

***IMPLICACIONES DE LA VISITA DEL PREMIER  
WEN JIA BAO A AMÉRICA DEL SUR EN JUNIO DE  
2012***

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- *China's New Policy Initiatives toward LAC*
- *China-Mexican Strategic Partnership:*  
*¿A Missing story?*
- *China-Mexican Relationship Future*

- *China's New Initiatives by Premier Wen Jiabao's Speech in ECLAC in June 2012*
- **1. China-LAC Cooperation Forum**
- *Dialogue Mechanism with CELAC Troika*
- **2. China-LAC Cooperation Fund**
- *First Tranche of **US\$5 billion** by Chinese financial institutions*

### **3. Special Infrastructure Loan**

**US\$10 billion** by China Development Bank

### **4. Industrial Cooperation Mechanism**

### **5. Currency Swap**

### **6. China-LAC Agricultural Ministers' Forum**

(1) Emergency Food Reserve Mechanism

(2) Agricultural Fund: **US\$50 million**

- **7. *People-to-People Friendship***
- *(1) Chinese Cultural Centers*
- *(2) 5,000 scholarships in the next five years*
- *(3) Scientific and Technological Innovation Forum*
- *(4) China-LAC Young Political Leaders' Forum*
- *(5) Tourism Facilitation Mechanism*

## *China and Mexico*

### ***¿A Missing story?***



- *A famous Confucius saying:  
**Man at forty years old does not have  
any doubt in his whole life.***

*Is True for China-Mexican 40 years ?*

# Historical Perspective: Mexico and China

- According to the official diplomatic archives from the 1950's to the 1960's, declassified by the Ministry of Foreign Affairs of P.R.C:

***Mexico was the first LAC country to express her desire in informal ways to establish diplomatic relation with the New China through her embassies in Poland, the Soviet Union and Hungary.***

- ***On January 21, 1959, when Mao Zedong met with Mexican former President Cardenas in Beijing, Mao said:***
- *“We are very interested in Latin America. Latin America has a large population. Only the big powers intimidate us.*  
*The United States, Britain, France and other countries so far do not want to deal with us with the attitude of equality. There is a reason that they believe they are capable, but we are not.....Through the joint efforts of several continents, we can finally catch up with them*  
*.....*



- *We believe that the events in Cuba is very important. Asians should support their struggle against the United States..... If Mexico also does a good thing, your people are to do good things for our common benefit. ....*
- *The Event of Cuba serves our mutual interest, although we do not know any Cuban People....."*

## China-Mexican Cooperation Institutional Mechanism

Year	Mechanism	Agenda
1975	The Joint Commission on Trade and Economic Cooperation	In 1998, the tenth meeting
1978	The Joint Committee on Cultural and Educational Cooperation	In 2003, the eighth meeting
1993	The Political Consultation Mechanism	In 2011, the eleventh consultation
2003	The Strategic Partnership	
2004	The Permanent Bi-national Commission: five working groups	In 2012, the fifth meeting, Two Joint Action Program (2006~2010 and 2011~2015)
2008	The Strategic Dialogue	In 2011, the second dialogue
2010	The Congress Dialogue	In May 2012, The second dialogue in May 2012

# ***Strategi Partnership: Asymmetrical***

- ***1. The Bilateral Level:***
- *(1) Historical Asymmetry*
- *China and Mexico historically enjoyed high similar positions in the Third World block.*
- *In 2005, a landmark for the bilateral relationship.*
- ***From 2001 to 2011, China and Mexico signed 39 agreements, 17 of which were signed in 2005, more than the total number of bilateral agreements reached from 2006 to 2011.***

## *(2) Field Asymmetry*

- The economic relation enjoys more heat than the political relation.*
- The International companies and small-medium-sized private firms are the main motors of the trade growth*
- The national companies have lower participation in important investment projects than in South America.*

### *(3) Driving-role Asymmetry*

- The driving-force dominated by Mexican political elite in the 1970' s had shifted to trade groups since the 1990's.*
- Mexican trade groups are divided in face of Chinese markets and competitors.*
- Scholars Pushing Force*

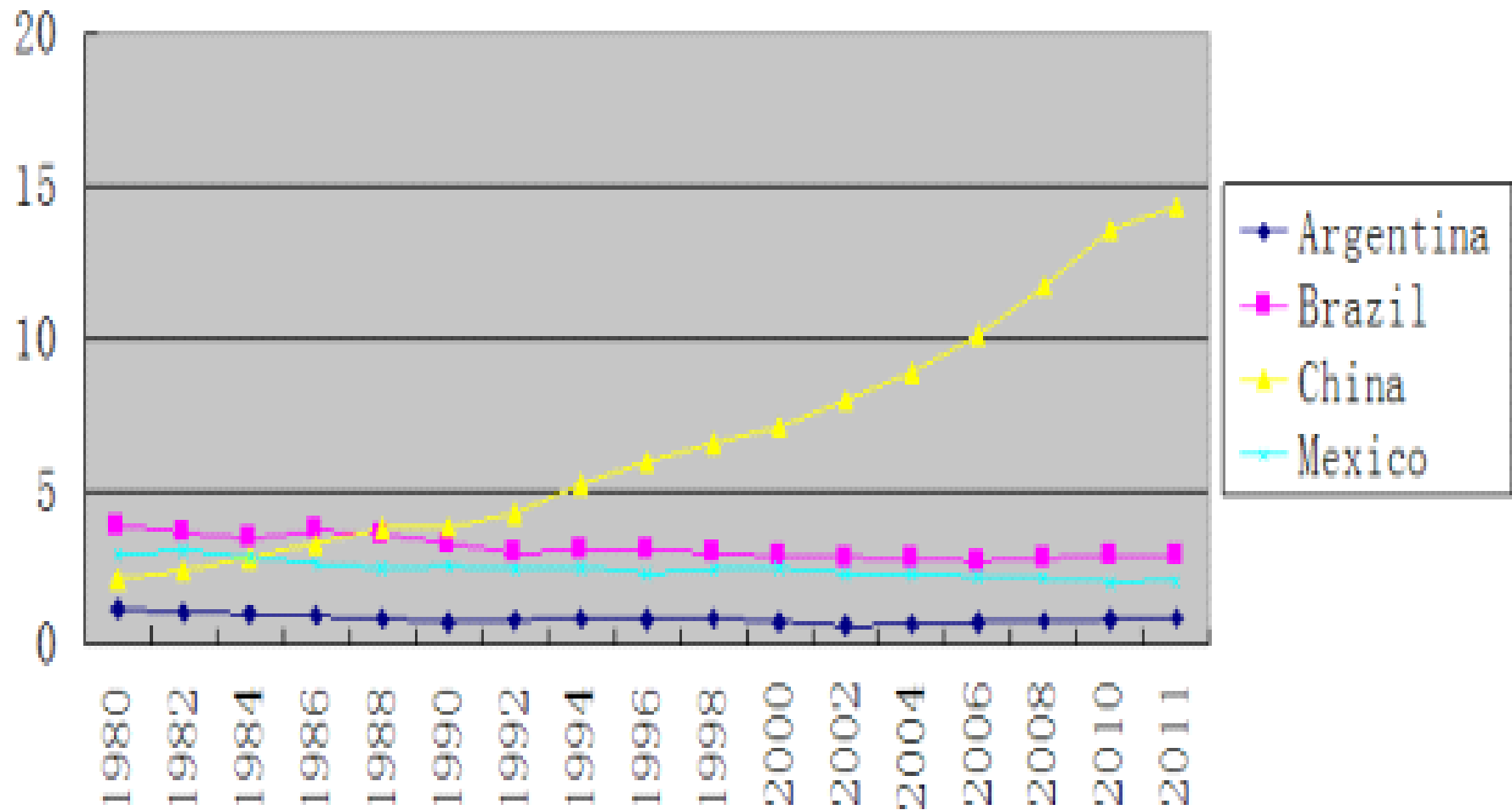
## ***2. The Regional Level: Country's Weight asymmetry***

- *China-Mexican relationship seems to have lost its own weight in New China-LAC relation landscape.*
- *China-LAC Caribbean Forum*
- *Trans-Pacific Partnership*
- *Pacific Alliance: Mexico, Colombia, Chile, Peru*

# *The Global Level: Power Growing Asymmetry*

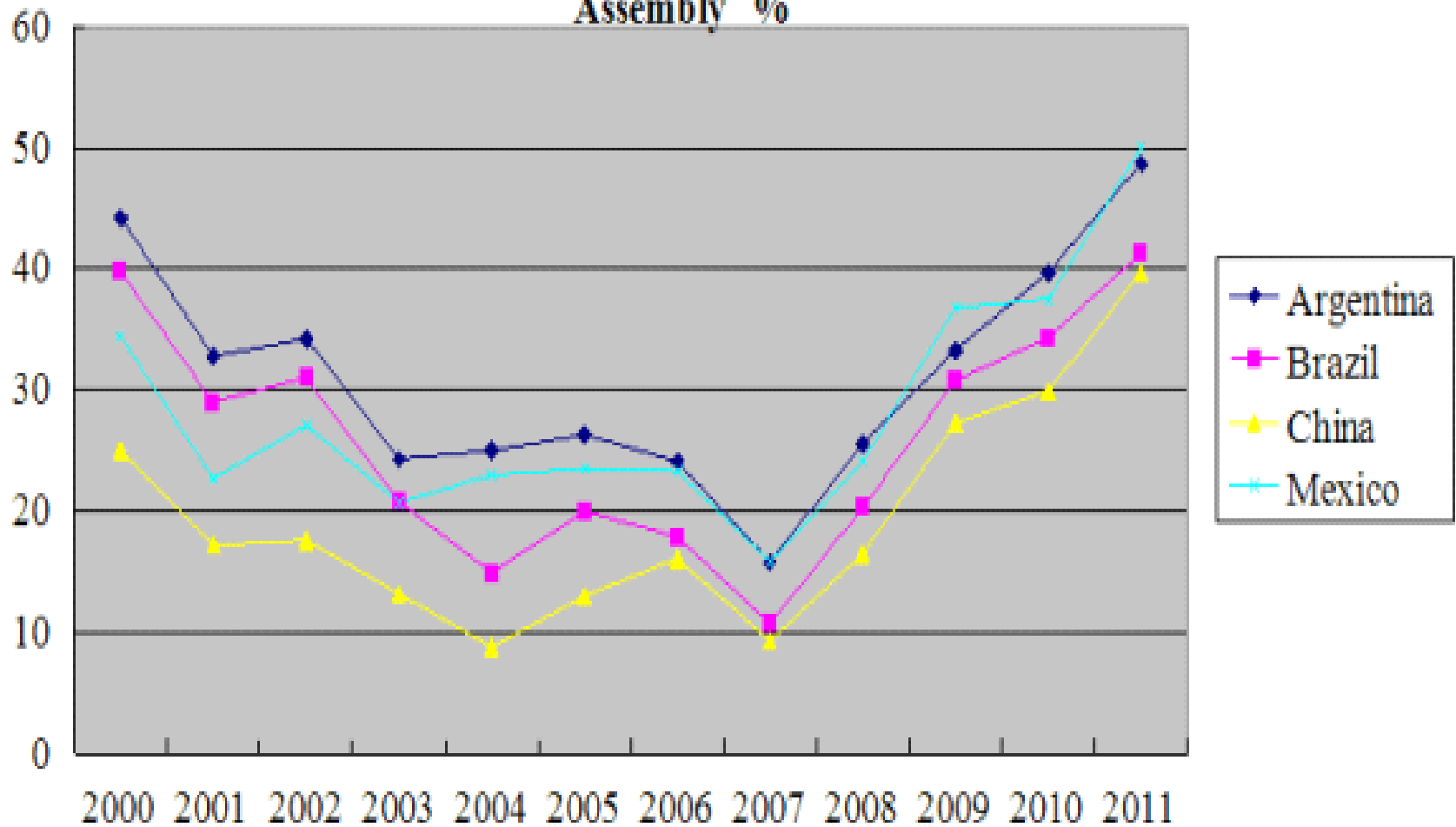
- *China and Mexico coordinate and cooperate within the UN, G-20, WTO, APEC, etc in the global governance transition*
- *G8+5 Group: China, Brazil and Mexico*
- *Bricks: China and Brazil, Mexico ?*

**Figure 1:GDP (PPP) share of world total %**





**Figure 2: Identical Vote Percentage With U.S in UN General Assembly %**



# China and Mexico in WTO Dispute 2003~2011

- *Mexico and U.S Alliance against China in WTO:*
- *The Perception is True ? In what field ? To what extent ?*
- *If Mexico adopts a strategy of following U.S in WTO dispute settlement against China, what would be the tactic response from China?*
- *Trade frictions between Mexico and China makes two countries politically alienated ?*
- *Or, Political alienation hinders bilateral economic cooperation leap-forward ? Other reasons ?*

# Mexico's trade dispute cases against China in WTO

Case Number	Received Time	Case Title
DS359	February 2007	Certain Measures Granting Refunds, Reductions or Exemptions from Taxes and Other Payments
DS388	December 2008	Grants, Loans and Other Incentives
DS398	August 2009	Measures Related to the Exportation of Various Raw Materials

# IMF: Percentage Shares of Total Quota

	Pre-Singapore	August 29, 2012	Post-2008 Reform	Post-2010 Reform
<b>U.S</b>	<b>17.380</b>	<b>17.69</b>	<b>17.670</b>	<b>17.407</b>
<b><i>China</i></b>	<b><i>2.980</i></b>	<b><i>4.00</i></b>	<b><i>3.996</i></b>	<b><i>6.394</i></b>
Brazil	1.420	<b>1.79</b>	1.783	2.316
<b><i>Mexico</i></b>	<b><i>1.210</i></b>	<b><i>1.52</i></b>	<b><i>1.521</i></b>	<b><i>1.869</i></b>
Venezuela	1.244	<b>1.12</b>	1.115	0.781
Argentina	0.990	<b>0.89</b>	0.888	0.669
Chile	0.401	<b>0.36</b>	0.359	0.366
Colombia	0.362	<b>0.33</b>	0.325	0.429
Peru	0.299	<b>0.27</b>	0.268	0.280

Source: IMF, Quota and Voting Shares Before and After Implementation of Reforms Agreed in 2008 and 2010.

# IMF: Percentage Shares of Total Voting

	Pre-Singapore	August 29, 2012	Post-2008 Reform	Post-2010 Reform
<b>U.S</b>	<b>17.023</b>	<b>16.75</b>	<b>16.727</b>	<b>16.479</b>
<b>China</b>	<b>2.928</b>	<b>3.81</b>	<b>3.806</b>	<b>6.071</b>
Brazil	1.402	<b>1.72</b>	1.714	2.218
<b>Mexico</b>	<b>1.96</b>	<b>1.47</b>	<b>1.467</b>	<b>1.796</b>
Venezuela	1.229	<b>1.08</b>	1.084	0.767
Argentina	0.981	<b>0.87</b>	0.869	0.661
Chile	0.403	<b>0.37</b>	0.369	0.376
Colombia	0.366	<b>0.34</b>	0.336	0.435
Peru	0.304	<b>0.28</b>	0.282	0.294

Source: IMF, Quota and Voting Shares Before and After Implementation of Reforms Agreed in 2008 and 2010.

# International Bank for Reconstruction and Development Subscriptions and Voting Power of Member Countries. as August 23 , 2012

	Subscription	Percent of subscription	No of Votes	Percent of Vote
<b>U.S</b>	<b>28,118.3</b>	<b>16.44</b>	<b>281,718</b>	<b>15.55</b>
<b>China</b>	<b>5886.4</b>	<b>3.44</b>	<b>59,399</b>	<b>3.28</b>
Brazil	3328.7	1.95	33,822	1.87
<b>Mexico</b>	<b>1880.4</b>	<b>1.10</b>	<b>19,339</b>	<b>1.07</b>
Venezuela	2036.1	1.19	20,896	1.15
Argentina	1791.1	1.05	18,446	1.02

Source: World Bank.

# International Bank for Reconstruction and Development (IBRD) 2010 Voting Power Realignment

	Pre-Phase	Voice Reform-Phase 1	Voice Reform-Phase 2
U.S	16.36%	15.85%	15.85%
Japan	7.85%	7.62%	6.84%
<b>China</b>	<b>2.78%</b>	<b>2.77%</b>	<b>4.42%</b>
Germany	4.48%	4.35%	4.00%
France	4.30%	4.17%	3.75%
United Kingdom	4.30%	4.17%	3.75%
India	2.78%	2.77%	2.91%
Russian Federation	2.78%	2.77%	2.77%
Saudi Arabia	2.78%	2.77%	2.77%
Italy	2.78%	2.71%	2.64%
<b>Brazil</b>	<b>2.07%</b>	<b>2.06%</b>	<b>2.24%</b>
<b>Mexico</b>	<b>1.18%</b>	<b>1.17%</b>	<b>1.68%</b>

# Possible Explanation Approache

- **1. Economic Approach**
  - More competition than Complementarity?
- **2. Political Approach**
  - Lack of the driving-force for a strategic turning-point?
- **3. Geopolitical Approach**
  - the U.S factor: in what field? to what degree?



- *4. Trade Groups and Party Politics Approach*
- *PAN party two terms ?*
  
- *5. Social Perception Perspective*
- *Euro-American centrism exist ?*

# China-Mexican Future

- *China regards Mexico from the strategic perspective and long term*
- *(1). More clarified strategic position.*
- *(2). Higher political level in need.*
- *(3). Cooperation effectiveness.*
- *(4). Consistent policy in need*

**MUCHAS GRACIAS**

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