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Luis Videgaray, a close ally of President Enrique Peña Nieto, has returned to the Mexican Cabinet after a four-month absence to assume the role of foreign relations secretary. Videgaray had left his Cabinet post as finance secretary after reports emerged that he was a prime mover behind Peña Nieto’s surprise meeting with then-US presidential candidate Donald Trump in Mexico City in late August (SourceMex, Sept. 7, 2016, and Sept. 14, 2016). Trump is deeply unpopular in Mexico.

Videgaray was chosen to head the Secretaría de Relaciones Exteriores (SRE) to help build a bridge between the Mexican government and President-elect Trump, who won the US election despite a myriad of polls that had predicted a victory for rival Hillary Rodham Clinton. He replaces Claudia Ruiz Massieu as Mexico’s top diplomat. Ruiz Massieu attempted to step down in the wake of Trump’s controversial visit to Mexico, but Peña Nieto declined to accept her resignation. Videgaray stepped down instead.

Videgaray is the third person to hold the post of foreign relations secretary during the Peña Nieto government. Current Finance Secretary José Antonio Meade was the first Cabinet official to serve as head of the SRE before the president moved him over to the social development ministry (Secretaría de Desarrollo Social, SEDESOL).

Peña Nieto announced Videgaray’s appointment in the same press conference where he attempted to justify an increase in gasoline prices (SourceMex, Jan. 4, 2017). The president openly acknowledged that the move was intended to help him develop a closer working relationship with the incoming Trump administration, which has already taken some actions that are considered harmful to Mexico. For example, Trump has threatened to levy tariffs on products manufactured by US companies in Mexico and other countries. The threat prompted US automaker Ford to cancel plans to open a new site in the state of San Luis Potosí.

Trump policies could also reduce US investments in Mexico if the president-elect follows through with a proposal to renegotiate the North American Free Trade Agreement (NAFTA).

Looking for ‘basis for dialogue’

Mexicans are also concerned about Trump’s threat to deport large numbers of undocumented Mexicans living in the US and about his proposal to expand and strengthen a wall along the US-Mexico border to deter illegal immigration.

Given the challenge of dealing with the president-elect, Peña Nieto said he instructed Videgaray to initiate contacts with key officials of the new administration in order to establish the basis for dialogue on Inauguration Day, which is on Jan. 20.

“This should be a relationship that allows us to strengthen bilateral ties in the areas of security, migration, trade, and investment,” Peña Nieto said at his press conference. “These objectives must
be reached while always putting a priority on the interests of Mexico and protecting the sovereignty and dignity of Mexicans.”

The president emphasized that the SRE under Videgaray’s leadership would continue to put a high priority on protecting the rights of all Mexicans residing in the US. In addition, he said Videgaray had been instructed to continue to foster Mexico’s leadership role in the region. “The SRE must continue its focus on Central America and the mechanisms we have for integration, including the Pacific Alliance,” Peña Nieto said. “It should be a priority for us to continue strengthening our relationship with the largest economies in the world, particularly the members of the Group of 20 [G20].”

The appointment of Videgaray to the SRE received strong support from experts, although the positive opinions were not universal. Some analysts noted that in the midst of his criticisms of Mexico during the electoral campaign, Trump took time to praise Videgaray as a “wonderful man.”

Antonio Attolini, a financial expert, said Videgaray has a strong record at the finance ministry (Secretaría de Hacienda y Crédito Público, SHCP), and this should serve him well in his new role as top diplomat. “He has extensive experience in the multinational arena and in high-level meetings. He would be an asset during dealings with the G20,” Attolini told Radio Fórmula.

Attolini said Videgaray is the right person to ensure that Mexico’s interests are met in a potential renegotiation of NAFTA, a proposal that Trump put forth constantly on the campaign trail. “Luis Videgaray was part of the team that negotiated the original text of NAFTA, and he is well positioned to lead Mexico in any negotiations.”

Analyst Chumel Torres, who also took part in the Radio Fórmula program, drew a strong contrast between Videgaray and Ruiz Massieu. “The departure of Claudia Ruiz Massieu is very timely,” said Torres. “She did not accomplish much at the helm of the SRE.”

Duncan Wood, director of the Mexico Institute at the Woodrow Wilson International Center in Washington, DC, also expressed support for Peña Nieto’s decision to appoint Videgaray to the SRE post. “He is the appropriate person for the situation, not only because of his connections with [Trump’s visit to Mexico], but because he is a man that the president-elect respects,” Wood said in an interview with the official news agency Notimex. “This is very important because there is a high probability that Trump will listen to the opinions of someone he respects.”

Wood said Videgaray has demonstrated strong negotiating skills and a knack for dealing with a variety of personalities. “We envision a future where there will be much negotiation between the two countries, including such areas as NAFTA, the border wall, migration, and security,” said the US-Mexico expert. “It is worthwhile to have someone [heading the SRE] who has a strong capacity to negotiate.”

Others suggested that Videgaray’s role would go beyond dealing with the US executive branch. Spokespersons for the organization representing the maquiladora (foreign-owned factories) industry (Consejo Nacional de la Industria Maquiladora y Manufacturera de Exportación) said they expected Videgaray to develop strong connections in the US Congress.

**A lack of diplomatic experience**

However, some detractors suggested that the move was primarily political, and that someone with extensive diplomatic experience should have been appointed to head the SRE. “I am a critic of this
decision,” said Salvador Espinosa, a fellow at the Center for US-Mexico Studies at the University of California, San Diego. “I do not believe that Videgaray has the adequate profile for the job. I am not only against this appointment, but have opposed all appointments of individuals who have not had any experience in foreign relations.”

According to the daily business newspaper El Financiero, only two recent foreign relations secretaries, both women, have had experience in foreign relations before their appointment to head the SRE. They are Rosario Green, who served under ex-President Ernesto Zedillo (1994-2000), and Patricia Espinosa, who led the foreign relations ministry during the administration ex-President Felipe Calderón (2006-2012).

Other skeptics suggested that Videgaray’s appointment was an effort on the part of Peña Nieto to keep his close ally politically relevant ahead of the 2018 presidential election. “His designation appears to be a strategy [on the part of the governing Partido Revolucionario Institucional, (PRI)] to stabilize the relationship with the US,” Pablo Enríquez, an expert on migration issues, told El Financiero. “He appears to have a direct relationship with some members of Trump’s Cabinet, and this would facilitate direct conversations with Trump.”

Enríquez added, “This is a strategy to relaunch Videgaray as the candidate for the PRI in 2018.”

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