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# The Plight of Mexican Poor

## Introduction: The Poor Left Behind

Mexico, a land known for exotic and ritzy tourist spots, is a different world when seen from the eyes of a native instead of a tourist. Efforts over the past several decades have been geared towards making Mexico more profitable, more negotiable in trading, and increasing the advantages of the povertystricken. NAFTA, the North American Trade Agreement, took the country by storm, truly benefiting those already able to take part, but in the process, leaving behind the poor workers and farmers who already faced set-backs. Immigration and alternative livelihoods have ensued, and Mexico is a far different country today than it was two decades ago due to the changes. It is important to look at the cultural background of how Mexico developed, the significant history of the people, and the efforts of numerous groups to help those poor and afflicted.

The Coleman's, a couple from Vermont in the United States, first visited Cuernavaca in central Mexico in 1986. They grieved over their discoveries of hungry little children, twisted limbs, and depressed and hopeless women. Patty suggested that she and her husband, Bill, should begin a non-profit organization that could help even just a few children come out of poverty. Two years later, the couple relocated to Cuernavaca, and began to supervise a project in conjunction with retired diplomat Ike Patch from their Vermont hometown. That project, translated in both English and Spanish, spells VAMOS! Two organizations, one for each country, now have 81 projects designed to empower the poor in Mexico.

Vermont Associates for Mexican Opportunity and Support, Inc., or VAMOS!, had a goal to have 100% of fundraising profits to go to poor in Mexico. Therefore, the Coleman's decided to not take a salary or compensation, and pay for all expenses—printing, stamps, phone calls, transportation—out of pocket. To be truly effective, those involved chose to have the poor themselves be the leaders in the effort, including being the decision makers for the organization. An interesting discovery in their efforts to begin this support system was the realization that the differences between the Mexican middle and upper classes and the Mexican poor were as great as the Mexican poor and Americans.

The odd paradox that surrounds the mystery of Mexico is not the severity of the povertystricken, but the number of billionaires as compared to any other third-world nation. After all, according to information provided by VAMOS!, there are 12 billionaires in Mexico totaling nearly one-third of the entire nation's wealth. Even Brazil and Spain trail with seven billionaires each. The problem, then, is clear. Mexico is a country with a rich history; a smattering of cultures, diversities, values, and attributes, and many, many people. Yet somehow, there is no bridge big enough to span the gulf of those who are beyond poor and those who have managed to find themselves in the middle and upper classes. That vast difference, as well as true help to those who are the poorest of poor, needs to be addressed, aided, and bridged.

## History of Mexico

Corn harvesting began in Mexico in 9000 BC. Several cultures, settlements, and millenniums later, pre-Hispanic civilization flourished as the Maya civilization became what is now southern Mexico and northern Central America. A blend of Indian and Spanish cultures clashed in the 16th century to give form to a new people and country. Within the next several hundred years, Mexican land expanded, population multiplied, and freedom was granted.

The twentieth century was full of changes and establishments; namely, the 1980's brought much change. It was on August 12, 1982, that Mexico suspended its international debt payment after falling oil prices made it impossible to repay foreign loans. Currency, as a result, was devalued, hyperinflation took precedence, and the economy was quite ruined for several years to come. 1985 brought a Mexico City earthquake, causing an estimated \$4 billion in damage. While the government claimed 7,000 as the death toll, aid groups claim over 30,000 fatalities. Inflation in Mexico topped 159 percent by 1987.

The leaders of Mexico, Canada, and the United States signed the North American Free Trade Agreement, or NAFTA, in 1992. Due to this, most trading barriers between the three countries will be erased by 2009, as the goal was stated. 1999 brought the first presidential primary in Mexico, ending a long-held tradition of the sitting president picking the successor.

## The Big Picture

Mexico is the most populous Spanish-speaking country in the world. 43.5% of the population are children under 18. Poverty sometimes forces migration, with or without families, of rural children to urban areas, or from urban areas to the United States. Families become unstable, and a large number of the workers are children. In 1996, 3.5 million children between 12 and 17 were part of the work force. While economic growth over the past decade reflects Mexico as an upper-middle income country, 24 million Mexicans still live in extreme poverty. Therefore, how can it truly be a thriving country? The heritage of the Mexican people is broken down to be approximately 60% *mestizo* (mixed European and Indian descent) and 30% *indigena* (Native Americans or Indians). Roman Catholic religion dominates 90% of the country's religion.

#### Family Life

Aside from the rich history of Mexico, it is important to recognize the vast differences throughout the land. Mexico is truly unknown in some areas, while other areas are tourist hot-spots. There is a diversity of flowers, live animals, a large variety imported good all together in the same marketplace as popular games, clothes, ingredients, and Mexican heritage artifacts. Family life in Mexico is a legacy long respected, and family is the foundation on which life is built. The man is the head of the family, but the woman is often the boss and is revered as a mother should be. Elders are honored and children are taught to respect adults.

## Social and Economic Classes

There are huge differences in the culture and values of Mexico's different classes. The gap between the wealthy and the poor has grown even more in the last decade. The number of very poor are increasing and struggling even more to survive. Mexico, in fact, has a higher percentage of extreme poverty (40%) than India (25%), the Dominican Republic (25%), Brazil (22%), Algeria (23%), or any other country with similar economic development.

Picture, for a moment, typical American pay. The minimum wage here in America is \$5.15 per hour. Some professions make less than that an hour, and work environments obviously vary a great deal as well. However, for an eight-hour workday, the average American worker would make \$41 per day. Mexico's minimum wage is equivalent to US\$4.00 per *day*. It would take over a month to make the equivalent of a typical American day's pay.

## Policy Implementations

The idea of NAFTA was to drive these small-level farmers out of their obscure land into assembly plants across Mexico. The standard of living would rise, and services to rural communities would fall. But, as with every plan on paper, the implementation did not happen as hoped. Factory jobs

did not materialize country-wide, and jobs tended to be near the border. Consumer cost of corn went up, and giant corporations took over the market.

From a broad perspective, NAFTA has been good for Mexico in that the two-way trade between Mexico and the United States grew from \$81 billion in 1993 to \$231 billion in 2002, all the while steadily turning Mexico's trade deficit into a \$37 billion trade surplus, according to David Williams. Exports grew considerably, and manufactured products accounted for nearly 90% of those exports. In fact, despite increased competition, the dollar value of Mexico's total agricultural production in 2001 was 50% higher than in 1993. In addition, both the United States and the Mexican government maintain an open communication strategy to improve the elements of NAFTA.

According to the website of a popular aid, the Peace Corps, educational levels have improved in recent decades in Mexico, and 27% of their budget now goes to fund education. In addition, educational funding is moving from federal to state authority for better accountability. According to statistics, Peace Corps hail NAFTA as a way to improve Mexico and United States relations, even citing that more than half-million Americans live in Mexico. While this organization's efforts are noble, it appears that helping to create a stable, democratic, and economically prosperous Mexico is not only benefiting United States corporations, but only helping a select group of Mexicans.

The rural dwellers haven't been willing to give up their livelihood. It is interesting to note that in within the past few years, Mexico actually produced a record 22 million tons of corn, although it was at record low prices. One figure reports that this is possible due to the \$13 billion sent from immigrants back to their relatives, subsidizing their farming efforts after having migrated elsewhere to support the family. And, when non-farm sources of income dry up, families must grow more maize to feed their family members. Regardless of reasons, the bottom line is that NAFTA was an idea that in theory, strived to benefit the poor farmers and increase their wealth.

Despite the possible advantages of NAFTA, many argue that the program is not only been ineffective in improving living standards and abilities of the poor, but the poor have declined even further since the attempt fell into place. According to Louis Navaer, while on the outside, or the macroeconomic viewpoint of the agreement, looks to be a success, it is overall just as much as a failure. "Millions of Mexican families who were lower middle class or working class have made the leap to middle class security. This can be measured in new houses, new cars... But for an equal number of Mexicans, Nafta has not only passed them by, it has hurt them," Navaer concluded.

He goes on to tell how the states of Oaxaca and Michoacan, two of Mexico's poorest, have lost able-bodied workers due to US farm subsidies ruining Mexican farming. He also argues that Mexico has "antiquated nationalistic energy policies" which does not allow proper oil and gas reserves to benefit the nation. It seems for sure that the rich are richer and the poor are more poor, especially when you see that the poorest 10% of Mexico's population uses only 1.52% of the nations Gross National Product, while the richest 10% use 38.7%. The difference creates an even bigger gap, and something must be done.

The question that must be raised, then, is if the Peace Corps, in relation to NAFTA, is truly a positive influence on the poverty-stricken group that needs the most aid. Peasants—and even more prosperous commercial farmers—have felt betrayed by the government and left out of the plans for development. Extremely poor farmers in Mexico have no pickups or tractors to lose. They wear basic shoes, not fancy boots. And for these farmers, the threat of an imminent farm crisis is a quest to survive for their families even more so than their livelihood.

## The Cost of Liberalization

After all, it seems to be the working people and the poor that have paid the price for trade liberalization. Yes, many middle- and upper-class have benefited, but the poor have been left behind, and even had their livelihood, their stability, further devastated. Prior to the start of NAFTA, it was promised by Mexican President Carlos Salinas de Gortari that Mexicans would gain American jobs lost, halting the northward flow of Mexican job seekers. Instead, NAFTA's first year saw the loss of over a million jobs all across Mexico. Further layoffs were due to the privatization of factories, railroads, airlines, and other large enterprises in efforts to attract investors. The only place to turn for Mexicans, it seems, became immigration—illegal or not—to the United States.

Because family life is so strictly important to Mexicans, it is not culturally acceptable to leave the family and go out on your own in search of income. However, many rural villages are turning into ghost towns as entire families choose to illegally immigrate into the United States, where, although still poverty-stricken, there are opportunities for more profit. So, those who benefit from the NAFTA agreements, the Peace Corps work and the like, are those with land that is profitable who also have access to capital and can take advantage of the market "freedoms."

Sadly, the alternative to dead-end farming the poorest of poor areas is the choice of narcotrafficking and others avenues of similarity. In short, when much more profit can be made—albeit illegally—by producing and selling narcotics and drugs, the allure to stay in a debt-consuming market is minimal. However, it is important to remember that those who stick out the farming—about one fifth of the population, or six million families in this situation—view their land as their chance to have a home and a provide food for at least themselves. The alternatives, as already mentioned, are taking the chance crossing the border, learning to take part in underground or illegal merchandise selling and trading, or roaming the country in search of bits and pieces of work.

Because family culture is so important, it is sad to see a family have to break up to support itself, but it is not uncommon to send one member of the family to America to look for work, thereby sending back nearly all profit to support the remaining members of the family back in the culture. Already stated, it is just shocking that there can be so much wealth accumulated by such a small percentage of people, and have such another large amount of people in such an opposite extreme within the same country. The overlooking of this group of people needs to be stopped.

It is interesting that the political stability of Mexico is thought by some to be dependent largely on the finding of productive places for those millions of peasant families who are no longer supported in their way of being, their way of life. "Sustained economic growth will depend on a healthy agricultural economy and the country's ability to survive income for all its citizens, not just the ones that can compete in the international market."

## Food Security and Malnutrition

As in any conversation regarding poverty, it is important to connect the impoverished with those who have severe malnutrition. It's simple. Without good land, there are not good crops. Without good crops, there is no income. Without income, access to food and goods is extremely obstructed, thereby resulting in the problem of losing not only financial security, but food security. It is important to remember that from the mid-eighties to the mid-nineties, not only did the wealthiest Mexican families increase their wealth substantially, but 90% of Mexican families saw their national income decrease.

Fourteen years ago, fishing was 4.2% of Mexico's agriculture, along with farming taking 57.7%, livestock being 32.7%, and forestry taking 5.4%. As of 1992, from that same data, it showed that not only was the average daily family income in urban areas nearly double of that from rural (\$10.30 as compared to \$5.10), but the food and agricultural trade balance worldwide was a negative 3.1 billion.

Even figures 14 years old show significance; 7.6% of the public sector investment was in agriculture, as compared from 15.0% twelve years prior, in 1980.

Because income security goes hand-in-hand with food security, it is a common viewpoint for those opposed to NAFTA that governments should protect small farmers and staples from the agreements made regarding free trade. Maize is one small-farm commodity that could be considered Mexico's lifeblood. Oaxaca people eat corn tamales, sow maize plots, and teach children to care for the plant. They pray for success of new crops in at planting, and come together for harvest. Their lives, and livelihoods, depend on this staple food. Yet, under the NAFTA implementation, Mexico has an influx of imported corn from north of the border. Genetically modified corn has tampered with native varieties, leaving not only a lack of necessity for the natural maize, but a disruption in whose wake the natives reap the destruction.

Lack of income means more than shortened food supply. It includes basic necessities that can't be afforded. In the case of those 10% poorest of the poor, the income is not sufficient to purchase even 60% of needed basic items. A farm policy is truly needed that will give producers the stability to cover costs while still allowing them to make a profit. It is most important to bridge the gap between those who have been able to excel through class levels to find themselves profitable over the past decade and those poorest of the poor who have fallen through the cracks, so to speak. Those poor are essential in maintaining economic stability in the country over time. While there will always be a spectrum from rich to poor, it seems that those most poverty stricken will be wiped out, leaving an imbalanced economy and an awkward shift away from the family values and rich history that cultivated the Mexico from decades ago.

## Conclusion: A Hard Look

It isn't fair to completely destroy NAFTA, the people and governments involved, the ideas behind the project, or these affected over the past few decades. In effort to improve trade, NAFTA was created to truly benefit certain groups of people and open the door to make importing and exporting more available, acceptable, and possible. Large corporations building factories south of the US/Mexico border have seen a cut in costs and an increase in profits. However, it is clear for both countries that jobs were outsourced and lost at rates that could not have been planned. The American results is a daily fact of a life for many all over the country, but the sheer number of Mexican workers alone is phenomenal. In light of the problems that have come to light, it is important to recognize the failures of the NAFTA plan, and really begin to truly help those poor families who still strive to maintain a life in rural Mexico.

The Mexican culture is rich in its history and background. The context of maize being such a staple crop and also an important historical link is in grave danger of forever changing the face of Mexico. With integrity, it is time to reevaluate the true overall benefit of NAFTA in Mexico and begin to rebuild the poor workers and farmers in the country. The future of Mexico will depend on those representing the country. While many have fled to find a new life or support the ones still striving to stay afloat, it is important to recognize those who are out of the public eye. Food security in Mexico will only be possible if the Mexican poor can be aided, not demolished.

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