

Miranda Intelligence – Public Affairs Chatter

A Patriotic Speech with a Message for The North (and Mexico's South)

President Claudia Sheinbaum's speech in the Zócalo on Sunday was not just the usual appeal to national pride and defence of sovereignty — she raised the tone of the argument with the United States in language designed to travel beyond the square where it was delivered. The core message was in keeping with the concerns about US meddling expressed by Morena politicians since Sinaloa Governor Rubén Rocha Moya was indicted; Sheinbaum was emphatic that Mexico will not allow foreign agencies (or US prosecutors) to become “the principal elector” in the country.

She linked this position to two recent episodes: the death of two CIA agents in Chihuahua who lacked formal accreditation by the Mexican government, and the US extradition request for ten Mexican citizens, including serving public officials, without publicly presenting the supporting evidence for their indictments. Meanwhile, former Sinaloa Security Secretary Gerardo Mérida Sánchez — one of the officials who turned himself in to US authorities and has pleaded not guilty to drug trafficking and conspiracy charges — appeared in the US District Court for the Southern District of New York on Monday. According to reporters in the courtroom, federal judge Katherine Polk Failla described the evidence against Mérida and the nine other officials named in the case as “abundant”, and noted that “there are many defendants in this case and they are arriving in waves”. The next hearing has been scheduled for 4 August.

In her speech, Sheinbaum said that when another country seeks to dictate who is guilty of a crime and who is not, and when pressure on Mexican institutions is normalised, the issue is no longer about cooperation but interference. “Mexico does not accept interference,” she said, adding that cooperation “does not mean subordination” and collaboration “does not mean submission.”

Pundits read the speech as her sharpest rhetorical escalation against Washington to date, perhaps a turning point in her Presidency. The structure reinforced that reading: first, a warning about disinformation campaigns; then, the argument that factions of the US right are using Mexico as a political punching bag; and finally, an explicit refusal to allow foreign pressure to shape domestic outcomes. Sheinbaum posed the question of whether the extradition push was genuinely about fighting organised crime, or whether Mexico was being used as a “piñata” in the run-up to the 2026 US midterms — or even as an attempt to influence Mexico's own 2027 elections.

The accusations against Rocha Moya and other Sinaloa officials appear to have convinced the government that the issue extends beyond law enforcement and into the realm of political survival. Rather than distancing herself from those accused, Sheinbaum has chosen to publicly defend the principle that Mexican authorities, not foreign prosecutors, should determine guilt. Critics argue that this effectively ties her political fate to that of officials facing serious allegations in US courts. Supporters counter that she is defending national sovereignty and due process. Either way, the speech suggests that the administration increasingly views these cases through a political rather than a judicial lens.

Trump was not mentioned by name. At her Monday morning press conference, Sheinbaum said she did not believe the US president was leading the offensive against Mexico, pointing instead to factions of the extreme right. This suggests the government wanted to maximise the rallying domestic effect of the speech while avoiding a direct confrontation with the White House. But Sheinbaum's shift in tone has not gone unnoticed by US officials: Ambassador Ronald Johnson posted to X on Monday afternoon that "the fight against cartels should unite us, not divide us" and that "every moment spent turning this shared security challenge into a political dispute is a missed opportunity to strengthen our partnership and protect the people we serve".

The speech mostly resembled the opening argument of a populist political campaign. The repeated appeals to sovereignty, warnings of foreign interference, and references to disinformation campaigns all serve a domestic political purpose: they help frame the political battlefield ahead of the 2027 midterm elections. In effect, Sheinbaum is wrapping herself in the Mexican flag, seeking to unite Morena, its allies, and potentially broader sectors of the population around a nationalist narrative in which external actors are attempting to shape Mexico's future.

This strategy has obvious political advantages. Nationalist message help shift the conversation away from uncomfortable questions surrounding the allegations against officials in Sinaloa and toward a broader debate about sovereignty. The government appears increasingly determined to ensure that any future actions by US authorities against Mexican politicians are viewed domestically through a political rather than criminal lens.

At the same time, the strategy carries risks. Morena enters the 2027 electoral cycle from a position of massive strength, but a permanent campaign centred on external threats could deepen domestic polarisation and undermine USMCA and bilateral relations with the USA. The administration has already enacted legal reforms intended to limit foreign influence in elections and has become increasingly vocal about disinformation campaigns operating from abroad. Critics see these moves as measures designed to protect the governing coalition ahead of a potentially turbulent electoral period, which at an extreme could via supportive electoral courts declare an election void if it does not like the results based on alleged foreign intervention.

The key risk is external. Since taking office, Sheinbaum's approach to Washington has generally been characterised by pragmatism, caution and a willingness to compartmentalise disagreements. Sunday's speech suggested a departure from that strategy. While she stopped short of attacking Trump directly, the overall tone was considerably more confrontational than anything seen during her presidency so far. If the investigations in New York continue to expand, and if additional Mexican politicians are implicated, maintaining a cooperative relationship with Washington may become increasingly difficult.

This matters because the country's export sector, nearshoring ambitions, investment flows and broader growth prospects are all tied to North American integration. Any sustained deterioration in bilateral relations would create uncertainty at precisely the moment Mexico needs investment and confidence.

Sheinbaum also sought to reassure the private sector, highlighting positive economic indicators to argue that, against external headwinds, the Mexican economy remains stable and performing well: FDI reached a record US\$23.6 billion in the first quarter of 2026, unemployment stands at 2.5 per cent, 669,000 jobs have been created, and inflation and interest rates are easing, with the peso strengthening to 17.40 per US dollar. She also pointed to a positive trade balance, tourism growth, stronger retail sales and the recently approved investment law as signals that public and mixed investment is expected to accelerate in the second half of the year. (Never mind the economy is barely growing, fiscal accounts are slipping, GDP per capita in real terms will likely end 2026 stagnant versus 2019's levels, and the main rating agencies have just downgraded sovereign debt.)

With all this said, the optimists (and there are a few) argue that political commentators with nothing better to do may be over-egging Sunday's speech. From this perspective, Scheinbaum's rhetoric is primarily aimed at rallying Morena around the flag, keeping AMLO on side, and framing as best as possible the damaging cartel allegations against Rocha Moya et al ahead of the 2027 midterms. After all, leaders from Emmanuel Macron to Mark Carney have shown that standing up to Washington can be politically popular at home while in practice they continue to engage mostly constructively with the United States and the private sector. The real test is thus not Sunday's rhetoric but whether Mexico continues to negotiate seriously on USMCA, maintain cooperation on security and migration, and preserve the investor-friendly pragmatism that has characterised much of Sheinbaum's presidency to date. But, of course, and perhaps most importantly, this strategy – if indeed it is the goal – depends on whether the Trump administration is willing to play ball and let Sheinbaum have her cake and eat it.

Look Before You Legislate

Mexico's governing coalition used last week's extraordinary congressional session to rush through three electoral bills: a constitutional amendment postponing the second judicial

election from 2027 to 2028; another adding foreign interference as grounds for election annulment; and a law establishing a new Commission for Verification of Integrity in Candidacies within the INE. The package passed through the Chamber of Deputies and then the Senate between 26 and 29 May, though the secondary legislation meant to give operational content to the foreign interference clause was pulled back at the last minute. In other words, Congress approved the constitutional principle first and left the legal machinery for later.

The postponement of the judicial election has been presented as largely an administrative adjustment: to avoid a collision with the 2027 midterms, simplify the ballot and prevent another unwieldy national voting exercise. But the politics were less tidy. The debate exposed an internal fracture in Morena over a proposal from Deputy Sergio Gutiérrez Luna that would allow sitting electoral magistrates to stand for an additional six-year term. Critics within the ruling party, including Alfonso Ramírez Cuéllar, warned that some judges could end up serving as long as 17 years. What was presented as a technical correction quickly became something broader: a delayed judicial vote, a cleaner electoral calendar, and a potential extension for officials already occupying strategically useful posts.

The constitutional reform on foreign interference has been politically fraught. Proponents argue it is necessary to defend sovereignty and shield elections from foreign funding or manipulation. Yet while the reform was approved last week, the implementing legislation has been postponed, meaning the sanction exists before the full rules for applying it do. In electoral law, that is not a minor drafting inconvenience. Nullity standards are typically written with exceptional narrowness because they override the popular vote itself. Here, by contrast, the concept of foreign interference remains broad and ambiguous, with an incomplete procedural architecture.

Deputy Ricardo Monreal argued that the reform to the General Law on Electoral Challenges should not be approved until the constitutional amendment is formally declared valid and enters into force — a legally conservative position on its face. He also said he wanted broader consensus and did not want the final text to be used to argue that a single social media post, article or interview could become grounds for voiding an election.

The practical consequence is significant. Without the secondary legislation, the new constitutional clause remains a principle without a complete sanctioning framework. Monreal himself acknowledged that unless the implementing law is approved in another extraordinary session or at the start of September, the new nullity ground would not be applicable to the 2027 electoral process and could slide to 2030 instead. The governing coalition has thus secured the headline constitutional change while leaving the harder legal definitions — what counts as interference, what evidence is sufficient, and how the Tribunal should act — to a later and potentially more contested stage.

The Mexican Bar Association has warned that the reform raises serious questions about scope, definition and operability, and stressed that electoral nullity causes should be interpreted strictly and supported by objective standards clearly linking the violation to the result.

The third reform establishes the Integrity Verification Commission, composed of three electoral councillors with support from the FGR, the UIF and intelligence bodies, to assess whether aspiring candidates present criminal-risk concerns. The declared aim is to keep organised crime from meddling in elections; but an electoral authority whose duty is to organise elections is now also being asked to help determine who reaches the ballot in the first place.

First Round, Long Fight

The USMCA review has moved into the formal negotiation phase — though notably, so far only between Mexico and the US. Economy Minister Marcelo Ebrard said last week that he has “good expectations”, while stressing that the process will be difficult and complex. The first formal Mexico–US round took place in Mexico City on 28 and 29 May, led on the US side by Deputy USTR Ambassador Jeff Goettman, with the agenda focused on economic security and rules of origin for key industrial goods. Both governments have already set a second bilateral round for 16–17 June in Washington and a third for the week of 20 July in Mexico City.

Ebrard acknowledged a core clash with the US position: “We want no tariffs, but they say tariffs, tariffs, tariffs.” He said the strategic goal is to ensure Mexico retains an advantageous position relative to other global trade partners in exports to the US, pointing to the tariffs recently imposed on Vietnam as an example of how the US is structuring tiered access to its market.

Mexico’s advantage is that approximately 85 per cent of its exports are tied to US production processes, and those exports contain far more US value-added than imports from China, for example. In other words, Mexico is not competing against the US economy from the outside; it is embedded in it (and dependent on it).

However, recent reporting suggests the Trump administration’s opening position may be considerably more ambitious than simply tightening existing rules of origin. According to the Wall Street Journal, US negotiators are expected to propose that cars contain at least 50 per cent US-sourced content by value in order to qualify for preferential tariff treatment under a renewed USMCA. The current agreement requires 75 per cent North American content but contains no US-specific requirement. The administration is also reportedly considering raising the overall North American content threshold above 75 per cent.

If adopted, such changes would represent a significant shift in the philosophy of North American integration. USMCA was designed to encourage regional production across the continent; the emerging US position appears aimed at directing a larger share of that production specifically back to the United States. The objective is not merely to reduce dependence on Asia, but to increase US manufacturing employment and domestic value-added within industries such as automotive production.

This helps explain why Ebrard has repeatedly framed the negotiations around Mexico's contribution to US competitiveness. Mexico's argument is that its manufacturing sector already supports US jobs by purchasing large quantities of US components and by serving as a cost-effective extension of US supply chains. The Trump administration appears increasingly focused on whether that integration can be restructured to capture a greater share of value creation north of the border.

The proposal would pose practical challenges for many automakers operating in Mexico. Public data show that some vehicles assembled in Mexico would struggle to meet a 50 per cent US-content threshold. General Motors' GMC Terrain, for example, reportedly contains only around 11 per cent US and Canadian content by value, with most components sourced from Mexico, including the engine and transmission. A rapid implementation of new requirements could therefore require significant supply-chain adjustments and additional investment.

The broader implication is that Mexico is no longer negotiating from the assumption that tariff-free trade remains the default outcome. US Trade Representative Jamieson Greer has publicly suggested that some level of tariffs on Mexican and Canadian goods could remain even under a renewed agreement. Trump himself has repeatedly threatened to terminate USMCA altogether, while some officials have floated the possibility of separate bilateral agreements with Mexico and Canada.

For Mexico, the challenge is therefore threefold. First, preserve zero or low tariff access for USMCA compliant exports, giving Mexico an edge over the rest of the world. Second ensure that being USMCA compliant is viable for the large majority of current exporters, and avoid as much as possible specific USA rules of origin, or regional North American rules of origin that are too costly to meet. And third, avoid a paradoxical outcome in which Mexican or Canadian production that fails to meet tougher USMCA rules ends up facing worse treatment than products exported to the US from Europe or Asia. That was precisely the issue for a while under last year's tariff structure: non-compliant Mexican and Canadian autos for a while faces 25 per cent tariffs, while the US later moved toward 15 per cent tariff frameworks with Japan and the European Union.

The stakes are considerable. A successful negotiation could reinforce Mexico's position as the United States' principal manufacturing partner. A more protectionist outcome, by contrast, could gradually shift investment decisions toward the US itself, particularly if Washington succeeds in embedding explicit US-content requirements into the next generation of North American trade rules.

Cutting Class in CDMX

Mexico City will suspend classes and encourage remote working on 11 June, the opening day of the 2026 FIFA World Cup. The inaugural match, Mexico vs South Africa, will be played at Estadio Azteca (now Ciudad de México) in the capital. Mayor Clara Brugada announced the measure will apply to all public preschools, primary, secondary and upper-secondary schools in the city. Businesses and private institutions were also encouraged to allow employees to work from home rather than commute to the office, though the measure is not mandatory for the private sector.

Whether the school suspension will extend to the other host cities, Guadalajara and Monterrey, on their respective match days remains to be confirmed by SEP Secretary Mario Delgado.

The announcement follows a controversial SEP proposal to end the entire school year nearly a month ahead of schedule, on 5 June; the plan was hastily scrapped following a wave of criticism from parents, teachers and civil society organisations.

Platforms Keep the Traffic and More of the Liability

A proposal sent by President Sheinbaum to Congress would amend the Federal Copyright Law to make internet service providers secondarily liable for copyright infringement. Providers would face liability not only when they fail to comply with obligations already set out in the law, but also where they contribute to, induce or cause infringing conduct, are aware of it, or are in a position to control it whilst obtaining a direct financial benefit from the infringement.

The most operationally significant change is the requirement that providers maintain a public policy for terminating service to repeat infringers. This shifts the compliance burden further towards intermediaries and makes it harder for platforms or connectivity providers to argue that notice-and-takedown alone is sufficient. The draft also gives the IMPI a more explicit enforcement role, with fines ranging from 500 to 40,000 UMAs, plus additional penalties for repeat conduct. The government's argument is that digital transformation has changed the scale and speed of infringement far beyond what the current framework can comfortably manage.

The initiative cites industry figures showing that more than 127 million infringing items were removed from digital platforms between 2023 and 2024, followed by a further 72 million between 2024 and 2025 — the evidentiary backdrop for a reform that seeks to shift the system from reactive clean-up to more preventive accountability.

Chatter Box

- **Four Diplomatic Nominations to the Senate.** The Foreign Ministry has submitted four nominations to the Senate for ratification. The package includes Cristina Planter Riebeling for Undersecretary for North America, Roberto Lazzeri Montaña as Ambassador to the United States, Pedro Blanco Pérez as Ambassador to India, and Alicia Buenrostro Massieu as Ambassador to the Netherlands. Three of the four belong to the Mexican Foreign Service, while Lazzeri comes from the financial and economic side of government, where he currently leads NAFIN and Bancomext.

The nominations combine career diplomacy with one politically significant posting in Washington. Planter has already been serving on the North America brief and now moves towards formal confirmation; Blanco and Buenrostro bring long foreign-service careers spanning the Middle East, Asia, Europe and multilateral diplomacy. The most closely watched nomination is likely to be Lazzeri's, given the weight of the US relationship and his profile as an economist and finance official rather than a career diplomat.

- **Coahuila Becomes an Early Test Before 2027.** On 7 June, Coahuila will hold its ordinary local election to renew its state congress. A total of 25 seats are at stake: 16 by first-past-the-post and nine by proportional representation. The process forms part of the 2025–2026 electoral calendar and has been coordinated by the INE and the Coahuila Electoral Institute. Campaigning began on 5 May and ends on 3 June, with district counts scheduled for 10–14 June. Although neither the governorship nor municipal offices are on the ballot, analysts are treating the contest as a political temperature check ahead of 2027, given Coahuila's long-standing role in shaping party balances.
- **Protected Data and a Reordered Transparency System in Mexico City.** Mexico City's Congress approved a new Personal Data Law, updating the rules governing how the state handles citizens' information and giving more explicit protection to rights such as access, rectification, cancellation and portability. The law also strengthens safeguards for children and adolescents and seeks to balance privacy with other rights, including the search for disappeared persons and families' right to truth. Lawmakers also approved the creation of a new body to lead the local transparency subsystem, replacing Info-CDMX.

- **Binding Power and a Revised Timeline.** On 26 May, Mexico's Energy Ministry (SENER) published in the Official Gazette an amendment to the Second Call for the Priority Processing of Electricity Generation Permits and Interconnection Requests to the National Electric System, aligned with binding planning criteria. The amendment principally updates the timetable for each stage of the process, including expressions of interest, interconnection study requests, generation permit filings, responses to official queries, technical project evaluation and the publication of results by the National Energy Commission (CNE).
- **New Transport Rules.** On 28 May, the Mexican government published new operating guidelines in the Official Gazette for a national programme to replace and modernise heavy-duty vehicles used in federal passenger and freight transport. The scheme is aimed primarily at micro and small carriers with fleets of up to 30 units and offers access to financing backed by federal guarantees through NAFIN, covering both new and near-new vehicles. Its stated goals are to improve road safety, fleet conditions and service quality, whilst using shared-risk financing structures and more flexible terms to make renewal viable for smaller operators. In practical terms, the programme is intended to reduce fleet age, strengthen regulatory compliance and improve the competitiveness of small transport companies by easing the cost of upgrading vehicles.

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