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THE RELATIONSHIP BETWEEN MEXICO-U.S. ECONOMIC INTEGRATION AND INTERNACIONAL

MIGRATION UNDER NAFTA

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ABSTRACT

his article analyzes the new dynamics within Mexican labor migrations to the United States in the context of the economic integration of the two countries, which is taking place with the introduction of neoliberal policies and, particularly, under the influence of NAFTA. It argues that Mexican workers play a funda-

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mental role in the industrial restructuring of the United States and that this role has triggered a series of contradictions; these, in turn, threaten the viability of the process and create an urgent need for a rethinking of Mexico's development model and of the policies currently governing migration and development. To this end, it offers a critique of the Mexican export model, analyzes the dialectic that exists between economic integration and international migration, and questions the prevailing outlook that underlies public policy.

INTRODUCTION

Mexico is currently the country with the highest number of emigrants in the world. Under the influence of the North American economic integration process, Mexico—U.S. migration is increasing rapidly and undergoing significant changes, giving rise to a particular dialectic. On the one hand, regressive dynamics arise (loss of skilled workers, progressive dependence on remittances, productive disconnection and stagnation, inflation, family disintegration, deepening social inequalities, etc.) and progressively converge in the unleashing of a growing and worrisome trend toward depopulation and the abandoning of productive endeavors in areas with high levels of migration. On the other hand, and in contrast to the above process, the evolution of the phenomenon leads to a complex and dynamic fabric of crossborder relationships, the development and maturity of which leads to the emergence of new social players who — through their organization, practices, and projects — now act as agents of development in their places of origin.

At the heart of these complex and multifaceted problems lies the deepening of inequalities and asymmetries between Mexico and the U.S. We thus posit that the prevailing model of economic integration underlying this trend is based on the key role assigned to Mexican labor — both within the country's borders and beyond them — in the USA's industrial restructuring process. We also posit that against that backdrop there comes into play the vigor and contrast between what could be seen as "top down" transnationalism, expressed in a strategy responding to the interests of U.S. capital, and "from below" transnationalism, manifested in the

practices of migrants and their organizations with ties to their counterparts in the country. Transnationalism "from below" not only opens up arenas for resistance, it also points out directions for rethinking the situation and progressing toward alternative development. The field of possibilities is the result of the interplay and confrontation between the two perspectives.

This sets a dual challenge for public policies. First, to recognize the strategic importance of migration as both a problem and an opportunity and, secondly, to rethink the development process with the participation of the migrant community and from a transnational perspective. By suggesting the need to design public policies in the fields of migration and development, we are not naively seeking to suggest that the Mexican state will adopt them as its own, knowing that it has adopted a neoliberal agenda that supports the current integration process. Instead, our proposal addresses a nascent social process that both feeds on and demands the participation of many political, social, and economic players with an interest in and a commitment toward the country's development.

The central purpose of this paper is to offer an analysis of the issues raised. We are above all interested in reflecting on the problems and prospects of the migration—development coupling in the current context of Mexican—U.S. integration, and will also offer a brief overview of relevant public policies. In accordance with those broad premises, the paper is divided into five sections. The first provides a brief overview of the nature of Mexico's integration with the U.S. economy that is taking place under the aegis of neoliberalism. The second outlines the main features of the recent expansion in the migration phenomenon. The third describes the contradictory dynamics that arise between the economic integration model and international migration. The fourth offers a critical analysis of the public policies applicable to migration and the role played in this regard by migrants in their capacity as objects/subjects. And, to conclude, a series of general conclusions are put forward.

BRIEF CONCEPTUALIZATION: THE DYNAMICS OF THE INTEGRATION PROCESS

Mexico is generally considered a successful example of economic integra-

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tion on account of its policy of exporting manufactured goods (ECLAC, 2002): it is Latin America's leading exporter, and the thirteenth in the world. The rigorous, even fundamentalist application of the neoliberal recipe, enhanced by the North American Free Trade Agreement (NAFTA), helps the country be one of the world's most open economies (Guillén, 2001), although its export platform is almost exclusively oriented to the U.S. The country's supposedly advanced export profile is seen in the fact that manufactured goods account for 90%, of which goods deemed "disseminators of technological progress" account for 39.4% (ECLAC, 2002; Cimoli and Katz, 2002).

The optimistic view of this integration, which corresponds to the notion of "open regionalism" espoused by ECLAC (ECLAC, 1994; Baumann, Bustillo, Heirman, Macario, Máttar, and Pérez, 2002), is nothing more than a distorted perspective on reality. Indeed, an analysis of Mexico's new export profile indicates the pronounced dynamism and specific weight of the maquiladoras,³ the exports of which increased 26-fold between 1982 and 2004, accounting in that last year for more than half (USD \$87.548 bn) of the manufactured export total (USD \$158.809 bn). In addition, a process of "disguised maquila" has been seen emerging in other areas of export manufacturing, such as the automobile industry (Cypher, 2004; Delgado Wise, 2004; Fujii, 2000; Carrillo and Ramírez, 1997; Carrillo, Mortimore, and Estrada, 1998). Note that the total of temporary imports was equal to almost 80% of total exports over the past decade, between 1993 and 2000 (Dussel, 2003). Another important component of this dynamic is the disproportionate level of intra-firm trade, estimated to be around 65 or 75% (Arroyo, 2003; Durán and Ventura-Dias, 2003; Baker, 1995). The shared production scheme, a inherent aspect of intra-firm trade, does not imply similarly shared profits and, at the same time, export prices are artificially fixed by the same companies without declaring their

Maquiladoras are conceived of as assembly plants tied in with internationalized productive processes and almost no integration with the domestic economy. They are thus characterized by importing most of the components they use and selling most of their output abroad (Dussel, 2003; Dussel, Galindo, and Loría, 2003) and by reducing their catalyzing impact to a meager trickle of wage incomes.

profits. Using that maneuvering, net profits are transferred abroad while, at the time the jobs created are subsidized by the Mexican economy. As can be seen, Mexico's export model in reality contravenes the idea of the free interplay of market forces preached by neoliberal orthodoxy and, worse still, spawns a ransacking of investment resources that would otherwise dynamize the Mexican economy.

It goes without saying that the structural volatility and fragility of the export dynamism is subject to the ups-and-downs of the U.S. economy and, above all, to the fortunes of the static, short-term comparative advantage upon which it relies — cheap labor. Mexico has recently suffered major decreases in the expansion of its manufactured exports on account of factors such as reduced dynamism within the U.S. economy and the entry of China into the World Trade Organization (Huerta, 2004). Even though the maquiladoras consolidated their position at the center of Mexico's export model in the 1990s, in terms of the growth observed in employment and output (Fujii, Candaudap, and Gaona, 2005), a certain decrease has been experienced since late 2000 on account of falling demand in the U.S. and competition from countries with lower wages than Mexico — such as China and the Central American nations — which caused the relocation of maquiladoras and relative growth in wage levels in maquiladoras installed in Mexico (De la Garza, 2004).

TABLE I
MAQUILA CRISIS INDICATORS

Indicator	2000	2001	2002	2003
Total employment	1 291 232	1 198 942	1 071 209	1 062 105
Number of facilities	3 598	3 630	3 003	2 860
Growth rate in physical output volume	13.8	-9.7	-9.1	-1.0
Productivity growth rate	0.9	-2.8	1.7	-0.1
Exports (millions of dollars)	79 467	76 881	78 098	77 476
Foreign investment in maquiladoras (millions of dollars)	2 983	2 172.2	2 043.5	1 961.1

Source: De la Garza (2004)

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To understand Mexico's process of integration with the U.S., it is necessary to reveal what the country actually exports and demystify the idea that Mexico has a buoyant export manufacturing sector, since, as already noted, it largely comprises intra-firm trade, primordially within the maquiladora sector. That means that the substance of what the country exports is, in reality, labor, without it leaving the country (Tello, 1996). Thus, behind the veil of the supposed growth in manufactured exports, lies the contraction of a part of the Mexican economy, which is diminished and forced to serve as a reserve of manpower for foreign, chiefly U.S., capital.

Additionally, the form of economic integration underlying the export model is based on a series of macroeconomic policy measures that have also led to:

- a) a contraction in the country's domestic market,
- b) the closure and dismantling of numerous companies that served that market (with a destructive impact on internal value chains), and
- c) increased poverty and social marginalization, accompanied by a drastic reduction in the country's formal labor market (Villarreal, 2004).

There is an inescapable relationship between the integration model and international labor migration. Accordingly, it is a model of integration that is structurally associated with explosive growth in the direct exporting of Mexican labor to the U.S. through labor migration and, in addition, it lends a particular feature to the nature of commercial exchanges between the two nations. Both cases imply an immeasurable loss for the country. Maquiladoras mean net transfers abroad of potential revenues.⁵ while mi-

⁴ It should be noted that in addition to manpower (the country's leading export, with a net contribution to the balance of trade of USD \$36 bn in 2004), Mexico exports natural resources (chiefly crude oil) and assets (which, for the most part, come from the privatization of state-owned companies). This is where most of the direct foreign investment has been channeled, emphasizing not only the unproductive nature of investments of this kind, but also their clear contribution to the process whereby capital is concentrated and centralized by big multinationals.

⁵ Moreover, the multiplying effect of wage revenues tends to be insignificant since most maqui-

gration represents not only a transfer of the costs of generating and training the labor force, but also —and more importantly— deprives the Mexican economy of the main merchandise for capital accumulation.⁶

THE NEW MIGRATORY DYNAMIC BETWEEN MEXICO AND THE UNITED STATES

We must not forget that, in general terms, the international migration phenomenon has a historical root cause involving economic, political, social, and cultural factors (Castles, 2003). Although Mexico–U.S. labor migration is a phenomenon that dates back to the late 19th century, in its current phase it is characterized by unprecedented levels of dynamism, particularly since the passage of NAFTA.⁷ Note, in this connection, that over the past 34 years (1970-2004), the number of Mexican-born residents of the U.S. increased 13-fold (Conapo, 2004a). This fact, in and of itself, raises questions about the alleged benefits of the integration process on which the country has embarked.

The burgeoning growth of the population born in Mexico and of Mexican origin residing in the U.S. — as an expression of the exponential

ladoras operate on the northern border and much family spending takes place in the U.S.; at the same time, large stores belonging to U.S. chains account for a sizable slice of spending in Mexico, made with remittances that migrants send to their families.

⁶ Perhaps the best illustration of the extremely restricted nature of the process of capital accumulation in Mexico is the ruthless transfer of surpluses that accompanies it. It has been estimated (Saxe-Fernández and Núñez, 2001) that the total surpluses transferred —principally to the USA— over the past two decades amounted to USD \$457 m (at constant 1990 prices). The full impact of this figure become apparent if we consider that Latin America is the underdeveloped world's leading tributary region and that, within that region, Mexico is the leading country.

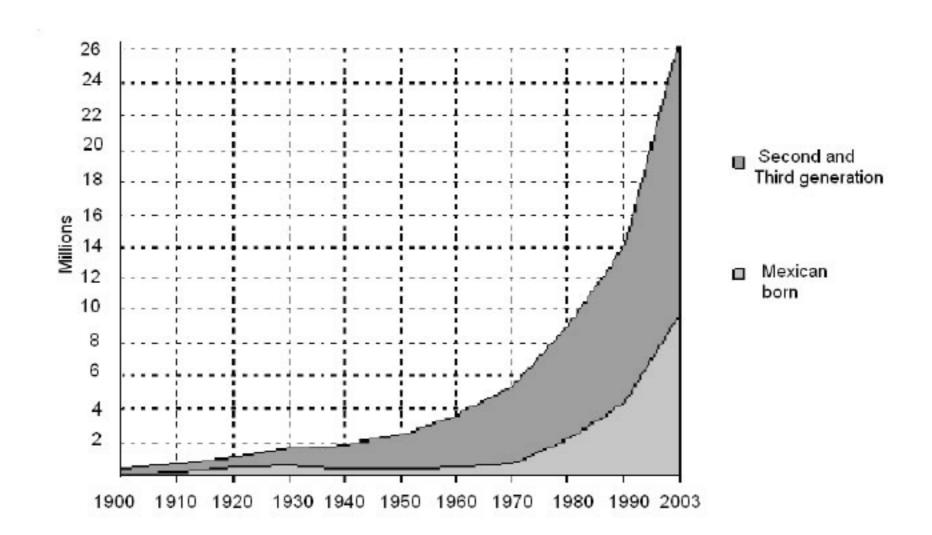
⁷ The integration process adopted following the arrival of neoliberal policies in Mexico and reinforced with the enacting of NAFTA was allegedly intended to: "contribute to the harmonious development and expansion of world trade and provide a catalyst to broader international cooperation" (NAFTA, 1994). Upon comparing the North American integration model with the one followed in Europe, notable not only is the absence of a development policy for the least favored areas, but also the unshakable obsession with controlling the southern border of the U.S. in accordance with that country's security agenda; this is in sharp contrast to the European Union, which proposes the free transit of merchandise, including manpower, as European citizens irrespective of their nationality (Alba and Leite, 2003).

expansion of the migration phenomenon — can be clearly seen on the following chart.

CHART I

MEXICANS RESIDENTS IN THE UNITED STATES,

1990-2003



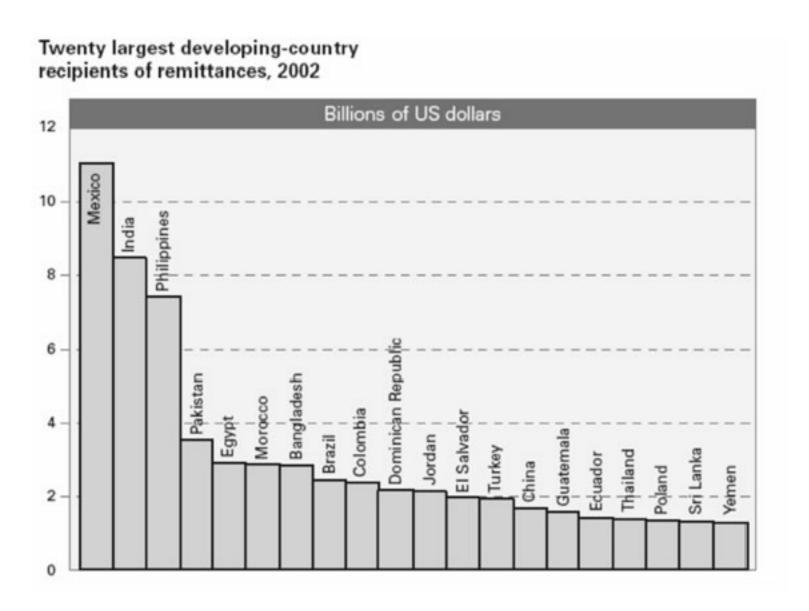
Source: Conapo, Migración Internacional, http://www.conapo.gob.mx

The following data reveal the current proportions that the phenomenon has reached:

- The U.S. is the country with the highest levels of immigration in the world (it absorbs 20%). Within the U.S., Mexican immigrants account for the largest group (27.6%) (Conapo, 2004a).
- The population of Mexican origin residing in the U.S. was estimated, in 2004, at 26.6 million, including Mexican-born emigrants (whether documented or not, and accounting for some 10 million) and U.S. citizens of Mexican descent. There is no other diaspora in the world of such dimensions (Conapo, 2004a).
- In 2004, an annual average of 400,000 Mexicans were estimated to have left the country to establish residence in the U.S. This fig-

ure, in conjunction with UN estimates for the 2000-2005 period, makes Mexico the world's leading source of emigrants, followed by China (390,000) and India (280,000) (UN, 2004).

CHART 2



Source: UN (2004)

• In 2004, total remittances received by Mexico amounted to USD \$16.6 bn (Banco de México, 2005). As in the previous comparisons, the country ranks first in the world, outstripping by 27% the amount of remittances received by India and by 36% those received by the Philippines (UN, 2004a).

Along with the quantitative growth in the phenomenon, which has placed Mexico at the forefront of global international migration, significant qualitative transformations have also taken place:

· Practically the whole of Mexico's territory reports international migration, since 96.2% of the country's municipalities report some form of association with it (Conapo, 2004a). In parallel to this,

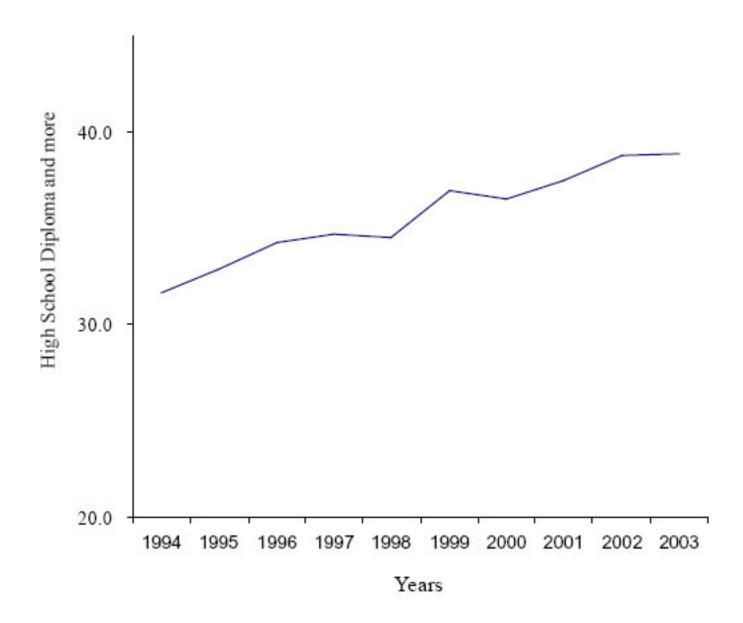
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- the population of Mexican origin resident in the U.S. while remaining concentrated in a handful of states has expanded in recent years into most of that country's territory. It should be noted that the migratory circuits are currently expanding into the eastern and north-central parts of the U.S., where some of the most dynamic industrial restructuring centers are located.
- · In the last ten years there has been a sustained growth trend in terms of their schooling (see chart 3). In 2003, 34.9% of the population aged 15 years and older born in Mexico and residing in the U.S. has a level of education higher than a basic high-school diploma. This figure rises to 49% (59.9% first generation and 65.6 % second generation) if the full spectrum of the population of Mexican origin in the USA is taken into consideration (Conapo, 2004a). In contrast the average figure for Mexico is 27.8%, which means that — in general terms and in contrast to what is commonly believed — more qualified workers are leaving than remaining in the country; in other words, there is a clear selective trend, in line with the underlying rationale behind international migrations. It should also be noted, however, that in comparison to other immigrant groups in the U.S., the Mexican contingent is the one with the lowest average levels of schooling. That situation does not attenuate the problem; on the contrary, it highlights the serious educational shortcomings that still exist in the country and that have been heightened with the adoption of neoliberal policies (OECD, 2005).
- One high-profile form of labor migration that does not fall in with the stereotypes involves Mexican residents in the USA who have university degrees or postgraduate qualifications. This figure totals slightly more than 385,000 individuals born in Mexico and 1.4 million of Mexican origin. With postgraduate qualifications, the figures are 86,000 and 327,000, respectively (Conapo, 2004a). This indicates that the brain drain has become a significant problem. Thus, under Mexico's prevailing maquiladora-based model, there is very limited demand for qualified workers and practically no demand for scientific and technological knowledge, which leads to a hemorrhaging of highly qualified human resources.

CHART 3

LEVEL OF SCHOOLING OF

MEXICAN EMIGRANTS



· A comparison of the employment patterns of Mexican workers in the two countries also yields interesting results. In the U.S., 36.2% of migrants work in the secondary sector (i.e., industry), whereas in Mexico the figure is only 27.8%. This situation contrasts with the stereotypical view of migrants as agricultural workers, and it demonstrates a fundamental change in the crossborder labor market. Only 13.3% of migrants work in the primary sector. As regards this point, it should be noted that the Mexicans are immigrant group with the highest representation in the industrial sector and the lowest average wages (Conapo, 2004a), which strengthens our hypothesis about the role of Mexican manpower in the USA's industrial restructuring process.

Finally, all of these changes have been accompanied by a transformation within migration patterns: from a pattern of predominantly circular migration it is evolving into one in which established migrants prevail, including variants such as greater participation by women and entire families.8

DIALECTIC BETWEEN THE INTEGRATION MODEL AND INTERNATIONAL MIGRATION

Among the main contradictions or paradoxes within the migration phenomenon in its relations with the current economic integration model, five are worthy of particular note:

- 1. Remittances serve as a key factor in Mexico's macroeconomic balance and social stability. In contrast to what its proponents preached, NAFTA has served to stimulate migratory flows to such an extent that remittances from abroad are now one of the country's main sources of foreign exchange. At the same time, remittances are the foreign-currency source with the most consistent growth rate — a factor of increasing relevance in light of relative reductions in other forms of external funding, such as direct foreign investment and exports from the maquiladora industry. Moreover, it is undeniable that remittances also make an ever increasing contribution to covering the costs of social spending and basic infrastructure where, previously, the task fell to public investment, in addition to providing major assistance to the subsistence spending of over a million households. Migration thus acts as a kind of invaluable escape valve (and a safety valve) in light of the economy's reduced structural capacity to expand employment. We can therefore claim that migration operates — while not setting out to do so, and while not on the migrants' agenda — as a crucial source of support for the neoliberal structure, investing it with a veneer of "stability" and, paradoxically, a "human face."
- 2. Migration leads to a hemorrhaging of human resources and regres-

⁸ In this process not only is IRCA the catalyst; a role is also played by neoliberal policies, the wearing down of the material foundations of ties of origin, and the stiffening of U.S policy.

sive dynamics in regions of origin. Irrespective of these "positive" features, we should not lose sight of the fact that migration in itself implies a loss of valuable resources for the economy, in that it represents the export of potential wealth at the same time as having a series of negative repercussions on the places of origin. Included in this are dynamics such as the flight of qualified workers, the absence of young, active workers, progressive dependence on remittances, productive detachment and stagnation, the inflationary effects of remittances (dollarization), the breakdown of the family, the worsening of social inequalities, etc. A part of this hemorrhaging and regressive dynamics is the transferring to the U.S. economy of the expenses incurred in generating and training the emigrant labor force; costs that were paid by the Mexican people as a whole. This situation is highlighted by the phenomenon's growing selectivity. In addition, a portion of the remittances are invested in education, which is credited to this transfer and reduces its "positive" impact (OECD, 2005). In no instance is any form of compensation given for the loss or transfer of those resources.

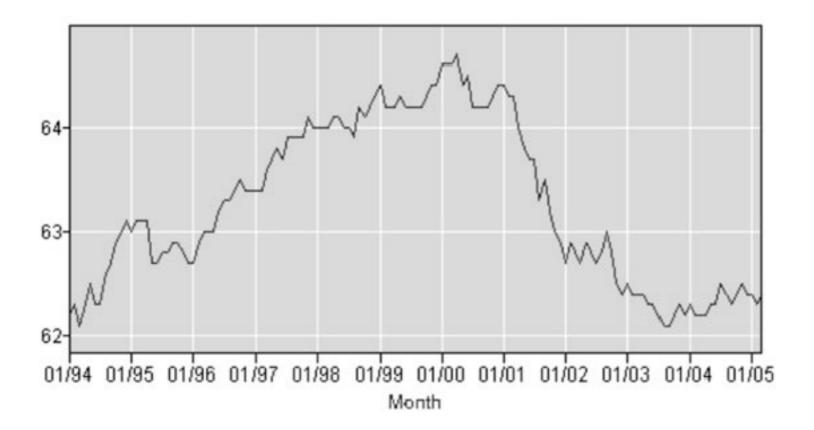
- 3. In some segments of the U.S. labor market, Mexican migrants are used as a competitive weapon against productive sectors in their country of origin. Under the NAFTA framework, the U.S. labor market is fed by cheap labor in segments that are of key importance in competing with productive sectors in Mexico. This is the case, inter alia, with the clothing industry in Los Angeles (OECD, 2005) and with the Mexicanization of U.S. agriculture (Durán and Massey, 2003). Other cases involve a strategic complementarity that operates globally on behalf of industrial restructuring in the U.S., such as the automobile and electronics sectors.
- 4. Migration contributes to the efficient operation of the job market in the United States. By its very nature, migration helps supply contingents of Mexican workers to cover the needs and demands of the U.S. employment market. It thus helps resolve the imbalances arising from large, growing asymmetries between countries that would otherwise emerge, leading to the creation of an army of reserve workers that operate on the binational level and whose chief externalities are transferred to Mexico. This phenomenon can

be seen on several levels. First, as seen in Chart 4, the burgeoning growth in Mexican migration does not have a positive correlation with the unemployment rate in the United States; this suggests that it has instead helped satisfy demand in given segments of the U.S. job market.9 Second, most of the earnings of Mexican migrants which in 2003 totaled USD \$122 bn for those born in Mexico and \$361 bn for those of Mexican origin (Conapo, 2004a) — are spent in the U.S., with the resultant and obvious transfer of their potential multiplying effect to the U.S. economy. It would be difficult to deny that this also has a positive effect on increasing the dynamism of employment (UN, 2004). Third, from the fiscal perspective, international migrants — as has been shown by a number of research projects (see, for example, Anderson, 2005) — contribute more than they receive in terms of benefits and public services. 10 They thus assist with the social security of native-born workers. Finally, in spite of the existing wage differential (1:6 in the manufacturing sector) between the Mexican and U.S. economies (which is vital in the context of the USA's industrial restructuring process), and although selectivity has increased, the wages of migrant workers have been falling systematically, particularly in those areas of the job market in which they are traditionally employed. One recent study emphasizes that the average wage received by Mexican migrants, measured in constant 2000 prices, fell by 38% over the past 25 years (from USD \$11.70 to \$7.20 per hour) (Papail, 2002). And while the contribution thus made by Mexican migrants to the cheapening of production costs in the U.S. economy is clear, it is also true that this impact takes place essentially in given sectors of the job market only, and does not affect the majority of that country's working classes.

⁹ Paral (2002) provides compelling data, broken down by employment categories, on the requirement for Mexican migrant workers in the U.S. and the major contributions they make to that country's economy.

¹⁰ It should be noted that the Mexico-born residents of the U.S., while they do make their corresponding social security payments, report the lowest levels of health coverage (46.4%) among the immigrant population, in contrast to the 63.3% recorded among other Latin Americans and Caribbeans (Conapo, 2004a).

CHART 4
UNEMPLOYMENT RATE IN THE UNITED STATES 1994–2004



Source: U.S. Department of Labor

5. Inordinate growth in migration undermines the social sustainability of the main resource that feeds it: the workforce. In contrast to the invaluable services that migration and the current integration model provide the U.S. economy, and also in contrast to the role that migration has been playing as a key factor in the country's macroeconomic and social "stability," there is a new trend in migration that questions the entire structure on which the current integration model is based and that calls into question viability in the medium and long terms: the growing tendency toward depopulation (Foladori, García Zamora, Márquez, Rivera, and Pérez, 2005). During the second half of the 1990s, 755 of the country's 2,435 municipalities (31%) reported negative growth rates. In conjunction with this trend, productive activities are being abandoned, together with a reduction in remittances per family, which could ultimately lead to a considerable reduction in the amounts sent. The important aspect of this new scenario is that it affects the very foundations of the "migration factory" and its socioeconomic functionality.

The comments so far showcase the perverse dialectic between the prevailing model of economic integration and international migration. While it falls to Mexico to reproduce and train the workers it exports (both directly and indirectly), the U.S. avails itself of those advantages to reduce its production costs and to restructure its industry. This process is based on the wage differentials that exist and the major transfers of resources that accompany it, evolving into a kind of zero-sum game that will most likely be unable to continue in face of the burgeoning growth of Mexico–U.S. migration and the emergence of the depopulation phenomenon. Also at play here are the restrictions on competitiveness inherent in the short-term strategy of basing the restructuring process on cheap labor.

MIGRANTS AND PUBLIC POLICIES VIS-À-VIS THE CHALLENGES OF INTEGRATION

As Durand (2005) perceptively notes: "Mexico is a country of emigrants that fails to recognize itself as such." Standing against this backdrop are the public policies that have historically been implemented with respect to migration and that, according to the same author, can be divided up into periods as follows: (i) 1910-1940, negative view of the phenomenon, and prevailing policies of dissuasion; (ii) 1942-1964, migration as a negotiated process (Bracero Program); (iii) 1964-1986, the policy of no policy — according to the well known description previously offered by García y Griego (1998) — within the framework of criminalizing migration; (iv) 1987-2000, policy paying attention to migrants and establishing rapport with them, due to the visibility and growing dimensions of the phenomenon, and (v) 2000 and on, the failed attempt to negotiate a migratory agenda and persevere with the policy of attention and rapprochement. Without going into great detail, and while acknowledging that the migra-

¹¹ Note that Durand (2005) extends this period to 1990; we have curtailed it, to emphasize the impact of the IRCA and, above all, the adoption of the neoliberal policies underpinning Mexico's current process of integration with the U.S.

tion issue has gained prominence within Mexican public policy, it remains true that its achievements to date have been very limited and have failed to address the roots of the problem. Deep down there prevails an adaptive logic that does not imply a rupture with the inherent rationality of the imposed "top down" integration process.

It can thus be claimed that, at present, Mexico does not have a policy for migration and development. The three main programs that are supposedly — according to Conapo (2004b) — geared toward "addressing the causes of migration," Contigo, NAFTA, and the Society for Prosperity, are not directed toward development and do not tackle the causes of burgeoning migration. Indeed, Contigo is nothing more than an collection of assistance programs focusing on extreme poverty; NAFTA, as already noted, has consolidated itself as the central point for the asymmetrical and subordinated economic integration of Mexico to the U.S.; meanwhile, the Society for Prosperity is a mere statement of good intentions that has now evolved into the Alliance for Security and Prosperity in North America, the purpose of which is to impose a geopolitical security agenda in accordance with U.S. interests, ignoring the migration question and the development problems faced by areas with high levels of international migration.

Moreover, instead of following a development strategy, Mexico's migration policies obey a logic of adaptation through unconnected programs geared toward addressing partial aspects related to the effects of migration. The state's basic aim has been to ensure that migration passively fulfills its functions vis-à-vis macroeconomic balance and social stability, in an attempt to "stretch the rope until it breaks."

In light of these broad trends, the current programs can be classified into six basic categories:

- i. Protective measures aimed at covering certain aspects of migrants' human rights, such as the Beta Groups, the Paisano Program, consular registrations, and expanding the network of consulates itself.
- ii. Identity strengthening through the idea of Mexican communities abroad, leading to the creation of the Institute of Mexicans Abroad (IME), which partially covers several issues: ties, education, and health.

- iii. Promotion of civic rights at the binational level, with the 1996 reforms regarding the conservation of Mexican nationality. In this regard, the obstacles put in place for extraterritorial voting limit the exercise of political rights by migrants and have opened up an area of disagreement with the Mexican political class.
- iv. Social development in a restricted sense, particularly through the Three-for-One Program, a clear example of negotiation involving a transnationalism "from below" that outstrips the government's operational capacity and, while not as a stated goal of the program, promotes binational organization. Because of its origins, this program illustrates the clash between two views of "solidarity": a neoliberal one (pursued by the government) and a community-based one (promoted by migrants).
- v. Reduction of transfer costs for remittances and their financial use, intended to encourage the cheapening of sending them home through competition and, more recently, the incorporation of these resources into the banking system, particularly through the National Savings and Financial Services Bank (Bansefi) and the People's Network.
- vi. Investment of remittances, leading to a small series of individualistic and disperse productive projects, difficult to conceive of as a form of local or regional development. This is the case with the "Invest in Mexico" program of the Inter-American Development Bank (IDB) and Nacional Financiera (Nafin).

Over and above the limitations seen in public migration policies, particularly as regards migration and development, it must be acknowledged that the migrant community is fighting, albeit in an incipient fashion, to become a subject of development. This can be seen, inter alia, in the Three-for-One program and in the efforts to secure extraterritorial voting rights. Thus, the historic evolution and maturing process of migratory social networks has enabled individual migrants to embark on an increasingly perceptible and significant evolution toward what could be called a binational and transterritorial collective subject.

This process is taking shape through the emergence of a wide array of hometown associations (currently totaling more than 700) and federations for migrants in several U.S. states, and of multiple alliances and coalitions with a binational outlook. This point is significant because, in this way, the migrant community is progressing toward superior organizational structures, characterized, inter alia, by having a formal organization; strengthening ties of cultural identity, belonging, and solidarity with their places of origin; opening channels for dialogue with different public and private agencies in Mexico and the U.S; and having available a far-from-negligible financial potential —through collective funds, which can overcome the limitations and lack of flexibility inherent in individual or family remittances— to be used for social projects and, possibly, for local and regional development projects (Delgado, Márquez, and Rodríguez, 2004).

Faced with this panorama, and considering the urgent need for progress to be made toward a different integration model, one to counter the perverse dialectic upon which the country has embarked, the following steps are necessary:

- 1. The state and society must recognize Mexico as a country of emigrants, the top such country in the world or, using an expression coined by Uruguayan President Tabaré Vázquez (Question, 3 March 2005), as a "wandering" nation, evoking the sense of duty toward those who have embarked on the journey and acknowledging the indissoluble unity of a nation, even beyond its territorial borders.
- 2.In line with the above, the country's development must be restated, with the involvement of the migrant community. International experience indicates that progress can be made toward this goal, as has been the case with, inter alia, Morocco, Philippines, and the former Yugoslavia (Castles and Miller, 2004; Mrabet, 2002; Schierup, 1990).
- 3. The design and implementation of a comprehensive, long-term policy (i.e., a state policy) for migration and development, covering at least the following issues: (a) guaranteeing the civic rights of migrants; (b) promoting the development of high-migration areas by opening up channels for productive investment, binational business alliances, selling to markets made up of co-nationals, fostering migrant tourism, together with options for the productive

reinsertion of retired or returned migrants; (c) helping the institutional strengthening of migrant organizations, while scrupulously respecting their autonomy; (d) making good use of the financial and productive potential of remittances in partnership projects as a part of local and regional development programs; (e) fostering comprehensive social development programs with a binational perspective; (f) disseminating the various expressions of culture at the transnational level; (g) upholding the human and labor rights of migrants; (h) promoting an effective return policy; (i) designing a new institutional frame in accordance with migration's strategic importance for development (for example, a cabinet ministry).

CONCLUSION

Under the current economic integration plans, the model for growth in Mexico has been subordinated to the industrial restructuring of the U.S. This, while functional for the U.S. economy, represents a short-term way out that it will be difficult to maintain into the longer term. At the same time, as the asymmetries between the two countries have deepened, this form of integration has unleashed a perverse dialectic that curtails the country's development and leads to a massive swelling of the migratory dynamic, which in turn fosters a growing, and worrisome, trend toward depopulation.

This phenomenon cannot be partially remided. It demands a comprehensive, long-term policy, framed as a state policy that recognizes Mexico as a country of emigrants and proceeds accordingly, involving the migrant community in the development process. It should not be necessary to state that this undertaking requires a thorough re-thinking of the country's development, incorporating the migrant and leading on to an integration model that is radically different to the one that currently prevails.

It is unlikely that the Mexican government, as a hostage of neoliberal policies, will adopt such an initiative as its own. It must come about as the result of the social pressure that the migrant community can bring to bear, particularly their organizations, together with civil society in Mexico. Parliamentary debate can also create the political conditions for progress towards this end.

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