#### **BORDER RELATIONS**

# Tex-Mex, border regions, and maquiladoras

Seventy years of presidentialism in Mexico have left their mark not only on the country's political institutions but also on the way the country's scholars, researchers, and other analysts interpret and analyze the political events unfolding in the country.

Accustomed to the president having unlimited power where other political institutions—including the judicial and legislative branches of government—are at his beck and call, we continue to rely heavily on the presidential figure to explain the course the country is taking. An executive branch of government delimited by other political institutions is a given in many countries.

Mexico has, however, only just begun to see a president with a limited framework of action, where weights and counterweights balance the power he holds. This is the most important change in recent Mexican politics. In order to understand it, we must not look upon Vicente Fox as the primary element of change, but rather as a contributing element within a complex process of many multidimensional changes. What's more, only in a few cases are these changes the result of concrete actions taken by the administration. More often than not, they are spontaneous modifications stemming from this important transformation in Mexico's regime.

## UNITED STATES-MEXICO NETWORKS

With this in mind, this article addresses two issues of special importance within the Fox administration: policies with regard to border regions and the close ties Fox has made and maintained with the Mexican community residing in the United States. The Fox administration represents a new kind of proactive politics in the international arena and particularly with respect to these two issues. Although this more dynamic approach to Mexican international politics repre-

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sents an opportunity for innovation within political institutions and public policies, Fox has to face a divided Congress that confronts and poses obstacles for this administration. For example, in the areas of fiscal reform and the indigenous peoples' rights, two recent initiatives sent by Fox to Congress did not receive total support from his party. This resulted in the first being postponed and the second being modified.

In the same vein, initiatives related to the border and the Mexican community in the United States, such as the possibility of voting from the exterior, are certain to be controversial in Congress. It is important to recognize the emphasis that the Fox administration is placing on these two issues, which prior administrations had relegated to less important positions on the political agenda.

## THE MEXICAN COMMUNITY IN THE UNITED STATES

Fox, being born and raised in and as exgovernor for the state of Guanajuato—the point of origin of many Mexican immigrants in the United States—knows first hand the processes and political possibilities of establishing ties with migrants and the Mexican community in the United States. He also understands the need to guarantee their political and economic involvement.

In 1998, the Hispanic population living in the United States reached 30,773,000. Of this group, 19,834,000 are of Mexican heritage, thus representing 64 percent of the Hispanic population in the United States. In geographic terms, most of the Mexican community is located in California, Illinois, and Texas. In the last decade, however, migration flows have shifted from traditional areas to such new states as Washington, New York, Arizona, and many others. This suggests that a closer relationship between the Mexican and other Hispanic populations in the United States may generate various diverse economic and political opportunities that could generate short-term benefits for Mexico.

In economic terms, remittances sent by immigrants to their families in Mexico represent one of the country's main sources of foreign currency, which speaks sadly of the current Mexican economy. In 1994, it was estimated the migrant remittances reached \$3.7 billion. For Fox, these resources could potentially be employed in productive programs. On another note, the Hispanic market in the United States has grown in size and importance. In many cases, it has become a point of entry for

the introduction of Mexican products, from food to products from Mexico's cultural industries, into the United States market. This movement, of course, represents an opportunity to expand Mexican exports.

In political terms, the support of the Mexican-American community in the United States in the past presidential elections can be seen as both directly and indirectly important for the Fox administration. Although Fox has kept his promise to support the implementation of the vote for Mexicans residing outside the country, the political participation of Mexican residents in the United States is not limited to their direct vote. Due to the fact that most Mexican migrant communities in the United States keep strong ties with their communities of origin, their opinions and views regarding the current administration influence family and community members in Mexico. Likewise, the strengthening of ties with the national political leaders of the Mexican-American community is perceived as a way to generate lobbying on Mexican issues in the United States.

Another important issue on the political agenda is the improvement of conditions under which illegal Mexicans migrants are being incorporated into U.S. labour markets. This represents a strong point for Fox, although it has not yet been seen in its real, concrete dimension: how many, who, where, etc. In any case, providing legal working status to undocumented workers would provide the Mexican worker with the ability to demand, through legal channels, better wages and working conditions, and, as has been declared by U.S. workers' unions, the right to actively participate as unionized workers.

#### **BORDER REGIONS**

The current administration has also taken a new, more active, political stance with regard to border regions. A first step in this direction was the naming of a commissioner for the northern border, Ernesto Ruffo Apel, the first governor of the opposition in the state of Baja California and someone who

The fact that regions and local issues must always be dealt with through the mediation of secretariats, commissions, and other figures directly dependent on the president has hindered regional development for decades. The particularities and differences of diverse border regions require their own particular initiatives emanating from their own residents. They also require the capacity to negotiate, implement, and improve the institutions that affect them as border regions.

knows the border well and has experience in governing.

As for Mexico's southern border, the Fox administration is working on an ambitious regional development project: the Puebla-Panama Plan. The most relevant and innovative aspect of this project is its attempt to define Central America and the Mexican southeast as a region that shares common problems and as a region subject to orchestrated policies.

While both the naming of a Northern Border commissioner and the Puebla-Panama Plan are innovative actions in current context, they leave Mexico's primary problem regarding regional development untouched: the issue of the country's deeply rooted centralist government. The fact that regions and local issues must always be dealt with through the mediation of secretariats, commissions, and other figures directly dependent on the president has hindered regional development for decades. The particularities and differences of diverse border regions require their own particular initiatives emanating from their own residents.

They also require the capacity to negotiate, implement, and improve the institutions that affect them as border regions. Border states, in particular municipal regions adjacent to the border, have stressed their desire to have more autonomous power: for example, to be able to collect more taxes—currently undertaken by the federal government—and autonomously decide how to employ them without their being tied directly to the federal government. In this arena, no change is immediately foreseeable.

#### THE MAQUILADORA

Another perception, which has been inherited from former administrations, is that of seeing *maquiladoras* as the only possibility for development in border regions. The number of firms and their employment impact are certainly telling. In 1998 the *maquiladora* industry represented 2,983 firms, which employed 1,008,031 persons with 729,587 employees in border states.

However, from Tijuana, Baja California to Chetumal, Quintana Roo, the *maquiladora* obsession leaves the possibility to

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innovate and search for alternatives for development by the wayside. In this regard, Fox's criticisms of the Salinas-Zedillo economic model during his presidential campaign have proved to be more superficial than real. The economic model he appears to be favouring continues to disregard the need to increase wages. Most of Mexico's salaries are equivalent to poverty jobs. Wages in the maquiladora range between US\$250 and US\$350 per month. The model disregards development of endogenous products, industries, and technologies that have proven to be a fundamental condition for growth with more distributive possibilities in favour of international investment. Clearly, Fox's idea of regional development is based on the perception of regions as potential recipients of direct foreign investment only, rather than as possible spark plugs of economic processes based on strengthened local capacities rooted in their own particular social and political structures.

The above-mentioned criticisms are also applicable to the Puebla-Panama-Plan. It is a regional development plan similar to projects developed in the 1970s, where the building of infrastructure is emphasized but now has the added attraction of *maquiladoras*. Although innovative in the international

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arena, many of its components rely on economic paradigms whose validity has been seriously questioned in recent decades.

What is interesting, however, about this project is that it is being developed for a region full of strife and conflict—where the balance of power has been changing over the last decade. The *Zapatista* movement in Chiapas has declared that this project will not be implemented without incorporating the views of indigenous peoples residing in the region. The degree to which indigenous peoples succeed in having a say on the

"what, how, and wherefore" of this project will mark a major change in Mexico's regional politics.

The arrival of Fox in Mexican politics has sparked a chain reaction, due not so much to the president's particular policies or concrete actions but rather to indirect modifications in the frameworks of action of the country's diverse political actors. The question is, will these changes empower the Mexican community outside the country and the regional actors within Mexico in the face of a long tradition of authoritarianism and centralization?

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conditions of poverty, marginalization, unemployment, and hunger, the new presidency can start its job, at least, with the realization of how much they will have to do before achieving substantial goals in the promotion of social justice.

#### THE SCOPE OF THE CHALLENGE

Last March, the Inter-American Development Bank (IDB) recognized Mexico's current income share as one of the worst in the world. As reported by *La Jornada*, at the end of 2000 the poorest 10 percent of the population earned

only 1.5 percent of total income, while the richest 10 percent accumulated as much as 42.8 percent of earnings and consumer goods.

Despite the fact that the country was recognized as the 13th largest world economy in 1999, the incidence of poverty has increased dramatically. According to the numbers of Mexico's most influential and independent researcher, Dr. Julio Boltvnik, 54 million out of 100 million Mexicans live in conditions of extreme deprivation (*La Jornada*, February 25, 2000; *Reforma*,

December 15, 2000). An estimated 60 percent of those are women and the distribution of poverty is greater in urban localities than in rural areas (32 million and 22 million people, respectively).

Taking a broader view of deprivation, approximately 62 percent of the labour force have daily incomes below US\$8.50, while 18.4 million Mexicans survive on less than US\$1.00 a day (*La Jornada*, March 14, 2001; *INEGI*, March 2001). The United Nations ranks Mexico 55th among 147 countries, according to their human development standards.