

Thirty Years and Countless Achievements. The OECD and Mexico from the Perspective of the OECD Centre for Latin America and the Caribbean

*Treinta años y tantos logros. La OCDE
y México desde la perspectiva del Centro
de la OCDE para América Latina y el Caribe*

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Abstract

This article reflects on the relationship between the OECD and Mexico as a mutually beneficial and transformative process. It discusses how Mexico has benefited from membership and at the same time made invaluable contributions to the Organisation's essence, knowledge and sensibility. Focusing mainly on the Gurría and Cormann eras, it analyzes how these secretary-generals have helped strengthen these interactions, this complex interdependence, each in their own unique way, while envisaging a new chapter in collaboration with the OECD that proposes strong support for the administration of Mexico's first female president.



Resumen

En este artículo se reflexiona sobre la relación entre la OCDE y México como un proceso mutuamente transformador y benéfico. Plantea cómo México se ha beneficiado de la membresía y al mismo tiempo aportado gran valor a la esencia, conocimiento y sensibilidad de la Organización. Se enfoca principalmente en la era Gurría y la era Cormann, exponiendo como ambos secretarios generales han contribuido, a su manera y con diferencias, a fortalecer esta interacción, esta interdependencia compleja. Al mismo tiempo abre el horizonte para una nueva luz en la colaboración, proponiendo un apoyo fuerte de la OCDE al Gobierno de la primera presidenta de México.



Keywords

OECD, Mexico, cooperation, development, policies, reforms, inclusion



Palabras clave

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A transformative event

Mexico's admission to the Organisation for Economic Co-operation and Development (OECD) in 1994 was a transformative event, for Mexico, but also for the OECD. Over the following thirty years, Mexico was to become one of the most active countries in the Organisation, one that not only benefitted from membership, but that tangibly influenced its evolution.

During the accession process and the early years of its membership, the Mexican government made one of the greatest efforts in the country's recent history to modernize its laws, standards, regulations, institutions and statistics, so as to bring the essence of its public administration into line with the averages, standards and best practices of the more advanced economies. It was an existential metamorphosis of the Mexican State, a stretching of capacities, not always linear or constant, not always homogeneous or inclusive, but unequivocally driven, guided and led by clear political convictions and a group of determined statesmen and women of the highest level. The clash between the radical reforms that membership required and the contrasting levels of development of the country's different regions was evident to many onlookers. As were the potential benefits in terms of confidence, investment, ratings, certifications, greater transparency, prestige and appeal on international markets.

It was a complex, controversial and delicate process. Like few other years, 1994 unveiled that Mexico of contrasts and paradoxes so well described by Octavio Paz: the Mexico of the North American Free Trade Agreement and Chateau de la Muette and the Mexico of the Zapatista movement raising their clenched fists at the same time; sparks of development and underdevelopment reflecting the implicit acknowledgment that Mexico was (and still is) that paradox, that living contradiction, that complex fusion, or as Paz puts it in *The Bow and the Lyre*, “Two opposed movements engaging each Other. □ That Other is also me.”

Mexico also brought luster to the OECD. Enthusiasm, dynamism, youth, openness, plurality, inclusion, complexity, diversity and globality were some of the wares it unpacked when it settled into the *16ème arrondissement* of Paris, in that mythical institution that *The Economist* and several other misinformed sources of the time insisted on calling “the rich countries’ club.” From that moment on, it became increasingly harder to justify such a simplistic, provocative description. In the almost eighteen years I have worked at the OECD, it has been gratifying to help erase this reductionist view of an organization that is so useful, diverse and relevant. It has been equally interesting to witness the emergence of new definitions of the OECD, like that of Michelle Bachelet, then president of Chile, who called it “the house of best practices,” or the organization that “helped us become a better version of ourselves,” as it has been described by President Laura Chinchilla of Costa Rica. But the one I like most is a recent one by U.S. Secretary of State Antony J. Blinken, who said at a Ministerial Meeting in Paris that, as a decision-maker, he felt “like a kid in a candy shop” when given access to the wealth of knowledge and expertise of the OECD.

In this same vein, Mexico also brought revolution to the doors of the OECD, instigating what many acknowledge as the most far-reaching transformation in the history of the Organisation. By this I am referring to the contribution of its first Latin-American secretary-general, Mexico’s Ángel Gurría, who took over the reins of the OECD in June 2006 and was reelected twice, serving three five-year mandates at the helm of the Organisation. With a long and successful trajectory in public service and international economy under his belt, the man who once headed Mexico’s foreign and finance ministries (and for whom I wrote speeches for 15 years) arrived

at the OECD genuinely enamored with the Organisation, and with the firm intention of turning it into the most useful one in the world. Under the mandate of Secretary-General Gurría, which began with the subprime crisis and ended with the covid-19 pandemic, the OECD broadened its economic thought, and modernized, digitalized and “Latin-Americanized” itself; it opened up more to the world and became more sensitive to the realities and problems of developing countries, which turned it into a more balanced, more interesting and more relevant organization. An organization with greater impact.

Mexico’s contributions to the OECD

Over these fifteen years, Mexico participated actively in the OECD. The number of Mexican officials on OECD committees and working parties increased; more resources were allocated to representations of government ministries in the Permanent Delegation of Mexico to the OECD and their capacities were strengthened; multiple cooperation agreements were entered into with Mexico’s federal and state authorities; workshops for Mexican policymakers were designed at OECD headquarters; the scaffolding of autonomous bodies was built to shore up Mexico’s democracy and market economy; public policy forums were organized; and Getting It Right studies were published to assist in the design and implementation of the programs of each new government administration in Mexico. In this wave of enthusiasm, the number of collaboration projects burgeoned to the point where Mexico was the OECD member country with the most projects underway with different OECD directorates (these reached twenty-three at one point).

In 2012, then president-elect of Mexico, Enrique Peña Nieto, and his economic cabinet sat down with the OECD secretary-general, the director of his cabinet and experts from the Organisation at a seminar that was to serve as a basis for the most ambitious package of structural reforms ever submitted to the OECD by a member country. This exercise translated into the compilation and publication of several OECD studies for Mexico, like the 2012 *OECD Review of Telecommunication Policy and Regulation in Mexico*, which put forward thirty-one recommendations, twenty-nine of which

Mexico included in the reform of its telecommunications and broadcasting market, which faced serious competition problems. The implementation of this reform resulted in the opening of the market; mobile broadband Internet rates plummeted by between 69% and 81%, and these services attracted 50 million new subscribers between 2012 and 2016.¹

The OECD assisted Mexico in the crafting and implementation of other crucial reforms in the areas of economic competition, energy, taxation, finances, the labor market, justice and education, and in the design and application of public tender and procurement processes, the strengthening of regulatory and autonomous bodies, and the launch of national strategies to address issues such as gender inclusion, open government and anticorruption, to mention just a few. This support materialized in the preparation and publication of more than fifty studies for Mexico between 2013 and 2018, drawn up to help the Mexican government design policies, reforms and new laws based on scientific evidence and best international practices.² Progress was reviewed at the beginning of each year, during the annual meetings attended by the OECD secretary-general and the president of Mexico and his ministers. During these traditional “January visits” of Secretary-General Gurría and his team to Mexico, collaboration and support were followed up on via the OECD Centre in Mexico, today the OECD Centre for Latin America and the Caribbean, which came to boast a team of more than twenty officials in Mexico City, including teams of experts from different directorates, such as education, finance and governance.

In 2018, cooperation between Mexico and the OECD entered a new phase, due to changing priorities, dynamics and actors. Mexico's presence in OECD committees, working parties and initiatives gradually adapted to the new government logic, whose “republican austerity” dictated a more moderate participation in international organizations. Nonetheless, Mexico continued to play an active part in the work of the Organisation, and although cooperation was less intense, it continued to flourish,

¹ According to estimates by the Federal Telecommunications Institute (IFT).

² Ángel Gurría, “Foreword”, in OECD, *Towards a Stronger and More Inclusive Mexico: An Assessment of Recent Policy Reforms*, Paris, OECD Publishing (Better Policies Series), December 2017, p. [11], at https://www.oecd.org/en/publications/towards-a-stronger-and-more-inclusive-mexico_9789264189553-en.html (date of access: December 2, 2024).

producing important results that ensured the continued relevance of the OECD in Mexico. During this phase, Mexico continued to contribute to the main undertakings of the OECD, took part in hundreds of studies, co-chaired the OECD Latin America and the Caribbean Regional Programme with Brazil, presided over the Working Party on SMEs and Entrepreneurship, and hosted the annual OECD-University of Guadalajara forum within the framework of the Guadalajara International Book Fair (FIL Guadalajara), the most prestigious event of its kind in Ibero-America. Mexico was also one of the main promoters of a reform proposal for the appointment of a deputy secretary-general from the region to ensure Latin America and the Caribbean countries were represented in the running of the Organisation, and became one of the OECD countries with the most mentions of OECD studies in its official government documents, surpassed only by the entire European Union. All this and more was achieved despite a limited budget during the administration of President López Obrador, under the leadership of the Mexican Delegation to the OECD, spearheaded by Ambassador Sybel Galván Gómez.

Fresh energy

The arrival of a new secretary-general at an OECD that was just getting back on its feet after the covid-19 pandemic breathed new life into Mexico-OECD cooperation. The new secretary-general, Mathias Cormann, former Australian minister for Finance and leader of the government in the Australian Senate, came to the helm of the OECD determined not only to maintain, but to further strengthen collaboration with Latin America and the Caribbean (LAC). And while it was hard to match the intensity of cooperation with the region after fifteen years of a Latin-American secretary-general, OECD-LAC cooperation has continued to grow and diversify under Cormann. Relations with Mexico in particular were revitalized by the direct involvement of the secretary-general in collaboration with Mexico, and excellent coordination between the Permanent Delegation of Mexico to the OECD, its Secretariat and a reformed Centre for Latin America and the Caribbean that had a new mandate and a new director (myself) to boot.

In January 2022, Secretary-General Cormann appointed me director of the OECD Centre in Mexico and gave me two main mandates: continue promoting strong relations with the Mexican government and draw on collaborative experiences with Mexico to strengthen cooperation with other countries in the region and establish the Centre as a hub for public policy and best practices in the LAC region. With the aid of a small but exceptional team, the first months of my mandate were spent identifying commonalities between the priorities of the government of President Andrés Manuel López Obrador and the work of the OECD, with a view to launching an information campaign that would enable us to better connect with the goals and policies of the so-called Fourth Transformation, and make concrete support and collaboration proposals. All in close coordination with the Permanent Delegation of Mexico to the OECD and the Direction General of Planning and Evaluation of the Mexican Agency for International Development Cooperation (AMEXCID), an agency of the Foreign Affairs Ministry (SRE), whose ever-timely and effective support has been essential to facilitating collaboration between the OECD and the Mexican government.

It was not long before we saw results. In less than a year, the OECD Centre for Latin America and the Caribbean (with the support of experts from the OECD Directorate for Public Governance, which works with the region from Mexico) had new collaboration projects in place with different government ministries—namely the Finance Ministry (SHCP), the SRE, the Ministry of Economy (SE), the Labor and Social Welfare Ministry (STPS) and the Ministry of the Interior (SG)—, the National Institute of Statistics and Geography (INEGI) and the Chief Federal Audit Office (ASF). The Centre also worked with the federal government and the Legislature on issues such as labor rights, MSMES, the minimum wage, dignified vacations and the working day; launched a series of public policy webinars with the Senate of the Republic; partnered with the Chamber of Deputies and the Senate to promote the participation of the OECD in open parliaments, established strategic alliances with the National Autonomous University of Mexico (UNAM) and the National Polytechnic Institute (IPN); and launched a communications campaign on social media to back government policies and programs with OECD data, which has also been used and promoted by different government ministries. On more than one occasion,

the president himself has used OECD charts previously published on social media in Spanish by the OECD Centre for Latin America and the Caribbean at his “morning” press conferences. We are delighted to enjoy the confidence of the president of Mexico.

In recent years, the Centre has also helped promote collaboration between the various OECD directorates and local governments in Mexico. Deserving of mention is the work of the regulatory improvement team at the OECD Directorate for Public Governance, which operates out of our offices in Mexico City, supporting states like Aguascalientes, Michoacan, Nuevo Leon, Puebla, Quintana Roo and Yucatan; the work of its Public Integrity Division in Coahuila, Nuevo Leon, Estado de Mexico and Mexico City; and its Infrastructure and Public Procurement Division in Nuevo Leon, Estado de México and Sonora. It has also promoted collaboration with the business sector, primarily initiatives with business associations, and collaboration with unions, the academic sector and non-government organizations.

The OECD Centre for Latin America and the Caribbean has come to spearhead the ecosystem of international organizations with a presence in Mexico through the *Diálogos por México* (Dialogues for Mexico) initiative, whereby the representatives of more than thirty organizations with a presence in Mexico are invited to our offices to discuss the challenges facing the country with government ministers and high-level officials. In the diplomatic arena, the OECD Centre supports the work of the embassies of OECD member countries and LAC countries in Mexico by giving presentations on the OECD’s economic outlook for the region or specific OECD reviews.

Just recently, Secretary-General Cormann made the decision to transfer OECD centres abroad, including the OECD Centre for Latin America and the Caribbean, from the Directorate for Communications to the Global Relations and Cooperation Directorate. This decision has enhanced the Centre’s capacity to work with Mexico and other countries in the region by bringing it more into tune with the work of the OECD Division for Latin America and the Caribbean, and the synergies of the OECD Latin America and the Caribbean Regional Programme. This organizational change is already forging a stronger connection between the Mexico Centre and the OECD’s global strategy for the region, facilitating support

and collaboration with Latin-American countries seeking accession (Argentina, Brazil and Peru), and fostering collaboration with other partner countries in Central and South America.

The importance of Mexico to the OECD has also been demonstrated by Secretary-General Cormann's work visits to Mexico City, one in June 2023 and a second in February 2024. On both occasions, the secretary-general was accompanied by directors and experts from the Organisation and met with government ministers, leaders of the Mexican Senate and Chamber of Deputies, LAC ambassadors and representatives of international organizations in Mexico.

Looking to the future

Looking to the future, the OECD Centre for Latin America and the Caribbean constitutes an excellent platform for further strengthening the presence and relevance of the OECD in Mexico in support of the government headed since 1 October 2024 by Claudia Sheinbaum Pardo, the first female president in the country's history, and has developed a good relationship with Sheinbaum's transition team. On 15 February 2024, it received the coordinator of International Affairs for her presidential campaign at its offices for an edition of *Diálogos por México*, to talk about the foreign policy priorities of the new administration and the role international organizations can play in promoting more resilient, more inclusive and more sustainable growth. This good relationship was later reinforced when, days after being elected president, Sheinbaum had a telephone conversation with Secretary-General Cormann, during which they confirmed their mutual desire to collaborate in the interests of the Mexican people. A collaboration that can only go from strength to strength, in light of the overlap between the objectives of Mexico's new government administration and the multi-disciplinary work of the OECD.

New possibilities for cooperation are already on the horizon on crucial issues, such as sustainable social programs; educational excellence; digital economy skills; connectivity; gender equality; inequalities and social mobility; social economy and innovation; ethical and inclusive artificial intelligence; MSMEs; financial inclusion; inclusion-oriented fiscal policies;

inclusive and sustainable nearshoring; climate change and biodiversity; critical minerals; the energy transition; water management; interoceanic corridors and territorial development; government purchases; integrity and anticorruption, to mention just a few.

The potential for collaboration between Mexico and the OECD is vast and the fact that we share priorities and objectives is also important. This complementariness is increasingly evident. We stand on the threshold of a new era that offers a fresh opportunity to strengthen mutual confidence and teamwork; now it is simply a question of communication, of adapting the OECD's capacities to the goals of Mexico's new government, of listening, learning, putting forward ideas and seeing them through. This is the task of the OECD Centre for Latin America and the Caribbean, and we are full of enthusiasm to get down to work.