

DON'T GIVE AWAY THE FARM **President Bush in Mexico** **by Lindsey Grant**

The President's first official foreign trip will be to Mexico in mid-February. He shares some views with Vicente Fox, the new President of Mexico, and the combination could be disastrous.

Mr. Fox visited the United States last autumn and told everybody, including Messrs. Clinton, Gore and Bush, that the U.S.-Mexican border should gradually be opened to free movement of people, like the free movement of goods and capital under NAFTA. Mr. Fox's enthusiasm was quietly put aside here in the midst of an election campaign. Both nominees were afraid to suggest there should be a flood of immigration, because of lingering concerns in the Republican party about immigration levels and because working people would react angrily to the prospect of more competition driving down U.S. wages. At other times in the campaign, however, Governor Bush suggested that it would be useful to bring in more foreign workers. He has raised the idea again since his election.

Let us hope that the two new Presidents don't see eye to eye. President Fox would like to see more movement north across the border. It would indeed benefit Mexico; it would export workers fleeing a desperate job shortage, and their remittances would augment an already important source of foreign exchange. Mr. Fox has shown himself imaginative, even visionary. He has courted the Mexicans and Mexican-Americans in the United States, promised better treatment for them by Mexican border officials, set up procedures to simplify their sending remittances back to Mexico and to encourage them to invest directly in Mexico. The Mexican constitution has already been changed to grant citizenship and political rights to Mexican-Americans in the United States. Fox has a clear vision of a blurred border which would enable Mexico to benefit from the economic strength of its northern

neighbor. Like his predecessor (and like American proponents of expanded migration) he argues that expanding legal movement would reduce illegal immigration. That would certainly benefit the migrants, but it hardly addresses the central issue of how much migration should there be.

Our question for Mr. Bush is, "What's in it for the United States?" The working age population of Mexico is one-third that of the United States. Unlike the United States', it is growing rapidly, about 1.3 million per year (UN medium projection), and the end of growth lies in some distant and uncertain future. The United States, with an economy over 20 times as large, has not been able to create jobs that fast. From 1990 until 1998, despite the recent economic boom, the United States generated only 1.1 million jobs a year. Since immigration, legal and illegal, has been running at something like that rate, we can assume that immigrants are already filling many of those jobs, plus others in the untabulated informal economy.

Nobody knows how much unemployment and underemployment there are in Mexico (the official figures notwithstanding), but it is a desperate job market. U.S. wages are about ten times those in Mexico. One academic commentator remarked that "If we start making the border more porous—and it is already like a sieve blasted by buckshot—you will have one-quarter of Mexico's population in the U.S. Sun Belt within a couple months." That may be a little hyperbolic, but the pressure to move north would be intense. If just 2 million Mexicans—3 percent of the working age population—should try their fortunes in "el Norte" each year, the impact on American unskilled labor would be colossal.

Mr. Fox may be as wily as his name suggests. He has raised a specter to persuade his northern neighbors to invest more heavily in Mexico to create jobs there and stem the present migration. But this in turn raises questions. What happens to investment in the United States as the capital goes south? Our annual balance of payments with Mexico is already over \$20 billion in the

red. What happens as more Mexican goods return here for sale, with the competitive advantage of having been manufactured by much cheaper labor? Organized labor is raising painful questions about present American trade policy. Mr. Bush may not feel he owes labor much, politically; but as President he should have some concern about its well-being.

Beyond the issues of labor and markets, there looms the larger question: how big do we want to be? The President should heed the warning of a German official who belatedly said of the German “guest worker” program of the 1950s and 1960s: “He wanted labor, but we got people.” The Census Bureau projects U.S. population to double in this century, to 571 million. Most of that growth will be driven directly and indirectly by migration. But that projection assumes annual migration of about 900,000 — which is less than the present level, legal and illegal. With increases from Mexico such as Mr. Fox envisages, the Census high projection of 1.2 billion — the present population of China — could prove prophetic.

We should indeed try to help Mexico, but the question arises: how much can we afford to do? Perhaps the best way to help would be to give more support for the Mexican family planning program, which is helping to bring population growth—the source of the problem—under control. Unfortunately, this is an idea toward

which Mr. Bush is—to be charitable—unsympathetic. Moreover, it is something about which the incoming Mexican President is uncharacteristically ambivalent, judging by the record of his party.

Nevertheless, President Bush should justify his new role as president of all the people by taking a very cautious view of an increase in movement from Mexico. The social compact upon which our stability depends is already strained by business’ enthusiasm for cheap foreign labor. And both presidents have very good reason to put their past views behind them and talk seriously about how this country can help Mexico to bring its

population growth under control and thereby create the basis for eventual stability, which is a necessary pre-condition for more open borders. Look for an example at our border with Canada.

Perhaps we should thank the irrepressible Mr. Fox for raising issues that both

our political parties have been trying very hard to keep quiet. It took his audacity to bring the issues into the open. The achievement of a mutually satisfactory and durable relationship with Mexico is perhaps the most important question facing the nation, in terms of present wages, the preservation of domestic tranquillity, and the nation’s demographic future.

Let us hope that our President, in his first foreign foray, does not leap too eagerly to adopt the Mexican political and economic agenda.

Let us hope that our President, in his first foreign foray, does not leap too eagerly to adopt the Mexican political and economic agenda.

About the Author: Lindsey Grant is the former U.S. Deputy Assistant Secretary of State for Environment and Population Affairs and a senior advisor to NPG.

© NPG - Published February 2001. Permission to reprint is granted in advance. Please acknowledge source and author and notify NPG. NPG is a national membership organization founded in 1972. Annual dues are \$30 and are tax deductible to the extent the law allows. Please call or write for a list of our other publications.

Negative Population Growth, Inc.
1717 Massachusetts Avenue, N.W., Suite 101
Washington, DC 20036
voice: 202-667-8950
fax: 202-667-8953
email: npg@npg.org
www.npg.org