important issue between the two countries.

The November 1997 visit of Mexican President Ernesto Zedillo to the US became a significant indicator of the new level of the US-Mexican relationship. During this “working visit” Zedillo met US President Bill Clinton. The two presidents reviewed the progress of NAFTA during the meeting, which has been deemed by both sides to be a “modest success”. Further, they also discussed issues related to drugs and Mexican immigration to the US.

In May 1997, Clinton and Zedillo signed the US-Mexican counter-drug programme. Despite the joint agreement, distrust and lack of cooperation between the US and Mexican drug enforcement agencies persisted at the operational level. As evidence mounted that the control of cocaine trade had shifted from Colombian to Mexican groups, the importance of drug enforcement in bilateral relations increased. In October 1997, Mexico proposed a new \$24 million initiative that would substantially expand US operational support to detection and monitoring missions in Mexican airspace and territorial waters. This was strongly supported by the White House.

Trade and drugs issues are linked to each other. Increased trade between the US and Mexico implies not only a greater flow of goods between the two countries but also a more open border. An open border obviously increases the possibility of drug trafficking. As many recent opinion polls in the US indicate, trade, drugs, immigration and nuclear proliferation are the four most important foreignpolicy concerns of the American people. Given their salience in US public opinion, it is perhaps inevitable that trade, drugs and immigration would dominate US-Mexican relations.

It would therefore appear that several of Escudé’s criticisms of complex interdependence simply do not apply to Mexico and its relations with the US. Let us recast the three main characteristics of Keohane and Nye’s formulation of complex interdependence²⁷ in the context of US-Mexican relations. First, multiple channels—interstate, transgovernmental and transnational—connect the countries in a criss-crossing web of relationships. Second, the interstate agenda between the two countries consists of multiple issues—trade, drugs and immigration—that are not arranged in any clear hierarchy of importance, and which furthermore are linked to one another. Finally, the use of military force by either country is totally inconceivable.

What does this tell us about the relationship between peripheric realism and complex interdependence? While peripheric realism gives us a satisfactory account of the foreignpolicy changes in Argentina since 1989, it does not seem to have much explanatory value for the changes in Mexican foreignpolicy since 1988. Mexico’s relations with the US, particularly in the period since NAFTA, are much more convincingly explained by the complex interdependence between the two countries.

²⁷ See Robert O. Keohane and Joseph S. Nye, *Power and Interdependence: World Politics in Transition* (Boston: Little, Brown, 1977), pp. 24–25.

Does this then mean that these two theories provide competing explanations of the predicament of developing middle powers? Jorge Chabat has pointed out that in recent years some developing countries “have developed links of interdependence while others have remained dependent on core countries or, worse, excluded from the dynamics of the core altogether”.²⁸ This is an extremely useful clue because it suggests that developing middle powers are at different levels of interdependence with the core powers. Thus, peripheral realism could be the preferred strategy for Argentina to develop greater interdependence with the core, but would have little utility for Mexico, whose relations with the US already display all the characteristics of complex interdependence. In this sense, peripheral realism and complex interdependence are not competing but complementary theories. A foreign policy based on peripheral realism, in this formulation, would *precede* a foreign policy based on complex interdependence.

While concluding it must be pointed out that this attempt has not taken into account simultaneous changes that occurred in the international situation and in the global power configuration. A satisfactory explanation of the foreign policy changes in Mexico and Argentina must necessarily focus not only on endogenous factors like a new doctrine of peripheral realism, but also on exogenous factors like the historic implosion of the Soviet Union and the resultant structural changes in the international system.²⁹

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²⁸ Jorge Chabat, “Mexican Foreign Policy in the 1990s: Learning to Live with Interdependence”, in Heraldo Muñoz and Joseph S. Tulchin, eds., *Latin America in World Politics* (Boulder: Westview, 1996), p. 151.

²⁹ Escudé would probably contest this assertion. As he puts it, “the recipe of what the foreign policy of a country such as Argentina should or should not be would remain relatively unaltered, with or without a *pax americana* The discussion over the new world order . . . is relatively irrelevant from the point of view of what should be Argentina’s foreign policy strategy” Escudé, “Cultura política y política exterior”, pp. 169–70. My translation.