The Giant and Its Neighbor: The Role of Economics and Immigration between the United States and Mexico

An Honors Thesis

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Abstract

Previous research projects in both History and Spanish courses provided the opportunity to investigate the effects of NAFTA in Mexico and illegal immigration in the United States respectively. These studies offered insight into current political dilemmas and heightened my awareness of the United States’ role in the international community. In my honors project, I will document and analyze the history of U.S.-Mexican economic ties dating back to the Monroe Doctrine. Octavio Paz commented that “In general, Americans have not looked for Mexico in Mexico; they have looked for their obsessions, enthusiasms, phobias, hopes, interests—and these are what they have found. In short, the history of our relationship is the history of mutual and stubborn deceit, usually involuntary though not always so.” Through this paper I intend to address the lack of contemporary knowledge concerning the United States’ role in Mexico’s economy and vise versa. The paper will evaluate how territory, trade, labor, and resources have affected and shaped the policies and relations of the border nations of the United States and Mexico. A thorough contextualization of the history of the U.S.-Mexican border serves to clarify and rectify current misunderstandings of the importance and nature of U.S.-Mexican economic ties. The history of the U.S.-Mexican border provides the framework for a comprehensive understanding of how the United States and Mexico are tied by geographic and economic practices. As the United States reevaluates its policies concerning illegal immigration and free trade, individuals can better analyze and predict the implications and potential ramifications of revised policy with a grounded background in U.S.-Mexican relations.
Acknowledgments

I would like to acknowledge and sincerely thank the following people for helping make this project possible.

Dr. Abel Alves for his patience, encouragement, and support throughout this entire process. His guidance and dedication to his students resonate far beyond the classroom.

Dr. Chin-Sook Pak for first inspiring me to investigate the conflicts surrounding immigration in the United States. Her mentorship guided me throughout my undergraduate studies.

The outstanding professors from the Honors College and the History Department whom I have had the privilege of learning from over the past four years.

My parents, Luke and Mary Kay Fullenkamp for their unwavering confidence and encouragement.
Introduction:

For nearly two centuries the territories of the United States and Mexico shared borderlands with one another. As neighbors of circumstance, the interests of these two nations have often clashed and rarely coincided. The United States’ history of territorial expansion, economic speculation, and intervention in Mexican domestic and foreign affairs resulted in friction and hostility. At the same time, Mexico often welcomed and continues to rely upon U.S. investment and employment. Octavio Paz commented that “the history of our relationship is the history of mutual and stubborn deceit, usually involuntary though not always so.”¹ The geographic and economic ties that cause constant interaction between the nations rarely produce candid and sincere collaboration. The countries struggle tirelessly against each other; each striving to resolve intertwined conflicts with their own individual policies.

Their contentious relationship began in the 1800s when disputes erupted in the Texas territory. Although Stephen Austin and 300 other Catholic families settled in Texas territory with Mexico’s blessing, Mexico soon realized its inability to control American migration to its northern colonies. Mexico’s fears of U.S. territorial ambitions justified by Manifest Destiny became a reality. The United States won fifty-five percent of Mexican territory north of the Rio Grande River in the U.S.-Mexican War, and Mexico lost any trust it may have possessed for its northern neighbor.²

With a changing political environment in Mexico during the following years, U.S. economic investment in Mexico increased. This investment combined with the legacy of the Monroe Doctrine fed the United States’ sense of authority and supremacy over Mexico. Consequently, U.S. policies did not necessarily consider Mexico’s concerns and interests. Yet, despite conflicting foreign and domestic policy measures, the border between the two regions remained a porous exchange of resources until the later half of the twentieth century.
Neither the United States nor Mexico has succeeded in controlling the passage of goods and people from one country to the other. Border towns sprung up along the Rio Grande River in both nations after the U.S. Mexican War. The presence of these towns encouraged commerce to grow across the boundaries. Americans and Mexicans traveled more freely across the border until stricter immigration laws passed in the 1910s and 1920s. Nevertheless, Mexicans continued to migrate north to the United States for employment under the Braceros Program from 1942 until 1964. Even when the program stopped, the Mexicans’ need for work and the United States’ capacity to employ Mexican laborers continued to encourage immigration both legally and illegally to the United States. This situation escalated in the 1980s and early 1990s driving stricter U.S. border patrol policy and the building of virtual and physical walls into the twenty-first century.

Immigration policy and labor markets contribute to one of the most significant border wars between the United States and Mexico today. The economic disparity between the nations has long made this an unavoidable situation. Mexican labor naturally flows northward due to the greater demand for unskilled labor in the United States. The trilateral agreement between Canada, the United States, and Mexico in the form of the North American Free Trade Agreement in 1994 further complicated matters. Free trade signified the opening of borders, and consequently NAFTA did little to restrain migration and immigration between the United States and Mexico.

With NAFTA, the United States and Mexico have finally defined a cohesive economic strategy that acknowledges both countries’ interests; however, the fact remains that NAFTA does little to address public policy measures like immigration reform. Nonetheless, NAFTA has the potential to serve as a forum for forming a trilateral agency to cohesively address failed
immigration and labor policies. This paper will provide the historical contextualization for the significance of NAFTA focusing on U.S.-Mexican economic ties in the form of labor markets and immigration policy. It will also define NAFTA and its limitations as they apply to immigration and labor through the political rhetoric of presidential candidates and presidents from the United States and Mexico.

The Beginnings: A Border Contested

Not long after Mexico declared its independence in 1821, President Monroe recognized Mexico as a sovereign nation in 1823 largely to appease U.S. businessmen eager to initiate trade relations. In December of 1823, Monroe gave an address that would become known as the Monroe Doctrine. His words, which warned against European intervention in the Americas, would be used by succeeding presidents to justify intervention in Mexico. Thus, the stage was set for the future of U.S.-Mexican relations: the United States would pursue its own policy interests, and its domination prevented genuine collaboration and trust from developing between the two countries. Their ties would be largely centered on economics.

Mexico remained wary of the United States and its belief in Manifest Destiny. The newly formed country’s borders stretched far north into modern-day Texas, California, Utah, Colorado, and Nevada. Mexico realized that the United States would inevitably eye these territories for westward expansion; yet, Mexico struggled to develop its northern territories. For this reason, Mexico allowed Stephen Austin and 300 Catholic families to move into Texas. Mexico failed to effectively govern its Texas territory. The number of U.S. settlers grew and so did their resentment of Mexican policies. Without the means to monitor these settlers, U.S. migration escalated, and in 1830 Mexico closed its borders to U.S. migrants. Mexico feared the
settlers' connection with the United States and refused to allow them to join their union. As a result, the settlers in Texas declared their independence as the Lone Star Republic. The Battle of El Alamo ensued on March 6, 1836, when Mexico attacked and killed all Lone Star defenders at the Alamo. The Lone Star Republic responded in April with the Battle of San Jacinto in which they defeated and captured Mexican General Antonio Lopez de Santa Ana. A capricious leader General Santa Ana failed to fulfill his promise to return to Mexico and ensure recognition of the Lone Star Republic's independence.

Tensions mounted with the United States' peaked interest in the Texas territory and California along with Mexico's continued hostilities toward the Lone Star Republic. President James Polk offered Texas U.S. annexation on March 1, 1845. In a message to Congress on December 2, 1845, President Polk defended and celebrated Texas's annexation saying that Mexico had recognized Texan independence and the annexation occurred peacefully despite the break down in diplomatic ties with Mexico. Polk justified U.S. actions claiming that "the people of this continent alone have the right to decide their own destiny. Should any portion of them, constituting an independent State, propose to unite themselves with our confederacy, this will be a question for them and us to determine, without any foreign interposition." In this way, Polk expanded the Monroe Doctrine to allow for U.S. expansion in the Americas and thereby ensured the strength of the continent to prevent European intervention. Polk not only set a precedent for use of the Monroe Doctrine to defend U.S. intervention in Latin America, but he also sent Mexico a clear message that the United States would not hesitate to intervene and fight for Texas.

Although Mexico cut off its diplomatic ties to the United States following the annexation of Texas, it was the United States who instigated the war in 1846. Initially, Polk offered to
forgive Mexico’s debts in exchange for Texas and the right to purchase New Mexico and California; but, Mexican President José Herrera refused to negotiate such a deal. Instead, President Polk took advantage of growing Mexican-racism in the United States and the fact that Mexico failed to pay restitution to the Texas settlers who lost property in Mexican raids to garner U.S. support for a war with Mexico. On May 13, 1846, the United States officially declared war.

The dispute originating over Texas territory developed into a fight for the entirety of Mexico’s northwest territories. Emboldened by his interpretation of the Monroe Doctrine and an unabated belief in Manifest Destiny, President Polk understood a war with Mexico over Texas also afforded the opportunity to win New Mexico and California. A U.S. Pacific fleet under Commodore Charles Stackton took Los Angeles and secured California. Colonel Kearney occupied Santa Fe. The young Mexican nation suffered heavy casualties and struggled to oust its northern neighbor. Ultimately, by September 13, 1947, U.S. troops had captured Mexico City.

The United States succeeded in establishing supremacy over Mexico and left its southern neighbor in a state of shame and disarray. In the Treaty of Guadalupe Hidalgo signed by the United States and Mexico officially ending the war on February 2, 1848, the United States declared its intent “to establish upon a solid basis relations of peace and friendship.” Yet, the United States and Mexico could not and would not exist as friendly neighbors. The treaty ceded over half of Mexico’s vast territories to the United States in exchange for abolution of its former debts to U.S. citizens and 15 million dollars. Mexico remained a wounded and humiliated nation. Its liberal and conservative citizens blamed each other for such a significant defeat. In the midst of this division and chaos, the United States had emerged as a powerful adversary. The Treaty of Guadalupe Hidalgo clearly defined the U.S.-Mexican border, but Mexico suspected the United States would respect those boundaries only to serve their best interests.
U.S. investment and intervention in Mexico from the 1850s through the 1920s reflected this self-interest. During the rule of the French monarch Maximilian of Hapsburg in Mexico, Benito Juárez sent Matías Romero to the United States to negotiate for financial support and arms. Juárez hoped to start a rebellion and push Maximilian out of the country. He understood that the French monarch's presence posed a threat to the United States and violated the Monroe Doctrine. For this reason, the United States did agree to send limited support to Juárez despite the financial strain of the ongoing Civil War. Later, when Porfirio Díaz agreed to 4 million dollars in reparations to the United States, secured borders against Mexican raiders, and opened the Mexican market to foreign investment, the United States eagerly sought out economic ventures in Mexico. U.S. investors took advantage of the newly opened market, while Mexicans welcomed their economic investments. This healthy economic and diplomatic relationship under "Dollar Diplomacy" lasted until 1911, when the Mexican Revolution threatened U.S. investments and the security of the Panama Canal. President Woodrow Wilson came to power in 1913 and ended "Dollar Diplomacy," as he turned to direct intervention in Mexican affairs. President Woodrow Wilson firmly believed in the establishment of democratic nations, and his attempts to reform Mexico produced abysmal results.

President Wilson's intervention tactics to enforce U.S. policy south of the border reflect an attitude of ignorance and disregard of Mexican culture and politics. Wilson helped bring General Victoriano Huerta to power in 1913 only to refuse to recognize him when Huerta established himself as a violent and militant dictator. Wilson's attempts to oust Huerta helped to usher in a new period of civil war in Mexico. His temporary support of Huerta's opponents, including Pancho Villa, also backfired. Pancho Villa attacked Americans along the border when Wilson withdrew his supply of arms. In response, Wilson sent General John Pershing and the
U.S. Expeditionary Forces into Mexico. Thus, in a moral mission to promote democracy, Wilson violated the sovereignty of the Mexican state meddling beyond its borders.

Wilson’s misunderstanding of Mexico and Mexican affairs blinded him from making productive and beneficial alliances with Mexican leaders. Instead, Wilson supported Mexican leaders who caused problems in both the United States and Mexico. Wilson and other U.S. officials blamed the situation not on U.S. shortsightedness, but on Mexico as an entity. While U.S.-Mexican relations changed with the Good Neighbor policy under FDR, U.S. and Mexican leaders would rarely enter talks in which both leaders shared equal footing. Since the interpretation of the Monroe Doctrine by President Polk during the U.S.-Mexican War. The United States has refused to consider that Mexico should be a participant in the dialogue regarding U.S. policy in Mexico. The refusal to consistently include Mexico in discussions concerning trade, immigration, and homeland security at the border continue to complicate the U.S. agenda for effective policy measures.

Migration and Immigration to the United States in the 20th Century:

Early immigrant laborers built the United States workforce. Their presence today continues to fill the lowest paying and often most work intensive positions in the job sector. Without this labor force which built the productivity of industry and agriculture, the United States could not exist as the powerful and wealthy nation it is today. Yet, somehow in the wider immigration policy debate this crucial contribution to the foundation and fabric of American society has been forgotten. The attempted proposals of immigration reform and the debates that surround them in the 1990s and early 2000s, focus on the threat to national security and American workers’ wages. In the past, the controversy over immigration produced legislative
measures to limit the number of immigrants coming to the United States to settle; however, in instances of immigration reform American citizens tended to ignore the basic principles of economics that encouraged businesses to seek out immigrant labor.

The United States has a long history of immigration and much of that history involves limiting and controlling who enters U.S. borders. Congress passed the first immigration law in 1864 during the U.S. Civil War to encourage Europeans to come to the United States to live and work at a time when the war caused labor shortages. Industry and business men like Andrew Carnegie recognized that immigrants acted as a "golden stream which flows into the country each year." This golden stream provided the unskilled labor that kept wages low and impeded the formation of labor unions. Yet, while businesses flourished, domestic workers became disgruntled. Racist sentiments compounded by the fact that these immigrants now lived too far away to return home influenced Congress to create reform that would address the concerns of business and American workers. The Exclusion Acts of 1882 and 1884 restricted Chinese immigration and ended the already dying out practice of hiring foreign contract workers. In this way, the U.S. government appeased American workers concerns while doing little to hurt the supply of immigrant labor.

Immigration legislation did not affect the U.S. Mexican border until the 1900s, when the American people expressed their discontent concerning the steady stream of Eastern European immigration. From the end of the U.S.-Mexican war until 1910, the U.S.-Mexico border allowed for the free movement between nations. Due to the outbreak of the Mexican Revolution in 1910, United States built forts along the border. Congress later passed the Immigration Act of 1917. This time the legislation established quotas for Eastern European immigrants. The provisions requiring an entry fee and a literacy test significantly affected the movement of
Mexicans into the United States for the first time. However, when businesses realized the act severely restricted the flow of Mexican laborers, Secretary of Labor William Wilson removed restrictions on Mexican agricultural quotas and reform.\textsuperscript{12}

At this point in time, the United States recognized the value of Mexican workers to the United States. Employers understood that Mexico’s close proximity allowed for the temporary employment of impoverished Mexicans from rural areas. U.S. railways and agriculture recruited Mexican men to serve as seasonal labor with the hope that those men would return to Mexico in the periods between employment in the United States. Stricter customs inspection caused by Prohibition and the passage of more immigration quotas in 1921 and 1924 complicated the supply of Mexican workers. The year 1924 also brought the formal creation of the Border Patrol as an office of the Immigration Service. By 1929, U.S. regulations required Mexicans crossing the southern U.S. border to carry a visa. Out of necessity illegal immigration escalated until the hardships of the Great Depression struck both nations.

When World War II loomed on the horizon, U.S. agriculture and business once again hoped to turn to Mexican labor markets. The U.S. declaration of War in 1941 finally opened the opportunity for the government to initiate and formalize a foreign worker program. Thus, the Braceros Program began in 1942 making a new supply of temporary laborers possible. The program hired workers through contracts requested by U.S. agricultural and railroad employers which were conveyed to the Mexican government in Mexico City. In this way, the Mexican government originally controlled the recruitment of Mexicans.\textsuperscript{13} The Braceros Program was coordinated by the State Department, the Department of Labor and the Immigration and Naturalization Service (INS) in the Department of Justice in conjunction with the Mexican government. The Mexican government insisted on a role in the contract procedures to prevent
the abuse of Mexican workers by U.S. employers. As the program evolved and grew over the next 20 years, Mexico eventually lost its ability to play a protective role within the bureaucratic system. Starting in 1947, the INS started legalizing illegal Mexican farm workers rather than creating formal contracts with at the Mexican border.\textsuperscript{14}

The Braceros program actually served to increase the number of illegal Mexican immigrants working in the United States. The legislation called upon the INS to monitor the border and to cut down on illegal immigration. Facing this difficult task alongside the duties of developing the Bracero Program, the INS chose to expand the bureaucratic nature of the Bracero Program to incorporate illegal Mexican workers already in the United States.\textsuperscript{15} Mexican workers saw an opportunity for employment in the United States and the program encouraged Mexican migration both legally and illegally. Throughout the course of the program the numbers of illegal immigrants steadily increased. In 1943, 12,000 undocumented immigrants worked in the United States and by 1949 the number had grown to well over 214,000 undocumented immigrants.\textsuperscript{16}

Thus, the program established the United States' reliance upon illegal Mexican immigrants in business and industry. The history of the Braceros Program demonstrates how the United States the stage for its problems with illegal immigration well into the 21\textsuperscript{st} century.

After the Bracero Program ended in 1964, illegal immigration continued relatively unchecked into the 1980s. The Immigration Reform and Control Act passed in 1986 to curb the burgeoning undocumented immigrant population in the United States. Prior to the act, no immigration legislation penalized employers for hiring undocumented workers.\textsuperscript{17} The act offered amnesty to 3 million undocumented workers in hopes of countering the societal problems caused by their undocumented status. However, the act failed to curb continued illegal immigration. Significant loopholes allowed employers to continue the practice of hiring illegal
immigrants. The Democratic Representative from Texas claimed that “This bill...guarantees that those who want to exploit cheap, foreign labor...can continue to do so with impunity.” The number of undocumented workers in the United States did in fact continue to grow into the millions during the 1990s. Consequently, the debate over immigration reform and labor markets continues today. American workers protest the role undocumented workers play in the economy and businesses continue to furtively employ undocumented laborers.

The NAFTA Debate: NAFTA in the Presidential Elections of the United States and Mexico:

In 1993, President Bill Clinton of the United States fought to establish the free trade agreement between the neighboring countries of Canada, the United States, and Mexico that President H.W. Bush and President Salinas drafted from 1990 to 1992. For Mexico, the agreement would cement its transition from a state-run economy to private and free enterprise. The United States saw the opportunity to increase exports and investment within Mexico’s borders. While the governments heralded the passage of the North American Free Trade Agreement as a monumental success, the provisions of the agreement lacked the foresight to handle the pre-existing and consequential social and political conflicts aggravated over time. The regulation of labor markets within the structure of NAFTA proved to be one of the most contentious and challenging issues. Free trade complicated immigration and labor markets between the countries; but, the agencies established by NAFTA lacked the power to monitor these issues across open borders. An examination of Mexican and American presidential rhetoric concerning the future development and reform of NAFTA demonstrates that NAFTA had the potential to serve as a more productive agreement. The development of cohesive governing agencies under the umbrella of NAFTA with the power to instigate change and reform
provide a path of resolution for the overwhelming struggle surrounding illegal immigration and foreign labor.

In the late twentieth Century, Mexico began a series of economic policies that eventually led to the North American Free Trade Agreement or NAFTA. As previously discussed in 1942, the United States established the Bracero Program, which enabled the temporary employment of Mexican laborers in the United States. When the program ended in 1964, the Mexican government tried to develop strategies to help those migrant workers that could no longer find employment in the United States. The solution came in the form of the Border Industrialization Program in 1965. The program invited U.S. companies to move their factories to the Mexican border region with the promise of cheaper labor. As companies built factories or maquiladoras, the Mexican government hoped to increase industrial growth and capitalism.\textsuperscript{19} In this way, Mexico could begin to catch up with the rest of the industrial world. Throughout the 1970’s, the Mexican government allowed businesses to continue production using maquiladoras to increase public ownership of industry and the number of investments financed through foreign loans. This strategy ultimately failed because the restructured Mexican economy of the 1970s could not be maintained. Loss of capital, payment problems, and unstable global petroleum prices plagued the Mexican economy. Ultimately, the financial system collapsed in 1982.\textsuperscript{20}

Mexico’s debt crisis of 1982 forced the new president, Miguel de la Madrid, and future presidents to devise new economic strategies. Miguel de la Madrid believed that in order for Mexico to improve its financial situation it must manage prices, inflation and salaries while eliminating significant government expenditures and privatizing several government owned firms.\textsuperscript{21} After much debate throughout the 1980’s, President José López Portillo decided to join the General Agreement on Tariffs and Trade or Gatt. This action was Mexico’s first step
towards liberalization of its economy with the reduction of tariffs, quotas, and licenses. Then in 1990, President Carlos Salinas\(^\text{22}\) recognized the need for still greater movement of capital into Mexico to ensure its economic stability. In an effort to revitalize the Mexican economy, Salinas initiated a dialogue with the United States that led to the negotiation of NAFTA. With this motion, Salinas cemented Mexico's commitment to free-market economics.\(^\text{23}\)

The authors of the North American Free Trade Agreement planned for a hemispheric free trade zone from which Canada, Mexico, and the United States would benefit. Under NAFTA, the three countries would gradually eliminate tariffs so that within ten years of NAFTA's enforcement trade and investment would pass freely across borders. Supporters of NAFTA believed that free trade would benefit each of the three countries. Critics saw the agreement as an attempt to reassure investors and encourage them to do business in Mexico.\(^\text{24}\) Although each country hesitated before entering the agreement fearing that one country would receive greater benefits, the fact that Mexico potentially had the most to gain or loose in the agreement remained evident.

The implications of NAFTA extended beyond economic investment and development. As a trilateral agreement, NAFTA offered the opportunity for Canada and Mexico to participate in discussions with the United States that would direct the nature of policies affecting all three nations. Previously, the United States wielded the power in its relationships with both countries. President Salinas explained that "For Latin America, the free trade agreement has come to mean a different policy of the United States toward the region," and he hoped that policy would be "constructive and respectful, toward its neighbors of the continent."\(^\text{25}\) The language of NAFTA indicated that the United States, Mexico, and Canada would work together to protect their economic interests in the globalization of world markets. Thus, NAFTA symbolized not just a
movement towards free trade in North America, but also a foundation for more cohesive diplomatic overtures.

While Mexico and Canada focused on the empowering effects NAFTA might have in their foreign relations, the debate in the United States centered upon labor markets. The presidential elections of 1992 interrupted negotiations for NAFTA jeopardizing the outcome of the trade agreement. While President H.W. Bush continued to support the trade agreement throughout the presidential debates, other candidates raised concerns. Patrick Buchanan, Ralph Nader, and Ross Perot all attacked NAFTA claiming the agreement would cause a “giant sucking sound” surrendering U.S. jobs to Mexico.26 Presidential candidate Bill Clinton supported NAFTA only on the basis that side agreements clarifying labor and environmental reforms would be added. Americans wanted to prevent NAFTA from endangering the number of U.S. jobs. Due to the vocal protests of labor unions, Clinton argued that further provisions in NAFTA would prevent the abuse of labor in all North American countries.

While Americans expressed concerns about U.S. labor, they failed to recognize that NAFTA’s greatest impact on labor would be through the increase of immigration to the United States. When Clinton came to office in 1993, he finalized negotiations for NAFTA pursuing side agreements for stricter labor regulations. President Clinton hoped that these provisions would improve working conditions and protect labor interests in all three North American nations. He also predicted that a “wealthier Mexico will buy more American products. As incomes rise there that will reduce pressure for emigration across the border into the United States which depresses wages here.”27 NAFTA promised to help build the Mexican economy, but it could not and would not rebound in a matter of a few years. The disparity between the U.S. and Mexican economies required decades of strong and healthy growth in Mexico to slowly shrink and
disappear. Until that time, Mexican labor would continue to seek employment in the United States. Initially, NAFTA actually increased the pressure for Mexicans to move north. This reality would eventually dominate future conversations surrounding NAFTA and its policies.

Following Mexico’s peso crisis in 1994, the problem of illegal immigration from Mexico became increasingly obvious and lawmakers began drafting internal policy measures to initiate reform. NAFTA received the blame for the financial difficulties in Mexico and the immigration issues in the United States, but in the policy measures to curb illegal immigration NAFTA was dismissed.28 In 1996, Congress passed the Illegal Immigration Reform and Immigrant Responsibility Act. This legislation focused on securing borders and deporting undocumented workers. Provisions also addressed penalization for employers of undocumented workers, but like the 1986 immigration act the offered leniency to employers who documented an attempt to ensure employees’ eligibility to work. The legislation failed to sufficiently discourage employers of undocumented workers and to address the role Mexico might play reducing illegal immigration.29

Although the passage of the act coincided with the 1996 presidential campaign between President Clinton and Senator Robert Dole, the platforms and issues raised during the campaign avoided much discussion of immigration and NAFTA. Neither President Clinton nor Senator Dole differed significantly in their approaches to the immigration debate.30 Discussions of immigration and NAFTA proved insufficient to offer either candidate leverage in the polls. Therefore the candidates emphasized other policy measures. Another 4 years would pass before the United States seriously considered a bilateral approach to reducing illegal immigration.

The coinciding 2000 presidential elections of the United States and Mexico brought unexpected results for both countries. In Mexico, Vicente Fox of the National Action Party
(PAN) defeated his PRI rival Francisco Labastida. His win marked a monumental upset of the PRI party which had been in power since the 1930s. The PRI defeat also evidenced the gradual democratic reform occurring Mexico as a result of its inclusion in NAFTA. In the United States, the race between Al Gore and George W. Bush produced a tie delaying official election results for months. The dispute concluded with a ruling by the Supreme Court declaring George W. Bush the victor. The election of Vicente Fox and George W. Bush promised to bring a new era of U.S.-Mexican relations.

President Fox and President G.W. Bush shared a renewed interest in addressing immigration and NAFTA. Long before the election results, the leaders agreed to meet and initiate plans for U.S.-Mexican cooperation. Bush declared that “Differences were inevitable between us. But they will be differences among family, not between rivals.” In effort to demonstrate commitment to positive cooperation, he also voiced a willingness to discuss development of Mexico’s poorest regions whose residents often migrated north and to increase the availability of capital for investment in Mexico. The two parties met in February of 2001 to establish a working group who would create a system for migration that protected the legal security and conditions of laborers. Shortly thereafter, Fox envisioned a specific 4 point migration plan to improve U.S.-Mexican relations and the status of Mexican workers in the United States and Mexico. He hoped to achieve legalization of undocumented workers in the U.S., a guest worker program, joint action against border violence as well as an end to U.S. ceilings on Mexican visas. Fox’s ambitious course of action became known as NAFTA-PLUS.

Fox understood the framework of NAFTA should be expanded to encompass and oversee closer interaction of governance at the border by both countries. His plan built upon Salinas’s original proposal that immigration and free movement of labor be included in NAFTA. For both
men, this was an effort to defend Mexicans from what had been perceived as a long history of U.S. exploitation of Mexican labor. Although Fox's proposed demands for benefits to Mexicans in and outside the United States exceeded what the U.S. government could realistically grant, Fox's plan modeled how NAFTA could be successfully encourage the United States and Mexico to address conflicts affecting both countries through bilateral efforts.

Unfortunately, the progression towards greater U.S.-Mexican cooperation ended with the events of September 11, 2001. The terrorist attacks against the Twin Towers in New York City and the Pentagon in Washington, D.C. completely redirected the course of U.S. foreign policy and security interests. The consequences of this breach in national security manifested almost immediately with freezes in traffic along the U.S.-Mexican border. The border closed down completely for days opening to critical and lengthy inspection measures. Americans declared that lax routine inspections caused by opening of the border under NAFTA had contributed to the recent attacks on American soil.35

Suddenly, the U.S.-Mexican borderlands became the site of U.S. vulnerability as well as a potential threat to U.S. national security. Officials viewed illegal immigrants as possible terrorists. To increase vigilance and heighten security the Immigration and Naturalization Service transferred to the Department of Homeland Security.36 The Bush administration shifted its attention from improving relations with Mexico and Latin America and focused its energies on a war on terror at the U.S. borders and in the Middle East. Lawmakers abandoned consideration of Fox's 4 point migration plan and proposed physical and virtual walls along the southern U.S. border.

As U.S. interests shifted to the Middle East, its relationship with Mexico and Vicente Fox slowly degraded. Bush made no indications that NAFTA-Plus would be actively pursued by the
United States. A Supreme Court ruling against an undocumented Mexican worker with no reprimand for the business who had hired him further discouraged Fox from negotiating protections for Mexican workers rights in the United States.\textsuperscript{37} Fox canceled visits to the United States and suspended Mexico’s commitments to the Inter-American Treaty of Reciprocal Assistance in 2002.\textsuperscript{38} The United States foreign policy agenda remained vested in a war with Iraq until lawmakers proposed new immigration legislation in 2004.

As the U.S. 2004 presidential race moved into high gear, candidates on the campaign trail rarely discussed immigration and NAFTA. Presidential candidate, John Kerry, and vice presidential candidate, John Edwards, briefly criticized NAFTA for its failure to enforce labor protections as well as a perceived loss of U.S. jobs.\textsuperscript{39} President George W. Bush revealed a Fair and Secure Immigration Reform Proposal (FSIR) in January of 2004, but candidates overlooked this bill and other domestic issues in their campaign rhetoric. Their platforms concentrated on U.S. involvement in Iraq and other foreign policy measures. In meantime, debates over three different proposals for a guest worker program with Mexico arose on the House and Senate floors.

Within a year lawmakers and leaders introduced three different bills each designed to provide a lawful guest-worker program in the United States. With the number of illegal immigrants climbing, officials in Washington, D.C. hoped to control those numbers through government regulated work programs. The first bill, AgJobs, introduced by Senator Edward Kennedy and Senator Larry Craig would have allowed undocumented workers to become legal residents following 100 days of farm work in a 12 month period and a subsequent 360 days of work within a period of six years. The bill offered farmers greater ease to recruit additional farm workers.\textsuperscript{40} On the other hand, President Bush’s bill set regulations that would grant six to eight
million undocumented workers legal status to work as guests for a period of six years on the basis that their employer confirmed employment and the worker paid of fee between $1000 and $2000. These guest workers would have received a number of benefits including the ability to apply for social security numbers, driver’s licenses, and visas.\textsuperscript{41} This prompted Democrats to draft another bill in May of 2004 called Safe, Orderly, Legal Visas, and Enforcement Act (SOLVE). SOLVE would have tested English competency, criminal records and medical records before legalizing undocumented workers possessing five years of residence and two years of employment in the United States. Undocumented workers lacking five years of residence would be able to apply for transitional status if they met similar criteria.\textsuperscript{42}

The programs targeted different sectors of the work force and offered different outcomes; but, each of the bills shared problems similar to the challenges that arose under the Braceros Program. The proposed legislation offered progressive changes through reward systems to workers who might choose to participate. Although Mexican workers would be far less likely to suffer exploitation and abuse, the bills of 2003 and 2004 failed to address one of the most fundamental problems inherent to the Braceros Program—stopping illegal immigration to the United States. It was questionable whether the immigration bills would curb illegal immigration or merely serve as a way to handle and manage illegal immigrants already living in the United States. If the legislation targeted illegal immigrants currently living and working within U.S. borders, it could potentially attract more illegal immigrants. Without the means to guarantee a slow down in the growth of illegal immigration, the bills would not succeed.

None of the three bills materialized into policy measures, and the United States continued to face pressure from its own citizens and Mexican leaders to act on the complex problems plaguing the border. Over the next four years, Mexico continued to pressure the United States to
act on behalf of Mexican workers. Legislators also continued to grapple with the question of illegal immigration. As each new proposal for immigration legislation stalled in Congress and eventually died, the United States considered building walls and sent National Guard troops to the U.S.-Mexican border for increased security.\textsuperscript{43}

The lack of productive action frustrated the U.S.-Mexican relationship, and raised doubts about NAFTA as Mexico approached a presidential election in 2006. The election also tested the progress of democracy in Mexico and determined the future of Mexican attitudes toward NAFTA and U.S. policy. The PRI party who ruled Mexico for most of the 20\textsuperscript{th} century disappeared to the background. Mexico held a more democratic presidential election with candidates from PAN and the Party of the Democratic Revolution (PRD) that nearly mirrored the right and left philosophies of the Republican and Democratic U.S. parties. Felipe Calderon of the PAN represented business and continued support of NAFTA as a means to propel the Mexican economy to greater stability and prosperity. His opponent, Andrés Obrador argued that NAFTA hurt the poorer regions in Southern Mexico. Obrador supported renegotiations of NAFTA. The race ended with hotly contested results which declared Felipe Calderon the winner. Obrador protested that the government played a role in voting fraud that produced Calderon’s narrow single percentage lead, but an electoral tribunal declared Calderon president.\textsuperscript{44} Once in power, Calderon immediately pursued U.S. commitment to immigration reform and a bilateral approach to border policies. Obrador’s supporters indicated the growing dissatisfaction with NAFTA in Mexico and prompted Calderon to seek U.S. cooperation in improving NAFTA’s effectiveness as a trade agreement and labor market regulator for both countries.
U.S. legislators continued to consider possible immigration bills and President Bush spoke of a partnership between the nations on a visit to Mexico; however, the U.S. made virtually no advancement in creating fully functioning policies from 2006 to 2009. American citizens protested for immigration reform, second and first generation immigrants rallied in support of integration efforts, and President Calderon sought President Bush's commitment to guest worker programs but Congress remained unsatisfied with the provisions of immigration bills. In 2005, Senators John McCain and Edward Kennedy introduced a bipartisan bill to secure the borders and create a path to legality for undocumented workers. McCain and Kennedy met opposition and continued to revise the bill over the course of the next two years in the hopes of reaching a compromise. Ultimately, their efforts and the efforts of other legislators who also drafted bills never produced new immigration and migrant worker laws.

During the 2008 presidential primaries, Republican and Democratic candidates bickered amongst each as they debated the best approach to NAFTA and immigration reform. Republicans criticized Senator John McCain for supporting a bill that would allow for the legalization of undocumented workers and create a complementary guest-worker program. McCain defended his position and advocated the importance of free trade through NAFTA. In the Democratic primary, Barack Obama and Hilary Clinton criticized NAFTA and emphasized the importance of renegotiating the trade agreement. Calderon feared the Democrats stance would instigate more unrest against NAFTA among his opposition party, the PRD. For this reason, Barack Obama expanded his stance to appease Mexico saying he would engage in yearly meeting with President Felipe Calderon, increase micro-financing of Mexican businesses, and develop bilateral strategies that included citizens, labor, and the private sector.
Since his election in November, 2008, President Obama remains committed to meetings with Mexican President Calderon. Acting as president-elect, Obama met with Calderon on January 12, 2009. The pair has discussed immigration, drug violence, arms sales, and the H1N1 virus. For the time being, the U.S. Congress has centered its attention on the recent financial crisis and proposals for health reform. Any actions by the United States to reform immigration policies or labor regulations under NAFTA appear far removed from the current agenda. Obama’s interest in meetings with Calderon promises to improve relations between the nations; however, without any resolution for immigration reform in sight, tensions with Mexico will rise as the United States faces a potential immigration crisis.

Conclusion:

In March of 2006, an article in the New York Times bemoaned the U.S. government’s inadequate efforts to address problems of illegal immigration. Negligence in policing hiring practices in the workforce enabled employers to hire undocumented workers in businesses and industries across the United States. In 2004 as undocumented immigrants increased in number, companies receiving penalties for the hire of those immigrants dropped drastically. Since the creation of the Braceros Program, employers in the United States have relied upon undocumented, immigrant labor. Just as the government overlooked this practice during the mid-20th century, immigration reform bills in the 21st century avoid targeting employers and holding them accountable for undocumented workers. These practices coupled with the economic disparity existing between the United States and Mexico create the push and pull factors that drive illegal immigration to the United States.
When drafting NAFTA, the United States, Canada, and Mexico purposely chose to create a loose structure to enforce the provisions without a permanent location or staff. The countries and the United States especially feared that NAFTA would become a bureaucratic nightmare, but without any framework the NAFTA Free Trade Commission would have to confront each crisis individual without consistent procedures that mapped previous actions and determined improved strategies for future problems. The absence of an overarching structure to regulate NAFTA also maintains U.S. power to act unilaterally working without Mexican cooperation on border issues that truly require the efforts of both nations. As NAFTA currently stands, the free trade agreement will do little to increase productive diplomatic relations between the North American nations. NAFTA encourages the leaders of the United States, Mexico, and Canada to meet and discuss the progress and difficulties resulting from increased economic integration; but, the nations rarely engage in trilateral policy decisions. Instead, the leaders determine how their individual nation alone can adjust to resolve any problems that arise.

Fifteen years after NAFTA went into effect, the United States and Mexico continue to struggle with bilateral cooperation. The United States refuses to compromise its authority in matters of national security. Yet even as the United States increases expenditures and manpower along the border, illegal immigration rises. A one-sided approach to border control and immigration reform will prove futile in the years to come. NAFTA offers the framework from which to build a trilateral structure that can effectively unite the resources and manpower of both the United States and Mexico to reduce illegal border crossings. With a more stable border, the United States and Mexico would have the opportunity to focus on labor reform and the fate of the millions of illegal immigrants within U.S. borders with less controversy and more productive results.


5 Dent, 5.


8 Ibid., 31.


11 Payan, 9.

12 Driscoll, 42.

13 Calavita, 20.

14 Ibid., 1-2.

15 Ibid., 4.

16 Ibid., 32.

17 Payan, 56.

18 Calavita, 8.


20 Ibid., 53.


24 Orme, xxi.


29 Calavita, 8.


32 Ibid., 51


34 Hufbauer and Schott, 455.

35 Payan, 92-93.

36 Hufbauer and Schott, 457.


38 Ibid., 189-190.


40 Hufbauer and Schott, 459.

41 Ibid., 458.
42 Ibid., 459.


52 Pastor, Toward a North American Community, 73-74.
Bibliography


