

## Shannon O'Neil explains the new global outlook at the Tec



In an interview with CONECTA, O'Neil explained the concept of regionalization and recognized the role of universities in society

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Internationalist **Shannon K. O'Neil**, Vice president, director of studies, at the [Council on Foreign Relations](#) and Maurice R. Greenberg chair, shared her opinion of the **current global outlook and her take on regionalization** during an interview with [CONECTA](#).

On a visit to [Tec de Monterrey](#), the academic explained how the **new U.S. leadership and geopolitical tensions, in addition to the return of protectionist policies and mercantilism**, are impacting and reformulating international dynamics.

*"We're experiencing a difficult moment. We're at a moment when Russia and Ukraine are at war, as are Gaza and Israel, and there are further threats of war in*

the China Sea and other places around the world. I believe that **these are threats unlike any we have seen for decades**,” she remarked.

*“I see a panorama where we, as a society, could be better off, stronger, more prosperous, healthier, more alive (...), but I also see a road ahead that could be much more difficult for more people in the world,”* she added.

Visualizing a **future fraught with uncertainty and change**, O’Neil explained **regionalization trends, nearshoring, and the role of higher education**, among other issues.



Shannon O’Neil was one of the keynote speakers invited to the 2025 National Board Meeting. Photo: Everth Bañuelos

## **Globalization or regionalization? The “new” global outlook**

According to O’Neil, the time **period from 1980 to the present day** is often referred to as the globalization era, defined by **milestones such as China’s entry**

**into the world economy** and the **creation of global supply chains**.

However, she went on to explain that although this period may be **perceived as one of greater openness**, particularly in terms of international markets and information, **this is not necessarily true**.

*"If we take a good look at the last forty years, there are **two areas that have been misunderstood**. One is that **not all countries took part in globalization**. And the other is that as commerce increased, it mostly involved countries that were nearby, **not all countries from across the world**,"* she said.

*"There are really only about **twenty-five countries, including Mexico, that attempted to include foreign trade as a significant part of their economies**. This leaves us with regions, and their partners, dominating trade,"* she clarified.

The analyst went on to describe the existence of three regions: **Europe, North America (Mexico, The United States, and Canada) and Asia** (increasingly centered on China).

*"Today, when we talk about geopolitics and industrial politics, in addition to the enormous changes taking place in the global economy, **everything occurs in a world that has become very regional** in terms of exchanges and global trade between countries,"* she explained.

This being the case, the specialist pointed out that **changes in regional supply chains** are not only due to market pressures but are powerfully influenced by **geopolitical factors and changing diplomacy models**.



In addition to her panel, the internationalist participated in discussions with other professors and students from the Monterrey campus. Photo: Everth Bañuelos

## The United States and the return of the mercantilist perspective

O'Neil asserted that changes in the way international players interact are most noticeable under the **current administration of President Donald Trump** in the United States, as well as **actors such as China**.

*"Despite being only about four weeks into the Trump administration, as we see **the way his international and economic policies are shaping up**, we see someone who is **focused on power, not principles**," she said.*

*"**We see a president who has no real friends but no real enemies either.** Trump won't rely on previous relationships with other countries; this will actually depend on day-to-day happenstance and the power involved," she underscored.*

For O'Neil, this means not focusing on international institutions such as the **World Trade Organization (WTO)** or **trade agreements like the USMCA**, which is

characterized by an approach limited to the U.S. and its areas of influence and interests.

*"We see **a president who is not focused so much on capitalism** and opening up markets as on **old theories like mercantilism**, which tell us that there is only a certain amount of money in the world and we should get our hands on as much of it as we can," she explained.*

*"That is why **we will be seeing a lot of coercion, economic coercion**, seeking to increasingly benefit the United States at least for the next few years (...) which we have already seen in the **threats of tariffs on steel and aluminum. I think that will continue**," she remarked.*

For O'Neil, this mercantilist perspective has also been reflected in issues such as the **Trump administration's interest** in taking possession of **Greenland**, recovering the **Panama Canal**, and even annexing **Canada** as an additional state.



Alejandro Poiré, Vice-President of Outreach and Engagement at the Tec (left) conducted an open conversation with O'Neil after her keynote panel session. Photo: Everth Bañuelos

# Mexico and Latin America: Opportunities shrouded in uncertainty

According to O'Neil, the “**modern**” mercantilist approach adopted by the **United States**, albeit positioned as an impediment to the ideal scheme of international cooperation, is not necessarily a bad thing for Mexico.

*“This scheme currently favors countries such as Mexico because **there is a trade surplus between Mexico and the United States**,”* said the researcher on the topic of short- to medium-term effects.

Furthermore, the expert pointed out that although a **significant number of Latin American countries and the United States have entered into free trade agreements**, U.S. volatility does not guarantee that said agreements will remain as they are.

*“There are definitely ‘friends’ (countries) **coming together in other parts of the world**, forming free trade agreements and other types of partnerships,”* O'Neil commented regarding the duration of trends like friendshoring or allyshoring.

*“I think the right question to ask in the context of friendshoring or allyshoring is where the United States fits in. And we should also reflect on **whether the United States has any trading friends. Is it even interested in having any?**”* she asked.

In addition to this concern, the brain drain issue also poses a significant problem in the region, where the **challenge is to find ways of retaining professionals**.

O'Neil explained how the **short term does not seem to favor strategies like nearshoring** and that issues such as **specialization and diversification** of Latin American markets could become an effective strategy in the face of uncertainty.

*“In this case, we can exemplify the **strategy used by China**, which currently has more trade with southeast Asia than with the United States or Europe and has also implemented a **fairly successful talent-retention model**,”* she emphasized.



O'Neil stressed that, uncertain though the outlook may be, it is important to remain optimistic and focused on the power of factors such as inclusive quality education. Photo: Everth Bañuelos

## The role of emerging technologies

While technology and emerging technological tools are reshaping the employment and social landscape in profound ways, **O'Neil expressed a “techno-optimistic” view of the future with some key caveats.**

*“As we move into an increasingly technologized world with deep fakes and other similar technologies, it will become more difficult to know what is true and what is not,” she explained.*

*“**Expertise and analysis for informed decision-making** are going to be vital for citizens of all countries to be able to have a more prosperous life, but they should also be **more open to all kinds of opinions**,” she added.*

Moreover, she explained to CONECTA how **technology will also continue to bring change in international trade** as more virtual interaction tools are put into practice.

*“Technology is going to transform industry. The globalization of goods was the thing thirty years ago; during the **next thirty years it will be the globalization of services**; perhaps even the next ten years,” she reflected.*

Moreover, the specialist pointed out that while this outlook will bring positive change, the **environmental and social costs that these technological advances imply** must be taken into account.

*“We have talked about the positive aspects of technology, but we must also **consider the professional displacement of hundreds of millions of people**, how economies are going to change, and the environmental impact,” she remarked.*

*“These changes may prove to be for the best in the long run, but **people get lost in the process**,” she noted.*

Trump’s latest steel and aluminum tariffs aim to crack down on Chinese-made metals, but they’ll barely affect Beijing. These six charts show what’s at stake, what comes next, and why it matters. My latest [@CFR org](#) with Julia Huesa: [1/6](#)  
<https://t.co/ObjV380cyd>

— Shannon O'Neil (@shannonkoneil) [February 15, 2025](#)

## **Education and humanity as drivers for transforming the future**

Finally, O’Neil acknowledged how higher education and the role of **universities as training and networking stakeholders are fundamental** to shaping democratic societies and fostering inclusive economic growth.

*“If **broader, more open, more inclusive, wider-ranging higher education** is provided, then such an extreme reaction against social change becomes less likely to occur,” she expressed in her [CONECTA](#) interview.*

O'Neil went on to explain that a wide-ranging educational system can **mitigate the risks of extremism and authoritarianism: trends** that, albeit not dominant, appear to be on the rise.

*"Where do you learn about democracy and autocracy? Where do you learn basic economics to know whether tariffs are good or bad for your country? Universities are essential to the formation of citizens,"* she explained.

Furthermore, the internationalist highlighted how the **integration of technology in education** is changing the way universities prepare students by including relevant skills for the future.

O'Neil pointed out that while technological advances may well improve job performance, **human aspects like social and emotional skills** remain irreplaceable and should therefore be the main focus.

*"**Everything that is singularly human**, what we as people contribute in the workplace, is irreplaceable. Of course, it is important to know how to use AI and other technologies, but we must not neglect what makes us unique,"* she stressed.

*"By finding balance, focusing on higher education, and **providing more education for more people in countries all over the world**, that's how we achieve the best possible scenario,"* she concluded.

## Who is Shannon K. O'Neil?

**Shannon K. O'Neil** is the vice president, deputy director of studies, and Nelson and David Rockefeller senior fellow for Latin America Studies at the Council on Foreign Relations.

She is a renowned expert on democracy, global trade, supply chains, and Latin America.

O'Neil is the author of ***The Myth of Globalization: Why Regions Matter*** (Yale University Press, 2022), a work analyzing the emergence of the three major global manufacturing and supply chain hubs and their impact on U.S. economic competitiveness.

She has lived and worked in Mexico and Argentina, was a Fulbright scholar and a Justice, Welfare and Economics Fellow at **Harvard University**, and taught Latin American Politics at **Columbia University**.

## 2025 Board Meeting

The 2025 Board Meeting: ***“The Road to 2030: Education Transforming Reality”*** took place on the Monterey campus from the 16th to the 18th of February.

During this meeting, the Tec sought to analyze the challenges facing the institution with its **over 600 board members**; it was also an opportunity to exchange ideas during presentations given by national and international guests.

The [Annual General Meeting of Members](#), which reviewed the results achieved and progress made in 2024, was held prior to this meeting.

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