

# The U.S.–Mexico Futures Forum: A Dialogue

Center for Latin American Studies

UNIVERSITY OF CALIFORNIA, BERKELEY

Special Issue 2003



## Old Neighbors, New Era

By Amy Lerman

In early September, 2001, it looked as though a window of opportunity for advancing U.S.–Mexico relations had finally presented itself. In a whirlwind trip to Washington, newly elected President Vicente Fox of Mexico was greeted with a great show of friendship by a Republican administration eager to demonstrate its close ties to the Latino community. With Foreign Relations Secretary Jorge Castañeda behind him, Fox was ready to talk business about trade and immigration, and it seemed that the time was right for movement deemed long overdue on key issues of binational import.

Yet just as Sept. 11 ravaged the landscape of Manhattan, so too did it irrevocably alter the international landscape. When the smoke cleared, the window of opportunity for Mexico had been buried at the foot of the Manhattan skyline, as the U.S. turned its attention toward a fierce, consuming mission of security and anti-terrorism.

continued on page 12



Photo by AP/WFP

**Chair**  
Harley Shaiken

**Vice Chair**  
Teresa Stojkov

**Guest Editor**  
Lydia Chavez

**Assistant Editor**  
Jean Spencer

**Design and Layout**  
Geof Oppenheimer

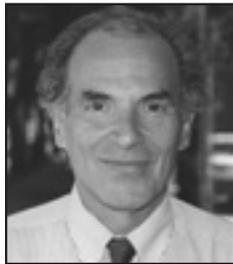
**Photography**  
AP-World-Wide Photo  
Monica Pons  
Geof Oppenheimer

**Contributing  
Writers**

Sherrod Brown  
Ana Campoy  
María Echaveste  
Amy E. Lerman  
Ralph Espach  
Harley Shaiken

The CLAS Newsletter is published three times a year by the Center for Latin American Studies at UC Berkeley.

Front cover photo: President George W. Bush and President Vicente Fox at the Fox ranch in San Cristóbal, Mexico in February of 2001.



## Letter from the Chair

**A**s we go to press, the statue of Saddam in a central square in Baghdad has been toppled, and the war in the middle east is winding down, but the shadow of the conflict continues to fall over Latin America in general and Mexico in particular.

This issue is devoted to the U.S.–Mexico Futures Forum which met for the first time in Cuernavaca, Mexico in late November 2002. The forum, a joint project launched by ITAM in Mexico City and the Center for Latin American Studies at UC Berkeley and supported by the William and Flora Hewlett Foundation, was meeting at a difficult but important time. The idea of the on-going forum is to bring together a diverse group of people from both countries — political actors, scholars, public intellectuals, artists and representatives of social movements — to candidly explore the state of the U.S.–Mexico relationship and seek innovative new approaches to improving binational cooperation. The twenty-seven participants were not the “usual suspects,” according to co-convenor Professor Rafael Fernandez de Castro of ITAM. They came together in the hope of fostering fresh perspectives.

This special issue of the newsletter reports on the Cuernavaca meetings through several overview articles and brief excerpts from the discussion. For those who were there the mood shifted from realism bordering on pessimism — little would happen at a national level between the U.S. and Mexico for some time — to moments of optimism about what proposals might break the logjam whether on a local, regional or national basis. At the end of the two day event, there was a sense of a constructive exchange and the beginning of an important new network. The forum will meet again in fall 2003 in Berkeley and, in the meantime, continue an intensive program — public events, workshops, research and working groups — on both the Berkeley and ITAM campuses. We will be reporting on this program in our newsletter and in a special Web site for the forum at [clas.berkeley.edu](http://clas.berkeley.edu).

We at Berkeley want to thank Professor Fernandez de Castro and his colleagues at ITAM for all their work in organizing this first meeting and the Hewlett Foundation for their continued support.

Harley Shaiken

### Inside CLAS

<b>Old Neighbors, New Era</b>	1
<i>Amy Lerman</i>	
<b>The U.S.–Mexico Futures Forum</b>	3
<i>Harley Shaiken</i>	
<b>Mexican Development in the Long-Term: Is NAFTA Sufficient?</b>	4
<i>Ralph Espach</i>	
<b>NAFTA: Enduring Hardships</b>	5
<i>Congressman Sherrod Brown</i>	
<b>Latino Voters: Are They Making a Difference Yet?</b>	6
<i>María Echaveste</i>	
<b>PEMEX: Myth or Modernization?</b>	8
<i>Ana Campoy</i>	
<b>Thoughts on Iraq: An Interview With Lorenzo Meyer</b>	10
<i>Lorenzo Meyer and Harley Shaiken</i>	
<b>The North American Parliamentary Union</b>	19
<b>Conference Selections</b>	23

# The U.S.–Mexico Futures Forum

By Harley Shaiken

The idea of the U.S.–Mexico Futures Forum was born during a time of unprecedented optimism. As the summer of 2001 drew to a close, much seemed possible in the oft-troubled relationship between Mexico and the United States.

Even before assuming office President-elect Vicente Fox made a bold effort to set the agenda with his northern neighbor. A new receptivity to Mexico was also unfolding in the United States. The AFL-CIO adopted a new pro-immigration stance in February 2000, the Latino vote was high on the agenda of both political parties and even Alan Greenspan extolled the importance of immigrant labor.

President Bush chose to make his first foreign visit to the Mexican president's ranch in Guanajuato soon after his inauguration and seemed receptive to Fox's notion of a "historic opportunity" to move on immigration. The only cloud on the horizon that day was a U.S. air strike against Iraq which overshadowed news coverage of these discussions.

Fox was quick to seize the moment when he arrived in Washington six months later for the first state visit of the Bush presidency. He encountered considerable good will. "Mr. Bush was right to single out Latin America, and relations with Mr. Fox's government as priorities," the *Washington Post* observed in an editorial

which then went on to chide the U.S. president as being "overdue to begin acting on the commitment to the hemisphere he has so often promised."

Shortly after his arrival, President Fox called for action on immigration by year's end, an unexpected proposal that seemed to startle the U.S. president. Nonetheless, when the applause died down after Fox's well-received address to a joint session of Congress both presidents issued a statement affirming that U.S.–Mexican relations "have entered their most promising moment in history."

This "moment in history" proved to be short-lived. President Fox's plane had barely taken off from Washington when days later the trauma of Sept. 11 unfolded. In the wake of this catastrophe, U.S. politics were transformed and Mexico slid off the political radar.

A little over one year later, in January 2003, Mexico's foreign minister resigned in frustration and his successor observed that comprehensive immigration reform might actually take 30 to 40 years.

In retrospect, Mexico and the U.S. were not anywhere near as close to far-reaching reform in the heady days prior to Sept. 11 as it seemed at the time, and Mexico may not be as welded to the back burner of U.S. political life as it seems today.

continued on page 20



Photo by Monica Pons

Gov. Pablo Salazar,  
Rep. David Bonior,  
Prof. Harley Shaiken,  
Prof. Rafael Fernández  
de Castro,  
Rep. Hilda Solis and  
Gov. Manuel Ángel  
Núñez.

# Mexican Development in the Long-Term: Is NAFTA Sufficient?

By Ralph Espach

**W**hile the U.S. economy was strong in the late 1990's, NAFTA boosted Mexico's exports and generated tremendous investment, as well as providing a welcome market for its surplus labor. In the last two years, however, the negative effects of Mexico's increasing dependence on the U.S. market have become more apparent, as sluggish growth in the U.S. has hit Mexico hard. Looking forward, NAFTA's long-term effects may lead Mexico to reconsider regionalism as its primary strategy for economic development. On March 13, 2003 Professor Albert Fishlow reviewed the effects of NAFTA on Mexico's economy and politics and outlined two alternative paths toward more sustainable growth. The objective of both paths is to boost exports in higher value, industrial manufactures, a critical step toward improved economic and social development. One involves a deeper, more binding integration with the U.S., centered on monetary coordination. The other demands a strategic retreat from NAFTA as the core of Mexico's foreign relations

and in its place a broader, more multilateral strategy toward more diverse trade relations with partners in Latin America and East Asia.

NAFTA has had enormous beneficial effects on Mexico's growth and export profile. Since 1994, exports have grown at an average rate of around 20 percent per year and have changed in type from a concentration in petroleum-based products to manufactures. Contrary to expectations, the economic growth stimulated by NAFTA did not reduce the migration of Mexican labor to the U.S. Instead, during the 1990's, this labor pool was a boon to U.S. production as well as an important release for Mexico from the pressures generated by a persistently high unemployment rate, the dislocation of rural economies and a growing population. While the U.S. economy was booming, this pattern helped to keep down inflation and wages in the U.S. and boosted Mexico's economy with a massive inflow of dollars. Currently, for the first time in over a century, Mexico enjoys Latin America's highest level of per capita income.

continued on page 15

A line of new model Volkswagen Beetles awaits inspection in the company's sprawling factory in Puebla, Mexico.



Photo by AP/WFP

# NAFTA: Enduring Hardships

By Congressman Sherrod Brown

The central premise of the North American Free Trade Agreement (NAFTA), signed between the United States, Mexico and Canada in 1994, was to create hundreds of thousands of new jobs for workers in the three countries, boost each nation's economy and create a new prosperity for Mexico's impoverished millions. Instead, NAFTA has been a



Photo by Geof Oppenheimer

blueprint for persistent poverty in Mexico and for job loss in the United States. While NAFTA goes to great lengths to protect investors and property rights, the agreement does not include enforceable measures to protect workers in Mexico or the United States.

Rather than experiencing job increases as promised under NAFTA, the United States has lost hundreds of thousands of manufacturing jobs. As of September 2000, the Department of Labor (DOL) had certified 507,384 U.S. workers as having lost their jobs due to NAFTA. These workers represent only a fraction of the total jobs lost due to NAFTA: the NAFTA Trade Adjustment Assistance (TAA) program, from which the DOL derived its number, provides job training and income support to workers who meet very narrow criteria. Only workers who know about and choose to apply for the program are included in the figures.

A non-partisan Economic Policy Institute (EPI) study asserts that by 1998 over 440,000 U.S. jobs had been lost since the inception of the agreement. Over three-quarters of lost jobs were in the manufacturing sector. EPI's report also found that even when displaced workers are able to find new jobs in the growing service industry, they face an average reduction in wages of 16 percent.

NAFTA has failed. A \$1.7 billion U.S. trade surplus with Mexico is now a \$25 billion

trade deficit. The trade deficit with Canada, the United States' largest trading partner, has increased to \$50 billion.

The agreement has had a no less devastating impact on Mexico. The enormous amount of wealth and increased jobs in Mexico created by the agreement failed to improve the lives of its working class. A high percentage of Mexicans are still impoverished. Although the massive erosion of the manufacturing sector in the United States initially created tens of thousands of jobs for Mexican laborers, the pay was not enough to lift them out of poverty or to ensure their children could attend school or receive adequate health care. In addition, NAFTA does not grant Mexican workers the right to form independent unions to improve their situation. If Mexican workers do not have decent wages, they will never be able to afford U.S.-made goods, and more American jobs will continue to flow south of the border.

To add insult to injury, with the United States granting Permanent Normal Trade Relations (PNTR) to the People's Republic of China, many manufacturing jobs are now migrating from both the United States and Mexico to China. Simply put: Mexican laborers, with wages at only a few dollars a day, face competition from lower wages in China.

Although the percentage of Mexicans living in poverty since the early 1990's has

Metales y Derivados, an abandoned battery recycling plant in Tijuana, Mexico.

continued on page 18

# Latino Voters: Are They Making a Difference Yet?

By María Echaveste

**T**he 108th Congress began its first session in January with the largest number of Hispanic members of Congress ever: twenty-four members including four Republicans, and 20 Democrats. Among these were four new freshmen, one a woman and one of Portuguese origin who nevertheless wanted to join the Hispanic caucus. In the same month, the U.S. Census Bureau reported that Latinos now comprise the largest minority with approximately 37 million persons claiming Hispanic/Latino identity or about 13 percent of

the event. Now political pundits like Mort Kondracke and William Kristol are trying to understand Latino voters. A survey by the Pew Hispanic Center, established only a year and half ago to provide data on Latinos, warranted a front page story in the Washington Post. Both parties, Democratic and Republican, trip over each other to show how seriously they view the Latino vote. The Republican National Committee, for example, airs a monthly infomercial targeted to Hispanic voters in English, and the Bush Administration gives Univision access to its highest officials. And in a

move largely seen as political, just one month prior to the November election, Minority Leader Richard Gephardt introduced legislation to legalize millions of undocumented workers.

In short, if perception is nine-tenths of reality, then Latinos are the newest and hottest electoral prize, the new soccer moms of the next election cycle. It's the numbers that make the political parties anxious and excited, but so far the numbers have failed to produce the commensurate political

clout because they have failed to turn into real votes.

Evidence of the disconnect between the numbers and influence abound. Just look at immigration reform. While much of the momentum fueling the U.S.–Mexico talks was understandably lost after Sept. 11, 2001, very little of it has been regained. Indeed the Latino and immigrant community has been powerless to stop the Bush Justice Department, led by Attorney General John Ashcroft, from equating immigrants with terrorists. An effort last year to reinstate section 245(i) of immigration law that

the total U.S. population.

These numbers have made Hispanics the subject of intense study and scrutiny. Democrats and Republicans are asking, "How do we get their votes?" Following the November 2002 elections, mainstream media reporters attended a press conference sponsored by the National Council of La Raza and the National Immigration Forum on the Latino and immigrant vote. Not too long ago, only Spanish-language media or regional newspapers with large Hispanic populations would have covered



Photo by AP/WPP

Members of the United Farm Workers Union react to the debate between Texas Democratic gubernatorial hopefuls Tony Sanchez and Dan Morales. Their historic debate, conducted in Spanish, drew national attention.

permits families to be reunited was defeated in the House despite support from the Bush Administration.

In July 2002, Ashcroft overturned years of legal opinions in concluding that local police departments had “inherent” legal authority to enforce federal immigration laws. This, notwithstanding an outcry from leading Hispanic organizations and police chiefs across the country who argued that such a legal interpretation would undermine the fragile bonds of trust being built between the police and Latino communities. In December 2002, Hispanic and immigrant organizations were also powerless to protect immigrant services. The Immigration and Naturalization Service got swallowed up by the new Homeland Security Department and failed to rate even its own deputy secretary. Instead, it is simply becoming just another bureaucratic box within an organizational chart that is yet to be fully diagrammed. Additionally, one is hard-pressed to find examples of any high-level interest in the crises affecting Latin America including Argentina’s financial meltdown or Venezuela’s tenuous hold on democracy.

The one shining exception to the defeats of last year was the Bush Administration’s decision to uphold and reissue, with slight changes, an Executive Order first promulgated by President Clinton. This order requires all federal agencies and their grantees and contractors to develop plans for ensuring that those persons who are Limited English Proficient will be able access the services and resources of such agencies. This was done, in spite of intense lobbying by major health groups such as the American Medical Association, and will be used, have no doubt, in the 2004 campaign trail to show how responsive the Bush Administration to concerns raised by Latino activists.

But why this one victory in a sea of defeats? First, Hispanics are diverse in country of origin, years in the United States and level of education. Approximately 60 percent of U.S. Hispanics are of Mexican origin, 9 percent are Puerto Rican, 3 percent Cuban, almost 20 percent from Central America and the remainder from other parts of Latin America, Spain and the Caribbean. Second, almost 40 percent of the Hispanics in this country are immigrants. Third, approximately 35 percent of Latinos identify Spanish as their primary language, thereby increasing the costs of any political effort because a campaign must be designed in two languages. Fourth, of the approximately 13-14 million Hispanics who are of voting age and

citizens, less than 6 million voted in the 2000 presidential election and significantly less than that voted in the 2002 election. Related to this is the lack of educational achievement for a significant part of the Hispanic population. It is well-established that higher levels of education result in higher voter participation. The Cuban population is a case in point. Fifth, half of all Latinos live in two states: California and Texas. It is difficult to be a critical national player if the population is concentrated in two states. Sixth, the difference in origin and history of Latinos makes it difficult to devise a common and collective Hispanic agenda to gauge politicians’ commitment and responsiveness to the Hispanic community. Moreover, many come from countries where political participation and democracy are not solidly ingrained as positive activities, countries where voting was likely meaningless as the same party always won or dangerous. Seventh, Latinos come in all colors with approximately 50 percent identifying themselves in the 2000 Census as both Latino and white. As some have wondered, will Latinos become “white” like other immigrants such as the Irish, Italians and Jews? Eighth, and related to the foregoing point, is the difference between an immigrant experience versus the history of slavery experienced by the African-American community. Lastly, there is the paucity of national institutions and organizations that would facilitate organizing and mobilizing Latino voters due to the relative young and immigrant nature of a significant part of our population.

These then are some of the factors that make organizing Latinos into a potent and powerful bloc of voters that really impact elections and thereby public policy a difficult and challenging task. Yet, as I stated at the beginning, the potential impact is exhilarating to contemplate and therefore, our only alternative is to persevere and work to organize and expand that electorate because if the potential were realized it could change the direction of national and state policies in very significant ways.

María Echaveste is an attorney and consultant in Washington D.C. She was the Deputy Chief of Staff in the Clinton White House from 1998-2000. Ms. Echaveste is a participant in the U.S.–Mexico Futures Forum.



Photo by Monica Pons.

María Echaveste addresses participants at the U.S.–Mexico Futures Forum.

# PEMEX: Myth or Modernization?

By Ana Campoy

**O**n March 18, 1938, President Lázaro Cárdenas, backed by the moral and financial support of the Mexican people, drove foreign oil companies out of the country after they violated their labor contracts with local workers. This expropriation sent out

biggest economic power.

In a history plagued by invasions, foreign intervention and presidents that have sold off national assets to the highest bidder — including chunks of the national territory — Cárdenas' oil expropriation stands out as an



Photo by AP/WFP.

The Cantarell oil platform run by Mexico's state oil company Pemex, near the city of Ciudad del Carmen, Campeche.

international shock waves that reverberated with oil producing nations for decades and forever tied Mexico's national economy and foreign relations to oil. As a substantial part of federal income — currently around 40 percent — oil has helped fund the country's development. When the nation has been cash-strapped, the billions of barrels under the earth have acted as collateral for international loans. Oil has also generated a sense of pride in a nation permanently under the shadow of the world's

episode of particular righteousness and heroism, and one in which, for a change, Mexicans won.

The victory, however, has not been permanent. In recent times oil has ceased to be a panacea.

PEMEX, the state oil company, is in financial chaos. Its current director, Raúl Muñoz Leos, predicts that PEMEX will collapse if its internal finances are not put in order. By the end of the current administration, he has said, Mexico could become a net importer of petroleum

products. Already it imports around 20 percent of the country's total consumption of refined products.

Those trying to reform PEMEX face many challenges. Its executives calculate that the company loses \$1 billion a year to corruption. The company's profits are also spent on a bloated work force — PEMEX spends three times as much per barrel as Venezuela's state-run oil company. Additionally, PEMEX officials have been recently charged by the government with illegally channeling money to the former ruling party, the PRI.

In the meantime, Mexico's reserves are declining. PEMEX has replaced, through new discoveries, only about 27 percent of the oil it extracts. Moreover, there are signs that Cantarell, an immense oil field off the Bay of Campeche that accounts for more than half of Mexico's daily production, will reach its peak during the current decade.

Insufficient infrastructure adds to the problem, making Mexico an importer of expensive refined products, while it exports cheaper crude oil. This has put the country's industrial base at a disadvantage vis-à-vis its competitors abroad, who can achieve lower production costs through better prices for gasoline and other energy sources.

"Today the oil sector is an obstacle instead of a lever for development," says José Alberro, former CEO of PEMEX Gas y Petroquímica Básica and current director of LECG, an economic consulting firm. "It's a bottleneck that limits growth and industry competitiveness."

Even though PEMEX's current situation is precarious, it has not been the subject of national debate. The nation's current attitude toward oil still stems from the rhetoric of 1938: Mexicans see it in terms of sovereignty and patriotism, rather than as a real energy source that has to be administered and replaced. Although the country has opened up to globalization in many other sectors, words like self-determination, national patrimony, and the ever popular "*la patria no se vende*," the homeland is not for sale, inevitably emerge when the

topic of oil privatization comes up. Uttering the "P" word can put a politician's career on the line. In his campaign for president, Fox let it slip and his opposition has been reminding Mexican people of "his intentions to sell PEMEX" ever since.

"Oil has always been a taboo problem, so people do not know what is really happening," says David Shields, a Mexico-based oil analyst and consultant. "There is a zero culture about oil. Even congressmen don't understand the subject."

There are, however, some sectors that are pushing for a change in the discourse around oil. Among those are industrial groups and a handful of senators and deputies who openly support private capital participation. Even President Fox continues to try to frame PEMEX in more capitalistic terms. "The sovereignty that the state and the Mexican nation exercise over our oil resources is not in contradiction with efficiency," he said two years ago, during the annual celebration of Cárdenas' oil expropriation. "We all want a strong PEMEX, efficient and able to generate results and resources for all the families in this country." Yet Fox is well aware that resistance to change is strong.

Just a month earlier, he had appointed four of Mexico's most prominent businessmen to PEMEX's board of directors: telecommunications mogul Carlos Slim, Alfonso Romo, chairman of Grupo Pulsar, an umbrella company with biotechnology, insurance, and stock brokering businesses, Lorenzo Zambrano, chairman of one of the world's biggest cement companies, Cemex, and PepsiCo's Rogelio Rebolledo. In response, Congress mounted a three-month long protest on the grounds that the self-interests of some of Mexico's richest men were at odds with those of the nation. Fox was accused of trying to slide privatization through the back door by placing his cronies in positions of power and forced to revoke the appointments. Lately, the president has fallen back to the "*la patria no se vende*" line to deal with pressures such as the strike threatened by the oil workers union.

Populist rhetoric aside, Mexicans do have reason to worry about privatization, judging

continued on page 14

# Thoughts on Iraq:

## An Interview With Lorenzo Meyer

On Saturday, March 23, Harley Shaiken spoke with Lorenzo Meyer, Mexico's pre-eminent historian, about the onset of war in Iraq. Prof. Meyer teaches history at the Colegio de México. He recently spent a month as a visiting scholar at the Center for Latin American Studies where he taught a seminar entitled "The U.S. and Mexico: Conflicting Agendas — A View of the Present From a Historical Perspective."

**HS:** Public opinion in Mexico appears to be heavily against an intervention in Iraq. Were there any prominent figures or groups in Mexico supporting the war?

**LM:** According to the latest opinion polls, more than 80 percent of Mexico's public opinion is against the war, and that was sensed by the president, the government. That is one of the explanations why the Mexican government decided not to be part of the "Coalition of the Willing,"

but quite the contrary, to say openly that there were still peaceful ways to solve the problem. That was a statement that ran contrary to the U.S. Only a handful of opinion writers were willing to say something different. However, in my opinion, the leaders of the big money, of the big enterprises in Mexico, they were not unwilling to take a stand side-by-side with the United States because of NAFTA. From their perspective the economic relationship with the United

States is so important that to jeopardize that factual relationship in order to save principles, these ethereal things that constitute the core of Mexico's foreign tradition and Mexico's foreign policy, is not worth it.

However, public opinion is so strong that the three big political parties: PRI, PAN and PRD, are supporting the position of the government. [Business leaders] can hardly voice a strong opinion. I especially don't think that they can swing the Mexican view of the situation. So probably they have strong reservations, they are against the official policy of Mexico, but they cannot do anything. It is too late for them.

That shows that governments don't always follow the money and vested interests. In this case I suppose President Fox is also thinking about the coming election. This is the first popular decision of Vicente Fox. For the first time he's taking a stand. He's not the hesitant guy that he used to be. And it's paying political dividends.

Even that cannot sufficiently explain [Mexico's] position. I think that it's part of an historical trend. Even Vicente Fox, the close friend of George Bush, at least for a while — conservative,



Photo by AP/WFP

Mexico's ambassador to the United Nations, Adolfo Aguilar Zinser, in the Security Council chamber at U.N. headquarters.

Catholic — cannot go along with the United States. I think that what we can call public opinion in Mexico is basically against U.S. policy in Iraq. There is no strong dissident opinion within Mexico.

**HS:** Now that the war has begun, what impact do you think Mexico's lack of support for the U.S. position in the United Nations will have on the U.S.-Mexico relationship?

**LM:** Well it's difficult to say because there were several statements coming from the United States telling us that there will be some kind of reaction against those who were unwilling to support the U.S. To begin with, and it was very open, those who will not support the U.S. will be irrelevant. That's already one way of defining Mexico: part of the irrelevant non-willing coalition. However, the basic link between the two countries is economic. And I don't see that the U.S. will be willing to destroy that link because it will affect the U.S. interests as well.

Even if that is not the case, there is another reason not to expect a strong reaction on the part of the U.S. against Mexico. The basic interest of the U.S. south of the border has been, since the end of the nineteenth century, having a stable neighbor. Stability these days in Mexico depends on the deepening of the democratic process. We are living in a new regime that is still really very new.



Photo by Monica Pons.

The economic foundations are very shaky because the economy is not performing, especially since the end of the year 2000. A strong economic reaction will affect the regime and will affect the governability of Mexico, and in that sense it will affect negatively the U.S. interest south of the border. That is why I don't see a really powerful reaction against Mexico in order to chastise, to punish Mexico because the link between the two countries is now in a very peculiar way a safeguard for Mexico against rash, strong U.S. reactions. In my view, there will be a very cool relationship in the formal arena in political terms,

but nothing substantial. That is my view. I hope I'm not mistaken, but I don't see anything important happening as a result of Mexico's position.

The most important Mexican policy towards the United States right now is to reach an agreement on Mexican undocumented workers in the U.S. The figure is 3.5 million, probably more. But the possibility of such an agreement was completely dead after Sept. 11, 2001. Mexico's main objective in transforming its

relationship with the United States was destroyed by the terrorist attack on the U.S., so now it will be impossible to think about that agreement. But it was already dead before the Iraq question arose.

There are some representatives of Chicano and Mexican groups in the United States who say that they will probably be affected, not by governmental actions, but by public opinion in the U.S. — something similar to what they

continued on page 17

Prof. Lorenzo Meyer at UC Berkeley.

# Old Neighbors, New Era

*continued from the front page*

Nearly a year and a half later, at the U.S.–Mexico Futures Forum, a conference organized jointly by the University of California, Berkeley and Mexico's ITAM and held in Cuernavaca, Mexico, the question that clearly dominated the dialogue was one voiced by parties from both the U.S. and Mexican side of the border: How best to reinstate Mexico as a key element in the U.S. foreign policy agenda? The participants, a formidable and renowned group of policy makers, scholars and leaders from civil society, were in agreement on where the current state of affairs between the United States and Mexico lay. Preoccupied with the Middle East, the U.S. had effectively marginalized Mexico. The rhetoric of friendship and partnership that had filled Fox's trip with such a sense of possibility had been overshadowed, leaving Mexico with a mounting recognition that any implicit promises made during the formal visit had been temporarily forgotten.

Indeed, with the nationalist and protectionist attitude that appeared rapidly in the wake of the attacks continuing to guide U.S. domestic and foreign policy, the likelihood of Mexico's recapturing the attention of a preoccupied Washington seems remote. With President Bush's determination to move forward in Iraq drawing further strength from a surprising mid-term election and President Fox drawing criticism in Mexico for making the U.S. a priority yet failing to deliver results, the political climate presents a decidedly uphill battle.

Clearly then, those impassioned individuals who have been working towards a set of vital common goals for both sides of the border must now redouble their efforts. What opportunities still exist will have to grow from a new and markedly less welcoming reality. Yet as the conference at Cuernavaca most unambiguously revealed, the seeds of binational cooperation can still find root. The challenge may simply be to find new avenues through which a core set of sustainable issues can be promoted and through which an agenda, however modest, can be realistically advanced. What emerged from the dialogue in Cuernavaca will serve as the foundation for an on-going discussion of what such an agenda might look like and where such avenues might be sought.

Since activity has stalled on binational issues at the federal level, a constructive period of incubation presents itself. With the ten-year anniversary of NAFTA impending, the time is ripe for an honest appraisal of both the successes and failures of the economic package. Both the U.S. and Mexico might reasonably seize the opportunity this problematic period presents by spending the coming year

- seeking clarity on both domestic and binational agendas
- crafting a message on those agendas
- and garnering support for binational cooperation where it would be feasible and desirable.

When the tides of the political landscape turn more favorable, the groundwork will then already have been laid for an organized and effective movement to gather momentum.

## **Defining an agenda**

An appropriate agenda for U.S.–Mexican relations is surprisingly difficult to define. While there are a collection of key issues that are consistently part of the dialogue — namely immigration, trade, labor and environmental standards, trucking, water and infrastructure — within these issues the myriad of relevant players have vastly differing needs and concerns. Before a realistic agenda can be addressed, it must first, therefore, be clarified.

To begin with, Mexico must decide what it wants and needs from the U.S. For many, this means that open debate around NAFTA and trade issues, which simply never happened prior to the acceptance of the treaty, must now occur, however difficult it may be. Defining an agenda will mean having a conversation domestically about exactly what Mexico is setting out to accomplish through economic and diplomatic relationships with its northern neighbor.

In the U.S., much of the process will involve identifying the relevant players and recognizing their inherent differences. Factional interests abound: Mexican-Americans have a different agenda from that of Mexican nationals, and Mexican-Americans differ generationally and regionally in what they hope to see accomplished through the binational relationship. For this reason, a successful agenda must first



Photo by Monica Pons.

Participants in the U.S.–Mexico Futures Forum Conference in Cuernavaca, Mexico.

come to terms with these disparate necessities and desires in order to delineate a concise message that resonates with a significant portion of the Latino community.

#### **Crafting a message**

Through dialogue and focused debate, as well as through the completion of much needed research on the changing Latino-American, Mexican-American and Mexican communities, an agenda may be reached that comprises a sustainable core set of issues. The next step will be to craft the message appropriately to make it relevant in the current political landscape. The key, then, to the message being heard on issues such as immigration and trade may lie in their potential to be framed in new and different ways.

The U.S. international agenda, for the foreseeable future, is focused almost exclusively on matters of security. As such, those issues which have the most direct relevance to security stand the greatest chance of moving forward. For certain binational issues like drug and arms trading, security is obviously already a consideration, but other issues of import can be legitimately reconceptualized in security terms. One of the chief concerns of the Bush administration is border control. Knowing who comes in and who goes out is one of the foundations of the new security regime. Therefore the case can easily be made for addressing the large numbers of undocumented Mexican workers who have been contributing to

the American economy for many years but remain officially unaccounted for.

Moreover, increasing the focus on business opportunities in Mexico for American companies will ensure that both countries remain capable of fighting off the rising tide of investment relocating to China, which is crucial at a time when both the Mexican and American economies are struggling to regain strength. An equally significant corporate consideration at a time of heightened economic distress is that Mexican oil production has yet to be fully exploited. Increasing production, as well as enhancing surge capacity, could make Mexico a more relevant player at a time when the U.S. is particularly concerned with the oil market.

#### **Garnering support**

The process of gathering support for movement on a binational agenda is certainly already underway. In U.S. domestic politics, interest in the Mexican-American and Latino vote has been rapidly escalating; both political parties have recognized the potential size of the Latino voting bloc and are beginning to seek ways to woo it. With a competency in the Spanish language and a stronghold in a heavily Mexican-American state, President Bush has the strategic potential to effectively court the American Latino population for the Republican party. The Democrats also stand poised to claim the support of the Latino community, given that the majority of the social issues traditionally

continued on page 16

# PEMEX: Myth or Modernization?

continued from page 9

from the results it has had elsewhere on the continent. In Argentina, the privatization of the state-run social security system produced an unmanageable deficit in the government budget, and in Puerto Rico the private company that took over public water service was thrown out after failing to perform. Mexico has experienced disappointment on its own soil through Telmex, the formerly state-owned telecommunications company bought by Slim which maintains its monopolistic practices and inefficiencies despite being privately owned.

Changing the nature of a company's capital by decree will not automatically transform it into a world-class, competitive organization, says Alberro. "Thinking that PEMEX will become a Shell through privatization shows a profound ignorance of what has happened in Mexico and Latin America," he warns.

Foreign companies, which for years have been at Mexico's door waiting to be invited in, beg to disagree. While Mexico has been reluctant to let them in under their terms — total privatization — it may now be forced to consider opening up. To replace the Cantarell field, where oil has been easily and cheaply extracted in one place, PEMEX will have to set up many small projects in different locations, raising production costs considerably. Additionally, the country will have to venture out to unexplored territories like the deep waters in the Gulf of Mexico to find more oil. This type of exploration and extraction requires heavy investment in technology, which PEMEX cannot afford because most of its profits go directly into the government's annual budget.

Mexico's conundrum — a decline in known reserves and a cash crisis that cripples the finding of new supplies — is made worse by the restrictions President Cárdenas inspired, now enshrined in Article 27 of the Constitution. Under this piece of legislation, the right to explore and produce oil is restricted to the state. Given the current political and cultural environment a reform to the Constitution is

unlikely and, so far, no one has even dared to lay it on the table.

One way around this legal block for PEMEX is to hire the services of private companies to explore and extract without investing itself. This scheme is currently being attempted with natural gas, although so far no contracts have been signed. "The basic nature of the oil industry is risk. You invest a lot of money but in exchange you want great benefits," says Shields. Under a contractual agreement private companies would receive a fixed amount for their work instead of a share of the obtained profits — hardly a satisfactory return for such serious investment.

Another option to fund exploration, suggested by both Fox and Muñóz, is a reform to the country's current fiscal structure that would release some of the company's profits for reinvestment. So far this proposal has been stalled in congress. "There isn't enough consciousness about the problems for big decisions to be made. Everything will be business as usual until problems slowly become worse," says Shields. Unless something drastic happens, the status quo will prevail, he adds, and so far, nothing has. Despite financial disorder, corruption and inefficiency, the machine still runs.

Like the country, PEMEX is ahead in some areas, behind in many others and shaken by a transition that has not allowed it to construct a well-thought-out plan for development, says Alberro. "Until 1982 there was what I would call a consistent strategic vision of what PEMEX's role was. One could agree or disagree with it, but it was consistent," he adds. "In the past 20 years there has been no strategic vision on oil or on PEMEX."

"There can't be a solution unless there is a discussion among the political forces that are building the country about what oil is, how much we have and what we want it for."

Ana Campoy is a student in the Graduate School of Journalism at UC Berkeley.

# Is NAFTA Sufficient?

continued from page 4

NAFTA's success contributed to the election of Vicente Fox in 2000, which marked the end of the PRI's monopoly of the presidency. Emphasizing the prospects for further export-led growth and closer institutional ties with the U.S., Fox promised a 6 percent rate of growth. However, U.S. economic malaise, aggravated by the terrorist attack in September 2001, stymied these optimistic forecasts. As a result of NAFTA, Mexico's economic cycle is now synchronized with that of the U.S., and this turbulence has hit Mexico hard. The actual growth rate of Mexican GDP in 2001-02 was near zero, and Mexico's exports have diminished significantly.

The general truth of NAFTA is that as long as the U.S. prospers, Mexico will benefit richly — much more than it would without the accord. On the whole, NAFTA remains a more productive economic strategy for Mexico than a reliance on multilateralism alone. Especially considering the prolonged stagnation in Japan and economic weakness in the European Union, it is unrealistic that Mexico could seek significant export growth by deepening these relations. However, Mexico must consider more carefully than it has thus far the negative effects of this linkage and a wider range of strategic relations.

Mexico currently faces a troubling situation. Because of the slump in manufactures, its export income is again largely supported by high oil prices, a circumstance it had worked hard to overcome since the mid-1980's. Although not threatened with financial collapse (it has around US\$50 billion in foreign reserves), Mexico's long-term growth and development depend on a series of fundamental, politically difficult reforms. Thus far, Fox has not fulfilled his promises regarding revisions to the tax code and judiciary. The inability of many agricultural industries to compete has shifted resources dramatically to the north of the country and from rural to urban areas. If it were not for massive migration to the U.S., Mexico would

likely face overwhelming unemployment and burdens on various social services.

Professor Fishlow suggested that Mexico must carefully consider two basic options in its future foreign economic policy. One option entails a deeper, more proactive commitment to integration with the United States. Three reforms in particular would improve the benefits of NAFTA: monetary unification through a fixed exchange rate, the liberalization of the energy sector and decentralization of the national financial system. Each of these would have profound implications for the NAFTA partnership and would have to be carefully negotiated with Mexico's partners. Plans for the liberalization of the oil industry, for example, could provide an attractive basis for discussions about a more flexible U.S. migration policy.

A second option involves a strategic retreat from Mexico's commitment to NAFTA as its top foreign policy priority. Instead, Mexico could direct its attention toward tightening its trade and investment ties with the rest of Latin America and with potentially powerful partners in East Asia. Liberalized trade with the European Union has yielded important, albeit limited, benefits. However, the addition of free trade partnerships with fast growing markets in Asia and Latin America would significantly contribute to these gains. NAFTA would, in effect, return to its original role as one element of a worldwide push by Mexico for increased export markets, enhanced trade diversity, and deeper ties with Europe, Asia and South America. Increased trade and investment ties with China, in particular, offer Mexico enormous potential gains that stretch far into the future.

Ralph Espach is a doctoral student in the Department of Political Science at UC Berkeley.

# Old Neighbors, New Era

continued from page 13

Felipe de Jesús Cantú Rodríguez, mayor of Monterrey and Rep. Ciro Rodríguez, chair of the Congressional Hispanic Caucus.



Photo by Monica Pons.

linked to their party tend historically to be of primary importance to the Latino population. The ability of Democratic representatives to make headway on those issues, despite being the out party politically, could sway the Latino vote in their favor.

In many ways, however, the political muscle of the Latino community has as yet gone untested. Numbers do not necessarily translate into power, and the community has not yet fully formed the political infrastructure it will need to become a force to be contended with in domestic politics. Though the Latino population has been growing at a steady rate, the percentage of active voters among those eligible within the community have not increased nearly as rapidly. For Latinos, the realization of their latent power will lie in their ability to foster their organizational infrastructure and to get out the vote.

## Moving forward

On both sides of the border there is much work to be done. The political situation appears far less hospitable than it may once have

been, but there is considerable work that can be realistically accomplished, both domestically and cross-nationally, to ensure that progress on important issues continues to be made.

Though the international agenda of the U.S. is predominantly focused elsewhere in the world, the current potential for local and specific initiatives is limitless and may in fact be where success in the interim lies. Led by constituency groups and the Latino caucus, as well as by state and local level officials, there is much that can and should be accomplished outside the beltway. On many issues, in fact, the most relevant advocates are cross border groups of citizens and non-governmental organizations that are capable of assessing and addressing critical issues without national level participation. On issues from water to education, cities and private organizations can play the primary role in negotiating intercountry cooperation until binational relations are once again addressed at the national level.

Amy Lerman is a doctoral student in the Department of Political Science at UC Berkeley.

# An Interview With Lorenzo Meyer

continued from page 11

think will happen to France. I don't know if they are right or not, but France's position was very public. The Mexican position was not. So I don't see the reason for a popular reaction in the United States against Mexicans, but they are fearing that. It is a problem we have to take into consideration, but for Mexico at large, it's not a matter of life or death. Of course it is important for Mexicans living in the United States.

**HS:** What lessons do you draw from this conflict for Mexico's future role, internationally in general, and within the United Nations in particular?

**LM:** Well, my fear is that the United Nations will be negatively affected. For Mexico, it's a multilateral forum par excellence, and we need it. We need and we will be needing the United Nations. However, I'm afraid that it will not be a strong U.N. in the future. Unfortunately, there were very few things that Mexico could have done differently in that regard. As a weak and marginal actor in the international arena, Mexico will be affected by this weakening of the U.N., but could hardly do anything to prevent it.

There is also a larger question. We are looking at the beginning of a new world system in which the United States will be at the core — will be the only sovereign nation. I mean it will be a nation that can decide how to act internally and externally without answering to anybody else — of course not to the United Nations. The rest of the world, in different ways, will have to answer to the United States. That is a way of describing a new kind of empire. We are going to live in what I hope will be a benign new world empire. The Mexican role will be as that of many others in the world system, to try to put limits on U.S. policies in the international arena. [The United States is] like a Gulliver facing these little men; we are part of an army of little men facing this

new Gulliver. Mexico has to think of ways of getting in touch with the rest of Latin America, with Europe, with the rest of the world, in rethinking how to deal with the United States.

In the bilateral aspect, Mexico has been dependent on the U.S. for a long time. However, I think that there is a difference between a dependent nation and a satellite nation. I think that Mexico has decided, fortunately from my perspective, that if we can do nothing really relevant in regard to this dependency, we can do something in regard to the possibility of being a satellite or not, and we decided not. Mexico will have to find ways to keep what in the past was important and is important today and will be important tomorrow: to have a relative independence vis-à-vis the United States. Of course we cannot be as independent as we wish, as a real sovereign nation can be, but we can find ways of keeping our relative independence. We found a way in the 1960's when the Cuban crisis took place. We found the same way in the 1980's when the Central American crisis took place. And I hope that we will have the intelligence, the willingness and the good luck to work something similar in the future. But it's going to be really difficult. Foreign policy in economic, cultural and political terms is going to require a very skillful person in order to walk this dangerous and thin line that divides dependency from — I don't know what could be the exact word in English — satellite-hood or something like that. That's going to be the main *raison d'être* of Mexico's foreign policy: not to be a satellite.

**HS:** Then let me conclude by asking, as a Mexican living for a month in the U.S. during the final build-up to the war, what are your impressions as to the most important or surprising things that you observed in this final period?

**LM:** To tell you honestly, surprising, nothing. Important, well I had the privilege

continued on page 19

# NAFTA: Enduring Hardships

continued from page 5

remained constant at upwards of 50 percent, the population has exploded from 70 million in the 1980's to 100 million at present. This leaves an estimated 19 million additional Mexicans impoverished. According to Mexican President Vicente Fox, 54 million Mexicans cannot meet their basic needs.

In addition, Mexico now ranks as one of the world's ten largest economies, in excess of \$600 billion per year. Since 1994, the year NAFTA was implemented, Mexico's trade has tripled. The cruel irony is that while overall trade and wealth increased, poverty also

American Free Trade Agreement (CAFTA). There is no indication that the extension of NAFTA policies, without a committed effort to increasing labor, economic and agricultural standards, will lead to anything but further impoverishment in these nations as well. According to a recent National Journal report, "these nations have a long history of suppressing unions and denying workers the right to organize, bargain collectively and strike." CAFTA will lock in these practices.

The Central American agreement has been made a trade strategy priority and will continue trade policies that undermine impoverished workers, as well as the American manufacturing base. Negotiators hope that CAFTA will serve as a precursor to the Free Trade Area of the Americas (FTAA) agreement, designed ultimately to include the entire Western hemisphere.

CAFTA talks raise even more concerns about current U.S. commitment to labor and environmental responsibility. Corporate benefits for the rich will not cure low wages and

poverty for the poor. The United States must support a system of fair and responsible trade ensuring that all countries play by a well-defined set of rules containing protections for workers' rights and our global environment. NAFTA has failed to achieve desirable outcomes because of serious flaws. Our trade agreements need to not only be repaired, but rebuilt before the United States moves on to even more disastrous negotiations.



Photo by Monica Pons

increased. Much like Brazil, in Mexico ten percent of the population controls roughly 50 percent of its wealth. While the richest in the nation have made great economic gains since NAFTA, the poor continue to earn under \$5 a day.

The *maquiladoras* along the U.S.–Mexico border now stand as a testament to poverty, sickness and failure. Mexico suffers from environmental degradation, low wages and job loss. The United States bleeds manufacturing jobs.

## Slouching Towards CAFTA

Talks between the office of the U.S. Trade Representative and trade ministers from El Salvador, Guatemala, Honduras, Nicaragua and Costa Rica are now underway in a series of negotiations that remain closed to the public. The aim is to spread the failed NAFTA model farther into the hemisphere through the Central

**Sherrrod Brown (D-Oh) is a member of the House of Representatives. He is also the author of *Congress from the Inside* and is about to publish his second book, *Six Myths of Free Trade*. Congressman Brown is a participant in the U.S.–Mexico Futures Forum.**

Gustavo Alanís Ortega,  
president of the  
Mexican Environmental  
Law Center and  
Rep. Sherrrod Brown.

# An Interview With Lorenzo Meyer

continued from page 17

to look from the inside at the hardening of something that has been in U.S. foreign policy from the very beginning, immediately after independence: this idea that somehow God gave the U.S. a special role in history. I can understand quite easily that this idea took place at the end of the eighteenth century, at the beginning of the nineteenth century, but to have such a strong sense of destiny at the beginning of the twenty-first century is something that worries me. Very few nations, of course not my nation, not Mexico, think that God gave a special place to a social institution, a nation. From my perspective the Soviet Empire was built around Marxist notions, distorted of course, but more or less, they thought that they were scientific, not metaphysical.

The U.S. is building this new empire based on a metaphysical idea — that there is a special covenant between the U.S. and God, and that, in a very Protestant way, the proof of this special relationship is success. The U.S. has been successful 99 percent of the time. Viet Nam is

really an exception. As a nation, the U.S. has a very strong ethical commitment towards the external world, a mission that is not, to the eyes of the rest of the world, really clearly defined. But it is in the eyes of the US, especially the leadership, and this time especially President Bush. He thinks that he has a vision, a very clear vision. I suppose that it's more or less irrelevant if in your personal life, or even as a member of a small group, you have that sense of a relationship with God, but a whole nation that cannot be accountable to anybody else but the divinity — I think it is a dangerous notion. From my perspective, this metaphysical element is one of the key variables in the construction of a new world system around the U.S. Not only around the U.S., but around Washington. Washington, and the world view of the people in Washington, can affect the rest of us in a very decisive way. It is very difficult for a country like Mexico to understand and to predict how the U.S. is going to behave with this notion of being the chosen people of the twenty-first century.

## The North American Parliamentary Union

In his public address at the University of California, Berkeley on April 3, 2003 David Bonior outlined his idea for a North American Parliamentary Union and discussed why he believes such a body is needed.

“The North American Parliamentary Union should be a democratic structure which will enfranchise citizens, farmers, laborers, small business people and environmentalists in the NAFTA countries as well as Central America. It will broaden the players and the playing field so that our best democratic values will be incorporated into our social, economic and political decisions,” said Bonior.

Describing the history of U.S. relations with its neighbors — its southern neighbors in particular — as “episodic,” Bonior asserted the need for a more permanent on-going dialogue. Such a dialogue would seek to tackle the hard issues of immigration and economic development that have historically gone largely ignored in trinational debate. He went on to draw parallels between the needs of NAFTA members and the benefits of a European Union type model, arguing that the EU model is one that should be emulated. In so doing, Bonior said, the

fundamental flaws of NAFTA might finally be addressed.

Mr. Bonior informed the audience that his idea for a North American Parliamentary Union was inspired by the discussions at the U.S.–Mexico Futures Forum in Cuernavaca in November 2002. The next edition of the CLAS Newsletter will include a portion of Mr. Bonior's address as well as an in-depth analysis of the ideas he presented.



David Bonior speaks at UC Berkeley about his proposal for a North American Parliamentary Union.

# U.S.—Mexico Futures Forum

continued from page 3

The Future's Forum, brought into being to seize a historic moment, now faces a more daunting challenge: developing an innovative new agenda for North America and placing it back on the political radar.

Three broad themes stand out from the November discussions. First, despite the fact that Mexico has slid off the political agenda in Washington, the U.S.—Mexico relationship and its consequences are at the top of the agenda for millions of people in both countries.

For one thing, the U.S. and Mexico have become highly integrated economies. Mexico sends 90 percent of its exports to the north and has become the second largest trading partner of the U.S. For another, both countries have become overlapping societies culturally and politically.

For many on both sides of the border, from small farmers in Chiapas to hotel workers in Los Angeles, the issues that flow from the U.S.—Mexico relationship define their daily lives. The challenge is to translate that reality into the political process.

If Mexico slips off Washington's political radar, this does not mean that any of the problems of either society go away. Tough issues such as water, trade, energy, drugs and security simply become more difficult to deal with.

"Security in Mexico," Governor Pablo Salazar commented, "is security in the United States as well."

On the pivotal issue of migration, there were some positive voices. "We need to work to make sure that people can come back and forth, just like our products, as easily as possible," Representative *Ciro Rodriguez*, the new leader of the Hispanic Caucus maintained.

"Throughout our nation's history, we have welcomed immigrants to this country," Representative *Hilda Solis*, the daughter of immigrants, added. "We should continue to honor this tradition."

Additionally, as *David Bonior* pointed out in the discussions, it is important not to lose sight of the big picture. That larger vision, even if it is not politically realistic today, determines what is possible tomorrow. It both sets out a goal

and provides a point of reference for getting there.

The agenda of Latinos in the U.S. and the agenda of Mexico seem to be passing in the night, according to some conference participants. "When we are talking about Mexico's agenda in the U.S. with regard to the Latino voters," *Maria Elena Durazo*, a vice president of the Hotel Employees and Restaurant Employees (HERE) union, pointed out, "the Latino voters don't know what Mexico's agenda is."

An important challenge voiced is to develop areas of commonality in these often conflicting approaches. Latinos now comprise the largest U.S. minority today and are a fast growing voting bloc.

Finally, the notion of local initiatives proved important. If a bold, visionary national policy may not be possible at the moment, this does not preclude important, innovative approaches on a local and regional level. *Miguel Székely Pardo*, Undersecretary of the Ministry of Social Development, laid out five areas for cross border partnerships that could use attention, from education to housing. *Carols Heredia*, an advisor to the mayor of Mexico City, added that "we have to nourish the relationships between cities, city governments, state governments, state legislatures, the two congresses, in a more active way."

There is also a surprising burgeoning of NGO's and cross-border cooperation that never existed before. How does one nurture and build on these transnational relationships?

Our hope is that this forum will be an important vehicle to exchange ideas and to develop new approaches. We will likely go down some blind alleys, but our goal is to deepen the understanding of the complex relationship between Mexico and the United States and develop ways to make it a better one for the peoples of both countries.

*Harley Shaiken* is a professor of geography and education and the chair of the Center for Latin American Studies at UC Berkeley.

# Why the Whole Enchilada?

By Rafael Fernández de Castro

The Mexican initiative of negotiating a comprehensive agreement with the U.S. remains valid because the premises of the negotiation are still valid. The reason why Fox and Castañeda came out with the migration proposal was because of the sharp contradiction between trade and economic cooperation on the one hand and no dialogue on migration on the other. Basically, we treat each other as if we were enemies on the issue of migration. When Fox and Bush were elected in 2000, Mexico had already become the second largest trade partner with the U.S., which means trade was approaching one billion dollars every day, which means a lot of cooperation between Mexico and the U.S. amongst a lot of economic actors. That same year, 490 Mexicans died trying to cross into the United States; that is the sharp contradiction. Since the late 1990's, almost four hundred thousand Mexicans go to the U.S. every year to find work. These are huge numbers of Mexicans going to the U.S., and there is no way to reverse the movement and get back that resource. Then, why the "whole enchilada"? Latino organizations and labor unions came to Mexico to lobby and convince Castañeda that we needed a whole package, but migration is a very complicated issue, and you have to have different cards for the different players. So we have the guest worker program for the employers and also for Mexico because we understand that it's the best way to take care of the rights of those almost four million Mexicans living in the U.S. without documents. The Mexican consulates, even though we have 50 Mexican consulates in the U.S., can do nothing to truly protect the rights of those four million Mexicans. We know the best answer is regularization, and that's what we are pushing toward. That explains the "whole enchilada."

## On the Bilateral Relationship

What can Mexican diplomacy do to get back on the agenda, to get the attention of the U.S.? I'm not sure that we need that. I'm not sure that we want that at this point. One of the most important developments in

U.S.–Mexican relations, in the last decade anyway, has been the decentralization of U.S.–Mexican relations. We keep on talking here about the frail governments, about security issues, but there are still other actors, like the governors, the mayors, the NGO's, that really are making the difference. So the idea is to listen to these new perspectives, these new actors.

Also, there's a potential for the Mexican-Americans and the Mexicans to do some lobbying for Mexico in Washington and in the U.S. in general. I would say that what we need is a galvanizing force, something that triggers that potential once again.

Professor Fernández de Castro, the co-convenor of the U.S.–Mexico Futures Forum, is a professor of political science and the chair of the Department of International Studies at the Instituto Tecnológico Autónomo de México (ITAM).



# The U.S.–Mexico Futures Forum in Cuernavaca, Mexico

November 15-17, 2002

**Gustavo Alanís Ortega**, President,  
Mexican Environmental Law Center  
(CEMDA)

**David Bonior**, Member of Congress,  
Michigan (D.)

**Sherrod Brown**, Member of Congress,  
Ohio (D.)

**Felipe de Jesús Cantú Rodríguez**,  
Mayor Monterrey, Mexico (PAN)

**Gil Cedillo**, State Senator, California (D);

**Lydia Chavez**, Professor,  
UC Berkeley Graduate School of Journalism

**Enrique de la Madrid**, Member of  
Congress, Mexico City (PRI)

**Maria Elena Durazo**, Vice President,  
Hotel Employees and Restaurant Employees  
Union (HERE)

**Maria Echaveste**, Attorney and  
Consultant CEO, Nueva Vista Group

**Pete Gallego**, State Assembly, Texas (D.);  
Chair of the Mexican-American Legislative  
Caucus

**Rolando García Alonso**, Coordinator,  
Rafael Preciado Foundation; Director of  
International Affairs (PAN)

**Carlos Heredia**, Advisor to the Governor,  
Federal District, Mexico

**Rosalinda López Hernández**, Member  
of Congress, Tabasco (PRD)

**Mary Kelly**, Attorney, Environmental Defense

**Chappel Lawson**, Professor of Political Science,  
Massachusetts Institute of Technology

**Patricia Llaca**, Actress

**Carlos Loret de Mola**, Journalist, Televisa

**Beatriz Manz**, Professor, UC Berkeley  
Department of Geography

**Manuel Ángel Núñez**, Governor, State of  
Hidalgo (PRI)

**Ricardo Obert**, CEO, Productos Quimicos  
Mardupol

**Ciro Rodriguez**, Member of Congress, Texas  
(D.); Chair of the Congressional Hispanic Caucus

**Pablo Salazar**, Governor, State of Chiapas (PAN)

**Alex Saragoza**, Professor UC Berkeley  
Department of Ethnic Studies

**Hilda Solis**, Member of Congress, California (D.)

**Miguel Székely Pardo**, Undersecretary for  
Budget, Planning and Evaluation,  
Ministry of Social Development

## Conveners

**Rafael Fernández de Castro**, Chair,  
Department of International Studies, Instituto  
Tecnológico Autónomo de México (ITAM)

**Harley Shaiken**, Chair,  
Center for Latin American Studies,  
UC Berkeley

# Conference Selections

*For a more detailed account of conference proceedings, please visit the Center's web site at [clas.berkeley.edu](http://clas.berkeley.edu).*

## **DAVID BONIOR** **Member of Congress, Michigan**

### **On the Big Picture**

We still must consider the big picture. I am quite concerned that so many people seem to be giving up on the immigration issue altogether and also giving up on some of the trade issues. Ultimately, the international instability that the world faces today may, in fact, drive the United States, Mexico and Canada closer together. Instead of reacting to 9-11 as a barrier to the question of immigration, it can actually become the vehicle for change. The border question remains central to our relationship with Mexico. Though our government has regretfully backed away from the issue, other institutions in the United States are fundamentally reexamining their positions. For example, labor has reversed its position on immigration — realizing that these new workers are the lifeblood now for union organizing. Business is starting to understand the positive economic impact of immigration — targeting the potential consumer market. And the church also is engaged on the issues of immigration regarding social justice. Together with heightened security concerns, the dynamics exist that could press the country into changing its immigration policy. As all other major segments of society coalesce around the need for reform, it is political institutions that have failed to make sure that the people who do come here, even illegally, don't have to live in fear. So with the weight of necessity and right on our side, I believe it is vital that we continue to raise the question of immigration. Those who risk their lives to come here and contribute to our country must be able to cash a check, live in dignity, be respected as human beings and then move towards a humane process which will help them if they want to become citizens.

The electoral process may be key to jumpstarting the immigration issue in the United States. Will the Hispanic vote be significant enough to raise the question? I think yes. Every presidential candidate and numerous congressional candidates will have to pay close attention to the Hispanic vote because it's a growing vote and will be critically important in the very closely divided political atmosphere that we have right now.

The reality is that Congress and the Administration will spend a large part of their time dealing with defense and security issues. That's where the dollars are going to flow out of Washington because that is the political will at this time. I think this provides, actually, an opportunity for the United States and Mexico to form an alliance at the border on the issues of migration and legalization. Under the rubric of security, we can also use those dollars to branch out slowly into other issues that affect the bilateral relationship, the environment for instance. The Rio Grande has been a mess for a long time, in both countries. Children on both sides of the border along the Rio Grande have hepatitis in very large numbers. That's an issue



*continued on next page*

that is sellable. And you can do it under the justifiable cover of security and defense. As a legislator I've seen, during the 80's in particular, a lot of our federal dollars going into national defense issues. During that time you got defense dollars for health care, or for education. In the 1950's in the United States we used the defense act under Eisenhower to provide educational opportunities for tens of millions of people. So I'm trying to look at this from a positive perspective. There are still openings and we must seize them, creatively. We can't resolve our security interests alone. Cooperation between the United States and Mexico and Canada is more important than ever And there will be no real cooperation until we tackle the issue that most entangles our peoples — migration.



## **Pablo Salazar** **Governor, State of Chiapas**

### **On a Divided Mexico**

To grow in a sustained manner will not be possible in Mexico while our country is divided in two. There are two Mexicos: northern Mexico and southern Mexico, the Mexico of development and the Mexico of underdevelopment. The great paradox in this country is that there are states in the North that produce absolutely nothing, but they industrialize everything and have an enormous amount of riches. And [in the South there are] states that produce everything and do not industrialize anything. And these are states with enormous natural riches. These paradoxes are in Mexico. And I think that the only possible way to achieve growth is to narrow the abyss between southern Mexico and northern Mexico.

The economy in southern Mexico is fundamentally a rural economy. I know that some people have done very well with the free trade treaty. These states have not done well. The economic asymmetries between the United States and Mexico fundamentally affect the state that I govern. I wonder what we can do in view of an announcement like the one made by the United States government to invest \$120 billion of subsidies here. In addition to the subsidies awarded in their own country, there are international subsidies. The World Bank, for instance, decided to rebuild Vietnam's economy. Vietnam used to produce a million sacks of coffee and now, out of the blue, is producing 14-15 million sacks. And this has ruined the economy of my state, which depends on coffee. We are the first producers of coffee. But what do we do in view of realities like these?

### **On Mexico's Southern Border**

In this country there is not just one border, and I think that some people have not noticed that the border with the United States is no longer where they thought it was. The border was moved some while ago. I also don't know if they realize that the

thousands, millions of Central Americans that reach the United States enter through Chiapas. But immigration officials are now stopping not only Central Americans, they have started to detain Asians, Europeans, everybody. All of these people pass through Chiapas.

The good news is that the aerial combat against drug trafficking has been very effective here. But this has brought along with it the bad news that now the trafficking will be run by land. And the drugs that do not make it past the limits of our borders stay in our states and generate another type of problem. We have undocumented people, we have drug trafficking, we have weapons trafficking. And if we add to this a countryside impoverished by globalization, by the predominance of the markets in which just a few run everything, then yes, the situation can really be an explosive one. And I am not suggesting to the congressmen that they should build a wall in the southern part of our country. But it is important to recognize that the border has been moved for some time now and that security in Mexico, or on the southern border, is security in the United States as well. This is not about the U.S. helping us, but about them helping themselves. The solutions can be globalizing solidarity. We believe that in Chiapas the solution can be more investments, fair trade, constructing strategic alliances and agroindustrial alliances.

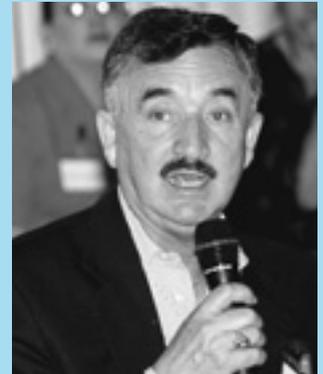
**Ciro Rodriguez**  
**Member of Congress, Texas;**  
**Chair of the Congressional Hispanic Caucus**

**On Water Issues**

I could not be here without mentioning one of the most important issues: the water issue. It is a key problem in Texas right now. I've had a series of meetings with the people from Chihuahua, and we've had a series of meetings with different groups, even our own Secretary of State and our own President. It's a devastating economic issue to the lower valley in Texas. The fact is, of the 350,000 acre feet of water that the Rio Grande is entitled to on a yearly basis, two thirds of that goes to Mexico, and we only get one third. But based on what we see, they have not paid. So this is a very serious issue that ... we've been pushing on, and that's one of the areas that's not going to stop. It's a lot bigger to us than immigration and a lot of other things.

**On "Global People"**

The other issue, for those of us who live on the border of exchange, is the fact that we need to work to make sure that people can come back and forth, just like our products, as easily as possible. Hopefully we can work on some of these things. I would not stop there, because if you believe, like most of the corporate world, in a global economy, and in global products, you've got to believe also in the global people. I have listened to discussions in which people say, "*Todos los mexicanos se van para los Estados Unidos, y se van de nuestros pueblitos.*" ("All the Mexicans are going to the United States, and they are leaving our little towns.") That is happening in the United States, too. A lot of young people in the little towns leave; it's no different. A lot of Americans move from one side of the country to the other to get a job. And so we move, and what is really the difference when you look at it in terms of not having a border?



## **Miguel Angel Núñez** **Governor, State of Hidalgo**

### **On U.S.–Mexico Relations**

The division that we have at the present time in the relationship between Mexico and the U.S., from my point of view, must change. The European Union helped the integration of new members, Spain, Portugal and Greece, and their standard of living changed. It was mentioned that 40 percent of U.S. foreign aid goes to Israel and Egypt. I think that must change. Mexico must be seen as a privileged member of this part of the continent, and I have no doubt that we can become a very important market, as important as Canada is at the present time. But it is really hard to imagine that Mexico, as a country, and Mexicans are really on the minds of congressmen in the U.S. When we analyze the profile of Mexican topics in their daily conversations, we do not see Mexico as an important partner. So, yes, we need much more foreign investment, yes, we need much more aid, but Mexico as a country has a lot to offer.

I think midterm elections in Mexico will not really change the current scenario. The PRI is a strong party; it will get at least 40 percent of the votes next year. PAN will get around the same quantity, and the PRD will continue growing as a strong political force in Mexico. I think we must analyze this reality and ask, what will happen next in order to get the right decisions? Considering the present perspectives, we must act looking toward the future.

### **On Migration**

Most Mexican states are not really stimulating migration from other states. In the case of the state of Hidalgo, what we are doing is working hard in order to retain our people within our limits. For us it is really a pity to work hard on health and education and see people leave. They go out to another state or to the U.S. We are worried about the families that disintegrate. There are small towns in the state of Hidalgo where most of our population are young females or women, and children have no father; they do not see their fathers. It is a matter that worries us a lot, and we are working hard with our people in the U.S. to solve it. Mexico must expand its economy in order to retain the young people within our borders. If they do not find a horizon of hope here, they have to go; they will look for another alternative.



## **Hilda L. Solis**

### **Member of Congress, California**

#### **On the Rights of Immigrants**

The relationship between the United States and Mexico is a special one; both countries share a border, are strong trading partners and share mutual interests. I believe the issues of immigration and human rights highlight the benefits and the challenges of our bilateral relationship.

As we well know, the U.S. market attracts and provides employment for Mexican workers. Both countries have much to gain from the migration of Mexican workers to the United States as this immigration stimulates the economies of both countries. But Mexico has serious concerns about abuses suffered by Mexican workers, while the United States has concerns about immigrants using public resources. As a result, in February 2001, Presidents Bush and Fox agreed to establish high-level talks to ensure safe, legal and orderly migration flows between the countries. Quoting security reasons, these talks have come to what seems to be a complete halt since the tragedies of Sept. 11. This need not be the case, though, and we must work towards striking a balance between being good neighbors and protecting ourselves from terrorism.

As the daughter of immigrants, I am a strong advocate of comprehensive immigration legislation that addresses the real needs of both undocumented and legal immigrants and the United States. I am a staunch supporter of measures that would provide for family reunification, earned legalization, educational opportunities and job advancement for all immigrants, not simply a guest worker program that benefits U.S. interests without adequately providing protections for workers. In fact, I helped develop legislation that would allow hard-working, tax-paying immigrants to become legal permanent residents of the U.S. so that they can become fully integrated members of our society. Throughout our nation's history, we have welcomed immigrants to this country. We should continue to honor this tradition and recognize the enormous economic and cultural contributions that immigrants have made to our nation.





## **Enrique de La Madrid** **Member of Congress, Mexico City**

### **On the Mexican Economy**

I think that the main problem for Mexico is an economic problem. It is the inability or the incapacity to grow at high rates; a five percent growth rate per year for the next 20 to 25 years is absolutely insufficient. We have been polarizing ourselves. We have, amongst us, some of the richest people in the world, but the majority of the people are becoming poorer. So, the objective for us should be economic growth. Our objective should be to be able to bring in investments, and then the issue is how to sell it. In general terms, I agree that we have natural resources that we should explore to convert them into money, to convert them into investments, to convert them into opportunities for growth. I do see some energy going forward between Mexico and the U.S. My question is that whenever we are talking about, for example, the difference between the Spanish development and the Mexican development, there is always an idea of aid, help. Last time we negotiated trade, but when the European countries integrated, particularly with Spain, we know that there were significant amounts of money made available to decrease the differences; at least that's the perception that many of us have, and that is something that is always raised in Congress.

There is a general perception among some people in Mexico that the free trade was quite unequal. It was not enough. It was not enough just to open the opportunities of trade if we were so different among ourselves. There is a perception even that it was too fast, that many Mexican firms were unable to really change to take advantage of the opportunity. I also see a lot of tension in agriculture. So I do not agree that there will not be any problem with bilateral relations; there will be problems in agriculture ... significant problems in agriculture. Remember that in Mexico, 25 percent of the people live in the countryside, and, at least in my party, this sector is totally over-represented. So, for the PRI, it is an issue. There is this feeling that next year the border is going to open, and we are going to be worse off. So, I feel pressure on the side of free trade, and I think that the relationship between the two countries will become even more tense. From my point of view we need to find a way of inviting the United States to be more active in Mexico. On the opportunity side, on the business side, it could be with the opening of some of our sectors, but also on the risk side. If Mexico is not able to take advantage of the shift in demographics in the next twenty years, you will not profit.

## Gilbert Cedillo State Senator, California



### On Immigrant Rights

One of the questions for me, for us — and it has been implicit in a lot of what we have said — is: what are our common values? I think there is a need to define some common values. We accept as a premise the free flow of capital. In our discussion of immigration, we are implicitly acknowledging the free movement of people in the global economy. But my sense is that we also must have an understanding of values that are global, that are mobile and that are attached to people. What are the values that we share, so we know at least where we're headed as we pursue different strategies?

Finally, to what extent should immigration be on the Mexican agenda? How high should it be? That's an appropriate question to raise, at least for me in the North; it's a question that we cannot ignore. It's a question we are compelled to address because it is a question that involves the nature of the American experience — our democracy, our sense of human rights. A few years ago we made progress in California, but clearly a policy that forces people to cross a border knowing that they may die as a result should force us to question U.S. immigration policy on moral grounds. At what point do we begin to raise questions — when hundreds die, or thousands? I hear this in the California legislature frequently, where were people on Jewish genocide, Armenian genocide, the incarceration of Japanese-Americans, women's rights; where did people stand, what were their core values? And yet, it's always difficult for us to raise the same question about immigration. We discuss driver's licenses or workers' rights as the rights of immigrants and as a legal issue, not a moral or ethical question. And for us, we cannot reduce the moral and ethical to a mere question of legality because we will lose when we do that.



Enrique de la Madrid, Ricardo Obert, Rosalinda López Hernández, Patricia Llaca  
(back to camera)



## Mary Kelly Attorney, Environmental Defense

### On Mexican Development

I have two points. One is, I agree with [the need for] a different development model, one that creates local wealth and is sustainable. This is absolutely critical throughout Mexico, but particularly in the border region where we already are seeing the very serious weaknesses in the *maquiladora* development strategy. Not only is the competition for lower labor rates resulting in *maquilas* moving to China, but also, over the twenty or thirty year history of the *maquila* program, local input from Mexican industries to the *maquilas* still has not developed. It's just not developing; it's not there. I don't think, however, that a new kind of development model is necessarily exclusive of foreign investment or investment from any sources.

The second issue relates to the agricultural subsidies. I think there's a very important linkage for Mexico here, in terms of an alliance with progressive Democrats in the United States. We almost had a victory on the farm bill this time around. We do see the very costly subsidies to corporate agriculture, and there is an important way for Mexicans to come in on the agricultural subsidy issue, to link up with progressive Democrats, cutting those incredibly costly subsidies to corporate agriculture in the U.S. and freeing up billions of dollars for a Latino agenda in the U.S. on health care and education. Money that is currently going to large subsidies could go to issues important to the Latino community. I think there is a window there in terms of a linkage on an issue that is critical for Mexico in the next couple of years.



Hida Solis, Harley Shaiken, Pablo Salazar

## Felipe de Jesús Cantú Rodríguez Mayor of Monterrey, México

### On the Importance of Local Strategies

We've got to go back to the basics; we must ask what we want and not what the counterpart wants to receive. We must also acknowledge the importance of the local level, where we can have more of an impact because the local level is closer to each problem.

An important worry in the political arena in Mexico has been how to reinsert the Mexican topic into the United States agenda. After 9-11 we tried to link security and immigration, but it did not work as well as we wished. I think Fox has done as much as he could in order to get Mexico on the United States agenda. It is time to work at a different level. I think we have to work with the congressmen or the governors and the grassroots organizations. We have to talk not only from president to president, but in many layers, because if we do not change our strategy, we will not advance.



## Pete Gallego State Assembly, Texas; Chair of the Mexican-American Legislative Caucus

### On the Latino Community

Let me say two things: Don't ever assume that the Latino community, let's be even more specific, the Mexican-American community is homogenous, that we all think the same, because we don't. Texas ... had a George Bush. And Hispanics in Texas, the *Mexicanos* in Texas are a lot more conservative than the *Mexicanos* in California. Tremendously so. Whatever sells well in California and whatever moves people in California, doesn't happen in Texas. It is an issue, and one of the frustrations is low voter turn-out among *Mexicanos*. So, for me, political awareness is perhaps the most important issue, because the first thing is you've got to get people excited and involved in the process.

Also, when we talk about politicians who want votes, or you talk about the Latino vote in particular, I will tell you that it is not a real campaign slogan to say, "Increase immigration with Mexico." It is not a great campaign slogan to say, "Let's get a better trade relationship with Mexico." It doesn't sell. What sells right now is the politics of security, the politics of safety. So it is not going to be a very easy thing to get their attention. You're never going to get Iran or Iraq off the front burner, so the best thing to do is find the back door.



## **Carlos Heredia**

### **Advisor to the Governor, Federal District, Mexico**

#### **On U.S.–Mexico Relations**

We have been discussing the bilateral relationship, always assuming that to a great extent the U.S. side will hold one opinion on any issue and the Mexican side will hold another opinion; sometimes it would be similar and sometimes it would be opposed. But in my own experience, having worked in the NGO community for quite a while and in the Congress, I have often found that I can relate to positions in the U.S. in the progressive wing of the Democratic Party easier than to opinions within the political spectrum inside Mexico, or the other way around. Or that conservatives in Mexico will relate easier to what conservatives think in the United States. We often have forced or forged alliances and coalitions, cross-border coalitions with like-minded Americans on several issues: on economic policy, international financial issues, the environment and trade. It's not necessarily one nation against the other, and with greater economic integration we will have, with enormous difficulties, social integration, cultural integration, political integration. I am not implying that we will follow the European model, but I do not think that a North American parliament is out of the question in the next 20 years. That's one issue that we have to deal with. Are we going to have members of a congress or a parliament of the three countries discussing the issues that are of common concern to the citizens of North America?

A second idea is the fact that we have to nurture, we have to nourish the relationships between cities, city governments, state governments, state legislatures, the two congresses, in a more active way. In his farewell speech, Ambassador Davidow mentioned that a lot of what goes on in our two countries does not go through the federal governments and that it doesn't even go through the Embassy on Paseo de la Reforma. It goes through bilateral exchanges in very many different ways.

And thirdly, is the fact that the tenth anniversary of NAFTA is, for me, an opportunity to evaluate what has happened. We have to look at what is happening at the ground level, what we need to reinforce, what we need to strengthen. We have an agreement, it is there, we have to work with what we have. But at the same time, we have to ask ourselves what has worked and for whom, and what particular areas we need to work on.



But, eventually we will have social and political integration and we need the institutional framework to deal with that. It has been said that NAFTA has progressed in terms of bilateral trade and investment flows, but not in terms of an institutional framework. We do not have the institutional framework because our negotiators simply assumed that adjustment costs and transition costs were going to be absent, that things would just settle and that in 2010 we would wake up in Beverly Hills. But they are here, the transition costs are here, the adjustment costs are here and they are not being dealt with. That's why I say integration is happening. We want more integration, but we want to be able to govern that integration.

# THE U.S.-MEXICO FUTURES FORUM

SPRING 2003



Human Rights Trilogy by Rufino Tamayo. Used by permission of the artist, made in association with the Diego and Rufino Tamayo Foundation.

#### **The U.S. and Mexico: Problems and Prospects**

Harley Shaiken, Professor of Education and Geography; Chair of the Center for Latin American Studies, UC Berkeley

Rafael Fernández de Castro, Professor of Political Science; Chair of the Department of International Studies, Instituto Tecnológico Autónomo de México (ITAM)  
Wednesday, February 12, 4:00-6:00 pm  
CLAS Conference Room

#### **The Consolidation of Mexico's New Regime: The Beginning**

Lorenzo Meyer, Professor of History, Colegio de México  
Wednesday, March 5, 4:00-6:00 pm  
Lounge in the Women's Faculty Club

#### **Mexican Development in the Long Term: Is NAFTA Sufficient?**

Albert Fishlow, Professor of International and Public Affairs, Columbia University  
Thursday, March 13, 4:00-6:00 pm  
Lounge in the Women's Faculty Club

#### **Mexicans Abroad: The Right to Vote and to Live With Dignity**

Rosario Robles, President of the Partido de la Revolución Democrática (PRD); Mayor of Mexico City (1999-2000)  
Thursday, March 20, 4:00-6:00 pm  
Home Room in the International House

#### **NAPU and You:**

#### **The North American Parliamentary Union What It Is and Why We Need It**

David Bonior, Professor of Urban, Labor and Metropolitan Affairs; Wayne State University  
Democratic Whip in the U.S. Congress (1991-2002)  
Thursday, April 3, 4:00-6:00 pm  
Lipman Room, 8th floor of Barrows Hall

#### **Latinos and the Political Process**

Gilbert Cedillo, California State Senator, Los Angeles

Maria Echaveste, Attorney; Deputy Chief of Staff to President Clinton (1998-2000)

Thursday, April 24, 4:00-6:00 pm

Home Room in the International House

#### **North America: Vision or Illusion?**

Robert Pastor, Vice President of International Affairs and Director of the Center for North American Studies, American University; Fellow and Founding Director, Latin American and Caribbean Program at the Carter Center (1985-98)

Thursday, May 1, 4:00-6:00 pm

Room 370, Dwinelle Hall



the Center for Latin American Studies  
UNIVERSITY OF CALIFORNIA, BERKELEY

Sponsored By The William And Flora Hewlett Foundation  
For More Information Please Visit Our Website At

[www.clas.berkeley.edu/clas](http://www.clas.berkeley.edu/clas)

**ITAM**  
EXCELENCIA ACADÉMICA

## **Lydia Chavez** **Professor of Journalism, UC Berkeley**

### **On Pro-Immigrant Legislation**

A case can be made for tying legalization of undocumented workers with the larger Administration objectives of security, but I don't think that it's an easy case to make, especially in a recession.

California is a prime example of how bad economic times bring out anti-immigrant sentiments and make it impossible to sell any piece of legislation that extends benefits of any kind to undocumented workers. Remember that during the last recession in 1992, we had the anti-immigrant Proposition 187 followed by the successful battle to end affirmative action. The Democrats learned from Prop 187 that they will lose big defending immigrants. So, I can't imagine a case in which Democrats will push for legalization as long as the economy is weak. The Democrats most recent effort to push for legislation that was pro-immigrant — the November initiative for same day voter registration — was overwhelmingly defeated. So, while there is a case to be made for tying legalization to security, it's a case that will have to overcome bigger fears about immigration. The Democrats would have to take it on in a united and creative way, and I'm afraid I don't see that happening.



## **Rolando García Alonso** **Coordinator, Rafael Preciado Foundation,** **Director of International Affairs (PAN)**

### **On the U.S.–Mexico Relationship and the E.U.**

We have enormous challenges to fulfill for our future. I don't feel comfortable when we talk about the Mexican relationship with the United States compared with the relationship between Spain, Portugal and Greece and the European Union, where they had a very big consensus, a national consensus, to pay the cost to integrate with the European Union. When we see the new commerce in the European Union, the 10 Eastern European countries that will enter the European Union in two years, something like that, you see that public opinion wants integration around 80, 70, 60 percent, and they want to pay the cost to integrate. In Mexico, I think we haven't done our homework, in order to integrate well with the United States, in order to fulfill the challenges. I think we first have to build our consensus, to build what we really want as Mexicans, and then afterwards, we can go to the United States and say, "We have done our homework, and we can fulfill the challenges, the very big challenges that we have together."





## **María Elena Durazo** **Vice President, Hotel Employees and Restaurant Employees Union**

### **On Latino Voters**

When we are talking about Mexico's agenda in the U.S. with regard to the Latino voters, the Latino voters don't know what Mexico's agenda is. And they're not thinking about Mexico's agenda when they go to vote. Because in fact, if those were their needs, then they would be more willing to do that. But we don't have that. Mexico's agenda and the Latino agenda are not the same. It doesn't mean that it can't be, but right now it isn't. In fact, even on the issue of immigration, Latino's in the U.S. don't see the solution to the immigration issue the same as what is being proposed by President Fox. Because the guest workers are not something that Latinos in the United States see as the solution. So you have very big differences, even on the one issue that is the most popular and is the most urgent in many ways.

Latino voters care about education; they care about safe neighborhoods. That's what they really care about, and that's ultimately the objective because as immigrants they did all that they could, they worked very hard all their lives as micro-farm workers, to try and see how many of their kids could get an education to move forward. So education, not immigration, drives Latino voters. But legalization and fixing immigration laws make it much easier to get the education, to gain the livelihood to be able to support one's family so that children can get a college education. Everybody understands that. So the flip side of the immigration issue may be that it gets people motivated to then go to the polls and fix the real problems, like education.

On the positive side, we have brought together the resources of the unions, we have brought together community immigrants' rights organizations, we have brought together the clergy, the church and the Spanish-speaking media to speak on this issue. The Latino media has become a real partner, and between these four partners we have been successful in helping to elect the right candidates. We have been successful in pushing the immigration issue in the correct way. So I believe that this is a very positive note that we're moving in the right direction, but we need to push the Democrats as much as we need to push the Republicans to take leadership on these issues.

## **Miguel Székely Pardo** **Undersecretary for Budget, Planning and Evaluation,** **Ministry of Social Development**

### **On Mexican Demographics**

The four east Asian countries that grew at high rates during the past 20 years were countries that went through a demographic transition, where they had a demographic bonus. Actually, some studies have argued that half of that growth is due to the demographic bonus. Mexico, until 10 years ago, was a country of children. The vast majority of the population, more than 60 percent, were children, and now low dependency rates will continue for the next fifteen years. This means several things from the social policy point of view and in terms of the economic strategy of the country. If we do not address these questions, we will not only lose this opportunity, but it will create many future problems.

The first question is education, because what is happening now is that every year we have fewer children coming into the educational system, into primary school and more people progressing to higher education levels. So, for the first time you have the chance, with the same budget, to increase educational quality with exactly the same resources. You have fewer children; therefore you have the chance of spending more per child and having better educational quality. The same happens for health. We were going through a situation where we had certain types of diseases characterized by young populations, so we had to spend a lot investing in that population. Now we are at a stage where a higher share of the population is going through the part of the life cycle where they don't really need this kind of investment. But again, 15 years from now, we will see more people going into the over-60 age group, and then the demand for health will start to increase again. But for the next 15 years, we have the chance of maintaining our current expenditures while at the same time improving the quality of services. Now we're at the time where we can turn this into an opportunity as the East Asian countries did.

### **On the U.S.–Mexico Agenda**

I think that there are at least five big areas that are grossly under-exploited in terms of U.S.–Mexican relations, at least from the point of view of Mexico. These are the areas that could be developed in the meantime, until the U.S. attention shifts again to issues that are of interest to us. I think that those five issues are first, education. Here it has been said several times that there are chances for partnerships in education. I think that we should stress that although these things are important for growth, for trade, we should look at them in their own right, as important for Mexico, for social development in Mexico. A second area is social security, simply because of the fact that demographics in the U.S. and Mexico are so different. This is the perfect context to link the needs of social security systems in the U.S. with the supply that the Mexican system of creating savings could generate. A third area is health, where also I think there has been very little collaboration compared to other topics. A fourth is technology, and again, I think we should look at this kind of topic in its own right, apart from all the benefit it has for trade. And, finally, there is housing. I think at least these five issues are not really on the agenda. They don't require national attention or national consensus to move along. These are perhaps more modest issues, but they could have a huge impact, and they would help us move along in an agenda that doesn't have to stop just because these other important issues are not moving along.



## **Beatriz Manz**

### **Professor of Geography and Ethnic Studies, UC Berkeley**

#### **On Mexican and Central American Migration**

As an anthropologist, I wonder how Mexicans view what is happening in communities throughout the country as a result of migrations to the United States. I understand that there are many communities void of adult males. What impact is that having? At least one Mexican governor was quoted as saying, “Terrific — all these people are going to the United States.” A statement like that makes it appear that migration north is being used as a safety valve. Not only is there less unemployment, but these migrants send home large amounts of money in remittances. Remittances from the United States, certainly on a local level, are having a significant impact. What is going to happen, especially in those communities that have predominantly female heads of household?



We are also neglecting to address the relationship between Mexico and Central America. Central Americans are migrating to Mexico, and they are also passing through on their way to the United States. Similarly, in the United States we tend to focus on Mexican migration and neglect to recognize the growing numbers of Central Americans in the U.S.

## **Patricia Llaca**

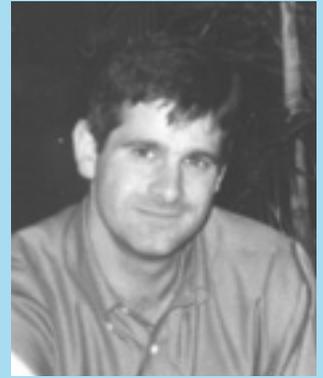
### **Actress**

#### **On the Role of the Media**

You are all political actors. I am an actress who is political. I’ve been listening carefully to what you have all said and wondering how my field can be useful in this sort of encounter. One of the things that has been discussed here is how can Mexico squeeze into the Bush agenda once again. Some have said that immigration is not an issue amongst Latinos living in the States because it’s not a problem that is theirs anymore. They are more concerned with education, and they have other priorities. I believe that we have lost precious time with these midterm elections by not making the Latino voters aware of the importance of the immigration treaty and of the solution to the immigration problem. I believe that this is where the people who work in my field can be useful. We are heard as actors. I have felt it; I’ve done it. I’ve worked with AIDS organizations, and it really happens. My community can help. Latinos are the only minority who have two television networks running 24 hours a day. Univision, for example, is the best known company; it is a television network with the biggest growth over ABC, NBC and CBS. So we have access to a lot of people. Actors can help make Latino voters aware of what the benefits of the immigration treaty would be through campaigns and spots; we can make this a quicker thing, make it a social thing. It’s not the Democrats or the Republicans anymore. We have to go not only to governments but to the people.



## **Chappell Lawson** **Professor of Political Science, MIT; National Fellow,** **The Hoover Institution, Stanford University**



### **On Mexican Development**

Mexico needs to invest in human capital and radically expand both private and public education. But there are also important opportunities for private partnerships in education, and that sort of partnership offers a tremendous opportunity to bring some technological expertise to the industrial sector. Technological expertise is already resident in Mexico and among Mexicans living in the United States; it just needs to be properly channeled.

With regard to the oil sector, Mexico needs to become a larger and more efficient energy producer. If it does so, it could become an important part of an alternative international regime to OPEC. That would mean coordinating its energy storage, surge capacity and production with a number of other nations, including Canada and the United States. Of course, an expansion in energy production would probably require foreign capital and expertise.

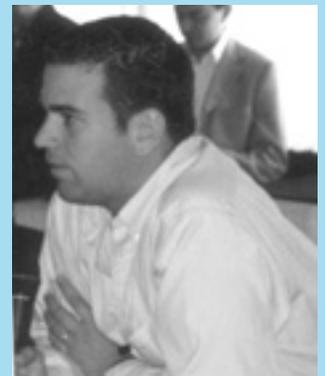
### **On the Immigration Debate**

One important objective of binational dialogue should be to manage negative sentiments about Mexican immigration in the United States. This time last year I attended a talk at Harvard where the speaker announced that the United States was being invaded by Mexicans and that the prospect of one million more Mexicans entering the United States constituted a threat to U.S. society and security. I mention this because the speaker was not a well-known Mexico-basher, but rather one of the most prominent political scientists in the United States. However we feel about immigration and assimilation, it is our obligation to speak out against this incendiary framing of the immigration debate.

## **Carlos Loret de Mola** **Journalist, Televisa**

### **On NAFTA**

President Fox said, and I am quoting, “Next year the fun part of NAFTA ends.” And many of us wonder, if these ten years have been the fun part, how will the ugly part be? NAFTA did help in getting out of the big breakdown crisis of 1995. If we didn’t have NAFTA, the crisis would have been much deeper and more hurtful. But it doesn’t make sense to grow trade by billions of dollars if it stays in a few hands.... It needs to get down to the very poor people. The second thing, about drugs: it is no longer the case that Mexico is the producer and the United States is the consumer. I’m very surprised that not one single report of the Drug Enforcement Agency, the DEA, not one single report, recognizes that now the biggest producer of marijuana in the world is the United States. They keep seeing Mexico as the problem.... And not until a few months ago did Mexico recognize that there is a problem with consumption inside our own borders.



## **Ricardo Obert** **CEO Productos Químicos Mardupol**

### **On Business in Mexico**

The first thing we have to do, and this has been said before, is we have to learn from history. We have to learn what the advantages and disadvantages of signing NAFTA [have been] and what this has turned into for Mexico. I see a big need for electoral and fiscal reform. It is ridiculous that we cannot produce in Mexico with the same costs as the rest of the world. It's a very nice wish that local producers do something, but we have to remember that we are in a global economy. We are competing against the world and the world is competing against the world. So I would like to have to produce glass in Mexico City or to produce cups in Monterrey or Puebla with the same prices for gas, electricity, utilities and telephone, for example, as in Hong Kong or New York.

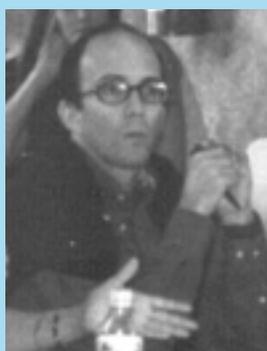


What if an event like 9-11 happens again? It is a global concern because if something like that happens it is only going to constrict more the policies on migration and trade. And I think we would have to work together towards some type of agenda that includes the possibility that it could happen and what to do if it does. We cannot stop or become paralyzed because something like this happens again.

## **Gustavo Alanís Ortega** **President, Mexican Environmental Law Center**

### **On Changes in Mexico**

Whether we agree or not, structural changes must happen in Mexico: fiscal reform, changes in the energy and petrochemical industries and many other things. I see a problem because I hear people saying no to all of this because they say that Mexican sovereignty will be in danger. And they are trying to cover up in the flag of nationalism. That reminds me of the past. I don't know if it's still valid or not to raise these flags. Is it really true that we're going to lose sovereignty and that we are going to lose other things at the international level? I have doubts about this. What is going to be the cost of not reforming? Which brings me to the point of the unity that has to happen with the Congress and the executive power. Even though a lot of things have passed with the Congress in these years, I see a lot of differences between the Congress and the President. They have different agendas and different visions. They have a different way of seeing politics. Some are thinking of themselves and of their parties, rather than having a vision for the country, for the people and for our future. We have to go beyond that. Many other factors will have to be considered, for example human rights, labor rights and environmental issues.





The U.S.–Mexico Futures Forum will reconvene on the Berkeley campus in fall 2003.

**Center for Latin American Studies**

University of California, Berkeley

2334 Bowditch Street

Berkeley, CA 94720-2312

[clas@uclink4.berkeley.edu](mailto:clas@uclink4.berkeley.edu)

Tel: 510-642-2088



**[clas.berkeley.edu](http://clas.berkeley.edu)**