The US and Mexico

25 DECEMBER 2023

Lukas Winkelmann and Niklas Spilker



The U.S. and Mexico

The United States (U.S.)-Mexican border is stretching over nearly 2,000 miles (3218 km). It is long known for being a major hotspot of drug and human trafficking, violent robberies, corruption and murder. Many immigrants advance on the dangerous journey with hopes of a better life in the United States. At the same time, many drugs are being produced in Latin American countries and then trafficked to the United States and Canada due to a growing market present in both countries. With many ongoing crises in the world and the aftermath of COVID-19, we witness an increasing number of criminal activities taking place along the U.S.-Mexican border

which poses a growing security threat for the United States, Mexico and immigrants seeking to cross into the United States.

Between October 2022 and September 2023, U.S. border officials were able to seize a total of 549 lbs of illegal drugs. The number of people intercepted at the Southwestern Border (SWB) has been drastically increasing during the past few years under the Biden administration. Between October 2022 and September 2023, U.S. border officials intercepted a total of 3.20 million people at the SWB, which is an increase of almost 90% compared to 2019. Amongst those 3.2 million people, 169 were on a terror watch list. In 2019, this number was far below 50. Besides these individuals, the increased amount of illegal immigrants has led to more human trafficking. This border is so dangerous, that individuals and families often pay their entire life savings to cartels for either protection or to receive assistance to cross. Traffickers often smuggle people in inhumane ways and/or rob them which regularly results in the death or serious injuries of the trafficked immigrants.

Further, with very little financial means, refugees often revolt in order to survive. This can start from robberies, up to working together with cartels to traffic drugs and other illegal goods. In order to securitize the ongoing security threats, it is important to ensure closer cooperation between the U.S. and Mexico, especially regarding border protection and the interception of criminal activities. The surge in numbers indicates that past and ongoing efforts are not sufficient enough, and closer cooperation is needed. The main objective of the security-related cooperation of the countries should lay on shutting down criminal networks and tightly monitoring who is crossing the border. This could be achieved with a more efficient exchange of information.

Furthermore, it should be encouraged to create more joint border control forces to effectively intercept human trafficking and the smuggling of illegal and dangerous goods. With conflicts and challenges on the rise, it can be predicted that the number of people seeking to immigrate to the United States and the number of criminal activities will further increase in the future. Efficient cooperation between the U.S. and Mexico is of the essence to effectively overcome those challenges in the future and to ensure security and safety for Mexico, the U.S. and the immigrants equally.

The economic landscape between the United States and Mexico has undergone a transformative shift in recent years, marked by a significant increase in cooperation and collaboration. The cornerstone of this economic partnership is the United States-Mexico-Canada Agreement (USMCA), a comprehensive trade deal that replaced the North American Free Trade Agreement (NAFTA) and has played a pivotal role in fostering a more integrated and mutually beneficial economic relationship.

The implementation of the USMCA has created a framework for enhanced trade and investment opportunities, promoting fair competition and facilitating the flow of goods and services between the two nations. The

agreement has not only modernized trade rules but has also incorporated provisions addressing contemporary challenges such as digital trade, intellectual property, and labour rights, fostering a more dynamic and adaptable economic environment.

A notable development in this economic narrative is Mexico's ascension to the position of the United States' most important trading partner, surpassing even China. This shift reflects a strategic reconfiguration in global supply chains, with many U.S. companies adopting a trend known as "near-shoring." The proximity of Mexico to the United States, coupled with the advantages provided by the USMCA, has made Mexico an attractive destination for companies looking to establish or relocate manufacturing operations.

The near-shoring trend is reshaping the economic dynamics of the region, offering logistical advantages, reduced transportation costs, and greater flexibility in responding to market demands. This not only bolsters economic ties but also strengthens the resilience of both economies by diversifying supply chains and mitigating risks associated with over-reliance on distant trading partners.

As a result of this burgeoning economic cooperation, there has been a tangible improvement in the standard of living for many Mexicans. The increased economic activity, job creation, and investment opportunities have contributed to a more robust and inclusive growth model. The rising standard of living is reflected in various socio-economic indicators, including increased wages, improved access to education and healthcare, and enhanced overall well-being for a substantial portion of the population.

Furthermore, the economic collaboration between the U.S. and Mexico extends beyond traditional sectors, encompassing innovation, technology, and research. Joint ventures and partnerships between businesses and institutions from both countries are fostering a climate of innovation and knowledge exchange, positioning the region as a hub for cutting-edge developments in various industries.

In conclusion, the increasing economic cooperation between the United States and Mexico, catalyzed by the USMCA and the trend of near-shoring, represents a mutually beneficial paradigm shift. This partnership not only strengthens the economic ties between the two nations but also contributes to the growth and prosperity of both countries. As Mexico continues to play a pivotal role in the evolving global economic landscape, the collaborative efforts between the U.S. and Mexico are poised to shape an even more resilient, dynamic, and prosperous North America.

Find out more about our partner the Young Transatlantic Initiative here.