

## *South of the border still borderline for poor*

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### **Body**

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In the Great Immigration Debate, there's no question that Mexicans come to the United States because of the opportunities here.

But why aren't there more opportunities in Mexico?

After all, Mexico has substantial oil reserves. Inflation is low and life expectancy is high. And in terms of climate and terrain, Ciudad Juarez is the same as El Paso, and the beaches of Cancun look every bit as good as those in Fort Myers.

What, then, makes Mexico such an apparent basket case that millions have risked life and limb to leave it?

For starters, the North American Free Trade Agreement - that ballyhooed 1994 pact - has hurt rather than helped some of Mexico's **poorest** citizens.

Commonly known as NAFTA, the agreement allows almost all trade among Canada, the United States and Mexico to flow tariff-free. Carlos Salinas, Mexico's president in 1994, predicted that NAFTA would boost his country's economy so much that it would help stem the flow of illegal immigrants to the United States.

"What we want to do is export products and not people," Salinas said.

But NAFTA, an international agreement, did nothing to eliminate the generous subsidies the U.**S.** government gives to American farmers.

Thanks to NAFTA, U.**S.** growers have been able to sell corn and other produce duty-free in Mexico, driving down prices for the country's own farmers as much as 70 percent. As result, many went bust and left their land - often heading for the United States.

Before NAFTA was enacted, 260,000 illegal immigrants from Mexico crossed the **border** each year. By 2003, the number had soared to 500,000.

Moreover, undocumented workers stay longer. In the early 1980s, Princeton researcher Douglas **S.** Massey found, more than half of illegal Mexican immigrants returned home within 12 months. By 2000, only a fourth of those workers crossed back inside a year.

"NAFTA was oversold at the beginning," says Sidney Weintraub, an expert on the agreement at the Center for Strategic and International Studies.

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Weintraub notes that NAFTA has done much of what it was supposed to do for Mexico: boost foreign investment and dramatically increase exports of car parts and other products to the United States and Canada. Mexico's trade with its two NAFTA partners has tripled since 1994.

But the agreement has not spurred as much development as hoped, partly because the Mexican government has been slow to reform numerous problem areas. Among them: a corruption-riddled justice system, an inefficient state-owned oil industry and a regressive tax structure that benefits the rich and hurts the poor.

"You can list a whole bunch of things that are not working well and they are far more important than NAFTA," Weintraub says.

The official jobless rate is a surprisingly low 3.6 percent, but 25 percent of adults are underemployed and four of every 10 Mexicans live in poverty. There is a huge gap between haves and have-nots; the top 10 percent of the population holds almost 36 percent of the country's wealth.

"The inequalities in Mexico are very high," Weintraub says, "and there's very little concern exhibited by wealthy people who have been doing very well for the inadequacies at the bottom of the scale."

Aggravating Mexico's poverty is a birth rate nearly twice as high as in the United States.

Almost 90 percent of Mexicans belong to the Roman Catholic Church, which forbids most forms of birth control. Population pressures, especially in crowded areas along the U.S.-Mexican border, contribute to the flood of illegal immigrants.

On Sept. 6, 2001, President Bush and Mexican President Vicente Fox agreed on the idea of trying to match "willing workers with willing employers" and ensuring that migration takes place safely and legally. But the Sept. 11 attacks stopped the negotiations.

Fox cannot run again, and his would-be successors are making jobs, not immigration, the main issue in July's presidential election.

The front-runner, former Mexico City Mayor Andres Manuel Lopez Obrador, is calling for a "Mexican New Deal" to spur development. His main opponent wants to create service jobs in regions that traditionally send workers to the United States.

Regardless of who wins, one expert says any new government should steer away from policies that mainly benefit the "elite" and give far more help to the large, impoverished peasant class.

"There is no history in Mexico of social democratic policies where the government is committed to providing for the broad development of the country," says Tom Barry of the International Relations Center in New Mexico.

"The government has bought the line that the way to improve the economy is to promote exports and to promote the private sector and liberalize trade, and in doing that the benefits will trickle down. The government has not recognized the value of having a peasantry that may not be competitive on a global level but that does provide subsistence to rural communities."

But, as Barry also notes, there is little incentive for the Mexican government to change.

As long as Americans want cheap labor to sweep their floors, clean their hotel rooms and pick their lettuce, Mexicans will continue to pour across the border. Not only do they relieve their own government of the need to provide millions of jobs, they sent back a record \$20-billion last year, making remittances Mexico's second-largest source of income, second only to oil exports.

Says Barry: "The U.S. has provided an escape valve for a marginalized population and that's why the Mexican government is so eager to keep it alive."

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## NAFTA'S NEIGHBORS

	MEXICO	UNITED STATES
Size	789,020 square miles (slightly less than three times the size of Texas)	3.84-million square miles
Population	107.5-million	298-million
Median age	25.3 years	36.5 years
Life expectancy	75.4 years	77.85 years
Literacy rate	92.2 percent	99 percent
Per capita income	\$10,100	\$42,000
Population below	40 percent	12 percent

### poverty line

Unemployment	3.6 percent (plus 25 percent underemployment)	5.1 percent
Inflation	3.3 percent	3.2 percent
Oil reserves	33.3-billion barrels (world rank: 12th)	22.45-billion barrels (rank: 15th)

Source: 2005 CIA World Factbook

## Graphic

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### CHART

Chart compares Mexico with the U.S. in various categories, including size, population and life expectancy.

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