

# GLOBAL EXCHANGE

## Rethinking the Immigration Debate: Addressing the Root Causes of Mexican Migration

The increasingly divisive immigration debate in the United States focuses on two main strategies: on the one hand stepped-up workplace and border enforcement with an emphasis on the deportation of undocumented workers; and on the other hand, the expansion of temporary worker visa programs with a path to legalization. But both strategies fail to address the root cause of migration—the mass economic displacement of Mexican workers, an historically rooted phenomenon that has been dramatically accelerated by the trade, investment and labor policies associated with the North American Free Trade Agreement (NAFTA).

The contradictions of the NAFTA economy—opening U.S. borders to trade and investment while closing the door to displaced Mexican laborers who are essential to the American construction, agriculture and service industries—have separated millions of families. According to the Pew Hispanic Center, more than 3 million American children have at least one parent who is an undocumented immigrant. On the Mexican side of the border ever more households live broken with a parent across the border. In fact, entire villages depend on unstable remittance salaries sent home by their exiled mothers and fathers, sons and daughters. No attempt to address immigration flows can succeed until these brutal realities are addressed and policymakers, the private sector, and the media focus on the critical need for sustained community-level economic development in Mexico.

### **NAFTA has accelerated migration:**

Almost 500,000 undocumented Mexicans migrate to the United States every year.<sup>i</sup> During the NAFTA debate, advocates assured the U.S. and Mexican people that the trade agreement would greatly alleviate unauthorized immigration by increasing employment opportunities in Mexico and closing the gap between U.S. and Mexican wages. But this promise of prosperity has been a mirage for millions of Mexicans: the value of the Mexican minimum wage dropped 23 percent in NAFTA's first decade,<sup>ii</sup> 19 million more Mexicans are living in poverty than 20 years ago, and today, one quarter of Mexico's population cannot afford basic foods.<sup>iii</sup>

Increasing income disparity and poverty in the post-NAFTA years has produced a sharp rise in migration to the U.S., especially from the Mexican countryside. In the first decade of NAFTA, the annual number of immigrants arriving to the U.S. from Mexico more than doubled. Additionally, because the number of visas issued during the same period was sharply cut back, more than 80 percent of post-NAFTA immigrants from Mexico are undocumented.<sup>iv</sup>

Mexican government data documents that the elimination of food security policies under NAFTA led to at least 1.3 million Mexican peasant farmers losing family livelihoods as lower priced, often subsidized U.S. food imports entered the Mexican market.<sup>v</sup> The influx of U.S. subsidized corn has undercut the ability of Mexican corn farmers to compete with U.S. corn producers. In sharp contrast to promises by NAFTA's backers that

Mexican consumers would benefit from the pact, the price paid to Mexican corn farmers fell by about half following NAFTA, while the price of tortillas increased 738 percent.<sup>vi</sup>

Even in the *maquiladora* (assembly industry) sector, where Mexico had a theoretical competitive advantage, wages are almost 40 percent lower than those paid in heavy, non-*maquiladora* manufacturing. To make matters worse, *maquiladora* employment is now on the decline. Since 2000, hundreds of factories and hundreds of thousands of jobs in this sector have been displaced as China joined the WTO, and Chinese sweatshop exports gained a global market share.<sup>vii</sup> This combination of factors has made earning a living virtually impossible for millions of Mexicans, with predictable immigration consequences.

On January 1, 2008, the final elements of NAFTA's agricultural chapter—removal of tariffs on white corn and beans—will come into effect and Mexico's small farmers are expected to take another damaging hit. NAFTA policies have consistently favored industrial scale agriculture over the poorest and most vulnerable small farmers and their communities, with devastating social consequences. It is in the U.S. interest to reverse course. Support for local community development in Mexico can provide opportunities for small farmers, their families, and their communities to stay at home rather than join the displaced millions pushed north by this failing economic model.

### **Moving in the wrong direction:**

Despite the mountain of evidence that NAFTA is a failure—growing income gaps and worker insecurity, as well as dramatically accelerated migration from Mexico to the United States—the leaders of North America and their business allies hope to extend its reach. President Bush, President Calderón of Mexico, and Prime Minister Harper of Canada have been meeting regularly to expand the power of NAFTA under the rubric of the Security and Prosperity Partnership (SPP). Rather than seek the advice of grassroots organizations and the elected representatives of the Mexican, American, and Canadian peoples for this misguided agenda, they have met behind closed doors with the corporate elite that comprise the North American Competitiveness Council (NACC), whose members include Wal-Mart and Lockheed Martin.

### **Envisioning alternatives, taking action:**

Political discussion in 2008 should be focused on devising labor, trade, and immigration policies that address the root causes of economic insecurity and growing migration, not on extending failed policies. Truly comprehensive immigration reforms should be attuned to the interests of the majority of workers and citizens in both Mexico *and* the U.S. Such reforms, which provide opportunities for Mexicans as well as Americans to prosper at home, are the only way to slow migration and allow the U.S. to regain control over its broken and dysfunctional immigration system.

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<sup>i</sup> Passel, Jeffrey. "Unauthorized Migrants: Numbers and Characteristics of the Undocumented Population." Pew Hispanic Center. 2005.

<sup>ii</sup> Wise, Timothy, "NAFTA's Untold Stories: Mexico's Response to North American Integration." International Relations Center, Americas Program. June 10, 2003.

<sup>iii</sup> Jordan, Mary and Sullivan, Kevin, "Trade Brings Riches, but Not to Mexico's Poor." *Washington Post*. March 22, 2003.

<sup>iv</sup> Passel, Jeffrey. "Unauthorized Migrants: Numbers and Characteristics of the Undocumented Population." Pew Hispanic Center. 2005.

<sup>v</sup> Audley, John and Polaski, Sandra and Papademetriou, Demetrios G. and Vaughan, Scott. "NAFTA's Promise and Reality: Lessons from Mexico for the Hemisphere." Carnegie Endowment for International Peace Report. November 19, 2003.

<sup>vi</sup> Luis Hernández Navaro. "The New Tortilla War." Center for International Policy, Americas Program. May 7, 2007.

<sup>vii</sup> Carlos Salas, "Between Unemployment and Insecurity in Mexico: NAFTA Enters Its Second Decade," in Robert E. Scott, Carlos Salas, and Bruce Campbell, *Revisiting NAFTA: Still Not Working for North America's Workers*, (Washington, D.C.: Economic Policy Institute, 2006).