

Migration from Mexico to the U.S.; The Impacts of NAFTA on Mexico and the United States  
and What to do Going Forward.

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### Abstract

Research indicates four main causes for migration from Mexico to the United States: Incredibly high crime rates, unemployment, poverty rates, and natural disasters. The first two are especially important in regards to trade between the two border sharing countries. Since agreeing to virtually total free trade, the United States has been able to take advantage of Mexico in such a way that has created further deterioration of the state. If the government of Mexico cannot resurrect the thousands of personal business that were effected do to NAFTA, the U.S. cannot expect for migration from Mexico to deteriorate or halt. By displacing Mexico's small business owner's, Mexico has effectively made their citizens weak to the inevitable increase in poverty, and the Cartels that have bought out swaths of land and human lives. In this paper, I reveal the direct correlations between agreements within the NAFTA and the millions of displaced agricultural workers in Mexico that caused an increase of immigration from Mexico to the United States. On January 1, 1994, The North American Free Trade Agreement (NAFTA), which includes Canada, Mexico, and the United States, was officially formed. By 2008, virtual free trade in almost all goods and services was established amongst all three countries, with the exception of a limited number of agricultural products traded specifically with Canada. The trade agreements of NAFTA were coupled with a surge of Mexican migrants to the U.S. The question under investigation is, why did so many Mexicans move to the United States after the NAFTA was signed? Contrary to the theoretical benefits of free trade, many citizens of the United States and Mexico have developed deep contention towards the agreement between their countries. In the United States, those whose' lives revolve around the manufacturing industry argue that increased trade with low-wage countries, such as Mexico, threatens their employment due to industrial re-location. Mexican's argue that the U.S. is dumping agricultural products and manufacturing industries that destroy local business and decrease the standard of living. More

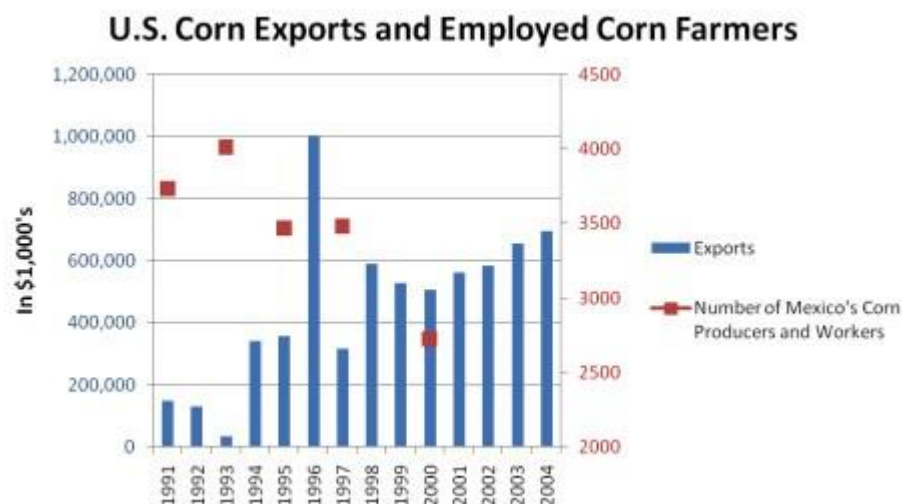
than 35 million Americans have Mexican roots, and Mexico is the United States' third-largest trading partner, next to China. Despite the positive correlation that the economic gravity theory presents, that both countries are at an advantage to trade with one-another, I'm afraid it's information is flawed. As the United States and Mexico attempt to find a way to grow their economies and decrease migration, from Mexico to the U.S., it is imperative for them to understand that free-trade, under the current NAFTA, has actually increased immigration from Mexico to the U.S. because of minimal protectionisms for Mexico's workers- especially in agriculture. This paper is written with the intent to inform people of the relationship between trade and immigration, specifically, between the U.S. and Mexico.

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### **Introduction**

For the United States and Mexico, the North American Free Trade Agreement was a tool to improve bilateral trade and decrease migration from Mexico to the U.S.. Mexico's economy was predicted to grow enough to create more competitive jobs, and most importantly, pull Mexico out of the financial crisis of the 1980s. However, migration from Mexico to the U.S. more than doubled from 1990-2000 comparatively to any other 10-year increment between 1980 to 2017. Contrary to the intent to increase economic growth by eliminating trade barriers, U.S. citizens lost over 3 million jobs due to offshoring (the practice of basing some of a company's processes or services overseas, so as to take advantage of lower costs) and, Mexicans experienced a dramatic decline in the standards of living and job displacement. There are two main reasons why this paradox occurs. First, in addition to a mass reduction of import tariffs, the NAFTA allowed the U.S. to grant large subsidies to

American farmers. As a result, American farmers were able to export more agricultural goods at lower costs thus, undermining the Mexican farmers. Daniela Grava writes about many push and pull factors for Mexican immigrants coming into the United States. In her article, *Why do so many Mexican immigrants come to the United States*, she specifically discusses a principle push factor being that of the millions of displaced farmers in Mexico. She quotes Elvira Arellano, a young woman seeking asylum in Chicago, “NAFTA displaced more than five million agricultural workers from the land that they had lived for years, according to Walter Coleman, a pastor of the church where Arellano was given sanctuary for a year in the 1980s. In Mexico, Arellano’s father lost his ability to grow corn on his land. When the family land was passed down to Arellano, she did not have the resources to maintain it and ended up losing her job because of the devaluation of the peso, which as she says, was caused by US banks.” The graph below depicts the direct correlation of U.S. corn exports flooding Mexican markets and the employment levels of corn farmers in Mexico. In addition, it is evident that prior to the North American Free Trade Agreement the number of Mexican corn producers exceeded 3,500.

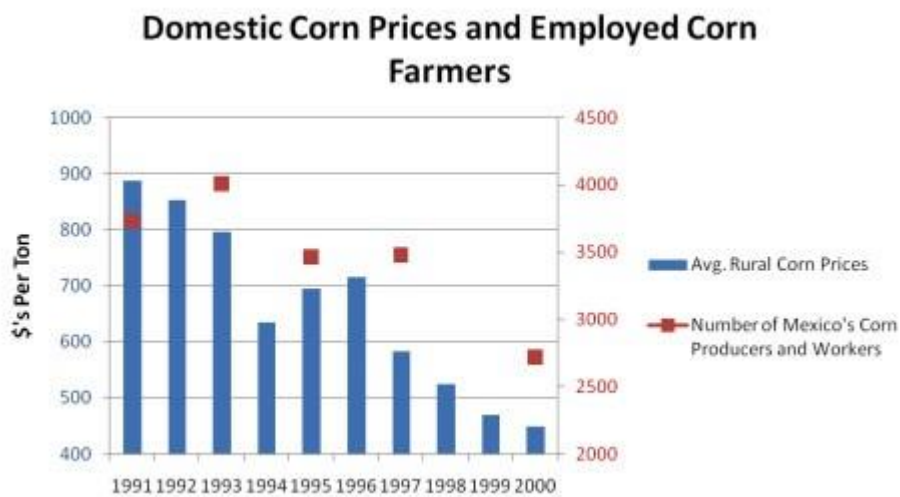


Graph 1.

*(Generated from data compiled by the USDA's U.S. Trade Exports and the Institute of Statistics and Geography. Received from prospectjournal.com)*

In addition, Graph 2. represents the increased snowball affect U.S. federal corn subsidies had on Mexican farmer's post NAFTA. As corn producers in Mexico declined so did the average price for corn sold in Mexico. According to the graph, the Mexican corn industry suffered a loss of nearly six hundred corn producers.

Graph 2.



*(Generated from data compiled by Mexico's National Institute of Statistics and Geography.*

*Received from prospectjournal.com)*

In addition to U.S. corn subsidies, the bilateral negotiations between Mexico and the U.S. allowed large American firms, such as Walmart, to enter the Mexican market. Consequently, eliminating approximately 28,000 small Mexican business because they could not compete. In the 1980s Mexico abandoned its Import Substitution Industrialization (ISI) policies and opened its economy to international trade and capital flows, especially with the United States. This change in trade policy was intended to increase economic growth by improving the competitiveness of Mexican exports and attracting foreign investments. Mexico succeeded in attracting foreign investment but, only at the surmise of local businesses and standard of living for Mexican citizens. In this paper, economic data and immigration

statistics are used to explain the effects of the NAFTA on economic activity, the distribution of wages, and migration patterns between the U.S. and Mexico. The first section is a brief history of the relationship between the U.S. and Mexico since before the North American Free Trade Agreement. The second section uses economic gravity data to reveal data that shows the extent to which U.S. agricultural subsidies affected Mexican industries causing Mexicans to migrate across the border. Thus, this paper explores the disproportionate effects of free trade on Mexico and the U.S. and how these proportions encourage migration to geographical locations with greater and more stable employment opportunities. In the conclusion, I use data to illuminate readers with the options both the U.S. and Mexico have to restore employment in Mexico and reverse migration. In addition, I share information pertaining to current NAFTA discussions in the U.S.

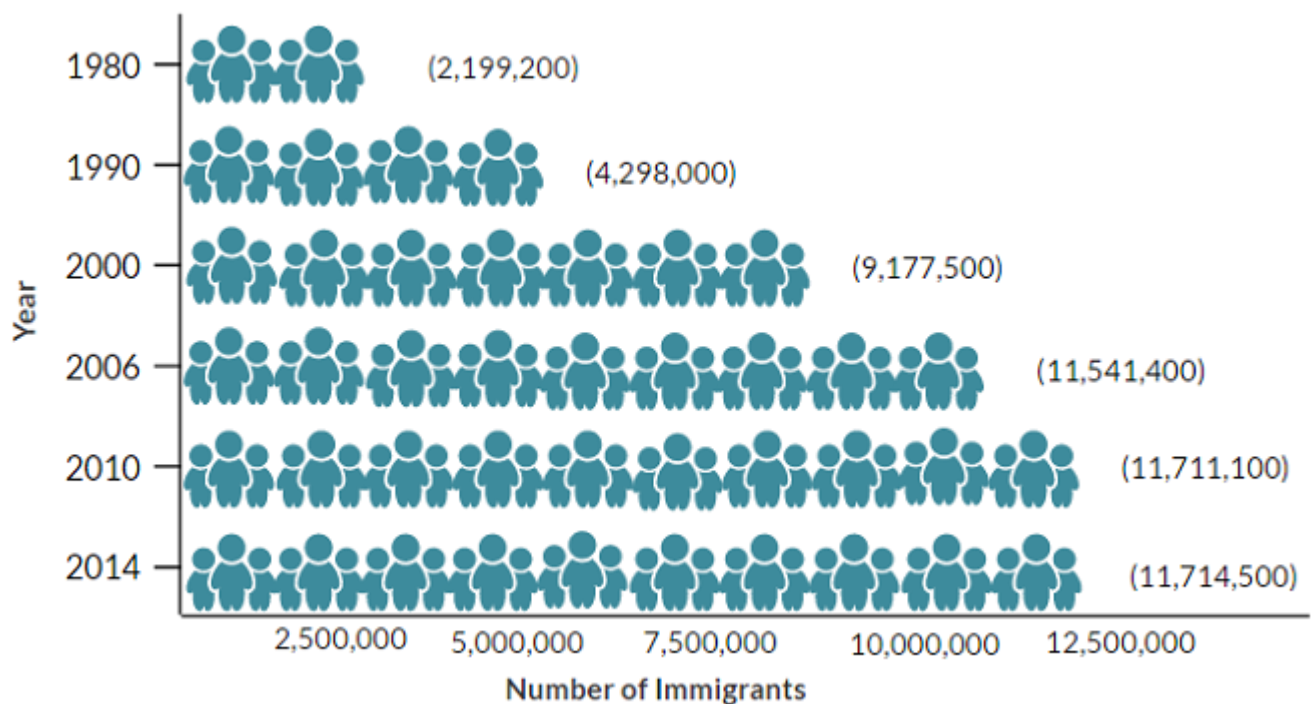
### **Background**

Considering the proximity of the U.S. and Mexico, the U.S. has had a great effect on the Mexican economy since the successful establishment of both countries. In response to a labor shortage during WWII, president Roosevelt wrote an executive order, termed the Bracero Program, that lasted from 1942 to 1965. This program allowed millions of Mexican men, under 6-month visas, to come to the United States to work on farms. In 1965, the United States unilaterally ended the Bracero program. As a result, the Mexican government established the maquiladora program to attract foreign direct investment. This maquiladora (or foreign-owned assembly plant) industry is the largest industry on the Mexican side of the Mexico-US border (Canas, Coronado, Gilmer, & Saucedo, 2011; Martin P., *Immigration, Agriculture, and the Border*, 2002). Maquiladoras are normally owned by foreigners that import raw material and components duty-free to Mexico, assemble them into finished goods and send them back to the United States (Martin P., 2002). Since most of the maquiladoras developed are along the Mexico U.S. border, many migrants see the move to work in them as

a step to further migrate to the U.S. (Cornelius & Martin, 1993, p. 486). Other internal migrants that come from the agricultural south do not end up in maquiladoras but in the Pacific Northwest of Mexico, where they work in export-oriented agriculture companies. Many of these migrants also come with the hope to eventually migrate north to the U.S. In 2002, Mexico was the country of origin of the largest number of legal immigrant admissions to the U.S. with 219,380 admissions, representing about 20.6 percent of the total number of admissions. Trade negotiations and immigration policy were formally joined together by the Immigration Reform and Control Act (IRCA) of 1986. The bill eventually enabled more than 4 million people living in the U.S. without immigration documents to gain permanent residence. Underscoring the broad bipartisan consensus supporting it, the bill was signed into law by Ronald Reagan. The IRCA set up a Commission for the Study of International Migration and Cooperative Economic Development to study the causes of immigration to the United States. The commission held hearings after the U.S. and Canada signed a bilateral free trade agreement, and made a report to President George H.W. Bush and Congress in 1990. It found that the main motivation for coming to the U.S. was poverty. To slow or halt the flow of migrants, it recommended that “U.S. economic policy should promote a system of open trade ... the development of a U.S.-Mexico free trade area and its incorporation with Canada.” But, it warned, “It takes many years—even generations—for sustained growth to achieve the desired effect.” It was these negotiations that led the NAFTA. As Congress debated the treaty, then-Mexican President Carlos Salinas de Gortari toured the United States, telling unhappy citizens that passing NAFTA would reduce immigration it by providing employment for Mexicans in Mexico- he made the same argument in Mexico. He claimed that NAFTA would set Mexico on a course to become a first-world nation. “We did become part of the first world,” says Juan Manuel Sandoval of Mexico’s National Institute of Anthropology and History. “The back yard.” However, NAFTA did not lead to rising

incomes and employment in Mexico, and did not decrease the flow of migrants. Instead, it became a source of pressure on Mexicans to migrate. (Bacon, David, 2014 *Globalization and NAFTA caused migration from Mexico*) Figure 1. Illustrates the increase of Mexican migrants to the U.S.

**Figure 1. Mexican Immigrant Population in the United States, 1980-2014**



(Source: Data from U.S. Census Bureau 2006, 2010, and 2014 American Community Surveys (ACS) and Campbell J. Gibson and Kay Jung, "Historical Census Statistics on the Foreign-born Population of the United States: 1850-2000" (Working Paper no. 81, U.S. Census Bureau, Washington, DC, February 2006) From 1982 through the NAFTA era, successive economic reforms produced migrants. The displacement had already grown so large by 1986 that the commission established by IRCA was charged with recommending measures to halt or slow it. Its report urged that "migrant-sending countries should encourage technological modernization by strengthening and assuring intellectual property protection and by removing existing impediments to investment" and recommended that "the United



States should condition bilateral aid to sending countries on their taking the necessary steps toward structural adjustment.” The IRCA commission report acknowledged the potential for harm, noting (in the mildest, most ineffectual language possible) that “efforts should be made to ease transitional costs in human suffering.” As soon as NAFTA took effect, U.S. speculators began selling off Mexican government bonds. According to Jeff Faux, founding director the Economic Policy Institute, a Washington, DC-based progressive think tank, “NAFTA had created a speculative bubble for Mexican assets that then collapsed when the speculators cashed in.” In NAFTA’s first year, 1994, one million Mexicans lost their jobs when the peso was devalued. To avert a flood of capital to the north, then-U.S. Treasury Secretary Robert Rubin engineered a \$20 billion loan to Mexico, which was paid to bondholders, mostly U.S. banks. In return, U.S. and British banks gained control of the country’s financial system. Mexico had to pledge its oil revenue to pay off foreign debt, making the country’s primary source of income unavailable for the needs of its people. As the Mexican economy, especially the border maquiladora industry, became increasingly tied to the U.S. market, tens of thousands of Mexican workers lost jobs when the market shrank during U.S. recessions in 2001 and 2008. “It is the financial crashes and the economic disasters that drive people to work for dollars in the U.S., to replace life savings, or just to earn enough to keep their family at home together,” says Harvard historian John Womack.

### **Economic Gravity Theory**

The Gravity Model of Trade is an important model to use in international economics. It states that when two countries are close and/or share similar GDPs it is most beneficial for them to trade because extraneous costs are cut. Extraneous costs include, transportation, communication, and navigating international borders/barriers. Thus, based on the distance within two countries as well as their respective economic dimensions, the gravity theory can make predications of bilateral trade flow. The gravity equations employed by Lorenzo

Caliendo and Fernando Parro in their article, *Estimates of the Trade and Welfare Effects of NAFTA*, are used to identify NAFTA's tariff impacts on the welfare of the U.S. and Mexico. By using multiple gravity equations, that account for various factors, Caliendo and Parro were able to construct tables to illustrate the effects of tariff reductions on the welfare of all three NAFTA countries. Table 2 presents the welfare effects from NAFTA's tariff reductions while fixing the tariff to and from the rest of the world to the year 1993.

Table 2. Welfare effects from NAFTA's tariff reductions

Country	<u>Welfare</u>			
	Total	Terms of trade	Volume of Trade	Real wages
Mexico	1.31%	-0.41%	1.72%	1.72%
Canada	-0.06%	-0.11%	0.04%	0.32%
U.S.	0.08%	0.04%	0.04%	0.11%

Table 2. shows that Mexico was negatively affected the greatest due to trade followed by Canada and the U.S.

Table 6. Shows the export shares by sector before and after NAFTA's tariff reductions. The effects of the U.S. agricultural subsidies on Mexican farmers can be seen in table 6 as well as other major export industries in Mexico that were affected by NAFTA.

Table 6. Export shares by sector before and after NAFTA's tariff reductions

Sector	Mexico		Canada		United States	
	Before	After	Before	After	Before	After
Agriculture	4.72%	3.03%	4.99%	5.04%	6.91%	6.35%
Mining	15.53%	7.85%	8.99%	8.96%	1.72%	1.52%
Manufacturing						
Food	2.33%	1.48%	4.82%	4.68%	5.09%	4.73%
Textile	4.42%	6.92%	1.05%	1.49%	2.68%	3.49%
Wood	0.59%	0.52%	8.12%	8.05%	2.02%	1.98%
Paper	0.62%	0.51%	8.34%	8.44%	4.99%	4.89%
Petroleum	1.62%	5.28%	0.59%	0.78%	4.30%	5.71%

Chemicals	4.40%	2.53%	5.58%	5.40%	10.00%	9.25%
Plastic	0.80%	0.48%	2.06%	2.06%	2.28%	2.43%
Minerals	1.32%	0.84%	0.81%	0.78%	0.94%	0.92%
Basic metals	3.24%	2.00%	10.29%	10.19%	3.05%	3.11%
Metal products	1.22%	1.03%	1.47%	1.53%	2.23%	2.59%
Machinery n.e.c.	4.30%	2.53%	4.69%	4.49%	10.37%	9.70%
Office	3.34%	5.07%	2.44%	2.54%	7.70%	7.29%
Electrical	20.79%	34.07%	2.50%	2.35%	6.07%	7.97%
Communication	8.57%	7.08%	3.11%	3.02%	7.19%	6.81%
Medical	2.48%	3.28%	0.98%	1.03%	5.16%	4.79%
Auto	16.43%	13.05%	24.42%	24.07%	8.20%	8.09%
Other Transport	0.28%	0.26%	3.21%	3.58%	7.32%	6.65%
Other	3.02%	2.20%	1.55%	1.52%	1.77%	1.74%
Normalized Herfindah	0.092	0.138	0.083	0.081	0.042	0.040

### Agriculture

Contrary to prediction, NAFTA did not lead to rising incomes and employment in Mexico, and did not decrease the flow of migrants. Instead, the exact opposite happened. The agreement forced corn, and other crops, grown by Mexican farmers without subsidies to compete in Mexico's own market with corn, and other crops, from huge U.S. producers, who had been subsidized by the U.S. Agricultural exports to Mexico more than doubled during the NAFTA, from \$4.6 to \$9.8 billion annually. Corn imports rose from 2,014,000 to 10,330,000 tons from 1992 to 2008. Mexico imported 30,000 tons of pork in 1995, the year NAFTA took effect. By 2010, pork imports, almost all from the U.S., had grown over 25 times, to 811,000 tons. As a result, pork prices received by Mexican producers dropped 56%. (Bacon, David *Globalization and NAFTA Caused Migration From Mexico*, 2014) The example David Bacon writes about is just one of many examples of how detrimental U.S. agriculture subsidies are for Mexican farmers. The reality of NAFTA is that there are both negatives and positives to the agreement- it just depends on who you are on the economic spectrum. In the case of

agriculture in Mexico, the U.S. was clearly participating in persistent dumping driving local producers out of business. The table below illustrates this.

	United States		Mexico		
	Exports 90-2 - 06-08 growth %	Dumping margin avg 97-05	Producer Prices 90-2 - 05 real pesos	Production volume 90-2 - 06-08	Dumping Losses 1997-2005 \$US millions
<b>Corn</b>	413%	19%	-66%	50%	6,571
<b>Soybeans</b>	159%	12%	-67%	-83%	31
<b>Wheat</b>	599%	34%	-58%	-7%	2,176
<b>Cotton</b>	531%	38%	-65%	-3%	805
<b>Rice</b>	524%	16%	-51%	-8%	67
<b>Beef</b>	278%	5%	-45%	31%	1,566
<b>Pork</b>	707%	10%	-56%	40%	1,161
<b>Poultry</b>	363%	10%	-44%	133%	455
<b>Total</b>					12,832

Sources: USDA-FATUS; IATP; Starmer et al. (2006); SAGARPA. Constant 2000 US\$.

According to the H-O theorem, the United States is a capital abundant country. Thus, as a whole, the United States experiences few effects caused by changes in the manufacturing industry. Furthermore, one of the explanations for Leontieff's paradox explains that, although the United States can be considered capital abundant it can still export more labor intensive goods because the U.S. can afford to invest in more efficient technology. Likewise, according to the H-O theorem, Mexico should have benefited from foreign manufacturing investments because Mexico is considered to be a labor abundant country. However, as economists have proven capital and labor are not adequate factors of production to base comparative advantage analysis. Mexico was destined to receive the short end of the stick when agreeing to essentially drop all trade barriers because Mexico, being a labor abundant country, is more vulnerable to foreign changes than a capital abundant country. Additionally, cheap labor does not constitute effective production and high equilibrium rates. Instead, it is the efficiency of technology. As a result, Mexico is still at a great disadvantage with the United States because the U.S. had better technology. Thus, when the United States moved manufacturing plants to

Mexico, local producers couldn't keep up because their technology of production was not as advanced since they lacked the capital to invest in its growth. David Bacon continues to explain the causes and effects of NAFTA by explaining that under this trade agreement price supports were prohibited, without which hundreds of thousands of small farmers found it impossible to sell corn or other farm products for what it cost to produce them. Mexico couldn't protect its own agriculture from the fluctuations of the world market. A global coffee glut in the 1990s plunged prices below the cost of production. A less entrapped government might have bought the crops of Veracruz farmers to keep them afloat, or provided subsidies for other crops, but, once free-market structures were in place prohibiting government intervention to help them, the farmers suffered. Campesinos from Veracruz, as well as Oaxaca and other major corn-producing states, joined workers heading north. There, they became an important part of the workforce in U.S. slaughterhouses and other industries. U.S. companies were allowed to own land and factories, eventually anywhere in Mexico. U.S.-based Union Pacific, in partnership with the Larrea family, one of Mexico's wealthiest, became the owner of the country's main north-south rail line and immediately discontinued virtually all passenger service. Mexican rail employment dropped from more than 90,000 to 36,000. According to Garrett Brown, head of the Maquiladora Health and Safety Network, the average Mexican wage was 23% of the U.S. manufacturing wage in 1975. By 2002, it was less than an eighth. Brown says that after NAFTA, real Mexican wages dropped by 22%, while worker productivity increased 45%. These facts that David writes about in his online article are the main reasons why migration from Mexico to the United States increased under NAFTA.

### **Manufacturing Industries**

Michael Melvin and Steve Hudson in *International Economics Eighth Edition* use PPP, purchasing power parity, exchange rates to describe the decline in living standards in

Mexico compared to those in the United States. They explain that Mexico's economy is about the same size as Canada's but more than three times its population and, even though Mexico's wage rate is about 10% comparable to U.S. and Canadian wages, the U.S. still imports 50% more goods from Canada than it does Mexico. According to Melvin and Hudson, NAFTA has had little effect on the United States economy, although it has upset the manufacturing industry. Similar to the case with Mexico, the manufacturing sector in the U.S. is comprised of mostly uneducated and unskilled workers thus, making them the most vulnerable to economic shifts as such. Inadvertently, the moves of large corporations from U.S. to Mexico coupled with U.S. agricultural subsidies, have destroyed local competition in Mexico. Major cooperation's responsible are as follows: Walmart, Apple, CitiGroup, General Electric, JP Morgan Chase & Co., General Motors, Fiat Chrysler.

The World Bank, in a 2005 study made for the Mexican government, found that the extreme rural poverty rate of around 37% in 1992-4, prior to NAFTA, jumped to about 52% in 1996-8, after NAFTA took effect. This could be explained, the report said, "mainly by the 1995 economic crisis, the sluggish performance of agriculture, stagnant rural wages, and falling real agricultural prices." By 2010, 53 million Mexicans were living in poverty, according to the Monterrey Institute of Technology—half the country's population. The growth of poverty, in turn, fueled migration. In 1990, 4.5 million Mexican-born people lived in the U.S. A decade later, that population more than doubled to 9.75 million, and in 2008 it peaked at 12.67 million. Approximately 9.4% of all Mexicans now live in the U.S., based on numbers from Pew Hispanic. About 5.7 million were able to get some kind of visa; another 7 million illegally made the transition.

Since China became a member of the World Trade Organization in 2001, the United States has served as their dumping grounds. Today, most things purchased in America are either made in China or, parts of it are. As a result, prices of commodities such as clothing,

furniture, and even some technology have dropped dramatically- clothing and furniture, for example, match prices of the 1980s. Although this has created more purchasing power for American's, it has resulted in a decrease of manufacturing jobs and increase in skill based employment. Many economists argue that China is participating in persistent dumping or even predatory dumping. Dumping is the act of exporting a product to another country at such a low cost that it drives away domestic producers of the same product. The difference between predatory and persistent dumping is exactly how it sounds, persistent dumping means that below domestic priced products are imported on a consistent basis. Predatory dumping is when a foreign country is intentionally exporting products below domestic market prices to demolish domestic competition. According to David Autor and his colleagues, at a local level, "employment falls at least one-for-one with jobs lost to trade." These jobs that are lost to trade are unskilled manufacturing jobs. As these types of jobs decrease in the United States, skill based jobs increase. As a result, the standard of living has increased, and continues to increase for everyone as technology improves and skill based employment increases. It is a fact that dumping negatively effects domestic producers, sometimes devastates them, as in the case of Mexico. However, this is mostly the case for vulnerable employment such as manufacturing plants. Skill based jobs are much harder, if at all, to saturate by foreign imports. As a country desires to grow and stabilize its economy it must encourage the growth of skill based employment.

### **Conclusion**

In conclusion, as long as NAFTA continues to allow the United States to take advantage of Mexico, as a labor abundant country, the standard of living will show little growth and the desire for migration will remain. The answer to this dilemma is not to build a wall, , or crack down on immigration reform. Instead, it is to renegotiate trade agreements between Mexico and the United States. For example, proponents of the infant-industry trade

would suggest Mexico to negotiate protections on their agriculture industry until they are more capital abundant and less vulnerable to foreign economic changes. It is clear that from the data collected, immigration from Mexico to the U.S. is purely in an attempt to solve economic inequalities. According to Worldstopexports.com, Corn is not among the United States' top 10 exports: The following export product groups represent the highest dollar value in American global shipments during 2016. Also shown is the percentage share each export category represents in terms of overall exports from the United States.

1. Machinery including computers: US\$190.5 billion (13.1% of total exports)
2. Electrical machinery, equipment: \$167.2 billion (11.5%)
3. Aircraft, spacecraft: \$134.6 billion (9.3%)
4. Vehicles : \$124.3 billion (8.5%)
5. Mineral fuels including oil: \$94.7 billion (6.5%)
6. Optical, technical, medical apparatus: \$82.0 billion (5.6%)
7. Plastics, plastic articles: \$58.4 billion (4.0%)
8. Gems, precious metals: \$57.8 billion (4.0%)
9. Pharmaceuticals: \$47.1 billion (3.2%)
10. Organic chemicals: \$33.9 billion (2.3%)

So where is corn in respect to these exports? \$10.3 billion dollars' worth which constitute for 35.9% of total global corn exports. In contrast, Mexico, exports \$477.6 million dollars' worth making up 1.7% of the world's total corn exporters. In total, there are 15 countries that export corn. Argentina is the second leading corn export country but, exports less than the United States at 14.5%. Vegetables account for Mexico's 9<sup>th</sup> top exported good bringing in \$6.7



billion dollars and constitutes 1.8% of total exports. With these numbers alone we can summarize that the United States and Mexico have room for negotiation. Although, currently, Mexico's top three exports are manufacturing goods, Mexico has the land, labor, resources, and citizen consensus to switch from being manufacturing heavy too agricultural heavy. As eluded to above, this will resurrect the thousands of corn producers and bring back millions of agricultural jobs that were once sustainable for Mexican families. In terms of the U.S., the United States can afford this exchange of exporting power considering corn exports make up such a small amount of overall GDP. Currently, as Donald J. Trump as the president of the U.S. there has been much deliberation over NAFTA and the specific effects it has had on farmers in both the U.S. and Mexico.

Another solution for the U.S. and Mexico is hemp production. For centuries hemp has been hailed as a plant good— for making fabric, rope, sails, paper and canvas. Hemp plants require less chemical spraying than cotton, soy, corn and wheat. It can help reduce soil degradation by faring better with less water and in drier climates. Paper made from hemp could help reduce deforestation, and requires fewer chemicals for processing than wood pulp. Additionally, hemp fabric has antibacterial qualities that can help it fight staph infections in hospitals. The U.S. has approximately 1.9 billion acres of unused farm land and 13.7 million acres that harvest corn. Although president Barack Obama signed the Farm Bill, also known as the agricultural act of 2014, which allowed for state departments of agriculture and higher learning institutions to grow hemp it is still federally illegal to grow in the U.S., due to the reputation of the marijuana plant. According to Forbes magazine, it is a win-win scenario for the economy and the environment to implement industrial hemp in the U.S.. So, the first step is legalizing the production of hemp- After all, the first draft of the Declaration of Independence was written on hemp paper. The second, is to utilize already existing farm land for its production. Thus, giving Mexican farmer's back their specialty, corn production.

Current Online articles discussing NAFTA and its effect on corn exports:

Scientific America *It's Time to Rethink America's Corn System*

CNBC *Trump budget proposal has many US farmers reeling*

The Heritage Foundation *Taxpayers, Consumers, and Farmers, Too*

Huffington Post *Mexican Farmers Affected By Agricultural Subsidies From NAFTA, Other International Agreements*

CNN Money *Mexican farmer's daughter: NAFTA destroyed us.*

Action Institute *Corn Subsidies at Root of U.S.-Mexico Immigration Problems*

The New York Times *U.S. Corn Subsidies Said To Damage Mexico*

Forbes *Food Fight: Mexico Targets American Corn in Trump 'Trade War'*

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