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Francisco Alba

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Francisco Alba*

Mexico's Northern Border: A Framework of Reference

INTRODUCTION

Reference is made in this paper to a series of factors which provide the framework of the future development of northern Mexico's border region, namely: demographic growth trends and mobility of the Mexican population; the demand for labor generated in the United States economy; and the economic policy of border development and the role of this region in the international economy.¹

Before analyzing each of this series of factors individually, it should be pointed out that they do not operate in a vacuum but arise rather from the development processes of the economies and societies involved. Attention is drawn to this fact with the aim of making clear and emphasizing that our approach to the border region resides on the awareness that it is part and parcel of broader systems. In other words, the key factors operating in the border region are related to the Mexican development pattern and the characteristics of the international economy, especially the United States economy. The links between each factor and broader or global

*Professor of Economics, El Colegio de Mexico.

1. A vision of the future is always inherent in the subject of growth and demand for resources. One way of exploring the future is by drawing up forecasts. This is not, however, the course followed in this paper. The approach adopted with regard to future prospects will be, in this case, to attempt to make a qualitative analysis of structural forces. The qualitative aspect is more closely related to long term trends than to individual or situational variations, more concerned with the tensions, ambiguities or probable points of rupture and change of direction in processes than with the detail and meticulousness of each consecutive step. The hypothesis of the multicausal and multilateral nature of phenomena constitutes the basis of the thrust to capture "the meaning of things."

The choice of a non-quantitative approach derives from the fact that the present is a reflective exercise, rather than one of planning and programming. It is an attempt to form a valid vision of the future, combining elements which are considered lasting and relevant. Hence, the aim is to use the fragmentary knowledge at our disposal of those forces, arising from both sides of the border, which affect the Mexican border region. The questions of growth and demand for resources are barely comprehensible if they are taken in isolation from the wider system (economies and societies) within which the region is incorporated.

This paper has two primary aspects. First, an examination is made of those elements of the general situation which have played a role as key or background factors in the recent past and at the present time in the border region of northern Mexico. Second, a view of the future is presented for the purpose of visualizing the probable effects of the above-mentioned factors on the development of the region over the next two decades. In other words, the intention is to derive some of the implications of the dynamics of surrounding and related forces on the border region.

patterns and characteristics depend on specific lines of relation and causality.

Hence, with regard to the demographic question, the rate at which the population reproduces is by no means unrelated to the social policy implemented by the Mexican government (for example, in the lowering of the mortality rate). Neither are the movements of the population within the country divorced from the fact that industrialization and other services are heavily concentrated.

International labor migration, which includes migration from Mexico to the United States, constitutes and represents for some a phenomenon engendered by poverty, the absence of work, and overpopulation in the country of origin of the migrating workers. The selective nature of the demand for labor in those countries which receive immigrant workers is considered by others to be the major determining factor in this phenomenon. Here, migration of labor is seen as a process related specifically to the inner dynamics of the international system. The links existing between labor migration from Mexico to the United States and between this migration and certain requirements in the United States economy are not divorced from the evolution of the world order of which both countries form a part.²

The border region of northern Mexico and the role it plays could be classified as being a unique situation,³ not to be attributed only to its being a part of Mexico, a country of relatively little and belated industrialization, and bordering on the United States, a heavily industrialized country which is in the process of becoming post industrial.⁴ This unique situation stems first and foremost from the fact that this border area is a point of convergence of an intense relationship and that it shares many interests with its northern neighbor although the two countries, surprisingly, seem to have little in common.

The perspective from which northern Mexico's border region will be analyzed can be varied from different angles. The predominant outlooks generally reside on regional or local, national, or transnational interests. It is recognized that these differing interests generally conflict with each other. Therefore, these differing points of view are considered to be open to dispute and are indeed often disputed. In this paper, preference is given to the national outlook arguing that regional or local interests are enriched and acquire justification within the context of the national perspective.

In view of these manifold interests, the border region is coming in-

2. See Alba, *Mexico's International Migration as a Manifestation of its Development Pattern*, INT'L. MIGRATION REV. 502-13 (Winter 1978).

3. Mexico's proximity to the United States is a particular manifestation of its geopolitical reality.

4. See H. KAHN and J. PHELPS, *WORLD ECONOMIC DEVELOPMENT: 1979 AND BEYOND* (1979).

creasingly to be considered as a problem area. The local communities are subject to an accumulation of shortages and deficiencies in housing, employment, public utilities, etc. The awareness of the region's dependence and strong links with the other side of the border cause national interests to feel vulnerable.⁵ In the case of the United States interests, the border and the relations established along it are viewed as containing elements of friction and potential conflict for United States policies and goals.

This exercise in exploring the future aims to contribute to the debate on the border region by giving some answers to the questions which arise with respect to the nature of pressures and the interplay of interests which will develop in this region in the future.

KEY BACKGROUND ELEMENTS

Laying aside the more remote historical antecedents affecting this region (first settlers, loss of Mexico's northern provinces, settlement of the final border between Mexico and the United States), there are economic, demographic and cultural differences arising from each country's socio-economic evolution which give the border region its individual identity. The dynamism of the United States expansion, which was apparent in the Southeast and West in the establishment of a vigorous agricultural economy, is the hallmark of the attraction of the "North" on the inland Mexican population. In a parallel manner, Mexico's mining and cattle rearing activities were followed by the population as they moved towards the northern areas of the country. It was not, however, until the 1930s and 1940s that the specific circumstances dictating current developments in the border region took shape.

The Demographic Factor: Population, Migration, and Growth

The process of accelerated growth and expansion of the Mexican population, which acquired momentum in the 1930s, implied a consolidation of the territorial unity of the country. The population, which stood at 17 million in 1930, increased to 50 million in the space of only forty years (1970). In the same period, the population of the border region rose from a few thousand to 2.35 million. This population increase was apparent, above all, in the staggering growth of a few urban centers.⁶ National

5. M. Ojeda, *Alcances y límites de la política exterior de México* (Scope and Limits of Mexican Foreign Policy) 87-94 and 152-60, El Colegio de México (1976).

6. On the subject of the economic functions of border towns and the demographic growth of these towns, see L. Unikel et al, *El Desarrollo Urbano de México* (The Urban Development of Mexico) 153-75 and statistical appendix, El Colegio de México (1975).

population expansion was a result of the official climate of desirability of rapid population growth which broadens the market, diversifies resources, and extends production capabilities.

The attitude toward population dynamics at the regional and national levels changed during the first half of the 1970s.⁷ This did not, however, imply that demographic growth would be eliminated as one of the key background elements in the region. In 1980 the estimated population in the border region was 3.4 million. Population is a basic parameter of a system in which the structural dynamics are modified only in the long term. Hence, although demographic changes during the 1970s constituted a break in a long established trend, the demographic framework existing in the border region has not changed significantly.

Given the very young age structure of the Mexican population, it continues to grow and increase rapidly. The national population rose by approximately 20 million—to 70 million—between 1970 and 1980 at an average annual rate of 3.2%. This average was reached in spite of the fact that population increase for 1980 was estimated at only 2.7%. Furthermore, the maximum growth “plateau,” standing at about 3.5% per annum, which occurred between 1960 and 1975, continues currently to exercise an effect on the rate of growth of the groups which are now reaching the age of becoming economically active. This reproductive pattern of high growth also applies to the resident population of the border area (long standing and recent migrants).⁸

It is recognized that population movements within the country are related to the distribution of opportunities, levels of living, and economic development. These are relatively high at the border. The region has been a pole of attraction since the 1930s and 1940s. The pattern of national development which has been operative since about the 1940s indicates that regional discrepancies have been perpetuated, and even increased. As a result, conditions for population mobility have been very favorable. Rapid demographic growth, in turn, increases the number of potential migrants.

Recent efforts to ensure the adoption of a more balanced regional development policy and the closer attention given to the agricultural sector still do not provide a sufficient basis for sustaining belief that the country's global development policy has been modified fundamentally. Unless information collected in the 1980 census demonstrates otherwise, it would appear that migration trends did not change substantially during the 1970s,

7. In 1974, a new population law was passed which was a departure from previous population positions. Local and regional attitudes closely followed national guidelines.

8. *Supra*, note 5. It is, however, pointed out that the northern region of Mexico has taken the lead in the process of demographic transformation with a trend toward a reduction in the birth rate. See also note 11, *infra*.

with the exception of important movements towards the areas of oil exploration and industrial development (petrochemical) on the Gulf of Mexico.

Continuous migration to the border area stands as a structural parameter. The low educational and vocational level of this demographic potential is reflected in an excess offer of unskilled labor which stands in the way of wage increases and causes the region to persist as a low wage area. This is an important factor in understanding the nature of development in the region, given the context of overall trends in the world and United States economy.

Labor Migration Across the Border

The evolution of northern Mexico's border region during the last fifty years is closely related to labor movements across the border. Migratory labor movement between Mexico and the United States is not a merely contemporary phenomenon. The exchange of labor between the two countries has been an established fact since the closing years of the last century. It is the result of the interrelation between the two economies and of the economic transformation which occurred in the southwestern United States. The social and economic instability which characterized the period of revolutionary violence in Mexico (1910–1917) and, afterwards, the prosperity of the United States gave rise to the large-scale migratory flows of both a temporary and permanent nature.

It can, however, be stated that it was not until around 1930 that migration to the United States began to exercise any significant effect on the border region. Before the Depression, the dividing zone between the two countries remained open, in spite of the 1917 Burnett Law which limited the entry of immigrants to the United States and the establishment in 1924 of the Border Patrol for the purpose of controlling the entry of immigrants. At the end of the 1920s and in the early 1930s, migration to the United States began to be felt in the border region. The Depression slowed down the migratory flow and a large number of Mexican immigrants were expelled and repatriated.⁹ Some of those involved were given land and settled in the northern part of the state of Tamaulipas.

Later, from 1942 onwards, when the United States entered the Second World War, a new era of heavy demand for Mexican labor in the United

9. It is estimated that between 1930 and 1933, 300,000 persons of Mexican origin returned to Mexico. M. CARRERAS DE VELASCO, *LOS MEXICANOS QUE DEVOLVIO LA CRISIS 1929–1932 (THE MEXICANS SENT BACK BY THE 1929–1932 CRISIS)* (1974). See also A. HOFFMAN, *UNWANTED MEXICAN AMERICANS IN THE GREAT DEPRESSION: REPATRIATION PRESSURES 1929–1939* (1974). According to Hoffman, the number repatriated between 1929 and 1935 could stand at almost half a million.

States began. The *bracero* or temporary laborer programs, which operated in different forms between 1942 and 1964, channeled this demand. The termination of the program governing the import of temporary labor signalled the end of the program, but not of the import of temporary labor. The migration which, until 1964, passed through both official/legal and unofficial/illegal channels, then resorted to the single remaining option, the unofficial channel.

The temporary or rotating nature of Mexican labor migration, which has been apparent throughout its history, has exercised a major influence on the region in the past and continues to do so today. In view of the fact that the border is increasingly controlled and is opened and closed like a valve in accordance, to a large extent, with the circumstances and requirements for temporary Mexican labor in the United States economy, it may be inferred that the Mexican border region acts as a sluice which holds back a pool of fluctuating numbers of Mexican workers for whom emigration has come to constitute a strategy of survival and a means of economic betterment and personal advancement.

Independent of any quantification of the effect exercised by the flow of migrant workers on the demographic growth registered in the cities along the border, there is no doubt that labor migration towards the United States has constituted a key element in shaping events in the border region, whether such events concern the circumstances in which people cross the border or the fact that those who are deported are, for the most part, deposited in the cities along the border.

In view of the possible effect of prospective and deported migrants on the labor market in the border region, one is tempted to classify the border industrialization program (which began in 1965) as a response to the needs of the unemployed labor force which had accumulated in the region before the termination of the agreement on migrant workers between Mexico and the United States. Questions have arisen as to whether the establishment of the border industrialization program should indeed be considered a response to unemployment in the region, caused by the termination of the above-mentioned agreement.¹⁰ However, the hypothesis that the conjunctural aspect, namely the termination of the international agreement, was not decisive does not rule out the hypothesis that the indirect and accumulated effect of the United States bound migration on the region was a consideration which influenced the decision-making process and the nature of the economic policy to be implemented in the region.

10. Address by J. Luis Fernandez Santisteban, "Un Análisis de la Política de Industrialización Fronteriza en el Período 1965-1979," Meeting of Mexican and United States Universities on Border Studies, La Paz, B.C.S. (Feb. 27-29, 1980).

Economic Policy on the Border

The third structural factor in the region is that of the in-bond assembly industry. In spite of fluctuations in economic activity at the international level, the position of the in-bond assembly industry as a key element of economic development on the border has been consolidated. On the one hand, the in-bond sector has, in recent years, provided a large proportion of the employment generated in the industrial sector (over 70% in 1975). On the other hand, of the total of 120,000 jobs in this industry in 1980, approximately 100,000 were located in the northern border region.

Economic development on the border has tended to focus on the international subcontracting industry (in-bond assembly) which was the driving element in the industrialization strategy for the region in the 1960s and 1970s.¹¹ This policy reflects the role that this region is assuming in the international economy. Unless the analysis takes into account the growing trend on the part of some industries in the industrialized countries to relocate labor-intensive sections or phases of production processes, the understanding of subcontracting activities is not complete. This type of production internationalization is set in motion by the increasing cost of labor in the more advanced countries, leading to the incorporation of large bodies of labor from low-wage countries into the international market by transferring labor-intensive phases of the production process to such countries.

Various factors combine to make this type of production internationalization between North and South viable. Communications and transport have become more extensive while their cost has decreased; labor is becoming increasingly skilled; the stability of governments has become more wide-spread since the Second World War. The key element in the process is, however, wage differences between those countries which participate in this type of intraindustrial international production.

Mexico's northern border meets many of the above requirements. Hence, the in-bond industry has expanded rapidly in the mere fifteen years that it has been in existence. It is obvious that the border region is in a unique situation by reason of its proximity to those factors from which it seeks to gain benefit: on the one hand, an extensive market, capital and technology and, on the other, socialized, trained and relatively cheap labor, political stability for capital, and modern facilities for administration and management.

At the present time, these appear to be the major forces affecting the border region of northern Mexico: growth of the population augmented by new arrivals; crossing point and stage of migrating labor to the United

11. Irrigation agriculture was a driving factor in the economic activity of the region, especially in the 1940s and 1950s.

States; industrializing process based on assembly activities for the international market. This series of factors thereby moulds the development pattern in the region. How is it anticipated that these forces will evolve over the next two decades? The following is a prospective exercise on the border evolution.

DILEMMAS AND SCENARIOS FOR THE FUTURE

This section of the paper aims to explore the future outlook for possible changes in the overall situation governing the border region, and to speculate on some of the implications arising from the key structural factors analyzed above. The time horizon covers the years remaining until the year 2000.

The Rapid Population Growth on the Border Will Continue

During the next two decades, the newcomers daily arriving to boost the border population will continue to represent a structural variable of the system. In the years to come, the momentum caused by the rapid demographic growth experienced by the country in the recent past will be reflected in the region. This does not, however, rule out the possibility that during this period far-reaching changes may be in the making, the effects of which will be felt more especially after the year 2000. The demographic scenario is based on three hypotheses, verification of which would require meticulous detail which is here replaced by "founded" intuition regarding the development of major phenomena and processes.

The first of these hypotheses is related to the future growth of the population and to the presence of a varying reduction in the birth rate. It is probable that this decline in the birth rate will occur earlier and more rapidly in the border region.¹² A change of this nature would modify the importance of the population variable as a key factor (from rapid growth to low or moderate growth). However, the effects of a decline in the fertility in rural areas or small localities is perhaps of greater importance for the border. At the present time, there is no complete information available on the extent of this decline and the degree to which this has occurred in rural areas. Even less is known about the speed with which this change could occur. Historical experience shows us that a decline in the birth rate occurs later and more slowly in rural areas. The degree to which this varying behavior will affect the border region depends on the knowledge we have at our disposal of the origins of migration mechanisms as chains toward the border. Whatever the case, it is estimated that the

12. Baja California Norte, Chihuahua, Nuevo Leon, Sonora, and Tamaulipas feature among the group of states characterized by "a sharply declining birth rate standing at levels below 34 births per thousand inhabitants." National Population Council, "Avances en el Cumplimiento de Objetivos y Metas Demográficas y Desarrollo de Programas." Document presented in the XII Ordinary Session of the National Population Council, Mexico City (March 15, 1981).

population of the country will increase by between 30 and 40 million inhabitants between 1980 and the year 2000.

The second hypothesis is related to one of the aspects of the demographic inertia (momentum): the high birth rates in the past mean that the volume of individuals reaching adulthood will continue to increase. One of the most significant effects of the demographic parameter is its impact on the labor force. On the work market, the offer of labor will be very abundant between now and the end of the century. The number of new entrants on the labor market in the country is already predetermined. Those who are seeking their first job during the 1980s are in fact the survivors among those who were born during the period of maximum population growth (standing at an annual average of about 3.5% between 1960 and 1974). Hence, it is estimated that between 1980 and 1990 the economically active population will increase from about 20 million to approximately 30 million, constituting an annual growth rate of over 3.5%. The trend during the 1990s will still loosely reproduce that of the previous decade.

Observations which could be made on the possibilities which exist for those newly entering the work market of finding a job in their places of origin are related to the third hypothesis, namely, that of increased population mobility. It is foreseeable that population mobility will increase in the immediate future, which suggests that there will be an increased population pressure on the border region. On the one hand, the reduction in the rate of increase in the number of births and young children will have no immediate effect on migration trends, as migrants are selectively composed of young people and adults. On the other hand migration trends are structurally linked to the problem of unequal distribution of job opportunities in regional terms. The outlook for the Mexican economy over the next two decades is that of sustained and rapid economic growth which is unlikely to be evenly balanced between regions.

The decision for rapid exploitation of energy resources (oil and gas), not only for export but also for the purpose of bolstering a decisive industrialization and modernization process in broad sectors of the Mexican economy and society will doubtless speed up the movement of resources and factors of production, including labor, during the years to come. Although it is premature to utter judgment, past experience nevertheless does not allow us to assume that this accelerated economic growth will reduce basic regional discrepancies within the country and that it will prevent the appearance of further discrepancies. Equal caution is used in examining the possibility of reducing the sharp imbalance between the level of demand for labor generated by the highly productive technology required by the economy and the availability of labor which is increasing in volume but is not sufficiently highly skilled.

A not unfounded conjecture is that the pressure exercised by migration

on urban centers will, in the future, continue to function as a major force in the national context within which this region is incorporated. On the one hand, the peasant and rural population "pool," although diminishing in relative terms, is still sizable and will continue to grow in absolute terms (in 1980, 23 million lived in villages of less than 2500 inhabitants). Furthermore, although the rate of growth of the country's population is dropping, it is recognized that the rate of growth by the peasant or rural population generally remains above the national average and that it drops slowly and gradually. On the other hand, since industrialization is the central element in development policy, both the new and old urban centers—including the border towns—in which this industry would most likely be established will regain their power of attraction. In this context, the agroindustry as a means of preventing the migration of the rural population serves only a secondary and transitory function as a counterbalance to urban industry.

It is too soon as yet to judge whether the attention and backing given to the non-irrigated zones of agriculture have acted as a brake on the exodus of the rural population. It is, however, assumed that the extent to which the population can be provided with work within the traditional agricultural sector is limited. With respect to modern agriculture, the expedients of opening up new land for cultivation and the low cost building of irrigation projects have been more or less exhausted. Consequently, the possibility of inter-rural, permanent migratory movements is low. The cities on the northern border will continue to receive their share of the persistent rural exodus which is foreseen as large.

The Tensions Accompanying Labor Migration to the United States Will Increase

It is becoming increasingly apparent that the pressures to which Mexicans are subject to migrate to the United States, either temporarily or permanently, will increase rather than diminish in the future. This view is backed by numerous, diverse considerations some of which will be mentioned without, however, going into great depth. With respect to the population able to migrate, the labor force, its volume will continue to increase rapidly during the 1980s and 1990s. Although the rate of job creation at the national level either fitted or exceeded the rate at which the labor force expanded, nonetheless, it would be unrealistic to envisage the elimination of the underemployment inherited from the past before the end of the period under consideration, namely before the year 2000.

The consolidation of a tight family network between those who have migrated and potential migrants (either temporary or permanent) would bolster the flows. In addition, the effect of the country's development pattern—open modernization and the reproduction of patterns established

in advanced countries—contributes to the creation of expectations among the country's inhabitants which apparently are more easily satisfied abroad than domestically.

With respect to the pull factors to be found on the other side of the border, it is estimated that the demand for low-skilled migrant labor in the U.S. economy will continue strong during the 1980s, tending to rise towards the end of the decade and the beginning of the next in view of the fact that new entrants to the U.S. labor force are moving towards stagnation in numerical terms.¹³ Besides, it is not foreseen that wage differences between Mexico and the United States will be significantly reduced during this period, especially for low-skilled labor.

In addition to the slow growth of the labor force (population) in the developed economies, labor is organized in strong trade unions. Both of these factors contribute to the fact that the industrialized countries' domestic sources of low price labor have gradually disappeared (certain aspects of the welfare systems designed to guarantee well-being have contributed to the reduction of these reserves). The persistent disparity between productivity of different sectors of economic activity—the productivity of certain branches of the services sectors, for example, lags behind that of other sectors and behind the average productivity for the economy as a whole—contributes to the continued existence of a wide range of low skilled jobs which have an unacceptable status (in the view of the national population) and are, on the whole, low paid. Since the rules of the system's operation dictate the need to earn profits and survive competition, imported labor constitutes a means of reducing production costs.¹⁴

Confronted by a continued demand for imported labor, there are signs that the ability of the sociopolitical systems of the developed countries (in this case the United States) to employ a large foreign labor force is reaching certain limits, as these systems incline increasingly towards the adoption of more highly protectionist immigration policies. Such a position is reinforced during periods of economic crisis, featuring permanent recession and unemployment.

Emigrant nations are directly affected by the situation whereby a nation with a demand for imported labor has the ability to impose restrictions on the migratory flow in a climate of worsening economic conditions and increasing domestic unemployment, or when sociopolitical tensions cause

13. Reynolds, *Labor Market Projections of the United States and Their Relevance to Current Migration Controversies*, STANFORD UNIV. FOOD RESEARCH INST. STUDIES (1979).

14. The system is able to keep the price of imported labor low because its remuneration is based on opportunity costs, and not on productivity. This issue was raised in relation to the factorial terms of trade in W. LEWIS, *THE EVOLUTION OF THE INTERNATIONAL ECONOMIC ORDER* 14–20 (1978).

a conflictive situation to arise with respect to immigrant labor. In the specific case of temporary labor exchange between Mexico and the United States, the instability and uncertainty of migratory flows creates tensions in the Mexican economy and society. A restrictive immigration policy imposed by the United States would act as a mechanism transmitting conflicts between the two countries. The unilateral control of the opening and closing of entry and exit calls for an examination of the predictable implications for Mexico of any barrier placed in the way of labor mobility. The repercussions would not be evenly felt throughout the country. The region of Mexico bordering on the United States would obviously be most directly affected.

Labor migration which makes its way across the border will continue, in this context, to be at the forefront of the forces involved in the border problems with tensions being magnified by the fluctuating nature of the demand for labor in the United States economy and its ability to impose restrictive policies on labor mobility.

Future outlooks for the area, resulting from the possibility of restrictive actions, have been put forward.¹⁵ Our scenario is that the border will increasingly become a point of population concentration on account of the heavy flow of two types of migrants, those who return or are sent back from the north, and those who are travelling northward from the south but find that entrance to the United States is barred and therefore wait on the border for a better opportunity to cross. In this situation, a sharp increase in unemployment on the border may be expected and a grave danger would exist of a breakdown in the social order. The repercussions of such a breakdown in social order could conceivably spread across the dividing line, thereby affecting the relationship between the two countries.

The Predicament in the In-bond Assembly Industry on the Border

The practice of in-bond assembly for the international (United States) market as the expression of industrialization on the border persists by reason of considerations related to factors operating on both the international and local levels. This type of international division of labor is related to the increasing cost of labor in developed countries which could not be reduced without bringing about a concomitant reduction in the standard of living in those countries, not politically viable in the short term. On the other hand, various factors contribute to the consolidation of this development strategy for the border region: more educated labor (as compared to the rest of the country); persistently large numbers of

15. Bustamante, *Las propuestas de política migratoria y sus repercusiones en México* (Migration Policy Proposals and Their Repercussions in Mexico), INDOCUMENTADOS: MITOS Y REALIDADES (ILLEGAL WORKERS: MYTH AND REALITY) 197-208 (1979).

newly arriving migrants which play a part in maintaining a flexible and low cost labor market; and the almost unique conditions of proximity and access between very dissimilar economies.

The in-bond assembly industry, however, is not free of ambiguities and potential conflicts. The "privileged" situation of Mexico's northern border region—proximity, transport, wages, and job-skill level—should be evaluated in light of the fact that the volume of jobs created is not sufficient to counteract unemployment. This industry employs predominantly female labor, and it is very vulnerable to fluctuations in the international economy (especially the United States economy which plays a predominant role).

In view of the characteristics of the international subcontracting industry, the question may arise as to the extent to which it should serve as *the* economic development strategy for the northern border. Pressures are readily exerted to speed up the process, in view of the jobs and foreign currency revenue that this industry generates.¹⁶ However, the objective of national development (to mention a single concept which covers numerous aspirations) comes into conflict with the features of the in-bond assembly industry in attempting to make this industry serve as a development strategy, albeit of a regional nature. It is not acceptable to advocate long term national development based on the continued employment of national labor at wage levels which are to be low relative to the international level for the purpose of ensuring competitiveness in attracting labor intensive phases of production. Neither is this strategy acceptable for the northern border area on account of pressures which could thereby be produced within the national system.

However, in view of Mexico's situation—a plentiful and increasing volume of low skilled labor—it would be equally unrealistic to fail to take advantage of the opportunities offered by this new type of international division of labor and production. Without advocating Mexico's more active involvement in international subcontracting, an effort could be made to achieve a greater participation in industrial activity through establishing ways for relocation of finished goods, or whole sectors of activity, as opposed to merely low skilled, labor intensive productive processes.

The concentration of this industry in the region bordering on the United States presents a further problem. A boom in the in-bond assembly in-

16. Calculations have been made in light of development trends in the national and international economy during the next decade that the in-bond assembly industry could represent foreign currency revenues of some ten thousand million dollars and provide jobs in the assembly plants for an average of between 450,000 and 500,000 workers in 1990. 55 BANAMEX, EXAMEN DE LA SITUACION ECONOMICA DE MEXICO (STUDY OF THE ECONOMIC SITUATION IN MEXICO) 374 (1979).

dustry would lead greater numbers to be attracted to cities along the border (without, however, solving the problem of providing the male population with employment which is stable and furnishes the possibility of professional or job advancement). If this boom could occur in the interior of the country, it would serve to hold the population in its place of origin. But in this eventuality, the border region would not gain the jobs and income it so badly needs.

SUMMARY AND CONCLUSIONS

It has been established that in the recent past migration and the in-bond assembly industry have been decisive factors in constituting the framework for development possibilities in the northern border region. In the future, at least until the year 2000, it is highly probable that these factors will continue to shape this development.¹⁷

It does not appear that there will be any slowing down, in the short and medium term, of the migratory flows which pass through the region or for which the border region is the final destination. Available information suggests rather that population mobility will increase in the future. National unemployment and underemployment cannot be counteracted in the short term, even in the event of very rapid economic growth. A national development strategy in which employment creation features as a priority consideration could go further in reducing accumulated unemployment and providing employment for the future labor force, but only in the long term, after the year 2000. Similarly, any down turn in the country's demographic trends would have its major effect on the country's labor force supply after the year 2000.

It is generally recognized that a demand exists for unskilled labor in the developed economies and also that this demand tends to fluctuate. Neither of these characteristics is likely to disappear in the short term. In conclusion, it may be anticipated that large numbers of migrants to the border and persons on their way to the United States will remain at the border.

Finally, the inter-relationship between migration and the in-bond assembly industry places the Mexican border region in a difficult predicament. Activities related to the undertaking of partial, labor intensive productive processes for the international market are quite feeble and fluctuate widely. It is reasonable to anticipate that in the future the specific features of the international subcontracting industry will exercise a double-edged pressure on the border region. In times of economic depression—

17. The border region is not totally homogeneous. For example, the agricultural and services sectors weigh very unevenly in the region. The importance of the parameters analyzed may vary from subregion to subregion.

reduced labor demand and increased protectionism—the extent of the border region's function of holding back and storing of potential international migration will be increased while, at the same time, coinciding with a decline and stagnation of the in-bond assembly industry which will contribute, in turn, to destabilize, as a backlash effect, the border's economy and society.

In conclusion, this analysis of the future prospects for the northern Mexico border region which is the product of the examination of the possible behavior in the future of those structural factors playing a key role in the present situation—population, migration, in-bond assembly activity—leads us to anticipate a situation in which pressures capable of causing serious breakdowns in the institutional order could easily arise.

By way of a proposal, it is suggested that work should be initiated in drawing up policies, channels of cooperation, and joint actions between Mexico and the United States as measures designed to prevent fluctuations and instability in the present behavior of the key parameters of development in the border region. The aforementioned are medium term possibilities for action (a structural modification of the current parameters is only considered to be possible in the long term) which should be undertaken if more attractive alternatives for the common border region between the two countries are desired.

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El trabajo es un intento por conformar una imagen del futuro, al año 2000, de la frontera norte de México conjugando elementos considerados firmes. En el trabajo se hace referencia a un conjunto de factores que enmarcan la situación presente de la zona: las tendencias demográficas del crecimiento y movilidad de la población mexicana; la demanda laboral por parte de la economía estadounidense; y la política económica de desarrollo de la industria de subcontratación internacional (maquila). El trabajo intenta visualizar la incidencia previsible de los anteriores factores en el devenir futuro de la zona. El ensayo prospectivo que se realiza sobre los factores de encuadre de la situación presente—crecimiento de población, migración interna e internacional e industria de maquila internacional—sugiere un escenario en el que fácilmente se generarían presiones e inestabilidades asociadas con posibles quebrantamientos del orden institucional que podrían rebasar el ámbito de la región fronteriza binacional.