Migration Should Be a Choice, Not a Necessity: An Analysis of the Impact of NAFTA on Mexican Migration to the US

Liz Prado Gonzalez |lizpradogonzalez@gmail.com
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Abstract

It is debated between scholars whether the North American Free Trade Agreement (NAFTA) of 1994 between Mexico, the United States and Canada was successful. Supporters of NAFTA will say that it brought economic prosperity to Mexico's manufacturing industry and created millions of jobs. However, opponents of NAFTA will say that the successes of NAFTA came at the cost of the lower-working-class and the once protected agricultural industry. This article argues that the negative effects of NAFTA on the lower-working class consequently led to an increase in Mexico-US migration, since it has traditionally been of lower-working class character. Moreover, this article addresses specifically *how* NAFTA impacted migration patterns from Mexico to the United States, and how it ultimately affected the undocumented migration patterns we see today. I conclude that it is through a combination of factors that NAFTA is partially responsible for the increase of migration, as well as for the end of undocumented migration.

Keywords

NAFTA; Migration; Mexico; United States; Neoliberalism; Globalization; Free Trade; Immigrants

Introduction

According to Neoclassical Economics, the wage gap between Mexico and the United States is the dominant motivation for migration.[1] However, Neoclassical Economics misses the nuance provided by the Push and Pull Theory of Migration, which takes into account factors such as the economy, politics, and societal factors.[2] In the case of Mexico-US migration, favorable conditions in the United States inherently "pull" migrants into the country while hardships in Mexico "push" migrants out, legally or illegally.[3] Throughout the history of Mexico-US migration, push and pull factors have changed in tandem to politics, the economy, and different crises such as the stock market crash of 1929 and the Great Recession of 2008. Later, during a period of great economic and political change in the early 1990s, the Mexican government, after several economic crises, began moving from a "failed" protectionist economic model to a liberal market model. After implementing several surface-level free market provisions, Mexico entered a free trade agreement with the United States and Canada in 1994 to solidify the new economic model of free trade. The trade agreement, known as the North American Free Trade Agreement of 1994 (NAFTA), was expected to decrease Mexico-US migration by creating jobs in the growing Mexican manufacturing industry, establish Mexico as a globalized economy, and attract foreign investment. Indeed, the growing manufacturing industry created numerous jobs and the Mexican middle and upper classes experienced some economic prosperity. However, the manufacturing industry was not capable of providing substantial unskilled/low-skilled jobs to the lower-working class. Despite helping the Mexican economy

[1]Alix N. Naugler, and Stephen J. Conroy, "Motivations for Mexican-US Migration: Does the Economy Matter?," *Journal of Borderlands Studies* 35, no. 4 (March 2018): 643.
[2]Naugler and Conroy, "Motivations for Mexican-US Migration," 644.
[3]Naugler and Conroy, "Motivations for Mexican-US Migration," 644.

grow through the implementation of free trade policies, NAFTA did not end migration into the US, rather quite the opposite. The lower-working class, who faced economic hardships as a result of NAFTA's policies, saw permanent migration to the United States as their best option. The reality of the condition of the lower-working class can be seen through the unprecedented increase in Mexico-US migration that directly followed NAFTA.

Historical Phases of Mexico-US Migration

At the beginning of the 20th century, the US-Mexico border was mostly unmarked and unprotected until the formation of the US Border Patrol in 1924.[4] During this period, it was common for the heads of households in Mexico to migrate to the United States in search of labor opportunities. It was also common for US recruiters to travel to Mexico in search of cheap labor. Once these migrants were brought to the US, they encountered extreme exploitation by contractors, miserable life conditions, and unfair contracts.[5] A decade after the turn of the 20th century, the Mexican Revolution of 1910-1917 broke out, which led to several war-related push factors for Mexican migration to the US. At the same time, the US was experiencing a shortage of migrant labor due to a decrease in labor migration from Europe during the First World War. Thus, cheap Mexican labor was required.[6] During this period of simultaneous war, approximately 80,000 Mexican laborers were brought to the United States to work in agriculture, mining, and railroads.[7] Based on the historical literature, it is estimated that migration to the United States may account for one-fourth to one-third of the demographic cost of an estimated 1.4 - 2.1 million

[4]Douglas S. Massey, Jorge Durand, and Nolan J. Malone, *Beyond Smoke and Mirrors: Mexican Immigration in an Era of Economic Integration* (Russell Sage Foundation, 2002), 33.
[5]Jorge Durand, "The Bracero Program (1942–1964): A Critical Appraisal," *Migración y Desarrollo 2, no. 2* (2007): 26.
[6]Massey et al., *Beyond Smoke and Mirrors*, 29.
[7]T. D. Wilson, "The Culture of Mexican Migration," *Critique of Anthropology* 30, no. 4 (2010): 405.

people due to casualties and war-related factors in Mexico during this period.[8] During the period of the Mexican Revolution and the First World War, conflict-related violence and US labor shortages were the major push factors for Mexican migration to the US.

After the period of wartime brutality in Mexico and labor shortages during World War I in the US, labor recruitment in Mexico continued. Official statistics reveal that from 1920 to 1929, about 490,000 migrants entered from Mexico.[9] However, after mass deportation campaigns in the 1930s as a result the Great Depression the recruitment of Mexican laborers came to an end; between 1929 and 1939, approximately half a million Mexicans left the US under pressure from the American government.[10] It would not be until late 1941, when the United States joined the Second World War, that Mexican laborers would be recruited again in what became known as the Bracero program.[11]

Originally just a wartime measure, due to the Bracero program's success its duration was extended until 1964. Marjorie S. Zatz explains the Bracero program as "a system of contract labor whereby farmers could hire young Mexican men, pay them low wages, and send them back to Mexico when they were not needed."[12] During the 22-year duration of the Bracero program, about 4.6 million Braceros, Mexican men working under the Bracero Program, entered the United States with a temporary work permit in agriculture, railroad construction, or manual labor.[13] Despite the high numbers of Braceros entering the US, there was still a large demand for

[8]David Escamilla-Guerrero, Edward Kosack, and Zachary Ward, "The Impact of Violence During the Mexican Revolution on Migration to the United States," *National Bureau of Economic Research*, Working Paper 31531 (2023): 8, https://doi.org/10.3386/w31531.
[9]Massey et al., *Beyond Smoke and Mirrors*, 35.
[10]Abraham Hoffman, *Unwanted Mexican Americans in the Great Depression: Repatriation Pressures, 1929-1939* (The University of Arizona Press, 1974), 2.
[11]Hoffman, *Unwanted Mexican Americans*, 2.
[12]Marjorie S. Zatz, "Using and Abusing Mexican Farmworkers: The Bracero Program and the INS," *Law and Society Review* 27, no. 4 (1993): 851, https://doi.org/10.2307/3053955.
[13]Jorge Durand, and Douglas S. Massey, "Mexican Migration to the United States: A Critical Review," *Latin American Research Review* 27, no. 2 (1992): 6, https://doi.org/10.1017/S0023879100016770.

labor in the fields, which led to the additional recruiting of undocumented migrants.[14] The flow of undocumented migrants was amplified when the US government reinstated the military draft in response to the Korean War (1950-1953), ultimately instigating additional labor shortages in the US.[15]As a response, officials of the Bracero program decided to double the number of Bracero contracts to around 400,000 per year to disincentivize undocumented migration.[16]

Accounting for the rate of migration out of Mexico after World War II is difficult. From the beginning of the 1940s to the mid-1960s, Mexico saw an economic boom throughout several sectors of the economy, known as "the Mexican Miracle." So, what produced the push factors that lead to such unprecedented migration if it was not the usual suspect, economic decline? Between 1940 and 1970, Mexico's economy grew at an impressive rate of 6.2% per year, but most of this growth came from manufacturing.[17] The rate of growth of agricultural production, on the other hand, was at 4% in the 1950s and 1960s, and by 1970 it had dropped to less than 1%.[18] Since the majority of migrants during this period predominantly sought employment within the agricultural sector, the migration of undocumented individuals during this era can be attributed, in part, to the diminishment of growth rates within Mexico's agricultural industry. It is important to note this significant reduction in agricultural productivity because Mexico-US migration labor has historically been unskilled/low-skilled labor such as agricultural work. Due to the Bracero program's limited, hard to obtain contracts, especially for those without the

[14]Filiz Garip, *On the Move: Changing Mechanisms of Mexico-U.S. Migration* (Princeton University Press, 2016), 45.
[15]Garip, *On the Move*, 45.
[16]Garip, *On the Move*, 45.
[17]Garip, *On the Move*, 45.
[18]Garip, *On the Move*, 45.

resources to obtain one, Mexican laborers who desired to work in the United States consistently outnumbered the number of Bracero contracts available.[19]

In her seminal *On the Move* Filiz Garip characterizes the predominant group of migrants from 1965 to 1985, the period directly following the elimination of the Braceros program, as "circular migrants." The circular migrants would occupy seasonal employment opportunities once filled by the Braceros. In response to the seasonality of labor and the relative openness of the border, circular migrants would make frequent back-and-forth trips between Mexico and the US.[20] These two characteristics of the labor dynamics in this period, seasonality of labor and a relatively open border, account for the push factors during this phase of migration, incentivizing migrants to frequently make the trip across the border. Garip identifies the mechanism of the social facilitation of aide and information as the main mechanism in network effects for circular migration, as circular migrants have more opportunities to receive and give help or information because they make more frequent trips back home.[21] Shortly after this period of circular migration, the US government passed several laws that would again attempt to minimize undocumented migration of labor, militarize the border, while simultaneously open its borders for trade with its southern neighbors.

In 1986 the American government passed the Immigration Reform and Control Act (IRCA), which granted legal permanent residence to undocumented migrants who arrived in the US before 1982, which was around 2 million formerly undocumented migrants.[22] The IRCA had

[19]Kelly L. Hernandez, "Mexican Immigration to the United States," *OAH Magazine of History* 23, no. 4 (October, 2009): 28, 10.1093/maghis/23.4.25.
[20]Garip, *On the Move,* 56.
[21]Garip, *On the Move*, 56.
[22]Jorge Durand and Douglas Massey, "Evolution of the Mexico-U.S. Migration System: Insights from the Mexican Migration Project," *The American Academy of Political and Social Science* 687, no. 1 (2019): 35, https://doi.org/10.1177/0002716219857667.

two components of legalization: one was amnesty for migrants who could document at least five years of residency in the United States, and an additional program for migrants who had worked in agriculture in the United States for at least 90 days during the three years leading up to May 1, 1986.[23] The predominant group of migrants identified by Garip during this period is characterized as "family migrants", migrants who were reunified with their families [24] This group included a large share of wives and daughters who were joining husbands and fathers in the US.[25] Compared to other groups such as circular migrants, family migrants included a large share of individuals who would eventually become permanent residents.[26] Despite IRCA allowing for 2 million formerly undocumented migrants to receive permanent US residence, the IRCA was also the beginning of an increased militarization on the Mexico-US border.[27]

IRCA sought to deter illegal migration from Mexico in three ways: (1) by imposing sanctions on employers who hire undocumented workers, (2) by allocating more funds to the Border Patrol, and (3) by giving the President the authority to declare an "immigration emergency" if there were or would be too many illegal immigrants entering the country.[28] In *The Costs of Contradiction: US Border Policy 1986-2000* Durand and Massey state that in the early 1990s the relationship between Mexico and the United States was a relationship of contradiction; they were simultaneously working on a trade deal and the militarization of the border, "working its way toward integration while simultaneously insisting on separation."[29]

[23]Durand and Massey, "Evolution of the Mexico-US Migration System," 35.
[24]Garip, *On the Move*, 168.
[25]Garip, *On the Move*, 168.
[26]Garip, *On the Move*, 168.
[27]Durand and Massey, "Evolution of the Mexico-US Migration System," 35.
[28]Jorge Durand and Douglas S. Massey, "The Costs of Contradiction: US Border Policy 1986-2000," *Latino Studies* 1, no. 2 (2003): 235, https://doi.org/10.1057/palgrave.lst.8600022.
[29]Durand and Massey, "The Costs of Contradiction," 234.

The evolution of Mexico–U.S. migration reflects shifting social, political, and economic forces between both countries and their effects on migration patterns. The main incentives were typically economical in nature, with migrants either lured into the US in times of need, or expelled during times of economic normalcy. When viewed from this historicity, the US attitude towards Mexico and its people is that of a business deal, in which the US aims to supplement or restrict migrant labor to keep its economy afloat. These patterns set the stage for understanding how NAFTA and the liberalization of the Mexican economy influenced migration between the US and Mexico.

After the Mexican Revolution of 1910, the Mexican economy followed the model of import substitution industrialization (ISI) which remained in place until the early 1980s.[30] The ISI model was based on the core values of protectionism, which restricts imports by implementing tariffs. The primary goal of the ISI model was to promote the economic independence of a nation and self-sufficiency based on economic policies aimed at developing domestic production.[31] In 1982 Mexico faced a debt crisis that triggered the end of ISI and the beginning of free trade.[32] Transitioning from protectionism to trade liberalization involved removing or reducing trade barriers like tariffs and quotas, as well as the privatization of public enterprises.

The 1982 debt crisis stemmed from the public sector's heavy dependence on oil exports, fueled by the oil boom of the 1970s, which surged Mexican oil production after the Iranian

[30]M. Angeles Villareal and Ian F. Fergusson. The North American Free Trade Agreement (NAFTA), report, May 24, 2017, 3; University of North Texas Libraries, UNT Digital Library, https://digital.library.unt.edu; crediting UNT Libraries Government Documents Department.
[31]Emerson Abraham Jackson, and Mohamed N. Jabbie, "Import Substitution Industrialization (ISI): An Approach to Global Economic Sustainability," *Scientific Research: An Academic Publisher*, (2021): 507, https://doi.org/10.1007/978-3-319-95873-6_116.
[32]Villareal and Fergusson, “The North American Free Trade Agreement,” 3.

Revolution in 1979.[33] However, soon oil production from other countries began rising after the Iranian Revolution's initial disruptions lessened, causing the price of oil to plummet. The loss of income, combined with increasing interest rates on borrowed funds, led the Mexican president at the time, Jose Lopez Portillo (1976-1982), to nationalize the banking industry in 1982. This measure inevitably caused a massive devaluation of the Mexican peso.[34] Due to the circumstances, Lopez Portillo's successor, Miguel de la Madrid (1982-1988), began the transition from ISI to trade liberalization in Mexico.

In 1986, Mexico joined the General Agreement on Tariffs and Trade, known today as the World Trade Organization.[35] De la Madrid's strategy for the transition from ISI to trade liberalization was to support growth based on exports, opening the economy, depreciating the currency, and reducing the role of the state to a minimum.[36] Although ambitious, this strategy was failing in terms of economic growth, job creation, prevention of migration to the United States, and trade balance.[37] These setbacks led De la Madrid's successor, Carlos Salinas de Gortari (1988-1994), to seek further reform of the Mexican economy and begin the campaign in the US in favor of a free trade agreement that would solidify Mexico's new economic model. The only solution Salinas de Gortari saw following Mexico's debt crisis was dissolution of the protectionist model towards globalization, free trade, and market liberalization. His strategy was to reform Mexican foreign investment law, promising to enable American investors to import a wide range of goods into Mexico for manufacturing exports.[38] What he did not expect was that

[33]Everett A. Vieira III, "Los Técnicos and the Role of Ideas: Unraveling Mexico's Transition to Trade Liberalization," *The Latin Americanist* 66, no. 3 (2022): 304.
[34]Vieira III, "Los Técnicos and the Role of Ideas," 304.
[35]Pablo Ruiz Nápoles, "Neoliberal Reforms and NAFTA in Mexico," *Economía UNAM* 14, no. 41 (August, 2017): 76.
[36]Nápoles, "Neoliberal Reforms," 76.
[37]Nápoles, "Neoliberal Reforms," 76.
[38]Nápoles, "Neoliberal Reforms," 76.

his solution to the financial crisis would create another crisis for future administrations to deal with.

The North American Free Trade Agreement

In 1990 Mexican president Carlos Salinas de Gortari entered communication with US President George H.W. Bush to discuss the possibility of Mexico joining the US in a free trade agreement. Carlos Salinas de Gortari believed that with the support of the United States, Mexico would attract the attention of international financial markets and create a newfound confidence in the Mexican economy.[39] Out of these meetings, The North American Free Trade Agreement was born. NAFTA can be characterized by two things: the elimination of tariffs between its members and free access to their markets. The trade agreement was signed in 1992 by Canada, Mexico, and the United States and took effect on Jan. 1, 1994.[40] Mexico's objectives for NAFTA were to achieve rapid economic growth, reduce inflation, and generate trust to attract foreign investment to pay off external debts.[41] With no opponents in the government and a supportive political elite behind him, Salinas de Gortari made this the goal of his administration.

In the United States, NAFTA had been a controversial subject since the beginning of negotiations. It would be the first free trade agreement between two developed countries and a developing country, leading to many opponents of its ratification. Unlike Canada and Mexico whose presidents had the authority to regulate trade, it was the legislative branch in the United States that would take on that task. There were both opponents and supporters of NAFTA in Congress, meanwhile, the executive branch displayed unanimous support. To many in the US

[39]Frederick Mayer, *Interpreting NAFTA: The Science and Art of Political Analysis* (Columbia University Press, 1998), 40.
[40]Mayer, *Interpreting NAFTA*, 40.
[41]Vega Cánovas, *México-Estados Unidos-Canadá: 1991-1992* (El Colegio de México, 1993), 48.

Congress, labor and environmental provisions were a major concern, which led to the development of two accompanying agreements: the North American Agreement on Labor Cooperation (NAALC) and the North American Agreement on Environmental Cooperation (NAAEC).[42] However, these amendments were not enough for the opponents of NAFTA, who expected the agreement to cause huge job losses in the United States, as many companies would move production to Mexico for lower costs. Moreover, opponents were aware of how the labor market transitions in Mexico would increase the number of workers migrating to the United States.[43] Still, cabinet members from the Bush administration viewed stronger ties with Mexico as "a cornerstone of the US foreign policy."[44] President George H.W Bush himself was enthusiastic about this newfound friendship between the two countries, in a speech during his visit to Monterrey, Mexico he said, "Somos una familia, we are one family."[45]

Across the border, NAFTA's biggest supporters in Mexico were government officials and the private sector, who created a coalition in support of the trade agreement.[46] Coincidentally, they were also the biggest beneficiaries of NAFTA. On the other hand, there was a large opposition movement led by the indigenous population of Southern Mexico. On the very day NAFTA was enacted, January 1st, 1994, the Zapatista National Liberation Army, an indigenous revolutionary leftist group from Southern Mexico, launched an armed rebellion against both local and national authorities, declaring that NAFTA represented a "death sentence."[47] The Zapatistas saw the Mexican state and its new neoliberal policies to be their main opponents, as

[42]Villareal and Fergusson, "The North American Free Trade Agreement," 10.
[43]Mary E. Burfisher, Sherman Robinson, and Karen Thierfelder, "The Impact of NAFTA on the United States," *Journal of Economic Perspectives* 15, no. 1 (2001): 125, 10.1257/jep.15.1.125.
[44]Mayer, *Interpreting NAFTA*, 41
[45]Mayer, *Interpreting NAFTA*, 47
[46]Jennifer Merolla et al., "Globalization, Globalización, Globalization: Public Opinion and NAFTA," *Law & Business Review of the Americas* 11, no. 3 (2005): 577.
[47]Josefina Morales, "Two Reviews: NAFTA and the Zapatistas," *International Journal of Politics, Culture, and Society* 8, no. 2 (1994): 348.

they considered neoliberalism to be the root of the problems many Mexicans faced at the time.[48] Moreover, considering the revolution that was well within living memory against dictator Porfirio Díaz Mori, who had been keen to develop a modernized and industrialized Mexico, the Zapatistas felt as if they were losing a war that they had already won. One of their key criticisms against the policies of NAFTA was that its implementation enabled foreign corporations to acquire land owned by indigenous communities and utilize it to produce cheap exports. The Zapatistas called for the immediate resignation of the "illegitimate" president Carlos Salinas de Gortari.[49]

As it turned out, the Zapatistas were right in their concerns. NAFTA brought several gloom-ridden consequences for the poor and the working class, many of whom were indigenous. NAFTA caused serious structural adjustments to the Mexican agriculture sector which left the rural workforce in a precarious condition. Before NAFTA, agriculture accounted for 25% of the employment in Mexico, and 20% depended mainly on agriculture for income. The agricultural sector used to have extensive federal support for corn and grain farmers by guaranteeing the cost of production would not exceed that of the market price. Along with protections, the government restricted imports to maintain the domestic price.[50] NAFTA changed the dynamics of the agricultural sector completely; following the NAFTA agreements, the Mexican government authorized the import of corn without tariffs, and the United States subsidized their corn industry which led to American-produced corn being sold in Mexico for cheap. This trade dynamic had serious negative consequences on the rural workforce.[51] Around 4.9 million jobs were lost in the

[48]Thomas Olesen, "Mixing Scales: Neoliberalism and the Transnational Zapatista Solidarity Network," *Humboldt Journal of Social Relations* 29, no. 1 (2005): 84.
[49]Morales, "Two Reviews," 348.
[50]Burfisher, Robinson, and Thierfelder, "The Impact of NAFTA on the United States," 134.
[51]Aragonés Castañer and Salgado Nieto, "Migración Laboral México-Estados Unidos a Veinte Años del Tratado de Libre Comercio de América del Norte," *Revista Mexicana de Ciencias Políticas y Sociales* 60, no. 224 (2015): 292.

agricultural sector due to the new provisions under the trade agreement.[52] And the aftershock is still being felt today; Mexico is still among the most unequal countries in the world. In 2017 analysts estimated that the legal minimum wage in Mexico was 22% less than what it was in 1994, and the number of people living under the poverty line increased by 14 million since NAFTA went into effect.[53] Moreover, according to data from the Mexican Agricultural Ministry (SAGARPA) in 2001, 81.5% of individuals in rural areas were living below the poverty line. As of 2020, 75% of the population in the mostly rural and indigenous state of Chiapas lives in poverty.[54] The poverty rate in the agriculture sector rose from 54% in 1989 to 64% in 1998. Experts argue these numbers would be even higher if migrants had not headed to the United States during the post-NAFTA adjustment period.[55]

The Zapatistas expected this outcome; one of their key issues with NAFTA was the anticipated adverse impacts it would have on the corn industry and its predominantly indigenous workforce.[56] Garip states that this extinction of small farmers and decline of domestic production "pushed" rural peasants to migrate to cities in Mexico or directly migrate to the United States.[57] The only way for the poor and working class to experience socioeconomic mobility after NAFTA was by migrating to the United States.[58] The Mexican working class faced an illusionary choice: to migrate or not to migrate. Contrary to the expectations from both sides, NAFTA did not stop the flow of people from Mexico to the United States, but actually skyrocketed it.[59] The

[52]Castañer and Nieto, "Migración Laboral México-Estados Unidos," 289.
[53]Katherine Staudt, "How NAFTA Has Changed Mexico," *Current History* 117, no. 796 (2018): 45, https://doi.org/10.1525/curh.2018.117.796.43.
[54]CONEVAL, "Informe de la Pobreza Multidimensional en México, 2020. Metodología actualizada 2018-2020" 35.
[55]CONEVAL, "Informe de la Pobreza," 35.
[56]Olesen, "Mixing Scales," 88.
[57]Garip, *On the Move*, 168.
[58]Garip, *On the Move*, 168.
[59]John Audley et al., *Carnegie Endowment for International Peace* (Carnegie Endowment for International Peace, 2003), 7.

number of illegal Mexican migrants living in the United States rose from est. 2.5 million in 1995 to 4.5 million in 2000; which represents an annual increase of roughly 400,000 a year.[60] Further, estimates indicate that 4.3 million people migrated to the United States due to the influx of cheap American corn alone.[61]

This outcome was not unforeseen. Three years before its implementation, researchers Hinojosa-Ojeda and Robinson (1991), in agreement with Zapatistas beliefs, estimated that 1.4 million rural Mexican workers would be displaced by NAFTA-related changes in farm policies. They also estimated that out of the 1.4 million displaced workers, 600,000 would migrate illegally to the United States.[62] However, because Mexico entered a financial crisis in 1994, the same year NAFTA was set in motion, it is debated whether the 1994-1995 peso crisis was the culprit for the increase in migration. Further, the US Congressional Budget Office warned in 1993, that if Mexico did not manage the peso well after the implementation of NAFTA, the Mexican currency would experience a hard landing.[63] When the peso crisis began in December of 1994, foreign investors lost confidence in the Mexican currency and withdrew their funds, leaving the Mexican government without the foreign currency reserves it needed to support the Mexican currency, eventually devaluing the peso by nearly 50% in early 1995.[64] Burfisher, Sherman Robinson, and Thierfelder argue that rather than causing the peso crisis, NAFTA facilitated its quick resolution and contributed to Mexico's rapid growth in the late 1990s.[65] Scholars debate whether the increase in migration directly after NAFTA was caused by the trade

[60] Philip Martin, "Mexico-US Migration," in *NAFTA Revisited: Achievements and Challenges* (Institute for International Economics, 2005), 449.
[61]Héctor E. Sanchez, "Disposable Workers: Immigration After NAFTA and the Nation's Addiction to Cheap Labor," *Border Lines Journal of the Latino Research Center* 5, (2011): 49.
[62]Martin, "Mexico-US Migration," 450.
[63]Burfisher, Robinson, and Thierfelder, "The Impact of NAFTA on the United States," 133.
[64]Burfisher, Robinson, and Thierfelder, "The Impact of NAFTA on the United States," 132.
[65]Burfisher, Robinson, and Thierfelder, "The Impact of NAFTA on the United States," 132.

agreement or the economic crisis of 1994. This begs the question, with the considerable warning signs from scholars, indigenous populations, and even the US government, what allowed NAFTA to still be pushed into implementation?

The expansion of export-assembly plants in northern Mexico was one of the largest and most important contributions of NAFTA. The growth of Mexico's manufacturing industry created skilled jobs for Mexicans who met the academic qualifications to work in such industries, as well as some low-skilled jobs for Mexican laborers who were underqualified. However, these new employment opportunities were not enough to diminish migration in the immediate period after NAFTA went into effect. Garip identifies the growth of the manufacturing industry as a mechanism that links NAFTA with migration. During the post-NAFTA period, the growing manufacturing industry attracted rural peasants, yet it offered mostly precarious employment. As workers were displaced, many turned to migration to the United States since these manufacturing jobs were concentrated around the US-Mexico border region.[66]

Besides the manufacturing industry offering mostly precarious jobs, the wages were also significantly low. Real wages in Mexico have been stagnant since the 1970s due to economic factors. Another factor to consider is the Mexican political elite's reluctance to increase the legal minimum wage, fearing it would deter foreign investors attracted to Mexico for its inexpensive labor.[67] The growth in poverty can be attributed to the stagnant minimum wage, proven by several studies to lead to an increase in Mexico-US migration, both documented and undocumented: when Mexican wages drop 10% relative to US wages, illegal attempts to cross

[66]Garip, *On the Move,* 168.
[67]Staudt, "How NAFTA Has Changed Mexico," 44–45.

the US-Mexico border increase by 6%. However, if wages rise, the inverse is also true.[68] Research has shown that as the Mexican minimum wage increases, migration net rates decrease.[69] As wage inequality in Mexico declined during the 2000-2016 period as compared to the 1993-2000 period, the net migration rate to the United States also declined.[70]

The implementation of the neoliberal agenda in Mexico's economic policies caused inequalities between Mexico and the United States to increase, as well as economic inequalities within both countries. These differences in economic development continuously trigger the migration of Mexican workers to the United States. This becomes clear when the real hourly wage levels, which are significantly higher in the United States, around 5 to 6 times more than those in Mexico, are examined.[71] A fully employed worker in Mexico will earn only about a tenth of what a comparable worker earns in the United States. This significant wage gap is a key factor in why the surplus labor in Mexico, who are unable to secure decent-paying jobs domestically, opt to migrate to the United States in pursuit of better prospects.[72]

Within the first five years of NAFTA taking effect, Mexican exports boomed and GDP grew. Regardless, Mexican migration to the US increased dramatically.[73] From 1994 to 2000, Mexican migration soared by 79% until 2001 when migration began to decrease because of increased security measures at the border after the terrorist attacks on September 11, 2001.[74] By the mid to late 2000s, Mexican migration to the United States, marked an all-time low in 2010,

[68]Sanchez, "Disposable Workers," 52.
[69]Alfredo Cuecuecha, Norma Fuentes-Mayorga, and Darryl McLeod, "Do Minimum Wages Help Explain Declining Mexico-US Migration?" *Migraciones Internacionales* 12, (2022).
[70]Cuecuecha, Fuentes-Mayorga, Mcleod, "Do Minimum Wages Help Explain Declining Mexico-US Migration?" 3.
[71]Castañer and Nieto, "Migración Laboral México-Estados Unidos," 293.
[72] Sanchez, "Disposable Workers," 52.
[73] Nápoles, "Neoliberal Reforms," 85.
[74] Mark Weisbrot, Stephan Lefebvre, and Joseph Sammut, "Did NAFTA Help Mexico? An Assessment After 20 Years," *Center of Economic and Policy Research Reports and Issue Briefs* (March, 2014): 14.

with only 140,000 recorded migrations.[75] Mexican officials saw these numbers as a positive, and their official stance became that Mexico had reached an important milestone in economic growth, reduction in birth rate, and increasing education levels. However, migration scholars refute this claim. Arroyo, Berumen, Martin, and Orrenius argue that "the single most important factor to understand the trends in Mexican immigration is the performance of specific [U.S] sectors during various phases of the business cycle; particularly agriculture, construction, manufacturing, and low-wage services, industries where Mexican immigrants tend to be employed."[76] Therefore, the all-time low in migration in 2010 serves as a numerical indicator of the job losses in the United States during the 2008 recession, and the claim by Mexican officials is refuted.

Since the dawn of negotiations for the North American Free Trade Agreement, it was known that there would be winners and losers. The winners in Mexico were the big corporations and the flourishing middle class. The losers were the lower-working class, specifically rural farm workers. The depreciation of the corn industry in Mexico, stemming from the removal of trade barriers under NAFTA, resulted in millions of job losses in the agricultural sector and increased economic inequality in Mexico. This economic disparity can also be attributed to US access to the Mexican markets and the establishment of low Mexican wages in exchange for foreign investment. These outcomes are evident in the growing numbers of Mexican migrants to the United States following the period directly after NAFTA.

Leading Mexican migration scholars, Jorge Durand and Douglas Massey, have stated that undocumented migration from Mexico to the United States ended in 2008, with the Great

[75]Weisbrot, Lefebvre and Sammut, "Did NAFTA Help Mexico?" 14.
[76]Arroyo, Berumen, Martin, and Orrenius, "Mexico-US Migration: Economic, Labor and Development Issues," in *Migration Between Mexico and the United States*, ed. Escobar Latapí, A., Masferrer, C. (IMISCOE Research Series, 2022), 38.

Recession marking the last historical phase of migration.[77] Their data from the Mexican Migration Project concludes that between 2008 and 2009 the undocumented Mexican population in the United States dropped by a million people.[78] Several studies on Mexican migration to the United States have confirmed that in the past 10 years, there has been a significant decrease in the number of Mexican migrants recorded crossing the US-Mexico border. Throughout the scholarship on Mexican migration to the United States changing demographics have been a constant factor in the decline in Mexico-US migration, with falling birthrates in Mexico being the most significant constituent.[79] A typical Mexican woman was projected to have an average of 2.4 children in her lifetime as of 2009, compared with 7.3 children for her 1960 counterpart.[80] Someone born in the 1960s would have been between the ages of 20 and 40, aligning with the peak years for migration, between the age of 15 and 40, during the highest period of Mexico-US migration (1980-2000).[81] Durand and Massey concluded from the declining birthrate that the probability of someone making their first undocumented trip to the United States in 2008 was nearly zero.[82] How changing demographics can be correlated to NAFTA still has not been explored by migration scholars or anthropologists. However, some scholars have made connections between the two. NAFTA did not create enough jobs linked to reduce poverty in Mexico because a person born in the 1960s, during the period of a 7.3 average birthrate, would have been between the ages of 25 and 35, the peak working age in Mexico, when NAFTA came into effect. This led to an oversaturation of the Mexican job market. NAFTA created 4.4 million

[77]Durand and Massey, "Evolution of the Mexico-U.S. Migration System," 36.
[78]Durand and Massey, "Evolution of the Mexico-U.S. Migration System," 37.
[79]Jeffrey Passel, D'Vera Cohn, Ana Gonzalez-Barrera, "Net Migration from Mexico Falls to Zero—and Perhaps Less," *Pew Research Center* (2012), 17.
[80]Passel, Cohn, Gonzalez-Barrera, "Net Migration," 10.
[81]Passel, Cohn, Gonzalez-Barrera, "Net Migration," 31.
[82]Durand and Massey, "Evolution of the Mexico-U.S. Migration System," 37.

formal sector jobs, but they were not enough to satisfy the ever-growing labor force.[83] Mexico's declining birth rate means a less competitive labor market, and therefore fewer people migrating for economic opportunities. This would be an additional factor in explaining the diminishing rate migration during the period of the Great Recession in the US.

This change in migration dynamics is reflected in data from the number of apprehensions at the border. According to data from the Department of Homeland Security, the number of apprehensions of unauthorized Mexican immigrants by the US Border Patrol fell from 1 million in 2005 to just 286,000 in 2011.[84] However, this may also be due to increased border security. James Hollifield introduced "the migration state" concept in 2004, which "points to the centrality of migration control as a core function of modern nation-states."[85] Hollifield acknowledges that migration states are "faced with trade-offs when developing their migration policies," [86] thus creating a liberal paradox when it comes to trade liberalization, since they open their markets for goods and capital, but at the same time deter migrants from crossing their borders. In the case of NAFTA, the United States and Mexico began to simultaneously work on migration policies to try to "halt" illegal migration from Mexico to the United States in the period before and after NAFTA was implemented. For instance, American policies such as Operation Blockade (1993) and Operation Gatekeeper (1994) were central during this anti-immigration policy wave of the early to mid-1990s. Despite the increased efforts to protect the border from illegal crossings, the period after the implementation of NAFTA saw the largest rise in migration in the history of Mexico-US migration. After this rise of undocumented migration, the US government reasoned

[83]Emmanuel Alvarado, "Poverty and Inequality in Mexico After NAFTA: Challenges, Setbacks and Implications," *Estudios Fronterizos* 9, no. 17 (2008): 91.
[84]Passel, Cohn, Gonzalez-Barrera, "Net Migration," 28.
[85]Katharina Natter, "The Il/liberal Paradox: Conceptualizing Immigration Policy Trade-offs Across the Democracy/Autocracy Divide,"*Journal of Ethnic and Migration Studies* 50 no. 3 (2024): 681, https://doi.org/10.1080/1369183X.2023.2269784.
[86]Natter, "The Il/liberal Paradox," 681.

that it had no alternative other than to keep increasing the militarization of the border. From 1986 to 2016, the number of border patrol agents went from 3,700 to 20,000 officers and the border patrol budget rose from $151 million to $3.6 billion.[87]

Conclusion

> "I have long contended that NAFTA was perhaps the worst trade deal ever made."
> - President Donald Trump, October 1st 2018.[88]

It has been widely asserted that the North American Free Trade Agreement did not deliver the intended results for Mexican migration to the United States to decline. In NAFTA's favor, it did reduce trade barriers between the three member countries and it led to unprecedented growth in specific industries such as Mexico's manufacturing industry.[89] However, these new employment opportunities were not enough to diminish migration in the immediate period after NAFTA went into effect. Mexican migration to the United States doubled from 1990 to 2000, and Mexicans experienced dramatic declines in living standards due to job displacement.[90] Despite the intent to create jobs to reduce migration, NAFTA caused serious structural adjustments in sectors where the employees were typically from the lower-working class, such as agriculture. Ultimately, it was the Mexican working class that experienced the most hardships from NAFTA. Looking at the negative outcomes of NAFTA, one would think there would be enough reasons to renegotiate the original agreement to ensure better treatment for the Mexican lower-working class who got the rough end of the stick. However, one of the key issues the

[87]Durand and Massey, "Evolution of the Mexico-U.S. Migration System," 36.
[88]"Trump: We're Replacing NAFTA, Which Was 'Perhaps the Worst Trade Deal Ever Made," CNN, effective October 1, 2018, https://www.cnn.com/politics/live-news/trump-us-mexico-canada-remarks-oct-18.
[89]Raul Delgado, "Migration and Imperialism: The Mexican Workforce in the Context of NAFTA," *Latin American Perspectives* 33, no. 147 (2006): 34.
[90]Ashley A. Elsasser, "Migration from Mexico to the US: The Impacts of NAFTA on Mexico and the United States and What to do Going Forward," *International Review of Business and Economics* 2, no. 1 (2018): 116.

Trump administration wanted to renegotiate in 2018 was trade deficit reduction. President Trump and his administration believed the trade deficits within NAFTA countries were detrimental to the US economy and they aimed to improve it with renegotiating the trade agreement.[91] However, it was unclear to economists how a trade agreement would help reduce trade deficits since trade imbalances are determined by "underlying macroeconomic fundamentals."[92] Nevertheless, President Trump, Mexican President Enrique Peña Nieto, and Primer Minister Justin Trudeau of Canada replaced NAFTA with the United States-Mexico-Canada Agreement (USMCA) which went into force on July 1, 2020.

The renegotiation of NAFTA could have addressed the underlying issue of migration (economic inequality and low-wages in Mexico), but it was a missed opportunity. Trump's sole solution for the issue of migration was increased border security, deportations, and the famous "wall."[93] President Trump believed that the ills of migration experienced in the United States were the fault of Mexican immigrants coming from the US-Mexico border. But the reality is, that Mexican migration to the United States has decreased since the late 2000s and early 2010s, so the migrants President Trump was referring to were most likely Central Americans coming to Mexico to cross through the US-Mexico border, and not Mexican migrants. By 2017, the net migration rate of Mexicans in the United States was zero or negative, signifying that more Mexicans were leaving than entering the United States. Several scholars have posited theories to explain this decrease, but rarely has this decrease in migration been analyzed through the lens of the impact of NAFTA.

[91]Villareal and Fergusson, "The North American Free Trade Agreement," 12.
[92]Villareal and Fergusson, "The North American Free Trade Agreement," 12.
[93]Jacqueline Mazza, "The US-Mexico Border and Mexican Migration to the United States: A 21st Century Review," *Johns Hopkins University Press* 37, no. 2 (2017): 35.

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