BORDERLANDS OF THE RIO GRANDE VALLEY: WHERE TWO WORLDS
BECOME ONE
by
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CHAPTER I
INTRODUCTION

Since the beginning of the 21st century the topic of immigration has been a major issue of political policy and debate. When one thinks of immigration in the United States, the thought of Latinos most readily comes to mind. America shares almost 2,000 miles with Mexico and the majority of Latinos in the United States are Mexican. But what is often lost is that these neighboring areas known as “the border” are important locations in terms of economic policies, political policies, immigration, and that a unique society and culture that has emerged on the border as a result of more than a century and a half of intertwined history.

To understand this border culture requires exploring the deep and complicated histories that have resulted from both the influences of the United States and Mexico. As the Smithsonian Institution for Border and Identities noted, border society is an abstract concept compounded of ideas about the sovereignty by nation-states, the intensification of commerce and social discourse, and strategies of cultural representation of both Mexican and Mexican Americans.

Along the border the history of Mexico and the United States are so inextricably linked, that these nations have been compared to Siamese twins who, before enduring a separation, shared the same heart. That separation was made possible with the 1848 Treaty of Guadalupe Hidalgo and the declaration of the invisible, and in the Rio Grande Valley not so invisible, national borders of the U.S. and Mexico along the Rio Grande River or Rio Bravo.

1 Hilmice Novas, Everything You Need to Know About Latino History: 2008 Edition (New York: Plume, 2007), Ch. 3.
Ancestral roots sprouted through and across the river boundary in both directions and one example of this is the presence that the Hispanic, Mexican, and Mexican-American community has in the United States. Hispanics account for the second largest population and make up more than 85 percent of the border region. The Hispanic population increased by 15.2 million between 2000 and 2010, accounting for over half of the 27.3 million increases in the total population of the United States. This change was 43 percent, or four times that of the nation’s 9.7 percent growth rate. The Mexican origin population also increased by 54 percent and had the largest numeric change, growing from 20.6 million in 2000 to 31.8 million in 2010. Hispanics of Mexican origin are the largest and most visible “Hispanic/Latino” and “immigrant” groups in a wide array of cities, towns, and rural areas through the U.S. Southwest. As of 2008, more people of Mexican birth lived in the United States than the total number of immigrants in any other country in the world. Equally striking, more than half of those individuals were living in the United States without going through the long process for legal residency or the lottery system. A large portion of these of people also had legal family members residing in the U.S.

Historically, more than three-quarters of the Hispanic population lived in the West or South in states like Texas, Nevada, New Mexico, California, and Colorado. Recently

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4 Ibid.
that has begun to change. The Hispanic population grew 57 percent in the Deep South between 2000 and 2010, four times the general 14% population growth for the region.\textsuperscript{8} It is projected that population on border regions will reach as much as 29 million by 2045. In order to understand the striking shift in American demographics and the growing political and economic power in the contemporary United States, it is necessary to examine past generations. The unique border regions make up the planet’s longest national border between a country characterized by economic practices and achievements as “first world” and a country whose economy is sometimes characterized as “third-world” or “developing.”\textsuperscript{9} What lies between the first world and third world is a whole different world belonging to neither. Characterized by the name of "the border", or “la frontera”, these areas contain a central people, language, customs, and identification for both the US and Mexico and the Rio Grande Valley of Texas, from Cameron County to Starr County. Many people there seemingly do not recognize the legal separation of the Rio Grande River. Fostered by decades of relationships both physically and abstractly, border areas are one in their own. Their uniqueness can be attributed to the hybrid society that reflects by the political and economic processes, familial ties, and migration and immigration, both legal and illegal.

Migration and immigration complicate the process of culture formation and the ways in which both nations act towards it. As of 2010, more than 11 million people were in the United States illegally, the majority of whom came from Mexico. Although

immigration has become one of the central political issues in the United States today, it is nothing new to the people who have settled in the borderlands for decades. The cross-border culture makes meeting with their Mexican counterparts on either side of the border, part of daily life. This pattern created a culture and society that only people in border regions know and understand. Although no border area from California to Texas is the exact same, the similarities are remarkable. In order to understand border culture in general, we must look to hybridity and the intertwining of the cultures at hand.

*Research Theories on Hybridity and Identity in Border Areas*

The concept of a border can be subjective. Borders, border cities, and border peoples evolve with what takes place in their areas of living. In border towns, people experience multiple worlds meshed into one; The United States, a first world country, and Mexico, a third world country, brought together through history. Although they are both political democracies, the style and standard of living for the majority in each country diverges greatly. Border towns can bring both worlds in one place. This experience can be referred to as a type of hybridity. Hybridity, a happening of two elements into one, morph the characteristics of each culture into one of its own through the special mingling of religion, language, politics, and economics.

In *Hybrid Cultures: Strategies for Entering and Leading Modernity* by Néstor García Canclini, Canclini attempts to dissect the study of hybrid cultures that constitute modernity and its specific profile in Latin America. Canclini argues that the nation state in Latin America ideologically incorporated popular culture into national culture in order to legitimate its domination in the name of the people at the same time that it attempted, in its policies, to eliminate popular culture in the name of ending superstition. Although
his term of hybridity does not revolve around a cultural base per se, the application of his research involves the culture of modernism and social modernization. He explores how studies of hybridization have altered the manner of speaking about identity, culture, difference, inequality, multiculturalism, and conceptual pairings used to organize conflict in social sciences in the case of tradition/modernity, north/south, and local/global.

Canclini’s theory also states that modern and high cultures correspond to the hegemonic, whereas the traditional and popular cultures correspond to the subaltern.

The term hybridity, as used by Néstor García Canclini never resolves the tension between its conceptual polarities. Hybridity by Canclini can be defined as:

On the one hand, hybridity can imply a space betwixt and between two zones of purity in a manner that follows biological usage that distinguishes two discrete species and the hybrid pseudo species that results from their combination. On the other hand, hybridity can be understood as the ongoing condition of all human cultures, which contain no zones of purity because they undergo continuous process of transculturation (two way borrowing and lending between cultures).\(^{10}\)

According to Canclini, Latin American countries are currently the result of the sedimentation, juxta position, and interweaving of indigenous traditions (above all in the Mesoamerican and Andean areas), of Catholic colonial hispanism and of modern political, educational, and communicational actions. Canclini also acknowledges that in the final decade of the twentieth century the analysis of hybridization becomes most extensive in the treatment of a broad range of cultural processes. It is used to describe of interethnic contact and decolonization (Bhabha 1994), globalization processes (Nederveen Pieterse 1996; Hannerz 1996), travel and border crossing (Clifford 1997),

\(^{10}\) Canclini, *Hybrid Cultures*, XV.
and artistic, literary, and mass communicational fusions (De la Campa 1994; Hall 1992; Martin Barbero 1987; Papastergiadis 1997; Werbner 1997).  

Canclini claims that hybridization is not a synonym for fusion without contradiction but rather can be helpful in accounting for particular forms of conflict generated in recent cross-cultural contract and in the context of the decline of national modernization projects in Latin America. Canclini also indicates that hybridization occurs under specific social and historical conditions, amid systems of production and consumption that at times operate coercively, as can be appreciated in the lives of many migrants. Throughout his research he aims at using an artistic, anthropological, and folkloric approach, and the terms of hybridity can be applied to the identities of border towns.

Pablo Vila’s research in Crossing Borders, Reinforcing Borders and Border Identifications, attempts to show how regional, ethnic, and national logics behind interpellations, metaphors, and narratives are intricately intertwined with other possible identity anchors and why in some particular cases regional, ethnic, and national categories almost completely disappear. Vila concentrates on how religion, gender, and class subject positions are made meaningful in the border context when understood, as many people in the area do, through the particular lenses of region, ethnicity, and nation. He claims that his work and approach for the border is distinct in the respect that there is a more complex process of identity construction in the area, above all where authors tend to homogenize the border, as if there were only one border identity, border culture, or process of hybridization. He theoretically recognizes identification in an ethnographically way.

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11 Canclini, Hybrid Cultures, XXIV.
In essence, the border is not really one, but multiple borders, in the sense that not only do different people construct distinct borders and disparate identities around those borders, but also subject positions (and the different narratives within those subject positions) that people decide to identify with. Pablo Vila believes that if we leave behind “mainstream” border studies, the border is not really one, but multiple, in the sense that not only do different people construct distinct border and disparate identities around those borders, but those different borders acquire a distinct weight in relation to the different subject positions and the different narratives within those subject positions that people decide to identify with. Vila stresses the construction of the border, the different border identities of what a construction entails, and how it is mediated by the different regional, ethnic, national, class, gender, age, and/or religious identities. People also construct in the border setting-identities that, of course are themselves constructed in particular ways for the presence of the border itself. For example, Canclini argues that *mexicanidad* or hybridity was not the main organizer of social practices on the border and that border actors advance their own narratives about the complex identities in their everyday practices, they believe they have. Although Pablo Vila provides interesting insight, we should consider the driving forces behind the emergence of the region in terms of ethnicities, nation, and gender on border landscapes.

Daniel D. Arreola and James R. Curtis state that amid varied perceptions, border cities remain hybrid cultural landscapes. In their research, they examine eighteen settlements along the border from Matamoros to Tijuana in order to convey the complexity and cultural personality in the areas of the U.S. Mexican border towns from

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the perspective of the Mexican side. They dissect the Mexican Border-City imperative, the founding and growth of border cities, urban structure, tourist and pariah landscapes, commercial landscapers, residential townscapes, landscapers of industry and transit, and the future of border cities.

Border cities display a heritage that is Spanish and Mexican, while incorporating and testifying to North American landscapes. At one extreme, the intensity of cultural borrowing and mixing that occurs in the border zone has led some to declare that a third country, twenty miles wide, ten on each side of the border, is now emerging. In this so-called symbiotic region, both sides are said to be less different from each other than they are from their respective countries. Arreolla and Curtis state that in the minds of many Mexicans, certainly in the minds of los fronterizos as the border Mexicans are called, la frontera is often equated with prosperity and economic opportunity, which is not always the case. Arreola and Curtis views on identity are processed through the structure of the border cities. These areas offer quite a different vision than the typical American image of the region. This same image is not necessarily projected through the American inhabitants of the border. These border landscapers are the skeletal anatomy of the Mexican border cities. They include a vibrant commercial core, el centro, and the newly carved commercial spines that emanate from the center; a varied mix of residential neighborhoods, from elite district to middle- and lower-income colonias to the newly founded squatter settlements on the urban fringe in “disamenity zones”; and finally the parts that imply increasing numbers of border city residents. Unfortunately those parts-
the most vital parts of the border communities—remain largely terra incognita, or undocumented, to the average North American. 13

Arreola and Curtis also describe the border as a highly valued resource for several border actors including undocumented workers who search for their chance at the golden ticket across the Rio Grande River. Arreola and Curtis describe the border residents, like those in El Paso, who take advantage of the price differential; for example Fronterizo/as who use the border to ‘upgrade’ their social standing in Mexico because they live near a first world country, those who take advantage of the very affordable leisure industry in Mexico, American retirees who buy Mexican medicines because they cost three or four times less than the same brand in the United States, and poor Anglos, regardless of age, who continuously use the medical and dental system in Mexico because it is much cheaper than the American one, and so on.

Arreola and Curtis state that because cultural diffusion is a process that can work both ways, recent developments along the Mexican border are bringing different conditions, including capital as well as labor, to some of the American border communities. And as Arreola and Curtis stated,

As the Mexican border cities continue to outgrow their American border neighbors, we may be witness to an even greater movement of people, ideas, and material culture south to north beyond the labor migrations of the past. Cultural ways may prove equally powerful forces as they push across and stimulate changes in land and life on the American side of the borderline, adding to an already rich Mexican-Chicano heritage in the American Southwest. 14

Hybridity and cultural identity, whether is presented in one place or many places, happens through a process. Although they argue that these processes are much more complex than realized, the key to understanding hybridity is understanding where it has

14 Arreola and Curtis, Mexican Border Cities, 221.
stemmed from. Looking at microenvironments can be a start to understand why border towns have become clusters of hybridity, and the process of it.

Thesis Question and Chapter Layout

A micro example of two nations shaping a region can be seen in the Rio Grande Valley located on the southernmost tip of Texas. Named after the river that separates it from its sister land and once mother land, the area experienced a complicated history. The Rio Grande Valley is comprised of 4 counties and operates within a few major sister cities in Mexico. From the first city of Fort Brown in the 1850s to the span of Cameron, Hidalgo, Starr and Willacy Counties, the area has been shaped by U.S., Mexican, international, and regional history. These areas are not completely homogenous, but are similar in nature and can be discussed accordingly. Although hybridity and identity can be attributed as ways of understanding the process of culture, identity is a part of the way one internalizes the border experience. Canclini, Arreola and Curtis, and Vila pose different ideas when considering what hybridity and identity are, where they come from, and what they do. The same can be asked when considering political and economic responses as a reason to why hybridity and Mexican and Mexican American culture evolved in the 20th and 21st century along the Rio Grande Valley and the entire U.S.-Mexico border. Although they pin point particular reasons behind hybridity, I chose to focus on the major dynamics behind migration movement through policy and the effects that resulted of.

Therefore, the central question of this study is:

How has the relationship between the United States and Mexico fostered hybrid environments on the U.S-Mexico border and what has resulted from it in terms of recent
history, economic interaction, political policy, Mexican and Mexican-American social and economic demographics, and how have concerns about national security and free trade reshaped social conditions in the lower Rio Grande Valley and, more specifically, Cameron County?

In order to provide both a general overview as well as argument, I will use data for the Valley and at other times I will be specifically looking at Cameron County. While examining this question, I will also pay special attention to how both Mexican and U.S. government policies have impacted migration, immigration, poverty, and education.

This study is comprised of the following chapters: “Chapter II, Rio Grande Valley History with a Cameron County Perspective,” examines the history of borderlands, specifically Cameron County and Matamoros, Mexico. It begins with the colonization of the area since Spanish rule in the 17th century and the impacts that defined the Texas War of Independence, The Mexican American War, and the American Civil War it terms of population, agriculture, urbanization, and the creation of the Rio Grande Valley since then.

The Mexican border cities of the future will be more difficult to comprehend without an appreciation of their twentieth-century anatomy and personality. The same can be said to their counter parts of places like the Rio Grande Valley and Cameron County. Therefore Chapter III, “Economic and Political Development between Mexico and the United States from WWII to the 1990’s,” attempts to cover the major push and pull forces in economics and political policies that affected the Mexican and Mexican-American population from WWII and the Bracero Program to the Border Industrialization Program, the precursor to the Maquiladora program of today. The

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Chapter IV, “Introduction to the North American Free Trade Agreement in U.S. and Mexican Policy,” takes a deeper look into this specific case of economic policy as a way to show both positive and negative effects nationally and locally. Through the acceleration of cross-border business and population growth, the beginning of chapter IV overviews what NAFTA was intended to do, what it actually did in terms of exports and imports, gross domestic product, and overall wellbeing for immigrant social groups in each county and in the Rio Grande Valley. The second part of chapter IV looks at its effect on a micro level by examining NAFTA in the Rio Grande Valley in terms of the sector boom, environment, Valley job creation and loss, immigration, and international trade.

Chapter V, “The Lower Rio Grande Valley Where 1st World Meets 3rd World,” examines the effects on Cameron County in terms of population, education, border economics, poverty, and education since the 1990’s and NAFTA. This chapter specifically outlines the changes through census data from U.S. Census Bureau, Rio Grande Valley LEAD Reports, and The Texas Education Agency.

Chapter VI, “Political Implications on the Rio Grande Valley Post 9/11,” demonstrates the militarization of the border and national security after 9/11 measures.
Particular legislative acts such as the USA PATRIOT ACT, Smart Border Accords, Secure Fence Act of 2006, Southwest Border Security Act of 2010, and the Merida Initiative are covered to show how national security interests explicitly apply to border regions like the Rio Grande Valley.

Chapter VII, the “Conclusion,” brings together the information from all chapters to provide the reader with a summary analysis of how and why the unique relationship between Mexico and the U.S. from WWII to 2010 has fostered a historic hybrid historic, economic, political, and socio environment in the Rio Grande Valley.
CHAPTER II

RIO GRANDE BORDERLAND HISTORY: CAMERON COUNTY

The Rio Grande Valley (RGV) informally called The Valley or El Valle in Spanish, lies along the northern bank of the Rio Grande River and is located at the south most tip of Texas across from the Mexican state of Tamaulipas. Once advertised as the Magical Valley of the Rio Grande, the area as a cultural climax is a complex region produced by the intercultural exchange of the U.S. and Mexico.\textsuperscript{15} The area is historically significant, having national and international implications for both the United States and Mexico including culture, economics, and domestic and national policy.

What was to become the United States-Mexico boundary, set by the Treaty of Guadalupe Hidalgo, originated in the 17\textsuperscript{th} century when European competition for control and conquest of North America began. New Spain sought to increase its sparse northeastern population to defend its borderlands, territorial claims, protect its colonist from Indian raids, and settlement by other European powers. Therefore in 1754, José de Escandón, a Spanish colonizer of South Texas and Nuevo Santander, which extended from the Pánuco River in Mexico to the Guadalupe River in Texas, founded Camargo, the town opposite of present day Rio Grande City, the first permanent settlement along the Lower Rio Grande. By 1755 five other settlements known as Reynosa, Revilla and Dolores, Mier, and Laredo existed and eventually families from the existing settlements of Camargo and Reynosa settled in the area that later became Matamoros. Unlike traditional Spanish Missions, these areas were created as civil settlements or communities that were in the process of becoming towns. In these settlements, land grants, or

\textsuperscript{15} “San Antonio Goes to the Magic Valley”, The San Antonio Express, January 20, 1924.

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porciones, were awarded to "homesteading" families that encouraged ranching and farming in the hinterlands of Spain's empire. These families and their land grants were laying out the future foundation for the city of Matamoros.

Matamoros became the first occupied area in the Rio Grande Valley region, tracing its origins to the founding of the Village of Congregación de los Esteros Hermosos in the 17th century. In 1765, the community of San Juan de Esteros (present day Matamoros) was established across the Rio Grande and became Nuestra Senora de Refugio de Esteros. El Refugio or Villa de Refugio, also known as Matamoros, was established in 1774, situated near the mouth of the Rio Grande about twenty miles from the Gulf of Mexico and opposite present day Brownsville, TX.

In the 1780’s, Spanish authorities granted fifty nine leagues of land on the northern bank of the river that included most of Brownsville to the King of Spain’s emissary, José Salvador de la Garza, for settlement. Don Rafael Garcia Cabazos and Doña Maria Josefa Cabazos petitioned José Salvador de la Garza for the “El Agostadero del Espiritu Santo”, located in present day Brownsville and Los Fresnos, originally granted to Garza by the old Spanish government in 1781. Mostly squatters, herders, and farmers occupied the river land, until colonists and Spanish subjects, such as Don Rafael Garcia Cabazos and Doña Maria Josefa Cabazos families, moved into the area.

17 History of Twin Border cities Dates Back to 1526, Brownsville Herald, 1954, Cameron County Box, Lower Rio Grande Valley and Special Collections, University of Texas Pan American, Edinburg, TX.
Figure 1. Cameron County Land Porciones. Reprinted with permission from UTPA Lower RGV Digital Maps.
Matamoros was an ideal place for trade and a mercantile system but one of the issues that Matamoros and colonies in the northern border states faced was the distance from the heart of New Spain. The economic policies of New Spain’s government created the first of many quarrels between the colonial state and the communities along the Rio Grande. The mercantile system restricted trade with foreign countries to protect manufactured goods produced within the Spanish empire. The *villas del norte*, or villages to the north, along with other borderland communities, became an internal colony of merchants farther south. This trade requirement made imports expensive and limited the local economy’s development. Also limiting trade were the lack of currency, poor communications, Indian raids, and the insecurity of travel through the region. Because of taxes and high costs associated with trading, people in the area were pushed into “illegal” trafficking. By the 1770s, smuggling became a way of life for residents who built homes in trade hubs, later known as Bagdad and Punta Isabel, along the Gulf Coast and the river’s mouth. Matamoros became known in the area as a trading and smuggling port for South Texas and Northeast Mexico. The Port of Bagdad, which was a part of Matamoros, became an illegal trading route contributed to Matamoros’ rapid growth.

In 1810, the fights for independence from Spain affected border regions like Matamoros. Colonists were financially affected by the insurgency when the state intensified attempts to collect money and supplies to support its soldiers against the rebels. Because of Spain’s rising debt from its war efforts in Europe, more was requested from border towns such as 10 percent tax on houses, forced loans to support the army, supplies, money, volunteers, housing, and food. The colonists who ventured in the

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area from along the border no longer felt like privileged subjects of the crown, and
instead felt overburdened by its monetary and material demands. Although these border
areas were not directly involved in the fight for independence, the price of war was an
unwanted burdened they had to fulfill. Eventually, opposition from rebels, colonists, and
Indian neighbors proved too much for the Spanish Government and Mexico gained its
independence in 1821. The Republic of Mexico replaced Spain and Spanish subjects
become Mexican citizens. Nuevo Santander, named after a region in Spain, became the
Mexican state of Tamaulipas. 19 Political newspapers began appearing in the 1820’s,
Refugio was renamed Matamoros for Mariano Matamoros--Martyr of Mexico’s
Independence, the United States established its consular post in Matamoros 1824, and
public schools were established in 1828. Unfortunately, a lack of funds hindered the
development of the area and large portions of the population remained illiterate.

Matamoros grew from 2,330 residents in 1820 to 7,000 by 1829 and 16,372 by
1837.20 This growth accompanied the changes in economics that increasingly tied the
villas del norte, to the United States. The most direct impact was the long awaited
establishment of a port of Matamoros in 1823. The legalization of this previously
underground trade greatly expanded commercial ties with the United States and the
Caribbean. 21 The port’s opening not only reduced the region’s social and cultural
isolation but also transformed its economy: trade blossomed and livestock produced
deceded in relative financial value. The burgeoning economy attracted new comers-

doctors, lawyers, teachers, and traveling entertainment groups-who in turn, altered the social and cultural life and invigorated the community.22

In 1835, European Americans, who had begun moving to Texas en masse, soon led a rebellion against the Mexican government. Anglo American occupants who wanted to help the U.S. expand by Manifest Destiny, an American ideology towards continental expansion, attempted to take the land. Being economically tied to the U.S. and “Texas”, the villas del norte emerged from the Texas Revolution politically and emotionally distant from Mexico’s national government.23 In 1836, The Texas War of Independence began and resulted in the establishment of the Republic of Texas. Once independent, Texas later became a part of the United States through annexation in 1845. The first battle of the Mexican-American War began on May 8, 1846, at Palo Alto, located north of present day Brownsville. Over the course of Spanish, Texan, and American rule, the Mexican and U.S. government settled the location of today’s border ended the Mexican-American War with the signing of the Guadalupe Hidalgo Treaty and Gadson Purchase in 1848 and 1853 respectively. The Treaty became a defining moment in history as it divided and transformed the border regions in ways that the area never experienced.

22 Valerio-Jimenez, River of Hope, 114.
23 Valerio-Jiménez, River of Hope, 123.
Figure 2. Frontera de Mexico con Estados Unidos 1848. Reprinted with permission from UTPA Lower RGV Digital Maps.
Despite the presence of colonial settlements, there was no border and therefore, no true border towns—before 1848. In 1852, an estimated 80,000 Mexicans residing north of the new boundary moved southward to stay in Mexico, where a majority of these people ended up in present day Tamaulipas and Chihuahua, Mexico.\textsuperscript{24} Those who chose to stay in what was now the new Texas territory were granted “American citizenship and property and religious rights” through the Treaty of Guadalupe Hidalgo. Ultimately, nationalism and land ownership triumphed over economic interests and many Matamoros families remained faithful to the Mexican Government.

Established in 1846 as a base for Zachary Taylor’s invasion, Fort Brown was the first known American settlement in the area. In 1848, the area transformed into Brownsville with the coming of new settlers. Meanwhile, Spanish land grant families began selling their lands legally and illegally to Americans seeking new opportunities in the border region. Samuel Belden and Charles Stillman, railroad developer and businessmen, purchased part of the land grant from José Narciso Cavazos, the descendants of Jose Salvador De la Garza’s first wife. It turned out that much of the land was purchased illegally through tenants who ranched and farmed the land rather than the proper land owners. Nonetheless, Belden & Stillman began to create a blueprint for a town they would call Brownsville. Within a short time Fort Brown’s population—swollen by refugees from Matamoros and forty-niners, those seeking the gold fields of California, increased to more than 1,000 in 1849. Charles Stillman’s network of business associates, commercial ventures, and exclusive trade licenses allowed him to capitalize on the

\textsuperscript{24} Arreola and Curtis, \textit{Mexican Border Cities}, 13.
turmoil during the Mexican war through cotton brokerage. Following the war he founded
the Brownsville Town Company.\textsuperscript{25}

Brownsville was the first and oldest Cameron County city when it was made
county seat in January 1849. It became a leading trade center for the northern part of
Mexico in the 1850’s and once the civil war began, Brownsville became a prominent area
as it allowed for southern cotton trade with Europe, trade that the Confederacy
desperately needed. Merchants on both sides of the border quickly recognized the
advantage of shipping goods to Brownsville and began smuggling across the Rio Grande
to avoid paying high Mexican duties.\textsuperscript{26}

Brownsville & Matamoros’ Port of Bagdad played a regionally significant role as
a crossroads and transportation hub, with major rail and highway linkages to the
country’s interior.\textsuperscript{27} Because of its advantageous location, it became important to miners
en route to California and to the Confederacy in the U.S. Civil War. This port was the
only secure outlet for cotton and entry way for imported war supplies for the Confederate
Army. In 1863, Union soldiers occupied Brownsville to stop the transporting of
confederate cotton and other goods into Mexico earning the name “back door to the
confederacy.”\textsuperscript{28} The Civil War lasted until 1865, with the last battle fought at Palmito
Ranch, located east of Brownsville, one month after Confederate soldiers surrendered at
Appottomax, Virginia.\textsuperscript{29}

\textsuperscript{25} Brownsville Historic Museum, “Establishment of Brownsville,” Brownsville, TX.
\textsuperscript{26} Alice A. Garza and Christopher Long, “Brownsville, TX,” Texas State Historical Association, last modified
\textsuperscript{27} Arreola and Curtis, \textit{Mexican Border Cities}, 71.
\textsuperscript{28} H. Chilton Cook, Jr., “The Heyday of Brownsville and Matamoros,” Cameron County Box, Lower Rio
Grande Valley and Special Collections, University of Texas Pan American, Edinburg, TX.
\textsuperscript{29} \textit{Los Caminos Del Rio} (Texas Department of Transportation & Texas Historical Commission, n.d.).
Because of the border town’s strategic location, the areas by the Rio Grande River grew economically and numerically. As urbanization, economic investments, and migration occurred, the creation of the Rio Grande Valley’s four counties of Cameron County in 1848, Starr County in 1848, Hidalgo County in 1852, and Willacy County in 1911 appeared.\(^{30}\)

In 1850, a majority of people in the area, approximately 86.1%, were Mexican Texans, but despite that, Anglos became the dominant politicians and businessmen in the area. Mexican or Tejano elites reached social accommodations with Americanos in attempt to find ways to keep their lands. During this time, many social ties through interethnic marriages occurred, forging the Mexican cultural traditions and the American business society. Overall though, Tejanos lost political and economic power with the arrival of American newcomers with the ability to only secure minor political posts. Cameron County subsequently was home to more Americans than Starr and Webb counties.

After the Civil War, U.S. capitalists began to invest in Mexican border states and built railroads along important commercial routes that connected Northern Mexico and the United States. In the 1860’s, the Rio Grande Railroad made its way to the area and in the 1870’s the Rio Grande Railroad was built over shallow lagoons from Brownville to Point Isabel, present day Port Isabel. The spectacular development was attributable to the introduction of irrigation on a large scale in 1898.\(^{31}\) In 1904 the St. Louis, Brownsville, 

\(^{30}\) The name of these counties followed the pattern of honoring U.S. soldier and politicians and acting as constant reminder as war victors.

and Mexico Railroad connected Brownsville with the rest of the country’s railroad network and linked the U.S. to Mexico.

The postwar period reconfigured the region’s physical, political, and social landscape and transformed it into an agricultural center with the large-scale migration of Midwestern farmers; this was matched by a growing surge of Mexican immigration that led to a dramatic population growth in Valley counties. The loss of slaves from the Civil War and increased migration of Mexican laborers to American ranchers in border regions further exacerbated population numbers. The quantity and variety of workers emigrating from Mexico increased dramatically with the arrival of the railroad in the late 1870’s. From the late 1860’s to the late 1890’s, the shift of businesses and population growth created a shift in demographics, ruling power, and identity in the Rio Grande Valley.

While the border was important location to the United States Army, it also held a place for insurgents and those involved in the Mexican Revolution of 1910. By 1905, many Mexican citizens moved across the border because of the economic hardship in Mexico that was due in part to the fall in world prices for silver—which was Mexico’s currency base. The instability wrought by the revolution in Mexico drove hundreds of thousands, both rich and poor, into the United States, with many of them settling in border towns and the Southwest. The majority of The Rio Grande Valley, however remained was underdeveloped, except for Brownsville and its next door neighbor across the border, Matamoros. During and after the Mexican Revolution, sentiments toward catholic involvement in the state worsened.

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33 History of Twin Border cities Dates Back to 1526, *Brownsville Herald* 1954, Cameron County Box, Lower Rio Grande Valley and Special Collections, University of Texas Pan American, Edinburg, TX.
From 1910 to 1926, resistance and clashes between the Mexican government and the Catholic Church led to the Cristero Rebellion of 1926 - 1929. The Calles Administration in Mexico sought to separate the federal government from Rome and provide anti-clerical provisions to the constitution. Uprisings in places from west central Mexico sent over 2500 religious refugees, emigrants, and exiles into the United States, especially in border towns and heavily Mexican populated locations. In the federal government’s pursuit to cleansing the constitution of Catholic affiliation, prominent production areas in Jalisco, Tabasco, Vera Cruz, and Zacatecas were bombed and destroyed, further increasing economic refugees into the United States. Although the Cristero rebellion was finally settled, many war torn areas provided for the increased migration across the border. The Rio Grande Valley and its predominately Hispanic population served as an ideal location to help those running from persecution. For example, 16 sisters from Matamoros temporarily located to Toluca Ranch near present day McAllen in order to escape prosecution. Many others found small chapels to coordinate with as the idea of established churches in the Rio Grande Valley was still in infancy.

Urbanization along the border increased in the early twentieth century with new industries such as tourism, oil production, and urban manufacturing. Growth occurred in traditional sectors of agriculture, ranching, and mining. Economic opportunities also attracted Anglos and European immigrants who become the region’s newcomers. People from New York, New Orleans, Lousiana, soldiers and civilians from the Mexican American War, England, France, German, Iceland, Spain, and Portugal made their way
into the area. These new comers were merchants, professionals, or craftsmen while a small number worked as laborers.\(^{34}\)

Mid-western farmers came to Harlingen and San Benito to take advantage of the fertile land and excellent vegetable growing climate. Many Mexicans also found their places in border communities usually working in labor type conditions. Prohibition periods, along with Mexican middle class movement to the border, also increased migration flow between the two countries where both Americans and Mexicans were crossing daily. Attracted by the lucrative trade with smugglers, American merchants acquired large land tracts for their own use and to sell to future new comers. In addition to Charles Stillman and Samuel Belden, who were established Matamoros businessmen, Mifflin Kennedy and Richard King arrived to pursue trade and land opportunities as steam boat entrepreneurs.

Figure 3. The Rio Grande Valley

\(^{34}\) Valerio-Jimenez, *River of Hope*, 140.
As cities were born in the Rio Grande Valley, growth continued in the Tamaulipas state of Mexico. The establishment of American settlements and forts began during the war and increased rapidly after the conflict ended. Within a few years, each Mexican villa was paired with an American town across the river. Together the towns and forts transformed the geography on the river’s left bank into a series of communities, which mirrored the older villas del norte. The businessmen’s and developer’s success for business depended heavily upon business connections and geographic placement. As a result, these cities were intertwined and become sister cities within the decades that followed their developments. Matamoros and Reynosa, Tamaulipas found their respective places and societies across from Brownsville and McAllen, TX.

Eventually smaller towns like Los Fresnos, La Feria, Port Isabel, and South Padre Island came about as the Rio Grande Valley experienced major changes in population. While Mexicans remained the majority, the main beneficiaries of the U.S. government’s assistance were the American newcomers. They controlled the postwar political arrangement because of their position as privileged U.S. citizens. Such power also gave them control over the town’s increasingly transnational economies through control of the political and judicial systems. With the creation of Cameron County through Brownsville came the creation of the larger metropolitan Brownsville-Harlingen-San Benito area. The main impetus for growth of new towns became the economic opportunity created by the international boundary and illicit contraband trade. The acceptance of smuggling was not surprising since people living along international border often regarded contraband as

35 Valerio-Jimenez, River of Hope, 142.
36 Valerio-Jimenez, River of Hope, 144.
a natural part of their society. The newly created American border towns and their
merchants greatly facilitated illicit commerce.

Subsequently, commerce and trade helped Brownsville replace Matamoros as the
lower Rio Grande region’s commercial center and contributed to the growth in the area.
San Benito, twenty miles north of Brownsville, was erected in 1907 with the sale of a
land grant obtained from Stephen Powers from the original Eugenio Fernández
Concepción de Carricitos Spanish land grant. A partnership between Sam Robertson,
James Landrum, and Benjamin Hicks created the San Benito Land and Water Company
and the company helped begin the sales of land. The town was originally named Bessie,
after the daughter of Benjamin Franklin Yoakum, who was the financial banker of the St.
Louis, Brownsville, and Mexico Railway. After changing the name to San Benito, the
name concocted by Rafael Moreno, an employee of Hicks, it became a major shipper of
citrus and vegetables from the Lower Rio Grande Valley. In 1912, The San Benito and
Rio Grande Valley Railway and St. Louis, Brownsville, and Mexico railroad were
chartered that June with the purpose of constructing and operating rail line in Cameron
and Hidalgo Counties. \(^{37}\) The railway became conjoined with the Missouri Pacific lines in
1925. From the 1920’s until the 1960’s, San Benito shifted into a warehouse area for the
agricultural industry and then to an industrial market. Its last citrus packing shed closed
in 1983 after a severe freeze that December. The San Benito and Rio Grande Valley
railways were abandoned with only service operating between San Benito and Rio
Hondo, as the center of economic activity and population growth shifted to a place called
Harlingen.

In 1904, Lon C. Hill, pioneer and businessman from Beeville, founded Harlingen on the north bank of Arroyo Colorado, just 26 miles north of Brownsville. While on a business trip to the area, Hill convinced his friend B.F. Yoakum, of the Missouri Pacific Railroad system to build a railroad from Corpus Christi to Brownsville. With business, Harlingen was erected and the town was known as the “Ski-Shooter Junction”. The pseudonym was given to the town due to the fact that its first Ango-Saxon population consisted most of Texas Rangers, Border Patrolmen, and Lon C. Hill.  

Lon C. Hill even built a barn area to act as the Texas Ranger Headquarters in the area. In 1910, Harlingen officially became a city when the first oath of office was administered and the first meeting of the “Commission of Harlingen” was held. Like San Benito, Harlingen acted as a major agricultural base in the area for vegetables and cotton. During WWII, military installations and Harlingen Air Force base were erected and operated until the 1960’s. The area now acts as a place for wholesale and retail trade, light and medium manufacturing, and an array of service industries.

Smaller cities like Los Fresnos and La Feria were not established until about 1915 and 1933 respectively. Los Fresnos was originally occupied by Mexicans who traveled to the area to settle or work for ranchers. La Feria was maintained as family land from the Rosa Maria Hinojosa de Balli Spanish land grant. Port Isabel was occupied around the same time as Brownsville, around the 1830’s, as it became the island connection to the mainland. Port Isabel, the neighboring area east of Brownsville, was not fully incorporated until 1928. South Padre Island, the corresponding city to Port Isabel, was also explored in the 16th century but did not become a town until as late as 1950.

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Conclusion

The Rio Grande Valley as we know it comes from a complicated history that began in the 16th century. Spanish rule in the area produced *porciones* along the Rio Grande River, where Matamoros was eventually erected. Matamoros was especially important in the Mexican Revolution against Spain in 1810 but as Americans began to move into the area in the early 1830’s, Manifest Destiny drove them to declare the Texas War of Independence from Mexico. In 1845, Texas became a part of the United States of America and in 1846, the first American settlement, Fort Brown (present day Brownsville, was built near the Rio Grande River for the Mexican-American War. The sale of land from Spanish families to white American settlers gave way to the start of the Rio Grande Valley.

In 1948 the Treaty of Guadalupe and the Gadson Purchase of 1853 established the border between the Mexico and the United States that we know today. Between 1865 and 1880, Texas underwent significant economic transformation due to market forces, which increased the specialization and commercialization of agriculture and stock raising.\(^{40}\) With the coming of the American Civil War, the railroad, irrigation and commerce, agriculture, and new comers, migration to the Rio Grande Valley grew dramatically. As it grew, a distinct border culture evolved in the Lower Rio Grande areas with shared traditions ranging from food and music to unique mixture of the English and Spanish languages and shared economic practices.\(^{41}\)

Changes in population through migration intensified the way the cultures interacted. As people migrated to Northern Mexico and South Texas, population rates

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\(^{40}\) Valerio-Jimenez, *River of Hope*, 186.

\(^{41}\) *Los Caminos Del Rio* (Texas Department of Transportation & Texas Historical Commission, n.d.).
increased and fed into the cultural hybridity, or combination of culture, of border identities. With descendants from Spanish subjects, Indians, Mexicans, Americans, and Europeans, the mixture created a unique border culture. With people come culture, identity, ideals, and livelihoods that get integrated into border society but at some point some lose sight of what the U.S. Mexico border really is. The history and fluid movements of people creates questions of where is the border and when is the border?42

As border cities acted as staging areas for further migration their populations and demographics significantly transformed. Eventually in the 1930’s and 1940’s homes, industries, farms, town centers, and processing plants were constructed to fit the growing population. Between 1920 and 1940 Matamoros nearly doubled its population while Reynosa more than doubled in size.43 Since then urban and farm areas alike accelerated in the last few decades due to economic success. These border regions became some of the fastest growing areas in Texas and Mexico. By the mid-1960’s the border region assumed a new character, having evolved from an economically marginal and underdeveloped area a few decades before, into one of the most rapidly growing zones of North America. The combined population of the four lower Rio Grande Valley counties grew to 320,484 by the 1950’s, then remained relatively stable until about the 1970’s and 1980’s, when dramatic growth eventually led to over 537,000.44

Important now as it was then, trade and the movement of people are the two dominant push and pull factors that have created border culture creating “Tejanos”, “Coyotes”, “Braceros”, the “Spanglish” language, “Charro Days” festivities, and Tex-

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Mex food. Migration continued to be the main source of growth on the border. Over the last twenty years the Rio Grande Valley grew, diversified, and physically expanded. Today, Matamoros is now known as the largest city in Tamaulipas, with over 300,000 people and Cameron County has 415,557, with the Rio Grande Valley at well over 1.3 million people. The combination and growth of population to the Rio Grande Valley and border was the first step in fostering the relationship that Mexico built with the United States. This history was the first piece to a very complicated puzzle that is still incomplete today.
CHAPTER III

ECONOMIC AND POLITICAL DEVELOPMENT BETWEEN THE UNITED STATES AND MEXICO FROM WWII TO 1990’s

The Bracero Program and Operation Wetback

An increased migratory flow in the first decades of the twentieth century prompted the beginning of significant migration, immigration, and emigration legislation that established enduring patterns in the binational relationship between Mexico and the United States. As World War II loomed on the horizon, the United States sought the support of its allies, including Mexico. It had been only twenty years since the Mexican Revolution ended, in which American owned properties were confiscated in Mexico, and only a few years since the Mexican oil expropriation in 1938, and the U.S.’ relationship with its neighbor to the south was still being decided. Because of U.S agribusiness and the fear of labor shortage due to the war, the U.S. government sought the help of Mexico in fulfilling its labor needs. The labor agreement, known as the Bracero Program, emerged to meet the extreme circumstances of WWII but then outlasted the war by decades. The Bracero Program, literally meaning strong armed laborer, provided the United States with the guaranteed support of an ally that would secure Mexico’s loyalty, a labor supply that provided the United States with much needed man power, and it lessened the pressure of unemployment in Mexico.

Despite Mexican public ambivalence and some outright hostility, Mexico agreed to be of assistance to the allied struggle and signed a strategic military agreement in return for American pledges of economic assistance.45 The bracero program allowed

millions of Mexican men to come to the United States to work on temporary, primarily agricultural, contracts.\textsuperscript{46} The Bracero agreement was initially conceived by Mexico as part of a package that included wartime cooperation in other areas in exchange for U.S. concession on Mexico’s foreign debt and the settlement of American company’s claims arising from recently expropriated oil.\textsuperscript{47} Although the program began with skepticism, this mutual relationship between the two countries developed into a three decade economic labor interdependence. The bracero program spurred a broad and complicated remaking of the relationships between citizen and nation, that eventually affected more labor agreements, trade agreements, and contributed to a rise in immigration from Mexico into the United States.\textsuperscript{48}

There were two phases of the Bracero program beginning in 1942-1947 and from 1948-1964, in which Public Law 78, the extension of the program, was enacted and Operation Wetback was pursued. During the first phase, men from Mexico were recruited under a bilateral agreement that operated initially under the auspices of the 1917 immigration law and the 1943 Public Law 45, which sanctioned Mexican farm labor supply and Mexican labor agreement.\textsuperscript{49}

Under the Bracero Program, more than 4 million Mexican farm workers fled their rural communities and traveled north to the United States. Men coming from the interior and rural parts of Mexico applied through recruitment centers in Mexico in hope of being employed as a bracero. Once accepted, braceros were cleared to head to the United States.

\textsuperscript{46} Center for History and New Media, “Bracero History Archive,” accessed November 4, 2013, \url{http://braceroarchive.org/about}.
\textsuperscript{49} Cohen, Braceros, 23.
to assist in the labor needs from desperate U.S. farmers. The Mexican government delivered tired and anxious men to stadiums, sports fields, and large parks, where they were welcomed with open arms.  

Some braceros found themselves in small Midwestern towns, but most made their way into California with a concentration of braceros involved in agricultural jobs. Of the 220,000 braceros that made their way into the United States, none were delegated to Texas because of its history of hostility toward Mexicans.  

In the beginning of the program, many of the braceros were perceived as helping America in the midst of a war and labor shortage at home. Cheering crowds, welcome committees, and local government officials from the United States treated braceros as a blessing during a tumultuous wartime. Thus, these migrants were told of the possibilities of future agricultural contracts and were instructed as Mexico’s ground-level “ambassadors in the promotion of binational understanding.” In August 1944, North Dakota Governor John Moses spoke to an arriving group of braceros and made sure to emphasize the heroic responsibilities they were supplying in the United States.

“Citizens of Mexico, you have come to help us in our most difficult and important wartime task: harvesting our crops…And…to provide food and clothing and necessary equipment for our fighting men.” Braceros’ service symbolized Mexico’s commitment to the “full share of the burdens of this war, “to defending the right of all men of good will”…to live as free men in a free world” that “knows no boundaries of nationality, race, or creed.” Braceros and Mexico were acting on behalf of the “common cause”, bringing the day of victory a little nearer by their own personal efforts. At the same time, Mexico’s contribution to the war effort enabled Mexican President Manuel Avila Camacho’s

50 Cohen, Braceros, 116.  
52 Cohen, Braceros, 93.  
53 Cohen, Braceros, 116.
administration to frame the independent northward exodus of thousands of men as Mexico’s domestic and diplomatic benefit.54

Upon arriving to the United States, braceros were guaranteed certain standards in exchange for their work. The agreement with U.S. farm workers guaranteed a minimum wage of thirty cents an hour and humane treatment in the form of adequate shelter, food, and sanitation of braceros in the U.S.55 Because of controversial safeguards for braceros in terms for payment, free housing, reasonable priced meals, and free transportation back to Mexico at the end of the contract term, farmers in certain states like Texas disliked the guarantees in the agreements.

Although Texas did not participate in the program because they were excluded by Mexico, Texas border farmers attempted to find a way around it. Because of unlawful hiring against the bracero agreement and discrimination against Mexicans in Texas, the Mexican Government refused to send braceros to Texas. The demand from border farmers of having open borders and free migration, which offered growers the change to pay lower than bracero wages without the hassle of the government oversight, increased migration of Mexicans into border towns hoping to be contracted. This prompted the commissioner of immigration to issue regulations under Section 5(g) of P.L. 45 authorizing his subordinates to supply laborers at the border with cards permitting them to enter for one year.56 Because the process of acquiring labor under Texas farmer needs and wants was taking too long, and had too many guidelines from the Mexican Government, border farmers sent agents across the U.S.-Mexico border to Mexico to

54 Cohen, Braceros, 22.
recruit laborers. Illegal and legal movement along the border by workers diminished the need for braceros along the border in places such as El Paso and the Rio Grande Valley. For that reason, Texas farmers did not get around to formally requesting labor under the bracero agreement until later in the summer of 1943. In May 1944, Mexican officials contended that there were 25,000 illegal crossers in American border areas, most of them in Texas. By the end of the first phase, it was estimated that there were at least 100,000 workers illegally in Texas with half that number in the lower Rio Grande Valley of Texas. Because Mexico could not prevent the influx of migrants to Texas, it eventually removed its ban on the migration of Braceros to Texas.

Eventually, the bracero program evolved from wartime to a peacetime activity. The second phase of the Bracero Program, which began in 1948, was different compared to its predecessor. In 1946, the U.S. government informed Mexico that they wished to terminate the Bracero program. However, agribusiness in the U.S. came to rely on the braceros and they lobbied to keep the program alive. The second phase of the Bracero program then operated under a series of U.S. executive orders rather than an international agreement, as Mexican officials refused to sign another accord until certain changes were made to the treatment of their citizens. In 1947 the U.S. House of Representatives introduced Public Law 78 that kept the Bracero Program in place for seventeen more years. Congress lobbied by farmers to keep the braceros extended the wartime law that permitted importing needed foreign workers until 1950. When the war came to a close, the conditions braceros experienced worsened. The Mexican government refused to

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transport expelled migrants to the interior, U.S. officials slackened efforts to deport migrants, and unemployed Mexicans congregated in the border towns of both countries.

Meanwhile, the rising tide of undocumented migrants and the aggressive U.S. response pressured Mexican officials to renegotiate what formally became a second Migratory Labor Agreement, which served as the statutory basis for bracero contracting until December, 1964.60 Public Law 78 restricted the use of braceros to areas where the secretary of labor certified that (1) a bona fide shortage of domestic farm workers existed; (2) the employer seeking braceros had attempted, but without success, to hire native labor at wages and hours comparable to those offered Mexicans; and (3) the use of braceros did not adversely affect the wages and working conditions of domestics.61

Under Public Law 78, responsibility for bracero contracts went to the United States Employment Service of the Department of Labor, where the bracero was no longer on government contract but with an employer. This further complicated the work contracts between the two countries as there were 5 notable differences in contract stipulations: 1.) no specification of an hourly wage, 2.) no minimum peso rate guarantee, 3.) no formal compliance mechanism, 4.) an employer bond was required in order to guarantee the bracero’s cost free return to Mexico, and 5.) a stipulation on prospective earning.

The second phase of the bracero program heavily increased the number of Mexican workers in the U.S. to 4.5 million as legal and illegal migrants from all over the

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61 U.S Department of Labor, Information Concerning Entry of Mexican Agriculture Workers into the United States, Public Law 78, 82d, Congress, as Amended, Migrant Labor agreement of 1951, as Amended and Pertinent Interpretations; Standard work contract, as Amended and Pertinent Interpretations; Joint Operating Instructions, iii-iv.
border entered into the United States seeking work. By then, Mexican braceros, made up about 25 percent of farm workers in the U.S. In the Rio Grande Valley, Valley farmers were using 15,367 Mexican nationals in the fields. A study taken by Dr. Lyle Saunders of the University of New Mexico and Dr. Olen Leonard of Vanderbilt in 1951 found that at 14 Rio Grande Valley farms, there were 93 illegal Mexican workers out of every 100 workers on site. In terms of legal braceros, already more than 22,500 braceros were processed through the Hidalgo. In Dallas, the U.S. Department of Labor regional office said that 17,448 braceros were employed in the Valley at the end of May 1958.

The new system opened the door for more abuse and braceros like Ramón Avitia remembered what actual treatment was like:

“Growers didn’t always respect the contract or pay us what it said. But it was hard to advocate for ourselves and our rights. We were far from home, didn’t speak the language, and often had no one to go to for help. Mostly we Braceros struggled alone. In camps we had no names, we were called only by numbers…There is no one to defend our guarantees. In a strange country you feel timid-like a chicken in another rooster’s yard. These indignities had to be tolerated in silence, added another man.”

“Braceros in the Rio Grande Valley were not immune from the abuses that plagued Braceros everywhere. In McAllen, TX there were various cases of families being underpaid for working multiple hours a day and only getting paid less than two dollars a day. In 1953, two cases were reported where a father, mother, and two children worked four days for a net of $6.50 and an experienced cotton picker, who after three days work,

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65 Cohen, Braceros, 145.
was told he had just earned the food he had eaten.\textsuperscript{66} Wages for picking cotton were some of the lowest in the nation where in the Lower Rio Grande Valley, wages as low as $.50 per hundredweight were paid as compared to $2.45 statewide.\textsuperscript{67}

As if family separation, extremely low wages, and discrimination were not enough, resistance over the stream of undocumented Mexicans entering the country grew louder, resulting in the launching of Operation Wetback in June 1954. Operation Wetback was a campaign aimed at apprehending and expelling Mexicans from the United States. Undocumented “illegal” immigrants, specifically Mexicans, were the main target—\textsuperscript{68} in an effort to dissuade others from crossing into the U.S. illegally.\textsuperscript{68} It was a way to forcefully persuade U.S. employers to hire Mexican Laborers under the Bracero program.

Operation Wetback began in Texas fanning out from none other than the lower Rio Grande Valley. Many of those apprehended, which happened to be both legal and illegal braceros and migrants, were sent back through various cities like El Paso, shipped through Port Isabel, or were flown to Brownsville for release into Mexico from there.

In attempt to scare and capture those who were in the United States illegally, border patrol used exaggerated deportation numbers to drive out the remaining “illegals.” Their tactics were meant. An estimated 80,000 Mexican nationals from Texas were either deported back to Mexico, or left at will, as result of Operation Wetback.\textsuperscript{69} About another 2,500 illegal migrants were seized for deportation from the Lower Rio Grande Valley and the border patrol estimated that 20,000 more fled into Mexico on their own accord to

\textsuperscript{68} Novas, Everything You Need to Know about Latino History: 2008 Edition, 96.
avoid “Operation Wetback”. In 1954, more than 7,600 illegally entered Mexican migrants in the Rio Grande Valley were apprehended in the giant round up of Operation Wetback.\textsuperscript{70} Immigration and Naturalization Services claimed that 1.3 million illegal aliens were apprehended, although that number was never confirmed.

In the Rio Grande Valley, many Valley farmers and residents opposed heavy handed removal of braceros and illegal labor. In opposition to the removal of Braceros, border patrol men were met with popular opposition. In retaliation to the border patrol, a Harlingen drug store posted a sign: “Price double to border Patrol till cotton is picked”; a chief inspector of the border patrol was denied a room in a Harlingen Hotel; and two patrol members in government cars were violently ordered off the premises.\textsuperscript{71} Representatives from the area, like Representative Lloyd M. Bentsen of McAllen whose district included rich growing crop areas, were seeking extensions of the Bracero program by petitioning President Truman to extend the treaty for 30 to 60 more days. Bentsen pointed out that the bracero labor shortage caused a small harvest in the area. “The Government is calling for more cotton, but we can’t plant all the cotton the Valley could handle unless we are assured of help,” said Bentsen.\textsuperscript{72} Although the need for labor was there locally, nationally, the government tried to drive out as many illegals as possible due to naivism and cold war skepticism. Operation Wetback gave more reason to those who started to believe that the Bracero program was just another exploitation program.

\textsuperscript{70} “7,600 Held in Hunt for Wetbacks,” \textit{Dallas Morning News}, July 17, 1954.
\textsuperscript{72} “Bentsen Asks Truman to Seek Extension of Bracero Treaty”, \textit{Washington Bureau of News}, n.d.
Although the Bracero program was initially supported by organizations in both Mexico and the United States, eventually many opponents arose. The Catholic Church, Mexican and American Farm Unions, and civil rights organizations, called for termination of the Bracero program due to abuses and unfair wages. Some critics who initially supported the bracero program, discredited the program after many of the abuses experienced by the Braceros made their way into the mainstream media, through Edward R. Murrow’s 1960 bracero version of *The Grapes of Wrath* known as *Harvest of Shame*.

The Catholic Church feared exposing its largely poor constituency to the breaking up of family, and began to see the bracero program not as an isolated problem but as part of the “bulwark of an immoral system of agriculture.” Recognizing the interconnections between Mexican/Mexican-American poverty, the exploitation of braceros, and increased traffic in undocumented migrants, Archbishop Robert E. Lucey rallied more than two thousand priests, nuns, and lay ministers from around the Southwest to the Catholic Council for the Spanish speaking to find “Christian solutions” to these systemic and interconnected concerns.” Catholic advocates linked the Bracero program to U.S. farm workers’ low paid wages and their inadequate moral guidance; yet they also saw it as bad for braceros men, whose wives remained in Mexico and were denied a normal family life. They also linked prostitution, gambling, drunkenness, and homosexuality with what the immoral life that the Bracero program fueled. The Catholic Church attacked the agriculture contract on moral grounds for the corrosion of the bracero man who partook in the program.

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Other organizations, such as the Valley Farm Bureau in the Rio Grande Valley, urged the people of the area to write President Dwight D. Eisenhower to express their opinions of the Border Patrol, the “wetback situation”, and the bracero program collectively. Samuel M. Duffe, the president of the Valley Farm Bureau, sent out an editorial letter suggesting that Valley residents write President Eisenhower of any personal contact or experiences they had in regard to the alien labor situation. He told of his personal letter to the President where he expressed that wetbacks were human beings and should be treated as human beings.\(^{76}\) In other incidents of abuse, Congressman Lloyd M. Bentsen Jr. advised the Harlingen Mexican Chamber of Commerce that the Commissioner of Immigration, Joseph M. Swing, had the authority to discipline or discharge any border patrolman found to be abusive in his actions as The Harlingen Mexican Chamber of commerce objected to “gestapo methods” by the border patrol. The Mexican Chamber indicated that there was reported “blocking of highways, holding citizens for hours until they prove their citizenship, planes flying at low altitudes directing threats at field workers to give up or be subjected to being bombed, men herded so close together in jails that breathing was difficult, and entire families disrupted and separated when they were taken hundreds of miles away for deportation into Mexico.”\(^{77}\)

Despite the need for labor in the Valley, anti-wetback bills were being drafted in order to rid the area of illegals. In Harlingen, TX, Senate bill 3660 was introduced in order to make employment and related practices of any alien known by an employer, who entered the U.S. illegally within three years, of being in the area unlawful.\(^{78}\) All hell began to break loose and the program would soon face its demise. Ultimately, the

\(^{78}\) “ANTI-WETBACK Hearing to Open,” *The Valley Morning Star*, July 8, 1954.
recognition of the faults of the Bracero Program by social organization and media, and the growing hostility from Americans, brought down the program that, which for all its flaws, marked the first time in U.S. history that farm workers were granted federal labor rights.

By the 1960’s, the Bracero program was seen as an exploitive labor regime on par with Southern sharecropping, and in 1964, over vociferous objections from Mexico, Congress voted to terminate it.79 The program was phased out between 1965 and 1967 and ended in 1968. Many of the old immigration laws were clearly inadequate or obsolete, but the Bracero program became an institutional feature of the American labor market and helped to reestablish and reinforce transnational migration circuits that in many ways that persist today.80 The end of the bracero program indicated a broader realignment of diplomatic and economic power between the United States and Mexico. This realignment was impacted by three integrated changes: first, a dramatic rise in undocumented migration and a corresponding drop in the ability of Mexican officials to negotiate strong contacts; second, an intensified U.S. preoccupation with communism; and third, the increasing concern for the safety of braceros, undocumented farm workers, and U.S. domestic laborers.81

The Bracero Program fostered enduring ties between sending communities in Mexico and host regions in the U.S. and fostered a multigenerational culture of migration. The Bracero Program consolidated the dependence of hundreds of Mexican villages and neighborhoods upon migrant remittances. More than 4.6 million bracero

81 Cohen, Braceros, 214.
contracts were issued, making it the largest importation of foreign labor in U.S. History.\footnote{Michael Snodgrass, “The Bracero Program, 1942-1964,” in Beyond La Frontera: The History of Mexico-U.S. Migration, ed. Mark Overmeyer-Velasquez (New York City: Oxford University Press, 2011), 76, 95.}

This labor relationship lasted until 1964 with the introduction of the Border industrialization program and harsher immigration laws. The remnants of the program included workers, who continued to migrate, and their families and descendents, some of whom are migrant workers today.

*Border Industrialization Program*

The end of the Bracero Program and U.S. restriction on the inflow of Mexican laborers to harvest U.S. farm products resulted in Mexican President Gustavo Diaz’s announcement introducing the Border Industrialization Program (BIP) in 1965. Under the auspices of the program, Mexican authorities offered American business in Mexico cheap labor, tariff relief, and low cost transportation in exchange for their business. High rates of unemployment in Mexico led the Mexican Government to try to increase job opportunities by alluring American manufactures to relocate to Mexico.

The U.S. Government partook in the BIP in part because family incomes along the American side of the border were low, unemployment high, and the high proportion with Mexican Ancestry implied that migration to jobs to the north was difficult along border regions.\footnote{Oboler, Suzanne and Deena J. González, eds. 2005. The Oxford Encyclopedia of Latinos and Latinas in the United States (Oxford; New York: Oxford University Press), 9.} Free trade advocates also suggested that the BIP was healthy for the U.S. because of the plentiful supply of low wage and easily trained labor to better meet competition in U.S. Markets. Twin plant concept of operations could be done on the United States and Mexico border with border cities benefiting from increased industrial service employment, and Mexican workers spending their wages in the United States.
Opponents declared that companies would leave the U.S. to go to Mexico creating a new unemployment problem for interior Mexico and parts of the United States. Despite opposition, BIP grew into a multimillion dollar industry.

New formal and informal administrative agreements permitted U.S. firms to establish plants and bring in parts and raw material duty free within a 12 ½ mile border zone as long as all production was exported. It was modeled on the Export Processing Zones already in existence in Hong Kong, Taiwan, Malaysia, Singapore, the Philippines, and other regions.84 From BIP, 160 new enterprises composed mostly of U.S. companies, participated in the program along the U.S.-Mexico border areas. Some major American corporations that actively participated in the BIP included Magnavox, Litton Industries, Kimberly-Clark, General Instrument, Memorex, Samsonite, Republic Corporation, Sears & Roebuck, Motorola, and Hughes Aircraft.85

Through “twin plants” corresponding with sister cities shared manufacturing factories resulted from the BIP. These plants produced electronic productions and manufactured textile products. As a result, the industry mix in the border area was dominated by low skill, low wage, and employment opportunities. The manufacturing industries, which predominated in the border twin cities, were generally labor intensive industries such as apparel manufacturing, food processing, light machinery fabricating, and electronic component assembling.

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Response of the U.S. firms to the BIP was substantial as the value of the BIP production reentering the United States increased from $7 million to $350 million in 1971, just five years later.86 Throughout the period of the late 1960s to the early 1970’s, payrolls added about 17 million to the economies of border cities with wages paid there being among the highest in Mexico, which brought increased numbers of people ready to work.

John C. Jones, Rio Grande Valley Chamber President in 1965, declared that to arrive at any valid conclusions about the Valley, in terms of constant and increasing interchange by economics like the BIP and culture, we had to include the population on both sides of the Lower Rio Grande Valley.87 Population growth on the Mexican side of the border increased dramatically during the 1960s, particularly due to migration to border areas generated by the Mexican government’s Border Industrialization Program of the 1960s. Unemployed citizens from all over Mexico made their way to Tijuana, Mexicali, Juarez or Matamoros in hopes of crossing to what they called “the other side.” Population growth in the BIP period resulted in 4.4 million inhabitants in the twin cities areas with 2,243,000 living on the U.S. side and 2,168,000 on the Mexican side.88 In six of the eight U.S. and Mexican sister cities, the Mexican city was anywhere from 37 percent larger to almost seven times larger than its U.S. “twin”.89 In Tamaulipas alone, population increased from 1,024,182 to 1,456,858 between the 1960’s and 1970’s.90

88 James Budd, “Mexico may Curtail Luring U.S. Plants”, Copely New Service, n.d.
89 Ericson, n.d.
90 Ibid.
Population in Tamaulipas communities, directly adjacent to the Valley, was more than triple that area, by 458,249 people.91

In the late 1960’s, Texas accounted for 5 out of the 10 most major populated centers along the U.S. Mexico Border, including the Rio Grande Valley of Texas. In the Rio Grande Valley, population increased 10% from 1960 to 1965 from 389,223 to 406,145. Specifically, the population of the Lower Rio Grande Valley and the Tamaulipas border area in Mexico created a trade territory with 864,394 people. Population growth, which attracted thousands of rural and small town Mexicans to the border, was attributed to the wages, government programs of irrigation and land reform in the northern part of Mexico, industrial development in the major border cities, more prosperous agriculture in parts of the Mexican border areas, and the prospect of working in the United States. 92

As the Oxford Encyclopedia for Latinos and Latinos in the United States noted, by the end of the 1960s the program included 147 enterprises and 17,000 workers, a majority of whom were women. The advantages for Mexico in this program were the creation of more employment in the region, giving people better incomes and standards of living; increase of foreign currency; the use of new techniques and methods of production; increase in consumption; and in certain cases, an increase in the raw materials produced in Mexico. The chief advantage for the United States was the low cost of labor, which made American companies more competitive at home and abroad. Even though the wages were good by Mexican standards, they were low compared to the U.S. A large percentage of the money Mexicans made returned to the United States, as the

92 Ibid.
workers spent their money on food, clothing, and other U.S.–made products. Other advantages included the opportunity to use American raw materials, reduced transportation costs, and the ability to keep their technological advances confidential because the companies could send their own technicians. American companies benefited while Mexican citizens worked to create cheaper products. The essence of the BIP still very much exists today in the form of the maquiladora program that thrives through twin cities in both nations.

Immigration and Naturalization Act of 1965

In a time where civil rights and equality were at the top of political debate, the expiration of the Bracero Program in 1964 and the explosion in population growth due to the Border Industrialization Program was followed by the passage of major reforms to the US Immigration and Nationality Act in 1965. The Immigration and Naturalization Act of 1965 (INA), also known as the Hart-Cellar Act, was meant to modernize U.S. law by eliminating the 1924 race-based national origins systems, replacing variable per country caps with a nondiscriminatory equal allocation of up to 20,000 per country. The law also attempted to embrace family reunification with non-quota immigrants with immediate relatives not being counted as part of either hemispheric ceiling. It also meant to open the country to more immigration that would allow the government to control entries and reduce illegal immigration while attracting skilled labor to the U.S.

The year 1965 is often cited as a turning point in the history of U.S. immigration. As the Immigration and Naturalization Act intended to purge immigration law of its racist legacy, the law actually sparked a shift in the composition of immigration away

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from Europe toward Asia and Latin America.\textsuperscript{95} Where there were no numerical limits on qualitative restrictions on immigration from Latin America or the Caribbean, INA greatly changed the demographic makeup of the American population.\textsuperscript{96} On July 1st, 1968, the first ever numerical limit placed on immigration for the Western Hemisphere was set at 120,000 annually, with 170,000 allocated for the Eastern hemisphere. This limit gave way and made the Western hemisphere immigration strictly a first-come, first-serve base. Although the Selection Commission on Western Hemisphere advised against a limit for the Western hemisphere, Congress acted against it and passed it.

The INA of 1965 further limited legal immigration from the Mexican region by limiting the number of residence visas it permitted. It gave higher preference to the relatives of American citizens and permanent resident aliens than to applicants with special jobs skills. It prohibited unskilled seasonal temporary workers from receiving lawful permanent resident (LPR) visas, a provision that mainly affected migrants from Mexico.\textsuperscript{97} The INA of 1965 also unintentional created “chain migration” in which families from across the globe re-established themselves in America. Specifically in Asian and Latin American families, legal and illegal immigrants and refugees would send for their families, who would in return send for others.

In essence, the bill was viewed as an extension of the civil rights movement and with the central purpose of providing family reunification. The increase in illegal migration from 1965 through the late 1970’s is critically important to understanding the


dynamics of policy responses in the years that followed. The 1965 amendments increased the priority of visas for family-based LPR’s, which became the main pathway for legal immigration from Mexico. The convergence of growing migration push and pull factors, such as the INA of 1965 and shrinking opportunities for legal low-skilled migration, increased illegal migration from Mexico. The number of unauthorized immigrants apprehended grew three-fold between 1965 and 1970, and the proportion of such aliens from Mexico increased from 50% to 80%. The number of legal immigrants from Mexico also increased as it surpassed legal migrants coming from Europe by 45%, compared to 10%, by the 1980s. The imposition of numeric limits on permanent immigration produced a backlog of roughly 300,000 Mexican visa applicants by 1976, resulting in a two and half year wait for visas for qualified applicants. Backlog contributed to an increase in the number of unauthorized immigrants to 1.7 million in the U.S., with 1.4 million from Mexico.\footnote{Rosenblum et al., \textit{Mexican Migration to the United States: Policy and Trends}, 8.}

Although the INA of 1965 was meant to prevent and remove racial quotas, it created greater opportunities for chain migration and the creation of a “legal” status form of immigration. Because it prohibited unskilled seasonal temporary workers, mostly from Mexico, to enter legally, the increase in illegal immigration rose and was substantial in areas like border towns. Years following the passage of the INA reveal that in border areas like the Rio Grande Valley, population demographics exposed interesting numbers from 1960 to 1980. Due to the BIP and employment opportunities in Mexico, Cameron County experienced a negative 7.1 percent population change from 151,098 to 140,368 from 1960 to 1970. Immediately following the 1970’s, the area exponentially increased by a 49.4 % change in population from 140,368 to 209,727. Overall from 1970 to 1980,
the population in the Rio Grande Valley increased from 355,108 to 537,717.\textsuperscript{99} Foreign
born in the area in 1980 census indicates that there was a 19.1\% of the population
foreign born from 1970 to 1980. Unfortunately, the INA of 1965 placed more pressure on
legal and illegal immigration from Mexico as it partially excluded a population it had
never excluded before. Years following the INA of 1965 proved it a failure as it only
allowed kinship ties, refugee status, and “needed skills” as a basis for entry into the
country. As a result, numerical quotas gave way to massive “illegal immigration.”
Population demographics shifts, in terms of legal and “illegal” immigration from Latino
America and Asia, were unlike anything seen before 1965.

\textit{La ley General de Población Mexican: A “Policy of No Policy”}

From the early 19th to the early 20\textsuperscript{th} century, Mexico’s earliest population policies
focused on importing foreigners to encourage population growth and modernization.\textsuperscript{100}
The General Population Act of 1936 and 1945 encouraged immigration from other
countries, and focused on reducing general and infant mortality. Advances in health and
hygiene, the decline of mortality, and the General Population Acts, caused the population
to grow at a rate of 3.5\% by 1960 and doubling in population by 1970, which was
Mexico's highest population growth rate ever. Mexico’s immigration law also reflected a
series of restrictive measures to protected Mexico’s territorial sovereignty, a legacy of
Mexico’s revolutionary experience from 1910-1917.

There after, Mexico’s legislative governing policy was the 1974 General
Population Act or \textit{La Ley General de Población}. It was drafted as the country’s

1980}.
\textsuperscript{100} Laura V. Gonzalez-Murphey and Rey Koslowski, \textit{Understanding Mexico’s Changing Immigration laws}
policymakers sought to simultaneously address the then pressing challenges of rapid population growth and insufficient employment.  

The 1974 General Law of Population changed by requiring departing labor migrants to present themselves to Mexican migration authorities, show a work contract authorized by the destination country consulate, and provide proof that they met the entry requirements of the destination country. The law also limited legal immigration and restricted the rights of foreigners in Mexico, with unauthorized migrants subject to criminal penalties. Ironically when it came to immigration towards the United States, Mexico adopted a “policy of no policy” that allowed the country to reap the economic benefits of emigration without having to acknowledge its development failures or the harsh conditions Mexicans encountered abroad. Although Mexico set new laws for working migrants leaving the country, the government could not compromise the laws of the 1917 constitutional right to exit the country at will.

The 1974 General Population Act and its “policy of no policy” increased Mexican migration to the U.S. During the 1970’s to the 1980’s, the number of Mexicans born in the U.S. rose to 760,000 making Mexico the top country of origin for immigrants in the U.S. during the 1980’s. The Rio Grande Valley reflected this new reality in population change when the 2.2 million came from Mexico. Cameron County experienced a 49.4 % population change from 209,727 to 440,368 from 1970 to 1980; Hidalgo County

101 Rosenblum and Brick, US Immigration Policy, 4.
experienced a 56% change from 181,535 to 283,229 with 118,601; Starr county experienced a 54.0% change from 17,707 to 27,266; and Willacy experienced a 12.4% change from 15,570 to 17,495.\textsuperscript{105}

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\textit{Immigration and Nationality Act Amendments and the 1980 Refugee Act}

In the United States Congress added additional amendments to the Immigration and Nationality Act (INA) in 1976 matching the per nation quota to 20,000 per country. This affected Mexico more than any other nation because Mexico was the only country that exceeded the 20,000 immigrant limit prior to that time. The amendments combined Eastern and Western hemispheric caps into a single worldwide ceiling of 290,000.\textsuperscript{106}

Before 1980, there were no clear standards on how to deal with refugees. Immigrants claiming refugee and asylum status were brought legally to the United States on an ad hoc basis. As the INA amendments intensified, the Carter Administration was


\textsuperscript{106} Massey and Pren, 10.
having a difficult time dealing with the influx of immigrants and refugees from Vietnam, the Mariel Boatlift, the Cuba and Haiti, and the Iranian revolution. The Refugee Act of 1980 removed refugees as a preference category and established clear criteria and procedures for their admission. It further reduced the world-wide ceiling for immigrants from 290,000 to 270,000, abolished the refugee category as a separate category, and redistributed the 6 percent quota for refugees to the second preference category—which were the spouse and unmarried sons and daughters of aliens were lawfully admitted for permanent residence.\textsuperscript{107} In reality, the Refugee Act was a way for the US government to deal with the increasing number of Cubans seeking asylum from the Castro regime. In response to the increasing numbers of Central American refugees, immigration quotas shrunk, refugees quotas increased, and illegal entries sky rocketed. Mexicans, along with all other nationalities, were beginning to understand the effects of the Cuban refugee crisis on the immigration quotas to enter the United States.

In reaction to the new law and the refugee crisis, INS cuts hit the Rio Grande Valley and affected the control of illegal immigration in the area. The McAllen region lost 20 percent of its border patrol officers to Florida and in late April of 1980, fiscal restraints made worse by resources devoted earlier to processing and deporting Iranians, forced the INS to cut allocations on the Texas border by 65 percent. Nationwide, INS agents were ordered by the US Attorney General not to arrest illegal, or “undocumented,” aliens at their places of employment for 90 days to encourage their participation in the 1980 national census. This created a concern amongst border agents that the United

\textsuperscript{107} David M. Heer, \textit{Undocumented Mexicans in the USA} (United States of America: Cambridge University Press, 2010), 13.
States acceptance of Cuban refugees sent that message to some Mexicans that they too, were welcomed.108

**Mexican Economic Collapse of the 1980’s**

During the 1970’s, Mexico discovered new oil resources and became a main supplier to the United States. The macroeconomic policy of the 1970’s, of large scale spending and investment, left Mexico’s economy highly vulnerable to external conditions. By the end of 1974 Mexican debt reached $14 billion and $29 billion by 1977.109 These conditions sharply turned against Mexico in the early 1980s and caused the worst recession since the 1930’s. In 1981, falling international oil prices combined with increasing interest rates, created an unprecedented account deficit of $16 billion, capital flight of nearly $12 billion, and a growing panic over the overvalued exchange rate. In 1982, Mexican foreign indebtedness reached $87 billion, with the ratio of government and private obligations holding at 70% and 30%, respectively.110 Unable to meet its payments, the Mexican Government imposed an austerity program and cut domestic spending.111 The debt also caused Mexico to borrow heavily to pay old debt, legitimize trade deals, and build national infrastructure. Inflation soared to 63.7% by 1985 and millions of Mexican jobs were lost. Concerns from U.S. banks over increased immigration and loan defaults threatened the American banking structure, and the United States Government stepped in to assist the Mexican economy in order for Mexico to

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111 Novas, Everything You Need to Know About Latino History, 278.
continue to meet its debt obligations. Meanwhile, the economic crisis forced many Mexican citizens to seek employment in the United States.

Revealing the interconnectedness of the border economy, The Rio Grande Valley was hit hard by the Mexican economic collapse as Texas’ retailers reported their border sales dropping as much as 90 percent. Brownsville lost as much as $4.9 million in sales during those years and unemployment figures showed a 50% unemployment rate in Starr County, which was already one of the poorest counties in the nation.112 Unemployment figures and poverty increased with the Mexican economic collapse, which persisted well into the 1990’s.

The Rio Grande Valley experienced persistent poverty specifically since the 1980’s. In the 1980 census, the percentage of people in poverty was 31.8% in Cameron County, 35.2% in Hidalgo County, 50.6% in Starr County, and 34.8% in Willacy County. From 1980 to 1990, poverty rates increased in the area putting some of the counties close to 50% or more of the population in poverty. In Cameron County, poverty increased to 39.7%. Hidalgo County increased to 41.9%, Starr County to 60.0%, and Willacy County to 44.5%.113 The increase correlated with border economy, seeing as it was connected to the Mexican economy, and the large percentage of Mexican population in the Rio Grande Valley tied to Mexico.

Immigration and Reform Control Act of 1986

1986 became a year of extraordinary change in immigration policy. The combination of a predicted increase in illegal immigration, the American Farm Bureau Federations claim of labor shortage due to the immigration policies of the 1970’s, and

requests to obtain another Bracero program caused President Reagan to consider immigration reform. In an effort to stem the flow of undocumented Mexicans over the border, the U.S. government enacted the Immigration Reform and Control Act of 1986. Congress, lobbyists for the Mexican American Legal Defense and Education Fund, the Catholic Church, and the agribusiness came to a consensus with the IRCA of 1986. The IRCA program consisted of a General Legalization Program, a Special Agricultural Worker Program, a Replenishment Agricultural Worker Program, and two side programs known as the Cuban-Haitian Entrance program and The Registry which allowed limited Cubans and Haitians and long term unauthorized immigrants present before a certain date to petitions to adjust their status to permanent resident. The IRCA also increased spending on migration control, doubling funding and increase border enforcement and border patrol.

The General Legalization Program granted unauthorized immigrants, present since 1982, the opportunity to apply for temporary legal status that could eventually lead to permanent status after 18 months. Immigrants in this specific category had to show proof of knowledge of American civics and the English language. Approximately 1.75 million people applied for legalization through the program and about 94 percent of applications were approved for temporary residency.  

The Special Agricultural Worker Program provided permanent residency to seasonal agricultural workers who had worked 60 days in certain crops from May 1985 to May 1986. This specific part of the IRCA allowed these individuals to opt out of the English language and American civics knowledge requirement. Nearly 1.3 million people

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applied for the program, far more than the 250,000 who were projected to do so.\textsuperscript{115} With the legalization of many season agricultural workers, the agribusiness believed this would lead to a decrease of labor help in the industry. The agricultural worker’s program temporary and subsequently allowed permanent resident status for eligible aliens who had performed seasonal agricultural services in the United States for three months preceding the IRCA of 1986. It authorized the Department of Labor to allow temporary agricultural workers to be certified for labor contracts, with residency unable to exceed three years.\textsuperscript{116} It also subjugated employers who knowingly hired illegal workers with harsh punishments and penalties.\textsuperscript{117} The highest penalty could reach up to $10,000.00 for every single illegal hire.

As a part of the Special Agricultural Worker Program, the replenishment agricultural worker program was established. With the legalization of many season agricultural workers, the agribusiness believed this would lead to a decrease of labor help in the industry. It allowed for the temporary residency of agricultural workers for at least 90 days with an additional 2 year to gain citizenship. This part of the program was never used.

The Special Agricultural Worker Program greatly affected the Rio Grande Valley because of areas proximity to Mexico and history of illegal immigrants in the labor force. Immigration and Naturalization Service agents intensified their efforts in the Rio Grande Valley after the 1986 law was introduced. Art Moreno, spokesman for the Harlingen INS

\textsuperscript{115} Ibid.
office noted that employment had always been the magnet for illegal immigration and he estimated that about 15 percent of the Rio Grande Valley’s work force was illegal. As a result, in 1993, the INS issued about 33 notices of intent to fine employers a total of $153,010.00. In other instances, factory plants denied knowing that they hired any person who was not legally in the county. For example, Atrium, a factory in the Rio Grande Valley, was caught with over 100 employees who were employed illegally. Atrium was not punished though because the provisions in the law unclearly defined knowingly hiring employees who were illegal. Atrium was not fined as it claimed it was “duped” by immigrants presenting forged documents.

The registry program, which allowed long term unauthorized immigrants who arrived before January 1972 to apply for residency, was updated by nearly 30 years compared to the 1952 Immigration and Nationality Act. It affected 60,000 people. The other side program for the Cuban-Haitian entry, allowed certain Cubans and Haitians who arrived in the United States before 1982 to enter as “special entrants.”

The IRCA did not create an effective system through which employers could verify their employees who were authorized to work in the United States, where the employer sanction provisions were weakly enforced. Under the IRCA, in Sec. 201A, Congress allowed farm workers and their families to apply and adjust their legal residency in the U.S. because of farm labor shortage. But according to the *Los Angeles Times*, Cesar Chavez, president of the United Farm Workers of America, claimed the

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shortages were fictitious while stating that the South Texas border area had unemployment rates between 13\% and 40\%.\textsuperscript{122}

350,000 persons were allowed to apply for permanent residency, but a provision was appended allowing the Department of Labor to increase the number of people legalized under the program. Under the Immigration Reform and Control Act of 1986, there were 2.7 million applicants, with 2 million being Mexican. Most of the liberal changes that affected Mexican people were directed at adjusting the legal status of farm workers and their families.\textsuperscript{123} This time an estimated 55,000 applicants were allowed to adjust their status or apply for entry if they were sponsored by an immigrant who was legalized under the IRCA. Individuals who received legal status under this provision were not to be counted against the global limit for permanent legal resident entries or against the country of origin limit. The Department of Homeland Security estimated that from 1987 to 2007, 1.1 million farm workers and their dependents, 90,000 who were Mexican origin, were legalized under the 210A Provisions of Seasonal Agricultural Workers.\textsuperscript{124}

Unfortunately, the IRCA failed as it led to mixed legal status families due to those in between the cut-off dates for residency, “drop outs” from the two tiered system who never received permanent residency after their temporary residency, the lack of a substantial plan for those (1.9 million) who did not qualify, and ineffective outreach to their non-Hispanic groups. Overall immigration in the United States roughly doubled in the two decades after the 1965 amendments and then tripled between 1989 and 1991 as

\textsuperscript{123} Novas, \textit{Everything You Need to Know About Latino History}, 282.
\textsuperscript{124} Novas, \textit{Everything You Need to Know About Latino History}, 283-284.
result of IRCA’s legalization programs.\textsuperscript{125} If anything at all, the IRCA became an indicator of the fact that legal status of unauthorized immigrants could change at any moment at the command of the political environment in the United States.

\textit{The Immigration Act of 1990 and The Immigration Reform and Illegal Immigrant Responsibility Act of 1996}

In 1990, The Immigration Act was amended to authorize more spending for the border and expanded the number of employment based visas. The Act modified the INA of 1965 and increased the total level of immigration to 700,000. For the first time, the amendments included spouses, minor children, and parents of citizens and doubled the employment based immigration from 54,000 to 140,000. It did, however, place a limit of 10,000 on the admissions of unskilled workers. Until then, there had never been a cap for the number of unskilled workers who could enter the United States. The law also provided the first ever lottery system, in which individuals were selected at random, in order to give fair consideration to immigrants from under represented countries.

Signed by President Clinton in 1996, the Illegal Immigration Reform and Immigration Responsibility Act (IIRIRA) was one of the toughest measures on illegal immigration in U.S. history. IIRIRA, consisted of immigration enforcement and punishable sanctions on migrants found living in the United States without authorization. The Act was designed to improve border control by imposing criminal penalties for racketeering, imprisoning alien smuggling in the use, or creation, of fraudulent

\textsuperscript{125} Rosenblum and Brick, \textit{US Immigration Policy}, 6.
immigration-related documents, increasing interior enforcement by agencies charged with monitoring visa applications, and penalizing visa abusers.\textsuperscript{126}

Under Title 1 of the IIRIRA, “Improvement to Border Control”, one thousand border patrol agents were added, a border fence was constructed along the border in California, more immigration centers were built in the U.S. interior to facilitate the detention of undocumented border crossers, and the number of immigration inspectors increased to protect legal workers through work site raids.\textsuperscript{127} The IIRIRA also improved border and interior enforcement; created new provisions to fight alien smuggling and document fraud; overhauled procedures for removing aliens; added new criminal alien laws; created new grounds for exclusion and deportation; provided limits on litigation; added legal immigration provisions; added new sections governing the restriction against employment of unauthorized workers and discrimination by employers against immigrants; addressed refugee and asylum; and added provisions on f-1 and J-1 exchange visitors. In addition, the IIRIRA changed physicians’ provisions, consular processing provisions, visa waiver program revisions, green card lottery provisions, female genital mutilation provisions, and “mail order bride” provisions.

IIRIRA covered everything from border control to penalties on immigrants and employers who violated the immigration laws to allowable benefits for immigrants. One ill-considered and particularly damaging element of the act was that many immigrants were affected by new three and ten year bars to admissibility for having been "unlawfully present" in the United States (having entered without any inspection or overstayed a


\textsuperscript{127} Novas, Everything You Need to Know about Latino History, 287.
nonimmigrant visa). The Act also prevented certain immigrants—including some with green cards—from receiving government benefits such as Social Security. Applying for asylum also became more difficult under IIRIRA, as applicants were required to apply within a year after entering the United States and were refused work permits until their cases were granted. 128

Operation Rio Grande

As the Mexican economy collapsed and went bankrupt in 1994, the devaluation of the peso upshot and the U.S. Government along with the International Monetary Fund, and the Bank for International Settlement bailed out Mexico through the “Peso Shield”, a $20 billion loan program. Because the Mexican economy’s condition was further fractured by the peso being devalued, in order to implement the Mexican strategy for export led growth that North American Free Trade Agreement intended to promote, there was a high probability of an increase in Mexican immigration to the United States. 129 Debates in Congress about immigration led to Operation Gatekeeper in 1994, a program which hoped to reduce illegal immigration, illegal contraband, and militarize the San Diego border sector; the program increased funding to more border patrol personnel and border patrol checkpoints. Operation Gatekeeper initiated a domino effect of similar operations and border enforcement programs that led well into the new millennium. Operation Gatekeeper was in reality the beginning gatekeeper program to increase immigration oversight in the following years to come. As Operation Rio Grande and Operation Safeguard, programs at restricting movement of illegal immigrants in Texas,

129 Please see Chapter IV.
New Mexico, and the Tuscan Sector, was enacted, the operational programs would indefinitely increase after the September 11th attacks.

Operation Rio Grande, which was proposed by a state rather than the federal government, took a stand against Washington’s actions on illegal immigration when Texas Governor Rick Perry launched the operation in 1997. Operation Rio Grande was a comprehensive approach to border crime that would bring together various state resources and law enforcement organizations to better secure the border from Brownsville to El Paso. Because Brownsville was the site of 75 percent of all illegal crossings in deep South Texas, it added 69 temporary border patrol agents to Brownsville, 230 new temporary agents to McAllen, and 18 permanent lights and 20 portable lights installed on the river bank.

Within the first four months of Operation Rio Grande, illegal immigrant apprehensions dropped 25% and 49,689 illegal immigrants were apprehended in the McAllen Border Patrol sector. 130 In 1997, apprehensions in Brownsville were down 40% and in 1999 there was a 32% decline in apprehensions and a 19% drop in crime. 131 Overall, Operation Rio Grande declined apprehensions by 35% but increased apprehensions by nearly 40% in the Laredo Corpus Christi Area, due to changes in smuggling routes. 132 While apprehensions were down in Brownsville, they were up 28 percent in Kingsville and up 122 percent in Falurrias. 133

Document fraud also resulted from Operation Rio Grande. In one weekend, 67 Mexican nationals were arrested for document fraud and false claims in Brownsville.

“There is a lot of fraud out there, and a lot is attributed to Operation Rio Grande. When they can’t come across the river, they’re going to try to come through another way,” said Joe Garza, Chief of the McAllen Border Patrol Sector.134

While top border patrol agents believed the program was working, ranchers like Tobin Armstrong, owner of Armstrong Ranch near Sarita in Kenedy County, did not believe so. After incepting over 1,000 illegal immigrants on his land, Armstrong said, “We are having just as many problems as we always had. You can line the border with people from Boca Chica to Rio Grande City and people will just cross at Eagle Pass.”135 Others felt as if they weren’t be respected by Operation Rio Grande. “I feel like an outsider in my own house. I left them search; I wanted them to have a clear mind that there’s nothing there. But the taxpayers are suffering paying for all this. It’s a lot of baloney,” said 73-year-old housewife Modesto Harris.136

Operation Rio Grande increased racial profiling as it targeted more Mexican Americans than any other race.

“The probability is higher for certain people to get stopped—Mexican origin people—and that means the majority of the population. It negatively impacts a certain population; it goes to the fundamental right to move freely. That right is being taken away from so many people, and it’s happening all the time,” said Jonathan Jones, a spokesman for Proyecto Libertad, an immigrant rights group in Harlingen.137

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137 Ibid.
Unfortunately, from 2003 to 2010, there would be a total of 12 national operational programs aimed at Immigration and Customs Enforcement, increased funding, illegal immigration detention, and criminalization of illegal aliens.

Conclusion

Over the course of 70 years, the implications of intertwined national economic and political policies in Mexico and the U.S. created conditions for increased migration, increased border security, increased legal and illegal immigration, increased trade, and increased interaction over the U.S.-Mexico Border. Each legislative act from both Mexico and the U.S. directly impacted border people, border areas, and both nations overall. The impact was especially felt in the Mexican-Mexican American communities in the Rio Grande Valley through population growth, the local economy, and the Mexican American culture that persists.

From WWII stemmed the Bracero Program that accelerated the use and want of braceros for labor in the United States. After the demise of the program, Mexico initiated the Border Industrial Program to spur employment in Mexico and attract American companies to its maquiladora industry. As Mexican population made its way to the border areas in search of BIP work, Mexico’s policy of no policy for immigration did not help curtail the new surge in Mexican immigration to the U.S. As Mexico experienced an economic collapse in the 1980’s, due to falling oil prices and not being able to meet debt obligations, even more Mexicans began to migrate to the United States in search of employment. The United States then passed the Immigration and Reform Control Act of 1986 in hopes of relieving millions of illegal immigrants in the United States. Congress went on to pass the Immigration Act of 1990 and the Illegal Immigration Reform and

Intertwined interaction since WWII fostered and built the border areas as we know them while further building the relationship that started between the two countries in the 19th century. The two sides of the border are different in many ways, but they are bound by a single shared experience. The border experienced well over 100 years of interaction between Mexico and the United States and yet the push and pull factors of migration provided for a combination of two countries into one area. This was the precluding step to that relationship up until 1994 when the North American Free Trade agreement would further solidify this relationship.

CHAPTER IV
INTRODUCTION TO NORTH AMERICAN FREE TRADE AGREEMENT IN
U.S. AND MEXICAN POLICY AND THE RIO GRANDE VALLEY

Section 1: North American Free Trade Agreement

A few months before the signing of the North American Free Trade Agreement (NAFTA), President Bill Clinton made the following statement:

“…We have turned NAFTA into a path breaking trade agreement. NAFTA is strongly in the interest of the United States. This agreement helps our workers, our environment, our businesses, and our consumers…NAFTA will create thousands of high paying American jobs by unlocking access to Mexico, a growing market of 90 million people that thirst for American products and services. The old rules marked by high trade barriers and preferences for companies manufacturing in Mexico have been pushed aside. In their place NAFTA establishes a level playing field, low tariffs, and a tough mechanism for resolving environmental and labor problems.”

With the original negotiation of a North American trade deal in 1984, the inception of a trilateral NAFTA in 1994 created the world’s largest free trade area. While this historic agreement tore down trade barriers between the United States, Canada and Mexico, U.S. President George H. Bush, Mexican President Carlos Salinas de Gortari, and Canadian Prime Minister Brian Mulroney spearheaded NAFTA as a legal framework for a restructuring of their economies. Besides creating an open trade group of 360 million consumers, NAFTA’s objectives, according to Article 102 of the NAFTA Agreement, were t:

a) eliminate barriers to trade in, and facilitate the cross-border movement of goods and services between the territories of the parties, b) promote conditions of fair competition in the free trade area, c) increase substantially investment opportunities in the territories of the parties, d) provide adequate

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and effective protection and enforcement of intellectual property rights in each Party’s territory, e) create effective procedures for the implementation and application of this agreement, for its joint administration and for the resolution of disputes, and f) establish a framework for further trilateral, regional, and multilateral cooperation to expand and enhance the benefits of the agreement.140

NAFTA’s dominant purpose was to create an increase in the flow of goods and gradually eliminate tariffs on specific products that the United States, Mexico, and Canada traded within 15 years. Goods and services, such as energy and basic petrochemicals, textile and apparel goods, trade and investment in the automotive sector, telecommunications, intellectual property, workers, environmental policies, and most importantly the agricultural sector, were to be manufactured, traded, and transported through NAFTA. NAFTA also implemented intellectual property protections, established dispute-resolution mechanisms, and set up regional labor and environmental safeguards.

Given that a U.S.- Canada Free Trade Agreement (FTA) was already in place prior to NAFTA, most of the market opening measures resulted in the removal of U.S. tariffs and quotas applied to imports from Mexico and Mexican trade barriers applied to imports from the U.S. and Canada.141 Some of the more significant changes took place in the textile, apparel, automotive, and agricultural industries. From that perspective, the United States handled the high end of electronic, industrial, and farming technology and Mexico provided labor for a range of jobs, from menial to highly skilled.142 NAFTA, in the form of the bilateral agreement between the United States and Mexico, also

142 Hart, Empire and Revolution, 438.
encouraged the want and use of Mexican labor through maquiladoras on the border for products shipped both directly and tax free into the United States.

What was NAFTA Supposed to Do?

Advocates of NAFTA claimed that benefits for the U.S. included tariff free trade; access to a larger market by both Mexico and Canada, cheaper goods; improved economic environments; a facilitation of cross border movement of goods and services; the guarantee of health and safety standards; increased job creativity; and improved environment agreements. According to John B. Avery and Rodman C. Rockefellers’ Op-Ed in the San Antonio Express, NAFTA offered seven critical gains for the United States.

1. Exports would equal jobs.
2. Mexico was the insatiable demand for U.S. Exports.
3. American’s best trading friends were not the high wage countries that NAFTA opponents say were our only worthy trading partners.
4. NAFTA did not encourage plants to move south.
5. NAFTA was a trade agreement, not an investment.
6. Mexican was hardly threatening to American manufacturing investment.
7. NAFTA increased sales for U.S. steel products, auto parts, textiles, chemicals, meat and dairy products, farm goods and processed foods, consumer goods, computers and software, training and support services and much more.  

The op-ed that provided Rockefeller’s recommendations was especially important because Rockefeller was co-chairman of the Mexico-U.S. Business Committee, was involved with genetic engineering and agribusiness in Mexico, and worked to build closer ties between the United States and Latin America. He worked closely with Washington to ensure the passage of NAFTA was probable and a success.

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143 NAFTA-Best Deal Ever, John B. Avery and Rodman C. Rockefeller, Box 13, Folder 3, The Nettie Lee Benson Latin American Collection, Rodman C. Rockefeller Records of the Mexico-U.S. Business Committee, The University of Texas at Austin, Austin, TX.
Benefits for Mexico included more investment from U.S. companies, more jobs in high unemployment times, dramatic price reductions in goods, and an expanded economy. NAFTA in Mexico was predicted to accelerate Mexico’s development, increase Mexican consumer incomes, open new investment opportunities in Mexico, and expand markets for U.S. goods and services. The agreement also benefitted many corporations in Mexico, specifically large scale agricultural producers who were able to sell their crops in U.S. and Canadian markets at much lower prices.145

NAFTA was part of a larger package of Mexican economic reforms that were intended to liberalize the Mexican marketplace and create a more investor friendly environment in Mexico.146 One of the main goals of the Mexican government was to increase investment confidence in order to spur economic growth. Mexico also sought to gain U.S. approval of NAFTA by transforming its problematic neighbor image to one that made it a modernizing partner open for trade. Mexico’s main motivation for NAFTA though, was to encourage direct foreign investment in export oriented manufacturing industries.147

In addition to the benefits for both the United States and Mexico, NAFTA was supposed to decrease emigration and immigration to the U.S., a growing problem for both countries at the time. A report by the U.S. Council on the Business of Mexico-U.S. Business Committee, *The Impact of the North American Free Trade Agreement 1993*, stated that by opening new job opportunities in Mexico and raising Mexican wage rates, NAFTA was expected to reduce Mexican immigration to the United States. The projected

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number of 550,000 job losses would be due to the reduction in immigration from Mexican workers to the United States rather than the loss of jobs directly to U.S. citizens. It was believed that through NAFTA, a better performing Mexican economy was key to keeping Mexican labor in Mexico which would thereby “shrink” U.S. labor jobs.148

Proponents argued that the agreement would help generate thousands of jobs and reduce income disparity between Mexico and its northern neighbors. Opponents warned that the agreement would create huge job losses in the United States as companies moved production to Mexico to lower costs.149 Studies on the prospective impact of NAFTA agreed that the bulk of additional jobs would be created in Mexico and therefore caused uproar from American companies because of the lack of job creation in the U.S. As NAFTA took effect in 1994, effects both good and bad began to show face in both countries’ economies.

**National Economic Impact**

The overall economic impact of NAFTA is difficult to measure since trade and investment trends are influenced by numerous other economic variables, such as economic growth, inflation, and currency fluctuations. Nevertheless, NAFTA is significant because it was the most comprehensive free trade agreement negotiated at the time and contained several ground breaking provisions.150 NAFTA was also controversial because it was a trade agreement between two wealthy countries and a developing nation. The addition of Mexico to the free trade group made this trade

150 Congressional Research Service. NAFTA at 20: Overview and Trade Effects, 9 & summary.
agreement highly unusual as both the U.S. and Canada were already engaged in their own FTA.

As of 2006, NAFTA countries conducted nearly $2.4 billion in trilateral trade each day.\(^{151}\) In 2011, trade among NAFTA partners reached $1 trillion. Trade between the United States and Mexico contributed considerably to growth in North American trade accounting for half of the increase in regional trade since 1994. Between 1993 and 2013, total U.S. trade with Mexico increased by 522\%.\(^{152}\) International trade flows increased significantly over the treaty’s first two decades, from roughly $290 billion in 1993 to more than $1.1 trillion in 2012.\(^{153}\) Those trade increases accelerated border areas economies like the Rio Grande Valley in many ways, which is further explored in section 2.

**Exports and Imports**

Prior to 1994 the levels of US exports and imports of merchandise with Mexico were both below $50 billion per year, while US-Canada merchandise trade was roughly three times that of Mexico.\(^{154}\) U.S. exports of goods and services to Canada and Mexico tripled since NAFTA, from $169 billion in 1993 to $560 billion in 2011. U.S. imports from Canada and Mexico rose substantially under NAFTA, reaching $622 billion in

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In 1993, U.S. trade surplus amounted to $1.7 billion. In 1994, the first year of NAFTA, the United States had a smaller surplus of $1.3 billion, which quickly gave way to massive deficits. By 2007, the U.S. trade deficit with Mexico had soared to $75 billion.\(^\text{156}\)

Aggregate trade between the United States and Mexico appeared to respond to the reduction in tariffs. Mexico’s share of US imports increased from 6.9% in 1993 to 11.5% in 2001. It hovered around that level without much change from 2002 through 2010. Similarly, the share of US exports going to Mexico increased from 8.9% to 13.9% from 1993 to 2004 and fell slightly to 12.8% by 2010. In both cases, the sharpest increase came right after the passage of NAFTA, when Mexico’s share of US imports increased 2.4 percentage points and its share continued to increase steadily until 2002.\(^\text{157}\)

The net overall effect of NAFTA on the U.S. economy appeared to be relatively modest, primarily because trade with Canada and Mexico accounted for a small percentage, a few hundredths of a percent, of U.S. GDP.\(^\text{158}\) Most of the trade related effects of NAFTA were attributed to changes in trade and investment patterns with Mexico because economic integration between Canada and the U.S. had already taken place.\(^\text{159}\)

Many economists and other observers credited NAFTA with helping U.S. Manufacturing industries, especially the auto industry, become more globally competitive.


through the development of supply chains. Much of the increase in U.S. Mexico trade, for example was attributed to specialization, as manufacturing and assembly reoriented to take advantage of economies of scale.\textsuperscript{160} The auto industry exploded under NAFTA, with sales at considerable amounts. The automotive industry made Mexico a significant trading partner because exports to Mexico increased 245\% while imports increased 587\%.\textsuperscript{161}

Originally critics of NAFTA focused on labor-market dislocations and warned the United States that it would experience sharp job losses as companies moved production south to Mexico to lower costs.\textsuperscript{162} The first six years of NAFTA saw unemployment in the United States fall to new lows.\textsuperscript{163} The outlook appeared favorable at first but as the economy suffered through the recessions of 2001 and 2007, the U.S. job market did too. According to a report by Economic Policy Institute economist Robert Scott, "Heading South: U.S.-Mexico trade and job displacement after NAFTA," an estimated 682,900 U.S. jobs were "lost or displaced" because of the resulting trade deficit from NAFTA. Scott also reported that NAFTA eliminated an estimated 766,000 job opportunities, especially for those in the non-college educated manufacturing market.\textsuperscript{164} That group represented 72.7\% of the total U.S. workforce and included most middle and low-wage workers.\textsuperscript{165} Ironically, the U.S. Chamber of Commerce reported that trade with Canada and Mexico

\textsuperscript{160} Jeffrey J. Schott, Senate Democratic Policy Committee, Testimony at the Oversight Hearing on Trade Policy and the US Automobile Industry, February 17, 2006.
\textsuperscript{161} Congressional Research Service. \textit{NAFTA at 20: Overview and Trade Effects},.
\textsuperscript{165} Scott, Campbell, and Salas, \textit{NAFTA at Seven}, 7.
supported nearly 14 million U.S. jobs, and nearly five million of those jobs were supported by the increase in trade generated by NAFTA.

Even though economists claimed that job loss was modest, all 50 states in the United States were affected by NAFTA job loss. The states most affected were Texas, California, Florida, North Carolina, and many parts of the upper Middle East with more than 20,000 jobs lost in most of those states. These states, in particular, had a high concentration of industries such as motor vehicles, textiles and apparel, computers, and electrical appliance, where large number of plants moved to Mexico’s maquiladora sector on the border. Even with Texas’ job lost, Mexican maquiladoras helped the Rio Grande Valley rioplex grow significantly though labor intensive and exporting companies that served those high concentration industries.

Although job loss occurred, supporters of NAFTA and many economists saw a positive impact on U.S. employment citing that new export related jobs in the United States paid 15 to 20 percent more on average than those focused on domestic production. Edward Alden, a senior fellow at the Council on Foreign Relations, noted that wages didn’t keep pace with labor productivity and that income inequality in the United States rose in recent years, in part due to pressures on the U.S. manufacturing base.

Mexico’s Economic Wellbeing

A number of studies found that NAFTA brought economic and social benefits to the Mexican economy, but benefits were not evenly distributed throughout the country. A World Bank study assessing some of the economic impacts from NAFTA on Mexico

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166 Ibid.
concluded that NAFTA helped Mexico get closer to the levels of development in the U.S. and Canada. The study stated that NAFTA helped Mexican manufactures adapt to U.S. technological innovations more quickly, which likely produced positive impacts on the number and quality of jobs; reduced macroeconomic volatility, or wide variations in the GDP growth rate in Mexico; increased the levels of synchronicity in business cycles in Mexico, the United States and Canada; and reinforced the high sensitivity of Mexican economic sectors to the economic developments of the United States.\footnote{Congressional Research Service. \textit{NAFTA at 20: Overview and Trade Effects}, 17.} Other studies suggested that NAFTA failed to significantly improve the Mexican economy or lower income disparities between Mexico and its northern neighbors.

Some experts say Mexican growth underperformed expectations with a GDP increase annual rate of 2.7 percent, compared to 3.3 and 3.6 percent of the U.S. and Canada.\footnote{Mohammed Aly Sergie, “NAFTA’s Economic Impact,” Council on Foreign Relations, last modified February 14, 2014, accessed June 27, 2011, \url{http://www.cfr.org/trade/naftas-economic-impact/p15790#p6}.} Conflicting reports stated that growth in Mexico over the past 10 years was 1 percent to 3 percent on a per capita basis since NAFTA took effect. In 2000, the Mexican peso became just as overvalued as it had been after the financial collapse of 1994. As a result, Mexico’s trade and current account balances worsened substantially in 1998-2000.\footnote{Scott, Campbell, and Salas, \textit{NAFTA at Seven}, 5.} Real GDP growth rate was at 2.8 percent in 2005, 4.8 percent in 2006, and 3.3 percent in 2007 real GDP per capita growth rate was 1.8 in 2005, 3.7 in 2006, and 2.2 in 2007. Upon hearing reports out of Washington D.C., the Ministry of Economy, Sergio Garcia De Alba, conducted a detailed analysis where there were obvious benefits to Mexican. In the period 1993 to 2005, Mexico’s economy grew 39.8% in real terms driven largely by exports. Mexico went from a trade deficit with NAFTA partners to a surplus of
$57.8 billion in 2005.\textsuperscript{171} What the report failed to say, however, was that most of these “exports” were from foreign-owned maquiladoras, and did not really reflect any added dimension of the Mexican economy.

Many critics of NAFTA said that the agreement led to severe job displacement in Mexico’s agriculture, especially in the corn sector. Reynosa economist Alberto Gonzalez said that Mexico had gone from a country that exported grains to a nation that needed to import basic grains to feed its people.\textsuperscript{172} Poor Mexican corn farmers faced an uphill battle competing with highly subsidized American corn, while relatively better-off Mexican city dwellers benefited from lower corn prices.\textsuperscript{173} Although food prices generally dropped, low yield agriculture in Mexico suffered greatly because of the lower prices offered by agribusiness in the United States and Canada. Prior to NAFTA, Mexico’s tariffs were highest for agricultural products. NAFTA allowed American farmers and ranchers to get past those barriers, causing the downward spiral of the agricultural life in Mexico.\textsuperscript{174} The remaining tariffs on products including corn, beans, and milk were removed, a move that may have benefited Mexican consumers looking for inexpensive groceries, but harmed small-plot farmers in places such as Chiapas.\textsuperscript{175} A study by the Economic Policy Institute estimated job losses at over 1 million in corn production between 1991 and 2000.\textsuperscript{176} As a result, U.S. agricultural exports to Mexico quintupled

\textsuperscript{171} Congressional Research Service. *NAFTA at 20: Overview and Trade Effects*.
\textsuperscript{172} Juan Antonio Ramos, “Mexico Travels a Rough Road through NAFTA’s Early Years,” *The Monitor*, December 29, 1996, Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX.
\textsuperscript{174} Overmeyer-Velasquez, *River of Hope*, 280.
\textsuperscript{176} Congressional Research Service. *NAFTA at 20: Overview and Trade Effects*, 17.
after NAFTA went into force and Mexico faced food dependency as the United States supplied three-quarters of Mexico’s agri-food imports.\textsuperscript{177} Other reasons include Mexico’s agricultural reform measures in the 1980’s and 1990’s that consisted of privatization efforts and resulted in increased competition. Measures included eliminating state enterprises related to agriculture and removing staple price supports and subsidies.\textsuperscript{178}

NAFTA helped Mexico’s manufacturing industry grow 43.2\% in real terms. 33\% of total employment in Mexico corresponded to the manufacturing industry in which half the jobs of the industry were related to export activity—most of which were dominated by foreign firms. In 2005, one in six jobs was related to export activity. The productivity of Mexican workers in the manufacturing industry increased by 69.6\%. NAFTA enhanced Mexico’s ability to supply American manufacturing firms with low-cost parts, but it did not make Mexico into an independently productive economy.\textsuperscript{179} The share of U.S. exports in the Mexican market increased by a higher percentage then the share of total imports from other countries; industries such as autos, chemicals, textiles, and electronics benefitted by achieving synergies across the North American market.\textsuperscript{180} Those manufacturing firms were American owned firms that sent their products to Mexico to be assembled. In reality, these American firms closed out Mexican auto part companies trying to compete. The auto industry, which flourished under NAFTA, grounded to a virtual standstill as the U.S. recession began to unfold in 2007. Mexican auto exports fell more than 50 percent in the first two months in 2009 and production

\textsuperscript{178} Congressional Research Service. NAFTA at 20: Overview and Trade Effects, 17.
\textsuperscript{180} Congressional Research Service. NAFTA at 20: Overview and Trade Effects, 15.
dropped almost 45 percent. The only types of investment in Mexico that grew since 1994 were the maquiladora industries, reinvested profits, and stock market investments. As a result of the maquiladoras, border areas like the Rio Grande Valley experienced an availability of jobs in transportation, construction, retail trade, and medical care.

From 1995 to 1999, maquiladora exports grew and at an annual rate of 16% due almost exclusively to “value added” exports in the maquiladora production. Those exports included auto parts, apparel and textiles, and electrical and electronic products. Employment in those activities, which mostly hailed from NAFTA, accounted for more than 80% of the total manufacturing employment in the maquiladora plants. But even NAFTA’s greatest success — exports — became a liability, as Mexico felt the full brunt of declining consumption in the United States. Although Mexico had a large trade surplus with the U.S., Mexico developed a large and growing overall trade deficit with the rest of the world.

As job markets suffered, the oversupply of labor along with government policies that succeeded in keeping wages low, led to a slight increase in the gap between average wages in the United States and Mexico — precisely the opposite of what NAFTA was expected to do. Although wages did rise, wage gaps throughout the country created

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poverty as they were unable to stay with the pace of the economy; wage increases were mostly seen in the northern border areas.

Per capita income in Mexico rose at an annual average level of 1.2 percent over the past two decades, from $6,932 to $8,397 in 2010, far slower than Latin American countries such as Brazil, Chile, and Peru.\textsuperscript{185} And while the hope was that NAFTA would reduce income disparities between the United States and its southern neighbor, in fact it grew by 10.6 percent in the last decade.\textsuperscript{186} Meanwhile, there was disappointing progress in reducing poverty in Mexico, where real wages had fallen to a rate of 0.2 percent a year.\textsuperscript{187} While NAFTA had a positive effect on wages and employment in some Mexican states, the wage differential within the country increased as a result of trade liberalization.\textsuperscript{188} In the 1990’s minimum wage in different parts of Mexico lost almost 50% of its purchasing power. By 1998, the incomes of salaried workers had fallen 25% while those of the self-employed declined 40%. It increased inequality and reduced incomes and job quality for the vast majority of workers in Mexico.\textsuperscript{189} But NAFTA mostly benefited a few sectors of the economy like the maquiladora industries and the very wealthy.

Total employment in Mexico grew from 33.9 million to 38.6 million jobs over the 1995-1999 period. Agricultural employment accounted for 21% (8.2 million) of the total

\textsuperscript{188} Congressional Research Service. \textit{NAFTA at 20: Overview and Trade Effects}, 20.
\textsuperscript{189} Scott, Campbell, and Salas, \textit{NAFTA at Seven: The Impact of NAFTA On Wages and Incomes on Mexico}, 12, 19.
labor workforce. Employment in Mexico’s auto industry dropped by 1995 and 1996. Mexico lost 13 percent of the 127,000 auto manufacturing jobs when foreign competition wiped out Mexican parts suppliers. One year after NAFTA, the peso collapsed and auto sales plummeted 70 percent. The lower peso, however, brought Mexico 27,000 new jobs in the low-paid, low skill maquiladora sector. As of 2004, Mexico lost some 200,000 assembly-for-export jobs due to the lure of even cheaper labor in China. According to Animal Politico, a prominent site from Mexico City, for every 10 jobs generated by the Felipe Calderon Administration, they lost 6 and maintained 4. Mexico was unable to create enough jobs to make up for all the jobs lost because of competition from imports, particularly purchases of subsidized grains from the United States.

Nearly two million jobs corresponded to companies with foreign direct investment. Foreign direct investment (FDI) did help Mexico by exporting firms pay wages 37% higher than non-exporting firms. The wages were 28% higher than those paid by companies with FDI. According to the World Bank, FDI flows to Mexico were 40 percent higher than they would have been without NAFTA (until 2002). In the 12 years after NAFTA, Mexico received 108.6 billion dollars in FDI from Canada and the United States. This amount represented 65.8 percent of the total investment received

190 Scott, Campbell, and Salas, NAFTA at Seven: The Impact of NAFTA On Wages and Incomes on Mexico, 14.
191 Sara Silver, NAFTA’ s Unexpected Champion Hint: It isn’t Mexico or the United States, The Associated Press & The Monitor, November 4, 1996.
during that period. The stock of U.S. FDI in Mexico increased from $15.2 billion in 1993 to 101.0 billion in 2012, a 564% increase. The majority of foreign direct investment in Mexico was in the manufacturing industry.

NAFTA expanded consumer choices in Mexico, which made the products increasingly higher quality and prices more competitive, benefiting Mexican consumers and leading to dramatic price reductions in clothes, televisions, and food, which also offset slow income growth. GEA, a Mexican city-based economic consulting firm, estimated that the cost of basic household goods in the Mexico halved since NAFTA’s implementation. That was because NAFTA gave Mexico access to a market of over 325 million people that accounted for 31% of global income.

NAFTA was expected to discourage Mexican immigration to the United States, yet despite the 2007-2009 U.S. recession and apprehension tactics, Mexican born people living in the United States, legally and illegally, doubled since 1994 to 12 million in 2013. Many attributed that to the loss of jobs from Mexico’s agricultural and manufacturing sector which through NAFTA, the Mexican government ended the corn subsidy, which made it possible for small farmers to stay in business. AS NAFTA severely affected the agricultural sector in Mexico, an estimated 2 million Mexican farm

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workers left the rural areas for the urban big cities in search of work. These people eventually left Mexico, migrated to the United State more than doubling the amount of people attempting to enter the U.S. illegally.

Figure 5. Mexican Born Population in the U.S., 1850-2011. Source: Hispanic Pew Research Center.

Figure 5 indicates the number of Mexican born population in the United States since 1850. It is evident that the number of Mexican born population exponentially increased after the 1980’s when Mexico’s economic recession occurred and the 1986 IRCA Act was passed. They reached increasingly higher numbers after 1994 and continued to grow up until 2011, when there was a change in patterns of border enforcement, characteristics of migrants returning, and changed trends related to Mexican

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migration. Figure 6 indicates the levels of annual migration from Mexico to the U.S. since 1991. After NAFTA, it is clear to see that annual immigration reached numbers it had never reached before.

Figure 6. Annual Immigration from Mexico to the U.S.: 1991-2010. Source: Pew Research Center.

NAFTA affected Mexico on a global and local level. According to Malkin, local companies went out of business in Mexico because 1.) they could not compete with imports; 2.) foreign companies that invested in Mexico did not source from Mexico, and 3.) NAFTA’s conditions prevented Mexico from requiring local purchases, while at the

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same time public investment fell because Mexico adopted strict fiscal policies to achieve macroeconomic stability.  

GDP growth for all three countries experienced relative growth except during the recession from 2007 to 2009. Canada remained on top, United States second, and Mexico last. The historic agreement benefited all three countries, but it came at a price to national and local economies as they lost and gained through the removal of trade barriers and free trade. At the end of the 20th century, NAFTA was the cutting edge free trade arrangement in the Americas.

![GDP Growth Since 1993](image)

Figure 7. GDP Growth since 1993. Source: as cited in Mark Glassman’s NAFTA 20 Years After: Neither Miracle nor Disaster.

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Section 2: The Rio Grande Valley and NAFTA Implications

Ten years after the inception of NAFTA, the outlook, according to The Brownsville Herald, appeared as if the Rio Grande Valley (RGV) had more winners than losers from the FTA. It claimed that NAFTA made the Valley become one of the fastest growing regions in the United States, with much of the expansion driven by the historic trade pact. Some proponents of NAFTA declared that NAFTA was the best thing that could have happened to the region. Because NAFTA created an international shift to Texas and the Rio Grande Valley border areas, some say it produced an economic miracle.

NAFTA brought much needed attention to the border areas like the Rio Grande Valley but NAFTA’s impact on the Valley’s fiscal health and quality of life have been hard to quantify. If one thing is for sure, Brownsville transformed into a thriving center for retail and residential development, the maquiladora business thrived in the McAllen-Reynosa area, and the San Benito-Harlingen area attracted healthcare businesses.

Sector Boom in the RGV

The education and health sector increased overwhelmingly over the past ten years as being the largest and highest rate employers in the Rio Grande Valley growing from 20.6 in 2001 to 32.0 in 2010 for the Brownsville—Harlingen Area, and from 26.7 to 54.6 from 2001 to 2010 in the McAllen-Edinburg-Mission area. The signing of NAFTA bought with it an increased number of workers, some with illnesses, while bringing a

204 Tony Vindell, “NAFTA has been a Victory for Texas, Rio Grande Valley Economics,” Brownsville Herald, April 12, 2004.
tremendous expansion of the medical industry.\textsuperscript{206} In the past ten years, hospitals and doctors found themselves with more patients than ever before and every major hospital in the Valley expanded or was planning to expand. “Expansion projects included a $60 million addition to Rio Grande Regional Hospital in McAllen, a $20 Million addition to Knapp Medical Center is Weslaco, and large medical office on the way in Brownsville,” said Perry Vaughn, Executive Director of the Rio Grande Valley Chapter of the Associated General Contractors of America. The need for more medical care brought growth that led to the creation of the regional Academic Health Center, a public health center in Brownsville, and the Valley’s first medical school in Harlingen.\textsuperscript{207} The health care sector is one of the largest sectors to experience growth in the Valley since the implementation of NAFTA.

Private sector boom in construction and retail trade increased dramatically as retail trade ranked second highest for rate of employment in the Rio Grande Valley. The RGV experienced an 83\% increase in retail trade (4.1 billion to 7.5 billion) from 1990 to 2000. McAllen, being the number one location in the RGV for retail trade, achieved over $3.5 billion in total retail sales in 2006.\textsuperscript{208} Retail sales in Cameron County remained relatively steady from 2000 to 2004 at $400 million, with a slight increase to under $500 million until 2007. Retail trade then decreased from 2008 to 2009 to slightly above $400 million and has only recently begun improving.\textsuperscript{209} Retail and trade have been the driving

\begin{footnotesize}
\textsuperscript{208} McAllen Chamber of Commerce, \textit{Community Environmental Scan Section 5 Program Development A5} (McAllen, TX: McAllen Chamber of Commerce, n.d.), 15.
\end{footnotesize}
force in border areas like McAllen, growing a staggering 138% over the last 10 years, and employing 27% of the workforce. 210

NAFTA encouraged many businesses to move south of the border because of the proximity to Mexico and access to cheaper labor. The maquiladora industries benefited the most from these businesses movement as the flow of intermediate inputs produced in the United States were exported to Mexico to be returned as finished products. These assembly plants manufactured acrylic fiber, plastic resins, synthetic rubber, and polymers. As a result, the assembly production industry greatly increased the importance of the U.S. Mexico border region as a production site. 211

These foreign owned manufacturing plants, mostly American, brought thousands of people to Reynosa and Matamoros, as well as to McAllen and Brownsville. “It opened the doors to a dozen more foreign companies and foreign countries,” said Mike Blum, commercial real estate broker with NAI Rioco Reality in Mission. “They came to McAllen and Reynosa to take advantage of the NAFTA rules. They created thousands of jobs on both sides of the border.” 212 As early as the 1990s, Matamoros had 82 companies and 39,105 workers. 213 From 2000 and 2002, maquiladoras in Matamoros had 53,000

210 McAllen Chamber of Commerce, Community Environmental Scan Section 5 Program Development A5, 15.
211 Congressional Research Service. NAFTA at 20: Overview and Trade Effects, 15.
As of 2010, Matamoros was home to more than 122 maquiladoras with more than 52,777 workers.\(^{215}\)

Although there was a significant creation of jobs along the border, foreign competition and the downturn of the economy contributed to the loss that maquiladoras faced in the 2000 to 2010 era. By 2004, 59\% of maquiladoras came from the U.S. and 46.8\% came from Asia, as compared to the 1990s levels of 90\% from the U.S. and 10\% from Asia. As many as 20,000 jobs were lost in the area as a result of globalization and cheaper labor in China and South East Asia as growth and decline of the sister cities’ was directly related to the city’s economic interdependence with Matamoros.\(^{216}\) But even with job lost in certain border towns, McAllen still experienced high growth in retail and trade.

General construction grew rapidly due to demand for housing, NAFTA infrastructure, and retail sales. General permit values more than doubled in the areas from $5.7 million in 1996 to $1.2 billion in 2005. As of 2006, McAllen led the Valley in building permits with $263 million respectively.\(^{217}\) With the national recession in 2006-2009, construction declined about 30\% nationally and 1\% statewide.

\textit{Valley Job Loss}

Although some believed that NAFTA was a blessing to the area, those who lost their jobs were less convinced. On the tenth anniversary of NAFTA, benefits seemed to be everywhere else but the RGV. Texas did see job growth from 1994 to 2003, but much


\(^{216}\) Owen, The History of the Maquiladora Industry in Matamoros, 248.

\(^{217}\) McAllen Chamber of Commerce, Community Environmental Scan Section 5 Program Development A5, 123.
of it was in other places. As economist M. Ray Perryman with the Waco-based Perryman Groups said, “NAFTA blessed Dallas, because it’s a manufacturing center, Houston because of its port activity, and San Antonio because of its broad base.”

Prior to the 1990’s, the economic downturns of both the U.S. and Mexico drove unemployment in parts of the RGV to 50%. “Before NAFTA we had high double digit unemployment and things were not nearly as good. I have to believe that we could not be doing as well as we are, if we had not passed NAFTA,” said one Valley man. Post NAFTA, employment went down with the availability of work that came to the area. But as manufacturing jobs relocated to Mexico, many people were dislocated from their jobs. According to the Texas Workforce Commission, 6,065 Rio Grande Valley workers from 1994 to 2004 qualified for benefits from the Trade Adjustment Assistance Act, which was designed to protect workers affected by foreign competition and provide them with job opportunities. Even though the RGV experienced job growth, it also experienced job loss associated with NAFTA.

Agriculture

Agriculture is a major industry and has a comparative advantage in the Rio Grande Valley economy, especially in Cameron, Hidalgo, and Willacy Counties. As NAFTA’s primary purpose was to eliminate tariffs over a 15 year period, by 2004 tariffs on about 80 agricultural commodities including, sorghum, tomatoes, oranges, squash, corn, soybeans, eggs, and pork, were eliminated and by 2008, all tariffs were removed.

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218 Jessica Rocha, “Rest of Texas Benefits from NAFTA More than Border, in NAFTA + 10, Legacy of Growth, Valley Freedom Newspapers, April 18, 2004, NAFTA Box, Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX.
220 Ibid.
221 Starr County is primarily ranch land in the area.
This was good for Valley farmers who exported 90 percent of their crop to Mexico. This was also important because grain and sorghum, used mostly as food for livestock, was one of the Valley’s largest cash crops, accounting for annual sales of $35 million.\textsuperscript{222} Crop and livestock production combined, brought in over $500 million in 2007.\textsuperscript{223}

Certain sectors in the RGV were benefiting but growers on both sides of the border disagreed on who the real winners and losers were under the free trade pact. “NAFTA is a give and take accord,” Harlingen Farmer Bobby Sparks said. “It has helped the grain and cotton producers in this country, but it’s going to hurt the vegetable and citrus producers.”\textsuperscript{224} For U.S. farmers like Bobby Sparks, NAFTA created a give and take relationship, but farmers on the other side of the border did not view it that way.

The 13 Peasants Committee, a group of growers coming from Mexico’s \textit{ejido} system, a system that antiquated from land distribution introduced after the Revolution of 1910, expressed concern with the fact that NAFTA was designed to benefit big corporations and large farming operations, rather than small farmers like the 13 Peasants Committee. “The TLC (Tratado de Libre Comercio) has affected us the most,” said Antonio “Tono” Perez, the committee’s secretary general. “We can’t compete with products coming from the United States…Our idea was that under the TLC, we were going to buy impellents, seeds, fertilizers, machines and things we need to work the land


and become more efficient. That has not been the case,” said Hector Lopez who claimed to be the organization’s most outspoken member at the time.225

Sam Sammons, president of cotton & grain production of the Lower Rio Grande Valley, Inc. believed that NAFTA was a good thing for the area. In 2004, more than 50 percent of the Valley’s cotton crop was sold across the border to mills in cities like Ciudad Victoria, Saltillo, Monterrey, Puebla and Mexico City, where it was processed and made into clothes.226 The proximity and high percentage of crop being sold turned Mexico into these Valley farmers’ number one market. But in the grand scheme of things, there was still a downturn for some. “In a broader picture, we have seen a lot of production shifting to Mexico since NAFTA was put in place,” said Ray Prewett, Executive Vice President of Texas Citrus Mutual in Mission. “So it’s certain that it has not been positive for some folks who make a living growing produce.”227

Although agriculture has been transformed by mechanization, the agriculture sector continues to affect the RGV economy through direct labor and indirect operations and industries. Agriculture and its exports still remains one of the biggest parts of the economy in the area. The measure of positive and negative outcomes from NAFTA has been hard to quantify in the agricultural sector as NAFTA has been good for some and not for others as it depended on both national and local economies in the RGV and both the United States and Mexico.

225 Ibid.
226 Ibid.
International Trade

Mexico is the United States’ second largest trading partner in the world, and Texas border counties are the leading gateway for that trade.\textsuperscript{228} NAFTA has especially sped up this process as border crossings for trucks more than doubled in the years after NAFTA. In 2000 the Rioplex port of entry accounted for $25 billion of 12\% of the U.S. total.\textsuperscript{229} In 2012, the Valley ports of entry accounted for approximately 22\% of the truck crossings in Texas. A study by Martin Associate of Lancaster, Pennsylvania, estimated that Brownsville’s port generated an annual economic impact on the Valley at $925 million.\textsuperscript{230}

These ports of entry reported significant numbers of border crossings through ports of entry in the area. In 2000, 84 million autos crossed the Texas-Mexico border with 46\% of these auto crossings occurring at Rio Grande Valley ports of entry. From 1991 to 2000, the Rioplex saw an increase of 76\% in total crossings.\textsuperscript{231} The figures in the table represent the number of crossings in a one year period in from 2002-2012.

Current plans for the area, as a result of NAFTA, include the I-69 superhighway, also known as the Trans Texas Corridor that will lead from the RGV to Michigan and eventually Canada. I-69 through Texas will follow US 59 from Texarkana down through Houston and eventually south from Victoria to the Valley. The Valley will split off into

\textsuperscript{229} McAllen Chamber of Commerce, Community Environmental Scan Section 5 Program Development A5, 119.
\textsuperscript{230} Steve Clark, Study shows Job and Revenue Impact of Port, The Brownsville Herald, n.d.
\textsuperscript{231} McAllen Chamber of Commerce, Community Environmental Scan Section 5 Program Development A5.1, 20.
three trunks: I-69W from US 59 to Laredo, I-69C on US 281 to McAllen, and I-69E from US 77 from Victoria to Corpus Christi and eventually to Brownsville.\textsuperscript{232}


<table>
<thead>
<tr>
<th>Vehicle Crossings***</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northbound</td>
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<td>8,716,430</td>
<td>8,782,304</td>
<td>8,495,437</td>
<td>6,236,408</td>
</tr>
<tr>
<td>Southbound</td>
<td>9,340,866</td>
<td>8,460,718</td>
<td>8,347,306</td>
<td>8,191,998</td>
<td>6,044,622</td>
</tr>
<tr>
<td>Total</td>
<td>19,041,727</td>
<td>17,177,148</td>
<td>17,129,610</td>
<td>16,687,435</td>
<td>12,281,030</td>
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<table>
<thead>
<tr>
<th>Pedestrian Crossings</th>
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<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
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<tr>
<td>Northbound</td>
<td>2,931,510</td>
<td>2,644,253</td>
<td>2,868,457</td>
<td>2,915,271</td>
<td>3,262,538</td>
</tr>
<tr>
<td>Southbound</td>
<td>2,547,111</td>
<td>2,675,248</td>
<td>2,656,718</td>
<td>2,625,526</td>
<td>2,648,970</td>
</tr>
<tr>
<td>Total</td>
<td>5,478,621</td>
<td>5,319,491</td>
<td>5,527,173</td>
<td>5,540,797</td>
<td>5,911,518</td>
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<table>
<thead>
<tr>
<th>Truck Crossings****</th>
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<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
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<tr>
<td>Northbound</td>
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<td>425,635</td>
<td>471,415</td>
<td>507,686</td>
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<tr>
<td>Southbound</td>
<td>328,103</td>
<td>354,031</td>
<td>416,190</td>
<td>435,954</td>
<td>444,652</td>
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<tr>
<td>Total</td>
<td>742,271</td>
<td>780,686</td>
<td>883,558</td>
<td>943,640</td>
<td>914,010</td>
</tr>
</tbody>
</table>

* Includes McAllen, Pharr and Progreso bridges where applicable  
** Due to the different data gathering procedures that each bridge system follows, 2006 year-to-date data may not reflect all twelve months and may be subject to change till the following year.  
*** Does not include 2 to 6 axle commercial trucks  
**** Includes only 2 to 6 axle loaded and unloaded commercial vehicles.


<table>
<thead>
<tr>
<th>Port Name</th>
<th>Trucks</th>
<th>Buses</th>
<th>Bus Passengers</th>
<th>Personal Vehicles</th>
<th>Personal Vehicle Passengers</th>
<th>Pedestrians</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brownsville</td>
<td>218,187</td>
<td>600</td>
<td>7,880</td>
<td>51,326</td>
<td>4,262,047</td>
<td>8,720,359</td>
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<tr>
<td>Del Rio</td>
<td>65,477</td>
<td>NA</td>
<td>3</td>
<td>39</td>
<td>1,268,227</td>
<td>2,540,427</td>
</tr>
<tr>
<td>El Paso</td>
<td>117,375</td>
<td>2,349</td>
<td>589</td>
<td>23,136</td>
<td>2,274,434</td>
<td>4,620,413</td>
</tr>
<tr>
<td>Laredo</td>
<td>724,964</td>
<td>1,392</td>
<td>22,798</td>
<td>435,500</td>
<td>9,461,721</td>
<td>15,908,404</td>
</tr>
<tr>
<td>Pharr</td>
<td>328,103</td>
<td>NA</td>
<td>NA</td>
<td>416,190</td>
<td>435,954</td>
<td>444,652</td>
</tr>
<tr>
<td>Progreso</td>
<td>44,510</td>
<td>NA</td>
<td>1</td>
<td>954,161</td>
<td>2,149,675</td>
<td>827,708</td>
</tr>
<tr>
<td>Rio Grande City</td>
<td>29,277</td>
<td>NA</td>
<td>1,393</td>
<td>12,478</td>
<td>286,233</td>
<td>1,273,578</td>
</tr>
<tr>
<td>Roma</td>
<td>7,139</td>
<td>NA</td>
<td>486</td>
<td>12,478</td>
<td>286,233</td>
<td>1,273,578</td>
</tr>
<tr>
<td>Texas Total</td>
<td>3,849,448</td>
<td>7,333</td>
<td>91,336</td>
<td>1,823,112</td>
<td>39,464,056</td>
<td>55,491,451</td>
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<tr>
<td>RGV Total</td>
<td>780,733</td>
<td>600</td>
<td>28,843</td>
<td>366,594</td>
<td>11,144,735</td>
<td>31,852,303</td>
</tr>
</tbody>
</table>

Conclusion

Estimating the economic impact of trade agreements is a daunting task due to a lack of data and important theoretical and practical matters associated with generating results from economic models, but NAFTA brought both positive and negative outcomes within the United States and Mexico. Essentially, NAFTA established the removal of

Mexico’s restrictive trade and investment policies and if anything has come from NAFTA, it’s been the ability to set the precedence for bilateral and multilateral free trade agreements for the United States and around the world.233

NAFTA’s legacy is that it has served as a model for the new generation of FTAs that the United States later used as a template for certain provisions in multilateral trade negotiations as part of the Uruguay Round, the 8th round of multilateral trade negotiations conducted within General Agreement on Tariffs and trade (GATT).234 Perhaps most importantly for Mexico, however, is that NAFTA further solidified the country’s move “from self-imposed isolation and economic nationalism to integration into the global economy,” said Brink Lindsey, director of the Center for Trade Policy Studies at the Cato Institute.235 That, however, has been particularly hard on small agricultural producers who may give up and migrate to cities, particularly border cities like Brownsville-Matamoros, or to come across the border into the U.S.

Although NAFTA was meant to restructure the economies of both the U.S. and Mexico, the restructuring and investment in their local economies differed. Because domestic policies did not target investment in sectors like education or infrastructure, NAFTA upsets greatly affected places like Mexico and border areas. The growing population was unable to stay pace with the changing economy and border and port infrastructure were not ready for the change in volume.

But in order for NAFTA to work the way it was supposed to, it should be amended to include strengthening institutions to protect the environment and worker

234 Ibid.
rights, the establishment of a border infrastructure plan, increasing regulatory cooperation, promoting research and development to enhance the global competitiveness of North American Industries, investing in more border infrastructure, making border crossing more efficient, and lessening income differentials within the region.\textsuperscript{236} For Mexico, to see more people lifted out of poverty, the government should have invested in highways south of Mexico City to reach the poorest areas and people; it should have addressed the future energy shortage; and it should have educated its people to prepare them for more skilled jobs.

NAFTA was a major step in creating an even greater relationship between the United States and Mexico. Not only did it create an economic relationship but it gave way to greater dependence on the United States from Mexico. It also gave way to more border commerce and exchange in retail markets, agriculture, international trade, and human capital.

\textsuperscript{236} Congressional Research Service. \textit{NAFTA at 20: Overview and Trade Effects}, 23.
CHAPTER V

THE LOWER RIO GRANDE VALLEY WHERE 1ST WORLD MEETS 3RD WORLD: ECONOMIC AND SOCIAL PROFILE OF THE RIO GRANDE VALLEY POST NAFTA

NAFTA is a blessing for some and a curse for others, and has created a vicious cycle leading to both beneficial and detrimental effects on the social and economic living situations of the people of the Rio Grande Valley. In terms of income, poverty, and educational demographics of this area, the statistics in the following study represent what people faced, and are still facing, because of the policies enacted since WWII.

*Rio Grande Valley Population with a Cameron County Perspective*

U.S.-Mexico border areas are highly populated and have demographic characteristics of wealth and poverty unlike either two countries. The new militarized take on border security and legislation from both the United States and Mexico has fostered changing social and economic dynamics in the Rio Grande Valley. Today, the U.S.-Mexico border is made up of 24 U.S. counties in four U.S. states juxtaposed with 38 Mexican counties, or *municipios*, in six Mexican states.\(^{237}\) In 1970 the combined cross-border population was about 5.2 million people, who were more or less evenly distributed on each side of the border.\(^{238}\) By 2000, the combined border population had more than doubled to 12.3 million with the population still evenly distributed between the U.S. and Mexican counties. People coming from Mexico accounted for an increase of almost half a

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\(^{238}\) David V. Gibson et al., *Cameron County/Matamoros at the Crossroads: Assets and Challenges for Accelerated Regional and Binational Development*, (Brownsville, TX: UTB-CBIRD and IC2, 2003).
million each year, Consequently, the number of unauthorized Mexicans living in the U.S. rose from an estimated 2.5 million in 1995 to 4.5 million in 2000, representing an annual increase of 400,000 a year.\textsuperscript{239} The total Mexican-born population in the U.S. grew from about 2.8 million in 1979 to about 11.5 million in 2009 with the total border population reaching 18 million by 2005.\textsuperscript{240}

The Rio Grande Valley is currently home to about 1.3 million people, with 85% being Hispanic, more than twice the Texas average. On the Mexican side of the border, the Matamoros/Reynosa metroplex is the most populated area of Tamaulipas, which contributes to the growing number of people in the border region and Cameron County.\textsuperscript{241} On the U.S. side, the principal cities of McAllen, Brownsville, and Harlingen combine to form the northern half of the Rioplex and are among the most rapidly growing regions in the country. This northern Rioplex is larger than that of nine states.\textsuperscript{242} These growing border populations are linked through an intricate network of sister cities. Sister cities along the U.S.-Mexico border work together in businesses and cultural exchanges, functioning as joint economic societies. Fourteen major sister or twin cities exist on the entire U.S.- Mexico border accounting for 92 percent of the border


\textsuperscript{242} McAllen Chamber of Commerce, \textit{Community Environmental Scan Section 5 Program Development A5}, 1.
In the RGV, there are a total of 2 major and 4 minor sister cities between the United States and Mexico. There are 1 major and 3 minor cities in Hidalgo County, and 1 major and 1 minor city in Cameron County. The total population of this bi-national, bicultural, international metropolitan area, including Northern Tamaulipas and the Rio Grand Valley, amounts to 3.9 million or more, making the U.S.-Mexico Rioplex larger than 25 U.S. states.


<table>
<thead>
<tr>
<th>Mexican Sister City</th>
<th>U.S. Sister City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matamoros, MX*</td>
<td>Brownsville, TX*</td>
</tr>
<tr>
<td>Reynosa, MX*</td>
<td>McAllen, TX*</td>
</tr>
<tr>
<td>Reynosa, MX</td>
<td>Pharr, TX</td>
</tr>
<tr>
<td>Reynosa, MX</td>
<td>Mission, TX</td>
</tr>
<tr>
<td>Nuevo Progreso, MX</td>
<td>Progresso, TX</td>
</tr>
<tr>
<td>Matamoros, MX</td>
<td>Los Indios, TX</td>
</tr>
</tbody>
</table>

The population growth rate for the U.S.-Mexican border region represents the fastest growing areas in Mexico and the United States. Border states, counties, and cities cannot keep pace with the demand that the growth places on their social and physical infrastructure. Population growth repeatedly outpaces job and economic growth and is seen in the alterations of the micro-border environment of the RGV. Expanding population and migration statistics continue despite the tightening of border security. The

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245 Ibid.
following information demonstrates the rate and growth of Cameron County, a major part of the RGV rioplex, from 1990 to 2010.

Cameron County had 260,120 people in 1990 with a growth rate of 24%. From 1990 to 2000 Cameron County’s population increased by 29% from 260,120 to 335,227. From 2000 to 2010, Cameron County demonstrated another increase from 335,227 to 406,220. In that same respect, all of the cities in Cameron County such as Brownsville, San Benito, Harlingen, La Feria, Port Isabel, South Padre Island, and Los Fresnos had significant increases. On the other side of the border, Matamoros, Brownsville’s sister city, also experienced a significant population growth.

![Cameron County and Matamoros Population from 1990-2010](image)

Figure 8. Cameron County and Matamoros Population from 1990-2010. Note: La Feria, Port Isabel, South Padre Island, and Los Fresnos’ populations were well under 10,000.

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Table 4. Cameron County and Matamoros’ Population by Number.

<table>
<thead>
<tr>
<th>Location</th>
<th>1990</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameron</td>
<td>260,120</td>
<td>335,227</td>
<td>406,220</td>
</tr>
<tr>
<td>Brownsville</td>
<td>98,962</td>
<td>163,961</td>
<td>175,023</td>
</tr>
<tr>
<td>San Benito</td>
<td>20,125</td>
<td>23,444</td>
<td>24,250</td>
</tr>
<tr>
<td>Harlingen</td>
<td>48,735</td>
<td>54,564</td>
<td>64,849</td>
</tr>
<tr>
<td>La Feria</td>
<td>4,360</td>
<td>6,115</td>
<td>7,302</td>
</tr>
<tr>
<td>Port Isabel</td>
<td>4,467</td>
<td>4,865</td>
<td>5,006</td>
</tr>
<tr>
<td>South Padre Island</td>
<td>1,677</td>
<td>2,422</td>
<td>2,816</td>
</tr>
<tr>
<td>Los Fresnos</td>
<td>2,473</td>
<td>4,512</td>
<td>5,542</td>
</tr>
<tr>
<td>Matamoros, MX</td>
<td>303,293</td>
<td>418,141</td>
<td>489,193</td>
</tr>
</tbody>
</table>

While the U.S. population expanded from 1990 to 2000, Cameron County experienced an increase in foreign born residents from 22.1% to 26% with state foreign born population rising from 9 to 13.9% over the same period. During the 2000s, foreign born percentages in Cameron County decreased from 26% to 24.7%, while the foreign born population state wide grew from 13.9% to 16.3%. The fluctuation in numbers were due to economic recession and peso devaluation in 1995 in Mexico, when many Mexicans found it favorable to come to the United States; and the militarization of the border through 9/11 legislation, which increased apprehensions and decreased crossings.

Figure 10. Cameron County Mexican, Hispanic, and Overall Population of 1990. Source: U.S. Census Bureau.

Figure 11. Cameron County Mexican, Hispanic, and Overall Population of 2000. Source: US Census Bureau.
Although foreign born population fluctuated through the 1990s and 2000s, the Hispanic and Mexican population increased in all parts of Cameron County from 1990 through 2010. In 1990, Cameron County had an overall population of 260,120, a Hispanic origin population of 212,995 and a Mexican descent population of 200,811.\(^{247}\)

In 2000, Cameron County had an overall population of 335,224, a Hispanic population of 282,376, and a Mexican descent population of 226,680.\(^{248}\) In 2010, Cameron County had a total population of 406,220, a Hispanic population of 357,747, and a Mexican descent population of 327,067.\(^{249}\) Figure 10, 11, and 12 demonstrate Brownsville, Harlingen, San Benito, and the rest of Cameron County having similar population descriptions from 1990 through 2010.


The population of the RGV dramatically increased as a result of legislation. The drive of the maquiladora economy through NAFTA and the peso devaluation pushed Mexican citizens over the border in search of work. Increases from 1990-2000 also attributed to the effects of the 1986 Immigration and Reform Control Act (IRCA), the Immigration Act of 1990, and the Illegal Immigration Reform and Immigration Responsibility Act. The 1986 IRCA was intended to allow more than 1.5 million undocumented workers to become citizens; many of whom were farm workers in the border areas like the Valley who had resided in the U.S. after the 1960s. During 1989 and 1991, as a result of the IRCA’s legalization program, immigration to the United States tripled. The Immigration Act of 1990 doubled annual limits on permanent and temporary employment visas.\textsuperscript{250} Matamoros nearly doubled from 1970 (186,146) to 1990 (303,293).\textsuperscript{251} Thirty two percent of foreign borns from Mexico also arrived in the U.S. between 1990 and 1999.\textsuperscript{252} Other causes of immigration included U.S. interventions in Central America and fleeing refugees from Latin America to the U.S.

In the same decade, immigration declined nationally and the rise of anti terrorist policies and a failing American economy had an immediate effect on immigration figures. In that same decade, immigration legislation was transformed by the USA PATRIOT Act of 2001, the Secure Fence Act of 2006, and the Border Security Act of 2010; these acts aimed at specifically curtailing immigration and enhancing border security against all trespassers. These policies contributed to lower levels of population growth compared to the previous decade.

\textsuperscript{251} Owen, \textit{The History of the Maquiladora Industry in Matamoros}, 247.
\textsuperscript{252} Rosenblum and Brick, \textit{US Immigration Policy}, 14.
The United States experienced the lowest population growth rate since the Great Depression, and the recession limited the number of immigrants migrating to the United States. In 2007 and 2008, immigration rates peaked in the United States to about 12.4 million and then in 2009 steadily declined to about 11.1 million. Deportations also increased exponentially during this period as a result of post 9/11 U.S. congressional acts. Even then Mexicans still remained the largest immigrant nationality in the United States in 2009. In 2010, about 75% of all Mexican immigrants resided in five border states. Texas held 21% of that population.

Cameron County’s metropolitan area population growth dramatically increased from the 1980’s to 2010 by 135%. The challenges what were accompanied with population growth were that Mexican citizens in search of work were moving from southern Mexico to Matamoros, from Matamoros to Brownsville, and then eventually from Brownsville further into Texas and the U.S. The population density in Mexican border towns continued to rise and the spillover of social problems and lack of essential infrastructure in U.S. border towns mounted. The Valley has had some of the highest unemployment, highest population growth, highest poverty levels, and more children in poverty than most of the rest of the nation from 1990-2010. The U.S. Census Bureau deemed most of the Valley’s counties as America’s most poverty stricken area, the fastest growing in population, and some of the least educated since the late 1980’s.

**Rio Grande Valley Economic Profile**

The fluidity of human interaction in the Rio Grande Valley creates an economic identity unlike the rest of the United States or Mexican mainland as the economies of the Rio Grande Valley and Cameron County lay across Mexico, a developing country with

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its most dynamic regions in the north.254 This population comes from diverse backgrounds; wealthy Mexicans, day laborers, illegal and legal immigrants, disadvantaged immigrants, old braceros and their families, regular migrants, daily border crossers, and new-comers. Border regions in Mexico have been characterized by increased migration and immigration and the relocation of industries since the implementation of NAFTA in 1994. Under NAFTA, trade tariffs between, Mexico, The United States, and Canada were eliminated, which made the North American border more open to the free flow of goods, services, and capital. 255 With the boom of the Border Industrialization Program and NAFTA, the attraction for Mexicans to move to border towns increased.

The Formal Border Economy

According to Sociologist Chad Richardson and International Business Professor Michael J. Pisani, borderland cultures and societies from Laredo, TX to Brownsville, TX, have complex social and economic demographics that result from the formal, informal, underground border commerce. These demographics are further complicated by the direct and indirect effects from history, border relationships, and NAFTA. Richardson and Pisani estimate that economic activity in South Texas contains around 70% formal, 20-25% informal, and 5-10% underground economies. These economies demonstrate the complicated story of two border sides working as one economic entity in the Rio Grande Valley and Mexico.

Many formal, or legal, sectors of commerce are apparent in the RGV but despite
the abundance of social issues that plague the RGV, such as social inequality, poverty
and low educational attainment, and immigration, the area is being transformed into a
major international trade hub by developing first-rate commercial, retail, office,
industrial, medical, retirement, and educational facilities. The industries of international
and retail trade, tourism and manufacturing, and agriculture are among the most
successful along the U.S.-Mexico Border, and the four counties of the RGV share
climatological, topographical, and locational characteristics that favor certain kinds of
natural economic development and growth over other kinds of businesses.\textsuperscript{256}

International trade and the high volume of passage through ports creates areas for
retail merchants and stores to function near and around border crossings and helps
transport human and material capital between the United States and Mexico. Ports in
Brownsville and Hidalgo carry significant truck and cargo traffic from Mexico and
Central America en route to the rest of the United States and Canada. International trade
also provides for jobs other than retail and store merchants. As of 2008, there were an
estimated 463,000 jobs in Texas associated with the international trade between the U.S.
and Mexico. Jobs associated with international trade in the Rio Grande Valley range from
retail clerks at the lower end of the pay scale to truck drivers and cargo clerks that are
paid at a somewhat higher rate, as well as management positions at the ports and other
entry ports.\textsuperscript{257} Other higher paying jobs include investment, administrative services,
transportation, legal services, and manufacturing services.

\textsuperscript{256} Rio Grande Valley Linking Economic & Academic Development (LEAD). \textit{Targeting the Future: Labor
\textsuperscript{257} Christopher E Wilson, \textit{Working Together: Economic Ties Between the United State and Mexico}
The use of commercial vehicle ports in the area benefits both communities. Tamaulipas shares ten ports of entry with the United States, with all but one located in the RGV. These ports have become important for the Rio Grande Valley and Cameron County as the use of automotive and commercial trucking has overwhelmingly increased due to NAFTA. Texas’ proximity to Mexico allows it to take advantage of the growing demand for infrastructure developed by NAFTA’s lowered trade barriers. The ports also create government jobs in order to keep the facilities operating, which contribute to the economic profile of the area. These jobs include employees from the Department of Homeland Security, U.S Immigration and Customs Enforcement, the U.S. Coast Guard, and local law enforcement.

The region’s relatively flat tillable topography, subtropical climate, and long growing season provide comparative advantage for agriculture. Most jobs associated with agriculture are seasonal and labor intensive, which happen to be the lowest paid jobs in the area. Prior to the 1960s, these jobs were plentiful in the Valley and many people depended on them for their livelihood, but now that is not the case due to the mechanization of farm tools and labor.

RGV and Cameron County’s proximity to both the beach and Mexico serve to make it a tourism hub. The mild winters have attracted tourists from colder northern states known as “Winter Texans” who reside temporarily in the Valley during the winter months. Unfortunately, the recession in the last decade and the escalating in drug violence diminished the level of tourism, and “Winter Texans” in the area.  

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Although agriculture, tourism, and international trade are the comparative advantaged employment sectors most closely related to the areas location, many other employment opportunities have arisen because of the need for higher education, government resources, and healthcare. High areas of employment in the non comparative advantage formal sector of the RGV include government, education and health services, retail trade, conventions and tourism, commercial construction, residential construction, heavy construction, trucking and warehousing, transportation services, and telecommunication. Table 5 represents industries in two of the Rio Grande Valley’s largest counties that have persisted from 2001 to 2010.


<table>
<thead>
<tr>
<th>Industry</th>
<th>Brownsville-Harlingen</th>
<th>McAllen-Edinburg-Mission</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2001</td>
<td>2010</td>
</tr>
<tr>
<td>Mining, Logging &amp; Construction</td>
<td>4.8</td>
<td>3.2</td>
</tr>
<tr>
<td>Trade, Transportation &amp; Utilities</td>
<td>22.4</td>
<td>23.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>11.3</td>
<td>5.5</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>3.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>6.5</td>
<td>8.8</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>14.5</td>
<td>15.7</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>4.2</td>
<td>5.1</td>
</tr>
<tr>
<td>Information</td>
<td>1.5</td>
<td>2.0</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>11.1</td>
<td>12.0</td>
</tr>
<tr>
<td>Government</td>
<td>25.7</td>
<td>30.9</td>
</tr>
<tr>
<td>Education &amp; Health</td>
<td>20.6</td>
<td>32.0</td>
</tr>
<tr>
<td>Other Services</td>
<td>3.1</td>
<td>3.6</td>
</tr>
</tbody>
</table>

The border economy also includes the maquiladora industry where Northern Mexico interacts heavily with the Valley, providing demand for goods and services as well as a competitive location for low cost production. Businesses on the Texas side of the border gains an advantage from a strong Mexican Maquiladora industry for assembly and re-export in the U.S., duty free. Reynosa and McAllen, and Matamoros and
Brownsville are home to roughly a third of the maquiladora industry along the Texas-Mexico border.  

The twin plant phenomenon enables U.S. companies to locate their capital intensive operations on the U.S. side of the border, and labor intensive operations in a twin plant on the Mexican side of the border. The first Maquiladora plant in Matamoros opened in 1967 under the name of Varo Mexicana. By the end of 1969, 11 plants and 1,600 workers operated the border maquiladora sector. By the 1970’s there were more than 25 plants in Matamoros. By the 1980’s those numbers increased to 37 maquiladoras and 15,300 workers.

*The Informal Economy*

The informal economy, according to economic and sociological conceptualization, consists of work that is in itself legal but avoids government regulation, oversight, and/or taxation. Examples of informal activities include garage sales from home, the flea market, odd jobs for cash, street vendors, and informal cross border support systems. The production and sales go unregulated, unreported, unrecorded, and untaxed.

One example of this was featured in a New York Times Magazine article by Helen Thorpe in October of 2000. Thorpe reported that Americans gave away as much as 2.5 billion pounds of clothes each year, much of it ending up at huge warehouses in South Texas. People would in turn pay a low amount per pound and salvage what they could

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for resale from their houses or online to avoid sales tax. There were also many cases of
tax fraud such as the case of a convenience store owner in McAllen who started a small
business and was arrested and indicted for tax fraud with more than $100,000 in sales tax.

Another example is the use of the flea markets to sell pirated CDs and DVDs. In 2004
alone, U.S. Immigration and Customs enforcement seized $138 million in counterfeit
goods.  

Roughly 20-25% of the South Texas’ population takes part in the informal
economy, but in reality it is difficult to measure because of deliberate evasion. Being self-
employed, unemployed, and or undocumented, makes the rate of informality in South
Texas much more elevated. Poverty plays an important role in facilitating informality and
those living in dire poverty often face choices that affect their very survival. Because the
South Texas border region has much higher rates of poverty than most non border areas,
33.4 % compared to 15.3 nationally, informality is just another means to survive.  

Economic necessity and scarcity of other resources, family obligations, and ethnic ties
form a foundation for informality.

The Underground Economy and the Drug War Culture

The underground economy involves economic activities that are not only evasive
of governmental oversight but are considered criminal in nature. Underground
economies in the area consist of the drug trade, prostitution, human smuggling,
embezzlement, illegal medical care, gambling and cockfighting. Richardson and Pisani
estimate that along the South Texas border, underground and informal economies

262 Richardson and Pisani, The Informal and Underground Economy, 26, 81.
263 Roberto C. Gonzalez, “Pirated Copies of Movies, Music a Big Problem on Border,” The Monitor,
February 6, 2006.
264 Richardson and Pisani, The Informal and Underground Economy, 93.
respond to the level of poverty the area experiences. In turn, low wages and unemployment for the past three decades amplified opportunities for drug cartels to thrive. Specifically, the drug trade of the underground economy of the area happens to be facilitated by the Mexican drug cartels.

The underground economy has been a part of the community in one form or another as it has served as another way of sustaining life for many people in the area; those not directly involved in the drug trade probably know someone who is, or has been. Richardson and Pisani use Light’s theory to describe the disadvantage that Mexican groups face that encourage them to participate in illegal activities like the drug trade. Based on resource constraint in the Rio Grande Valley, doubly disadvantaged groups who not only lack economic resources but also essential human capital, such as highly skilled labor and high levels of education, have less ability to undertake self-employment in the formal sector, and therefore, seek employment in the informal sector. While only a small minority of the population participates directly, Jay Garcia, a sociologist at the University of Texas Pan American in Edinburg, believes that, “at some point or other, [it] touches every one.” Hernán Rozemberg, author of Texas’ Valley of Corruption, notes that the region is an extremely poor area and the temptation for good, easy money is a daily reality.

Interestingly though, experts who studied the impact of drug money say it is undeniable that in a tough economy, trafficking has helped boost employment and

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266 Richardson and Pisani. The Informal and Underground Economy, 95.
economic growth in the state’s border regions from the Rio Grande Valley to Laredo to El Paso. Some have even gone as far as claiming that the “Texas Miracle”, in which the Texas economy has done well above the rest, was due to the drug trade and drug money in markets. There is enough evidence to make a compelling case that drug affiliated purchases helped the border retail and real estate sectors and that wages paid to low-level operatives often made the difference between the minimum wage poverty and relative affluence. According to Dan Freeman with Heart Newspapers, McAllen, Hidalgo County’s major city, and Brownsville, Cameron County’s major city, were among the top 10 cities for growth in 2011 by an annual survey by Forbes magazine. Hidalgo and Cameron County also posted a combined $4.9 billion in retail sales for the first quarter of 2011. Drug cartel operations fueled money into the local economies at rates that cannot be traced. As McAllen Police Chief Victor Rodriguez said, “Do Mexicans have money? Yes. Is all that money clean? We don’t know that.”

Although Mexican cartels pump large amounts of money into the economy, they constitute the greatest organized crime threat to Texas. Since 2006, some 60,000 plus lives have been lost to the drug war. Cartel tactics in Mexico have escalated with the continued use of torture and beheading, improvised explosive devices, and military-grade weapons against U.S. and Mexican officials, diplomatic facilities, and civilians. In 2009 alone, an estimated 90 deaths were drug related in Tamaulipas and another 1,209

269 Ibid.
were accounted for in 2010. Although it is believed that these violent activities have spilled over into the United States in border towns like Brownsville and McAllen, in reality crime rates along the South Texas border were lower than places like Houston and Dallas.

Much of the violence is attributed to route control by the different drug cartels in Mexico. Six of the eight major Mexican cartels are currently operating in Texas; the Texas-Mexico border area is one of the most active drug smuggling areas in the United States. This area provides drug traffickers with various routes to transport bulk quantities of illicit drugs and drug proceeds to and from the South Texas border area and eventually through the U.S. and Mexico. In the northern region of Tamaulipas, directly across Cameron County, the Gulf Cartel “controls” the drug trade corridor. This particular drug trade corridor extends from the gulf coast, including Cameron County, and provides direct routes to and from Houston, San Antonio, and Dallas-Fort Worth. The Mexican state of Tamaulipas, which also happens to share multiple sister cities with the Rio Grande Valley, is also a key point of drug distribution from Mexico to the United States.

Recent violence in northern Mexico indicates that the cartels are now targeting Mexican military personnel and law enforcement personnel conducting counter drug

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operations along the U.S.-Mexico border. Not surprisingly, drug smugglers work with intricate networks of people from both governments. Drug cartels pay off both Mexican and American officials with large sums of money in order to protect their cargo. As of 2010, ten percent of Mexico’s federal police were fired in conjunction with Mexican cartels. In 2013, the former Tamaulipas Governor Tomas Yarrington Ruvalcaba was wanted in the United States on multiple charges including money laundering and conspiracy since 2008. The United States alleged that Yarrington helped smuggle cocaine into the United States from 2007 to 2009. His whereabouts remain unknown.

In separate incidents, two Hidalgo County sheriff’s deputies and two Mission police officers were arrested on the charges of escorting, stealing, and/or distributing drug loads near the border with drug cartels. In 2010, a Cameron County sheriff’s deputy, Jesus A. Longoria, faced charges from undercover U.S. immigration and Customs and Enforcement agents who offered him bribes for helping them smuggle weapons into Mexico. Another Sheriff’s deputy in Hidalgo County, Jorge Garza, was found guilty on conspiracy to posses with intent to distribute a thousand kilograms or more of marijuana after taking drugs from smugglers and reselling them to traffickers. These are just a few examples of the numerous cases of Rio Grande Valley law enforcement’s involvement with the drug cartels. Since 2007 more than 40 police officers, sheriff’s

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deputies, border patrol agents, and other law enforcement personnel were arrested and accused of using their positions to profit from the drug trade along or near the border, from El Paso to the Rio Grande Valley.282

Traffickers and government officials exploit the formal economic transportation infrastructure that supports cross-border business in order to transport illicit drug shipments to other areas of Texas and the United States.283 Smugglers effectively transport cargo into the United States through what Tony Payan calls the ride on the formal NAFTA economy.

“Nearly 5 million trucks cross the U.S. Mexico border every year. They carry 70% of all U.S. Mexico trade, with a total value of around $260 billion. NAFTA turned out to be a heaven sent blessing to the cartels. Over time, the four largest cartels have come to rely on trucking as the primary conveyor belt of illegal drugs across the border.”284

In a 1999 report by the White House, it was estimated that commercial vehicles brought roughly 100 tons of cocaine into the country in 1993. With NAFTA in effect as of 1994, they saw the biggest jump in commercial-vehicle smuggling on record—a 25% increase.285 The Rio Grande Valley contains many ports of entry into the United States. As of 2010, truck traffic through border towns alone tripled.286 Drug smugglers infiltrated

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every aspect of economic trade from the trucking companies used to the officials who made deals happen.

Due to increased usage of ports and transportation, drug smuggling and seizures increased overwhelmingly. The Rio Grande Valley, not including Starr County, has the highest drug abuse rate on the South Texas border with marijuana being the most readily available. From 2004 to 2007, a study from the National Drug Intelligence Center indicated that Cameron County law enforcement seized cocaine, heroin, marijuana, and methamphetamine. Brownsville was the primary destination in the area for these drugs and bulk cash shipments. From 2005 to 2007, illicit drug seizures in Cameron County increased every year. Cocaine, heroin, and marijuana all had higher seizures rates than any other county in the RGV. In 2009, South Texas Region task forces seized 360,783 kg of marijuana, 3,581 kg of cocaine, 224 kg of methamphetamine, 50 kg of heroin, and $40,825,608 in cash and assets.287 Estimates for the amount of cash traveling from the US to Mexico, which fuel the criminal operations of drug cartels, range from $19 billion to $39 billion each year.288 Law enforcement reports and seizure data reveal that Brownsville, Edinburg, Mission, McAllen, Pharr, Roma, and Rio Grande City are major drug trafficker destinations.

Drug traffickers also use the South Texas border area as a key storage center for drug shipments and smugglers into the country from Mexico; they often store shipments temporarily in the South Texas border area, particularly in the Lower Rio Grande Valley,

287 In 2009, South Texas Region task forces seized 360,783 kg of marijuana, 3,581 kg of cocaine, 224 kg of methamphetamine, 50 kg of heroin, and $40,825,608 in cash and assets.
before transporting them to markets throughout the country. Mexican cartels hire “coyotes”, or human smugglers, to create stash houses in the area to house illegal drugs and human trafficking. Stash houses have been found in areas like Edinburg, El Ranchito (Part of San Benito), Pharr, Rio Grande City, Roma, and Brownsville, where drugs and illegal immigrants enduring terrible conditions, have been found. In 2006, Immigration and Customs Enforcement agents discovered over 17,000 pounds of marijuana hidden in an underground bunker at a residence in Rio Grande City. In 2011 the arrest of a Mission couple led to a home invasion that uncovered the use of a stash house where 30 illegal immigrants hid. In 2012, over 20 stash houses were raided and there were an alleged 17 stash houses in San Juan alone, located in Hidalgo County. Recently stash houses with 70 or more immigrants have become common. In 2013, more than 600 illegal immigrants’ lives were saved from stash houses around the border.

Mexican cartels also create relationships with gangs in Texas. These gang members derive from both Mexico and the United States and work with lucrative cartel operations on a level of crime that affects the entire United States and Mexico. Gangs are contracted to commit assassinations, kidnappings, and assaults in both Texas and Mexico. Cartels also hire them to secure drug shipments, guard stash houses, transport contraband, facilitate the movement of people, procure weapons and vehicles, and commit other acts.

289 Ibid.
of violence.\footnote{National Drug Intelligence Center, \textit{South Texas High Intensity Drug Trafficking Area Drug Market Analysis April 2008} (Washington, D.C: National Drug Intelligence Center, 2008), 6, accessed May 28, 2013, \url{http://www.justice.gov/archive/ndic/pubs27/27513/border.htm}.} According to Christopher Sherman with the Associated Press, the partnership benefits both sides, “The gangs give drug traffickers large pool of experienced criminals and established distribution networks in the United States. And the cartels provide the prison gangs with discounted drugs and the logistical support of top criminal organizations.”\footnote{Christopher Sherman, "Mexican Traffickers use Prison Gangs for the Dirty Work," \textit{The Associated Press}, May 2, 2010.} In the Rio Grande Valley, local, national, and international gangs such as Balboas, Po’ Boys, Suernos, the Tango Blast Gang, Texas Mexican Mafia Gang, Texas Syndicate, Mara Salvatrucha (MS-13), Hermanos Pistoleros, 18th Street Gang, Latin Kings, and Big Time Killers collaborate with the Mexican drug cartels in the area. The difference between gangs along the South Texas border and other areas is that they are completely Latino, which brings culture and familial values. These gangs indoctrinate the young and immigrant children who are looking for some form of family.

The presence of drug cartels along the border and in Mexico forces families from Mexico to seek refuge in the United States. Such concerns are driving Matamoros families away from the border city and into the Rio Grande Valley. According to Jazmine Ulloa, the migration flows follows a steady stream of Mexican nationals, including journalists, officials, and business leaders who have relocated to the United States since 2006. “As the violence escalates, the migration escalates,” said Mary McGowan, broker and owner of All Star realty in Brownsville.\footnote{Jazmine Ulloa, “Matamoros Families Seeking Refuge in Valley from Mexico Violence, Real Estate Agent Says,” \textit{The Monitor}, April 3, 2010.} Real estate agents are taking inquires from Matamoros, Monterrey, Victoria, Valle Hermosa, and even families living in the interior of Mexico. Because of the drug war violence, the number Mexican asylum
petitions into the United States increased from 2,793 in 2006 to 3,459 in 2008 and are only expected to keep rising.\textsuperscript{296}  

Many individuals utilize the formal, informal, and underground economies of the region and virtually everyone is affected by these economic activities.\textsuperscript{297} The economic reasons for involvement differ but the most prominent response is because of economic reasons with either personal or cultural considerations. Informal and underground activities are influenced by the culture of the RGV and the availability of these economies through NAFTA makes it easier to operate. Culture, which includes the meanings and understandings shared by a society or social group that give meaning to their way of life and bound them together, plays a part of the drug war. The culture and structure of the family in South Texas trumps American individualism, such as societal apathy and material opportunity, in ways that facilitate informal and underground activities, beyond that of the formal economy.\textsuperscript{298}

\textit{Job Sector and Unemployment}

One of the striking features of the Rio Grande Valley economy is the combination of rapid job growth and low incomes, which many experts find contradicting. In the 1990’s, the Texas economy exceeded the performance of the U.S. overall; state job growth averaged 2.9\% per year from 1990 to 2000, well ahead of the 1.8\% annual increase in U.S. employment growth. The Federal Reserve Bank of Dallas indicated a 3.7\% job growth in the Brownsville area from 1990 to 2000. From 1997 to 2003, Brownsville’s 3.1\% job growth was nearly twice as fast as Texas’ 1.6\%. In four of the largest Texas border cities, three South Texas cities outperformed the state by a wide

\textsuperscript{296} Ibid.
\textsuperscript{297} Richardson and Pisani, \textit{The Informal and Underground Economy}, 20.
\textsuperscript{298} Richardson and Pisani, \textit{The Informal and Underground Economy}, 20.
Those included Laredo, McAllen, and Brownsville. In 2006, data confirmed that the Valley created jobs at an above-average rate, a trend that dates back to at least the late 1960s. Although job employment seemed positive, unemployment figures reflected the ups and downs of job losses in the area in response to the volatile market, the Mexican peso recovery, the maquiladora program, labor markets in the region, recessions, and NAFTA.

In the 1990’s, Cameron County had a 13.3% unemployment rate compared to Texas, which had 6.5% unemployment rate overall. However, ten years later, unemployment dramatically shrank in parts of Cameron County and within each individual city. In the 2000’s, with NAFTA in place for several years, Cameron County’s unemployment rate decreased by 1.9%, making it 11.4% in 2000. Although unemployment rates were decreasing, they were still worse off than the rest of the state. In 2010 the trend changed. Cameron County decreased in unemployment compared to the 2.1% increase in Texas to 8.3%.

![Cameron County and Texas Unemployment Rates 1980-2010](image)

**Figure 13. Cameron County and Texas Unemployment Rates 1980-2000. Source: U.S. Census Bureau.**

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Unemployment statistics show the South Texas border regions consistently having higher unemployment rates than the state of Texas. Cameron, Starr, and Willacy County’s civilian labor force growth has stagnated from 2001-2011. Figure 15, provided by the LEAD RGV Labor Market 2012 Report, demonstrates the state of progress of the
Valley civilian labor force in all four counties from 2001 to 2011. Even though the job market grew in some counties, like Hidalgo due to increased retail trade, the unemployment figures remain close to the same or worse off for the others.

It is interesting to note that specifically between 2000 and 2003 the maquiladora sector experienced great job loss with over 290,000 jobs gone. Due to unintended effects from NAFTA, such as its dependency on U.S. markets, the 9/11 recession caused Matamoros a 16,513 job loss from 2000 to 2003 and then a slight increase in 2005 with an addition of 1,102 jobs. During the same 10 year period, job growth increased by 29.4% in the Brownsville, Harlingen, and San Benito area. The area saw unemployment go from 16.1% to 12.4%. Generally unemployment rates in the Valley ranged from 9-14% compared to 6% for the state and was historically more severe than anywhere else in Texas; Cameron County’s unemployment rate was over twice the rate for the State of Texas. And while it was “good news” that unemployment decreased since 1990, the “bad news” was it was more than double the state’s average, while unemployment figures for Hidalgo, Willacy and Starr Counties were increasingly worse.

Poverty and Income

Today, nearly 30% of Texas border residents have incomes below the poverty level, compared to 12% nationwide. South Texas has much higher rates of poverty than most non-border locations. In the 1990’s, Brownsville was the poorest city in both the Rio Grande Valley and the nation. The RGV still had the highest poverty rates in the country with data from the 2010 U.S. Census Bureau revealing that the greater McAllen-

301 Gibson et al., *Cameron County/Matamoros at the Crossroads: Assets and Challenges for Accelerated Regional and Binational Development*, 16.
302 Ibid.
Edinburg-Mission metropolitan area had the highest poverty rate in the country of any community its size or larger at 37.7%. Most border regions experienced this type of poverty environment after NAFTA because of the drive of economic refugees to the Rio Grande Valley and the limited mobility of economic prosperity. The statistics in table 6 demonstrate individual cities’ poverty, per capita income, and household incomes in Cameron County from 1990 to 2010. Although the statistics reflect high poverty rates, the increases and decreases in per capita and household income make this situation highly unusual.

In 1990, Cameron County had 39.7% of its population in poverty with a per capita income of $7,125.00 and a median household income of $17,336.00. In 2000, Cameron County’s population in poverty decreased to 33.1%, and had a higher per capita income of $10,960.00, and a higher median household income of $26,155.00. In 2010, Cameron County’s population in poverty increased to 34.9%, had a higher per capita income of $14,405.00, and a higher median household income of $32,558.00. Each city in Cameron County, except for South Padre Island, experienced similar poverty rate changes. What makes this situation unique is although the Rio Grande Valley was creating jobs at a faster rate, the types of jobs it created were low wage, contributing to the increasing poverty in the Rio Grande Valley.

The fact that is a stated 20 year span from the 1990s to 2010 makes it obvious that poverty, per capita income, and household income have inconsistently become better and worse at times in the RGV. The unfortunate truth to that is that poverty has been proven to be linked to minority populations; the RGV and Cameron County are 85% or more

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Hispanic. According to the UTB-CBIRD Report, national rankings show the Rio Grande Valley ranked worse than “inner city” counties such as Bronx County, New York; Orleans Parish, Louisiana; and heavily minority Los Angeles County, California in poverty rates.\(^{305}\)

Table 6. Texas and Cameron County Population, Poverty Rate, Per Capita Income, and Household Incomes 1990-2010. Source: U.S. Census Bureau.

<table>
<thead>
<tr>
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<th>1990 Population</th>
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<th>Household Incomes</th>
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<td>$39,149.00</td>
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</tbody>
</table>

\(^{305}\) Gibson, et al., *Cameron County/Matamoros at the Crossroads*, 17.
Border Education

The link between poverty and educational attainment is a correlation at best because poverty and education are inextricably linked. Education is a primary means of social mobility, enabling those born into poverty to rise in society.  

Generally, lower poverty rates mean higher levels of education; higher poverty rates usually mean a lack of resources, lack of access to educational facilities, lack of access to state of the art learning, and lack of successful educational attainment. Average educational attainment is a key predictor of a community’s employment rate, average earnings, and household income—something clearly reflected in Cameron County and the RGV’s population.

Cameron County and the lower Rio Grande Valley have some of the lowest educational attainment rates and poorest districts in the country. Out of the top ten poorest school districts in the nation, the Rio Grande Valley provides two of them—Brownsville Independent School District in Cameron County and La Joya Independent School District in Hidalgo County. This is attributed to the growing number of children enrolling in the border public school systems because population growth in schools strains the availability of funds and accessibility to state of the art education. The other setback to that are state budget cuts to public education.

Texas public school enrollment increased in the past 25 years as enrollment in public schools grew in Texas by 57.4 percent or about 1.85 million students from 1987 to 2013. \(^{307}\) In 2010, there were over 4.8 million students enrolled in the Texas public education system—of that 4.8 million, 2.4 million were Hispanic and 2.9 million were


economically disadvantage. From 2010-2011, economically disadvantaged students made up 59.1 percent of all students in Texas public schools. Seventy two percent of bilingual/English second language, immigrant, limited English proficiency, migrant, and Title 1 students, were apart of that group. 308

To the state of Texas the education system in the Rio Grande Valley is known as Region 1, which consists of Cameron, Hidalgo, Starr, Willacy, Webb, Zapata, and Jim Hogg Counties—in which all of but one, Jim Hogg County, are border counties. As of 2013, Region 1 currently contains over 400,000 students with those numbers still expected to rise. 97.6% of Region 1’s students are Hispanic; 85.79% are economically disadvantaged; and 35.3% are limited English proficiency.

Figure 16. Region 1 Economically Disadvantaged, Total Hispanic Enrollment, and Total Enrollment 2001-2014. Source: Texas Education Agency.

308 Texas Education Agency Division of Research and Analysis Department of Assessment and Accountability, Enrollment in Texas Public schools 2010-2011 (Austin, TX, TEA, October 2011), 28.
According to the U.S. Bureau of Census, all of the Valley’s counties have lower average educational attainment than does the population in Texas and the nation.\textsuperscript{309} The majority of Cameron County and RGV independent school systems service children who are economically disadvantaged, children of legal and illegal immigrants, temporary border crossers, and children of migrant workers. According to the Pew Hispanic Research Center, those of Mexican descent particularly had lower levels of education than the entire Hispanic population.\textsuperscript{310} Hispanics were also recorded with the highest drop out rate of all ethnic groups in the United States.

Low educational attainment affects both the children and adult population in the region, as can be seen in the case of the Rio Grande Valley. As of 2001, Cameron County public schools were 94\% Hispanic with 84\% of the students classified as economically disadvantaged. For example, Brownsville’s district student body was 98 \% Hispanic, with 43 \% learning English, and 94\% of students qualifying for free or reduced lunch.\textsuperscript{311} Brownsville ISD also had a 63.2 \% high school graduation or higher rate, which was about 80 \% the rate of Texas. Thirty seven percent of the population had not received any sort of degree.

As of 2000, while 24\% of Texans did not complete high school, 30\% of Cameron County residents did not even complete ninth grade. This was over four times the national rate, and close to three times the state rate for less than ninth grade education.

\textsuperscript{310} Mexican is the Pew Hispanic Research Center statistics were people who were self-identified as Hispanic of Mexican origin or they themselves were Mexican immigrants or trace their family to ancestry in Mexico. Seth Motel and Eileen Patten, “Hispanics of Mexican Origin in the United States, 2010 Statistical Profile,” Pew Research Hispanic Trends Project, last modified June 19, 2013, accessed June 5, 2014, http://www.pewhispanic.org/2013/06/19/hispanics-of-mexican-origin-in-the-united-states-2011/.
\textsuperscript{311} Gibson et al., \textit{Cameron County/Matamoros at the Crossroads: Assests and Challenges for Accelerated Regional and Binational Development.}, 42.
The total of high school completion of those who had less than a high school education rates was 45%. Thirty four percent of Cameron County residents pursued a college degree, and only 17% had completion success. At the national level, 84% of all adults ages 25 and over completed high school and 26% completed a bachelor’s degree or more. The high school completion level of young adults in the RGV (ages 25 to 29) was 88%, while the college completion level was 29%. 312

The Valley education system serves children of legal and illegal immigrants and migrant workers. Mexican immigrants account for the lowest educational attainment of all immigrant groups in Cameron County and the nation. According to the Texas Comptroller of Public Accounts and the Federation for American Immigration Reform, the number of immigrants in Texas public schools significantly increased over the past 15 years. 313 Immigration status, under Title III of the No Child Left Behind Act, identified immigrant as individuals who are aged 3 through 21; were not born in any state; and had not attended one or more schools in any one or more states for more than 3 full academic years. 314 From 1999 to 2000, there were 164,000 immigrant students enrolled in Texas public schools; from 2000 to 2001 there were 125,000 immigrant students enrolled; from 2003 to 2004, there were 225,000 immigrant students enrolled; and from 2004 to 2005, there were 135,000 immigrant students enrolled. 315 In Region 1, immigrant enrollment in

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312 Gibson et al., Cameron County/Matamoros at the Crossroads: Assests and Challenges for Accelerated Regional and Binational Development, 41.
313 Immigration status in Texas public school systems differ from the term defined by the Department of Homeland Security, as schools do not assume responsibility for DHS determination under DHS regulations.
public schools increased from 2001 to 2004 to above 15,000, and decreased to less than 10,000 since then.

Figure 17. Immigrant Children Students in Region 1 2001-2014. Source: Texas Education Agency.

Temporary border crossers attend schools in the RGV. Students make the daily trip across the border to receive an American education. Although Cameron County may hold some of the poorest districts in the country, Mexicans favor the American education system compared to what is available in Mexican border regions. Those who cross the border everyday are able to partake in the American education system because of a 1982 federal court rule barring public schools from inquiring into the legal residency of students.

In the Supreme Court Case Plyer v. Doe 457 U.S. 202, Plyer recognized that undocumented children have an equal protection right to attend public school, if it is
otherwise offered as free service by the state.\textsuperscript{316} Because of Plyer V. Doe, some Mexican parents take advantage of that opportunity by sending their children across the border to attend school. Therefore, some attend by paying tuition, or providing fake addresses to enroll in public schools in the Rio Grande Valley.

“Some parents are so eager to have their children attend school here they will send them to live with an aunt or grandparent during the week and pick them up to spend their weekends in Mexico. Others, however, “borrow” the addresses of relatives and friends to enroll their students even though the Mexican family never actually lived there. It’s a sacrifice, but the river is inconsequential. It’s just a problem of geography,” said Adrianna Gomez, a Mexican mother who sends her children across the border everyday in order to attend school.\textsuperscript{317}

With the rise of the maquiladora industry near the border, many families came in search of work bringing their children along. Parents saw more opportunity with schools in Brownsville and other border towns. Although border travel can take up to an hour a day, with multiple trips within sister cities and the international bridges, students make their way to a better education system.

What complicates this further is the fact that some of these students are actual U.S. citizens living with Mexican parents in Mexico. In the instance of Zaira Gabriela Garate, who was featured in \textit{The Brownsville Herald’s Morning Migration from Matamoros, Mexico to attend schools in Brownsville Texas}, she was one of Brownsville ISD’s best students. The 18 year old graduated top of her class from Porter High School in 2007 and planned on studying aerospace engineering at Massachusetts Institute of Technology (MIT). Ironically, she was not a Brownsville resident, and actually resided in Matamoros. She moved in with her aunt in Brownsville to fulfill the residency


\textsuperscript{317} Jeremy Roebuck. “Migrant Minds: The Border is No Boundary for Some Mexican Students.” \textit{The Monitor}, August 30, 2008, Immigration Box, Migrants Folder, Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX.
requirement. Garate described her schooling in Matamoros as lacking the necessities of a proper education, but mostly decided to leave because she saw school in Brownsville as an opportunity.\footnote{Aaron Nelsen, “Morning Migration from Matamoros, Mexico to attend schools in Brownsville, Texas,” \textit{The Brownsville Herald}, August 25, 2007, Immigration Box, Migrants Folder, Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX.} She is just one of the many examples of students who cross the border in order to attend school in the U.S. Citizen or not, some students see nothing but geography that holds them back from bettering themselves and if they must make the trek to make it happen, they will.

Texas claims the second largest migrant population next to California with 37,746 migrant students enrolled as of 2010. Migrant students, the children of migrant workers, face obstacles far greater than the average student. Migrant students make up roughly 4\% to 5\% of the student population in Region1 institutions with Mexican migrants in particular, making up a majority all migrant students. In the RGV, migrant students are those who are migratory agricultural workers, have moved from one school district to another, have resided in a school district of more than 15,000 square miles, and have migrated a distance of 20 miles or more to have temporary residence.\footnote{Texas Education Agency, “Glossary of Terms,” accessed June 28, 2014, http://ritter.tea.state.tx.us/acctres/glosso809.html.} They travel in search of agricultural work with their families and are only present for specific months out of the year. Because it is still legal for children as young as 10 to accompany their parents in migrant work, many of these children, especially the younger ones, are at a disadvantage as migrant students face low completion and graduation rates in school.\footnote{Texas Education Agency Division of Research and Analysis Department of Assessment and Accountability. \textit{Enrollment in Texas Public Schools 2010-2011} (Austin, TX: TEA, October, 2011), 28.} In 2000, less than 30\% of U.S. children of Migrant farmers graduated from high school, according to the Caesar E. Chavez Institute for Public Policy at San Francisco
Migrant students were also among the most economically disadvantaged groups in 2010 to 2011. The number of Hispanic migrants in Region 1 was substantially higher in the early 2000s but dropped since 2006.

![Hispanic Migrants Students in Region 1](image)

Figure 18. Hispanic Migrant Students in Region 1 2001-2014. Source: Texas Education Agency.

The overcrowding of schools from the population growth in the past twenty years placed a strain on Rio Grande Valley schools. Student to teacher ratio dramatically increased, which in turn effected children’s education. With a required student to teacher ratio of 22:1, some classes have over 30 students to 1. Budget cuts, like the $5 billion Texas budget cut from public education in 2013, affect the number of teachers and staff available further exacerbating the issue. With overcrowding, many schools in the area have had to ask for a “free pass” from the state in order to keep all their students in classrooms.

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321 Megan K. Stack, “Migrant Students Confront Challenges,” The Monitor, December 11, 2000, Migrant Labor Education Folder, Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX, Immigration Box.
Since the passage of the Immigration Reform and Control Act in 1986, the enrollment of students all over the country and state increased.\textsuperscript{322} In Texas, some of these numbers can be attributed to population growth, temporary border crossers, immigrants, or the children of migrants. Research shows that higher poverty rates and low educational attainment are associated with a variety of social problems such as lower incomes and more poverty. Unfortunately, the area is at a huge educational disadvantage as a means to helping the people of the Rio Grande Valley transform the area. With low educational attainment rates, overcrowding of schools, large population rates of Hispanics, immigrants, migrants students, and economically disadvantaged students, the area is stuck in a vicious cycle of educational destitution.

Conclusion

Cameron County’s livelihood is intermingled with that of Mexico and functions as its own entity. The socioeconomics of the region is part in response to the decades of political and economic history that has exemplified cultural exchange in population growth, economics, poverty, and border education between Mexicans and Mexican Americans.

Although the emphasis of Mexican immigrants in this Cameron County study may seem like the influencing factor behind the area’s economic and social demographic shifts, we must be reminded of the fact that both the U.S. and Mexican government have contributed their share of policies that resulted in increased migration and immigration. As immigrants do not have the same access to benefits and resources like the legal population in Cameron County, the communities that they reside in therefore lack the

\textsuperscript{322} John Weimer, “Migrants more Numerous than Ever in U.S.,” \textit{The Monitor}, n.d. Immigration Box, Migrant Labor Education Folder, Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX.
same access to state and federal benefits resulting in higher levels of poverty, lower levels of income, lower educational attainment, and low level skill employment.

As globalization, migration, and immigrant and economic legislative enactments continue, it is an open question as to what will become of the Valley border regions that have been built over the last century by a special regional dependence shaped by both the United States and Mexico. One can only hope that by knowing recent history repercussions through social and demographic wellbeing, future generations of border people from both the United States and Mexico will find inspiration to change their societies as we know them.
CHAPTER VI

POLITICAL IMPLICATIONS ON THE RIO GRANDE VALLEY POST 9/11:
BORDER SECURITY IN A NEW SECURITY CONTEXT

USA PATRIOT Act

After the September 11th attack, Congress speedily passed legislation aimed at securing the United States border. The "Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001" (USA PATRIOT Act) was introduced on October 26, 2001 and passed just three days later. The PATRIOT Act was a gateway law into stricter, more anti-immigrant legislation all around. The purpose of the USA PATRIOT Act was to:

- Deter and punish terrorist acts in the United States and around the world;
- To enhance law enforcement investigatory tools, and to strengthen U.S. measures to prevent, detect and prosecute international money laundering and financing of terrorism;
- To subject to special scrutiny foreign jurisdictions, foreign financial institutions, and classes of international transactions or types of accounts that are susceptible to criminal abuse;
- To require all appropriate elements of the financial services industry to report potential money laundering; and
- To strengthen measures to prevent use of the U.S. financial system for personal gain by corrupt foreign officials and facilitate repatriation of stolen assets to the citizens of countries to whom such assets belong.323

The USA PATRIOT Act also created the Department of Homeland Security (DHS), increased funding for surveillance and deportation of foreigners, and authorized deportation of non-citizens with due process. It granted executive authorities even greater power to deport without hearings or any presentations of evidence, including all noncitizens, legal or illegal, temporary or permanent—who the Attorney General had

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“reason to believe” might commit, further, or facilitate acts of terrorism.324 Through the USA PATRIOT Act, Immigration and Naturalization Service was eliminated and was integrated into DHS, further empowering DHS.

Many Americans, on all sides of the political spectrum, opposed the USA PATRIOT Act because they felt that it infringed on individual’s civil liberties. In the case of the “Time for Stand” editorial in the Brownsville Herald, Valley cities and officials were asked to oppose the USA PATRIOT Act due to it being ill considered and in some cases not even read by members of Congress. The editorial pleaded for city leaders in the Valley, as well as the Hidalgo and Star county commissioners, to raise their voices in support of their rights.325 Randy Davison, Opinion Editor of the Valley Morning Star, urged Rio Grande Valley representatives to serve their constituents by co-sponsoring Rep. Butch Otter’s Security and Freedom Ensure Act.“We encourage the Rio Grande Valley delegation to lead those who favor repealing, or greatly modifying, the USA PATRIOT Act...”326

Because the war on terror added over one trillion dollars to American debt, the RGV Republican Liberty Club opposed the Patriot Act calling on republicans to rethink “next time claiming to be a Conservative yet are in support of heinous legislation.”327 Cameron County Sovereignty Party also listed “erasing the Patriot Act and other legislation which has eroded our civil liberties” as part of their platform on social media.328

The Patriot Act altered perceptions against illegal migrants from employment seeking to terrorist aiding. As Susanne Jonas noted, “Under the national security regime of today, as imposed by the PATRIOT Act and accompanying measures after 9/11, U.S. state policies and practices toward Latino Migrants (as well as Arabs and South Asians) have become far more draconian—in effect, criminalizing and punishing those immigrants/non citizens, and in many respects conflating them with “terrorists.” Despite the U.S. Government’s efforts to curtail terrorists and immigration, illegal entries continued to rise. In reality, it deterred undocumented immigrants to find alternative routes to enter the county. Although apprehensions fell after 2001, they rose again steadily from 2005 until 2010.

American’s suspicions of the USA Patriot Act were further solidified when the Federal Bureau of Investigation (FBI) was found guilty of abusing its power through the Patriot Act. An internal FBI audit found that the bureau probably violated laws of internal FBI rules more than 1,000 times with National Security Letters, which were administrative subpoenas. Many found the Patriot Act unconstitutional as it violated the first and fourth amendment through obstruction of free speech and due process. Despite abuses in power and unconstitutional violations, the Patriot Act was renewed in 2006 and again in 2011 by President Obama for another 4 years.

Smart Border Accords

September 11th anxiety spurred the United States to encourage Mexico to agree to finance a costly security program to protect the United States against terrorists planning

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an attack from Mexico. 331 A “22-Point Smart Border Agreement,” or Smart Border Plan, was endorsed by both countries in 2002, and led to the reorganization of Mexico’s law enforcement agencies. The agreement secured infrastructure in cross border areas and ports, secured the flow in conjunction with NAFTA travel and deterrence of alien smuggling, and secured the flow of trade goods through electronic and technologic sharing. The Smart Border Plan recognized that these systems should protect the citizens of both nations from terrorism, illegal drugs, and other dangers, while facilitating and expediting legitimate cross border travel and commerce, and allowing governments to determine who crosses the border.332

As a result of the Smart Border Accords, the Free and Secure Trade (FAST) programs were created in order to permit the rapid and secured passage of trade from Mexico to the U.S. According to an article in Valley Central, “Drug Cartels take Advantage of Border Trucker Program”, most trucks enrolled in the program paused at the border for just 20 seconds before entering the United States with nine out of ten doing so without anyone looking at their cargo. More than half of all U.S. imports came from companies in that program while Mexican trucking companies made up only 6 percent in the system, but accounted for 71 security violations from 2007-2009.333 After the program started in 2002, the number of commercial drivers enrolled in the FAST program grew to 92,604 by February 2008 before falling to 77,999 in 2012. Although reasons are unclear so to why numbers fell, the necessity to also be apart of the Customs-Trade Partnership against Terrorism (CTPAT), may have prevented the inclusion of more companies.

331 Novas, Naturalizing Mexican Immigrants, 302.
The Smart Border Accords were meant to be a new approach on border control that would smooth out inefficiencies with traditional border inspections; hence programs like FAST and CTPAT. The accords were meant to reduce congestion and separate low risk from higher risk border flows in traffic while allowing for a more advanced and technology driven surveillance.

Major accomplishments arising from the Smart Border Accords have been the increased cooperation from both the United States and Mexico for demonstrating their willingness to secure the borders and technology sharing of information. Despite the agreement between the two countries, most of the programs responsibilities fall on the United States as Mexico lacks the budget to support the majority of accords. The successes of change on the ground in terms of border safety and traffic have yet to be seen with the agreement remaining focused mostly on US interests.

Secure Fence Act of 2006 - Border Wall

After 2001, security became the single most important factor to the United States for years to come. In September 2006, the Secure Fence Act of 2006 (SFA) was introduced and quickly signed into law the following October. This became the most important piece of legislation to Mexican Americans and Mexicans in the Rio Grande Valley in the 21st century as systematic border surveillance and physical infrastructure were to be put in place to guard against the threat of attacks in the United States, curtail illegal immigration, and help diminish the drug trade.

The SFA was passed to reinforce and construct even more fences along the U.S.-Mexico border as the existing fences along the California border were to be reinforced and extended. It authorized the construction of hundreds of miles of additional fencing
along the southern border in Arizona, New Mexico, and Texas.\textsuperscript{334} It also authorized more vehicle barriers, checkpoints, and lighting to help prevent people from entering the country illegally. The department of homeland security increased the use of advanced technology like cameras, satellites, and unmanned aerial vehicles such as drones, to reinforce the infrastructure at the border.

In President George Bush’s address to the public for the Secure Fence Act of 2006, he stated:

“Meaningful immigration reforms means that we must enforce our immigration laws in the United States. It is against the law to hire someone who is here illegally. We fully understand that most businesses want to obey that law, but they cannot verify the legal status of their employees because of widespread document fraud. So we’re creating a better system for verify documents and work eligibility and in the meantime holding people to account for breaking the law.”\textsuperscript{335}

The Mexican government was in shock as President Vicente Fox publicly admonished the U.S. Government for passing the Security Fence Act and depicted this as a hateful act against Mexico and not the best way to secure a neighbor’s border.\textsuperscript{336}

Though no walls would be built along the Canadian border, and the coasts would likewise be unaffected, the Secure Fence Act’s goal was “to achieve and maintain operation control over the entire international land and maritime border of the United States.”\textsuperscript{337} That is one of the many reasons why the SFA is a sensitive issue with those who reside in border lands. Quite controversial and mostly rejected, the Secure Border

\textsuperscript{334} Novas, Naturalizing Mexican Immigrants, 301.
\textsuperscript{336} Novas, Naturalizing Mexican Immigrants, 305.
Fence Act of 2006, or “border wall” as it has come to be called, is significant with people in Cameron County, as a total of 34 miles of border fence were built.

One of the many issues the Rio Grande Valley and Cameron County residents faced was the confiscation of private property. Because of the decades-old treaty with Mexico prohibiting building in the Rio Grande floodplain, the Government built its border fence more than a mile north of the river, in places trapping land, in both Cameron and Hidalgo County between the actual border and the fence.\textsuperscript{338} There were residents in the area who had ties to the historical value of the land dating back to the times of the Spanish crown and those who had private farm land and nature reserves. In 2008, the U.S. Government sued Eloisa G. Tamez and 14 other landowners—including the Brownsville Matamoros Bridge Co.—in an effort to take the properties and build sections of the border fence on them.\textsuperscript{339} According to the No Border Wall Archives, Eloisa Tamez’s 0.026 acres of property in Brownsville, Texas can be traced back to the San Pedro Carracitios land grant issued by the Spanish Monarch in 1763. Unfortunately, the Department of Homeland Security issued condemnation proceedings that eventually led to a federal judge ruling against Eloisa Tamez, allowing the federal government to seize her land but requiring that DHS consult with her regarding access to her walled-off property.\textsuperscript{340} As of 2011, Ms. Tamez did not accept any further conditions with the federal government and was still in legal battles as of 2013.

\textsuperscript{339} Mark Regan, “Feds Attempt to Seize Land,” Brownville Herald, April 17, 2013.
Actions by the federal government and DHS did not go unnoticed as Rep. Solomon Ortiz who represents those affected in the Brownsville area said, “They are trampling over the rights of the communities, rights of landowners, and right of business owners with no regard on how they going to be impacted. It’s wrong for them to say, ‘we are going to listen to you but you have no veto power.’”

The border wall cut through private property leaving land owners without access to their property while depleting land value. In Tim Loop’s case in Brownsville, TX, the Department of Homeland Security informed Mr. Loop and landowners along the northern bank of the Rio Grande that the new border fence, which in some areas stands more than a mile from the river, would be cutting through their properties. Mr. Loop’s home, as reported by Oscar Casares, would be left on the southern side of the fence with no access to the main land. Owners like Tim Loop were told they would get access to a motorized gate with a personal code to enter but ultimately Tim Loop did not agree. “This is our property behind here. We don’t want somebody else to be the boss of our gate.” The land that was sectioned off also became reduced in land value and another of Loop’s concern was, “Would you want to buy a house behind the border wall?”

The University of Texas at Brownsville – Texas Southmost College (UTB-TSC) is the largest land owner in the area possessing about 500 acres of land between the Brownsville-Matamoros Bridge and Veterans Bridge. There was much opposition from

344 Ibid.
the community, university, the faculty and staff, and students, as the Government attempted to build the border fence through and on grounds of the campus. In 2007, UTB-TSC students came together to protest the border wall. Protestors held up signs and spoke with passerbys about the repercussions of building the planned wall. 345 “It’s our city, it’s our choice, it’s our land”, were the words from student Mario Garza who organized a protest at the Gateway International Bridge.346

In March 2008, Border Ambassadors, along with tribe members from the Lipan Apache Band of Texas, walked 120 miles to protest the Secure Fence Act while advocating immigration reform.347 In the Rio Grande Valley, over 300 people participated in the walk that took place from El Ranchito to Brownsville in Cameron County. In a 2008 interview by The Brownsville Herald, Bob Lucio, indicated how disturbed he was to know that the border fence was going to cut into a very historic part of the city. “Of all of Brownsville, this might be the most historical spot, the name sake of our town was actually injured right here in the Mexican American War.”

Then in 2008, UTB filed a civil law suit against DHS and the Corp of Engineers. David Pearson, vice president for partnership affairs at UTB-TSC said, “We couldn’t possibly be more strongly opposed to this. We think this is a poor way to resolve what is

obviously a very contentious issue.” The University and DHS came to an agreement that ended all condemnation actions against UTB-TSC.

As part of the agreement, UTB/TSC enhanced campus security in two ways. University-owned fencing adjacent to the levee would be augmented to a height of 10 feet and upgraded with high-tech devices. The current fence varies between six feet and eight feet. The enhancements to UTB/TSC’s perimeter security, at the university’s expense, would complement methods already in use on the campus. The agreement also would allow UTB/TSC more room for capital construction and expansion on the land and the federal agencies would support the university’s long-term efforts to move and enhance a flood control levee to the edge of the Rio Grande.

Although an agreement was reached, students were adamantly attempting to halt the building of the fence. In 2009, students from UTB along with community groups in the area began a petition in Hope Park against the border fence and planned to take it to Washington to voice their concerns. In 2011, students once again organized a border fence rally. In protest against the wall, Aaron Hartwell told The Brownsville Herald,

“This generation in the Rio Grande Valley is going to rise up and make their voice heard. We are up against the border wall that was constructed without a vote. The negative effects on the environment, the economy and social justice are an offense to the people on both sides of the wall.”

As a way to show the national and international community of the bond that the Brownville Matamoros sister cities hold, the community came together to plant 300 budding Carolina Jasmine Vine “seeds of hope” on the border fence in 2009. Community groups from both sides of the border turned out to support the university to display the relationship between the sister cities of Matamoros and Brownsville. Maria Melida

Buentello, a member of the Club Rotario Matamoros Profesional stated, “We are sister cities so anything that happens here also affects us and I think these type of events and us working other will teach the rest of the U.S. that is better to have peace and work together.” Presently the fence is ten feet high and runs from UTB-TSC’s Education and Business Complex to the property formerly owned by Brownsville Art League. The fence runs along 4,500 feet of property and cost a total of $1.04 million.

![The Border Fence in Brownsville, TX.](image)

Figure 19. The Border Fence in Brownsville, TX.

The border wall not only disrupts the geography and private properties of the Rio Grande Valley, but other findings since 2010 have indicated that ethnic groups like Hispanics, those with low income, people who are foreign born, and those who live within reach of the border wall, were most affected in Cameron County by the border

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According to UTB Professors Jude Benavides and Jeff Wilson, “The wall, given its placement, seems to exacerbate the undue burden that our already overburdened local community is trying to overcome.” Constructing a border barrier and the accompanying effects on the property use and ownership associated with construction would have substantially disproportional negative effects on the marginalized population in Cameron County. The findings in *Due Diligence and Demographic Disparities*, indicated that 14 demographic factors were tested for disparities between those living in gap areas without fence and those living in areas exposed to the fence. Of the 14 factors, 12 were found to have statistically significant disparities between gap and fence designations. The study found that fence-designated areas were lower income ($3,833 for 2007) and more Hispanic (94.13% vs. 90.27%) with a higher percentage of foreign-born residents (11.17% vs. 8.99%). The study also found that Cameron County had 1/3 of planned gaps in Texas, and the most gaps at 20%, compared to any other county in the RGV or the entire border.

The border wall affected a symbolic festival that has brought people from Mexico and the United States together since the early 20th century. Founded during the Great Depression between the sister cities of Brownsville, TX and Matamoros, Mexico, *Charro Days* marked the continuing of a bi-national and local cultural event shared by both the United States and Mexico.

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355 J. Gaines Wilson et al., *Due Diligence and Demographic Disparities: Effects of the Planning of U.S.-Mexico Border Fence of Marginalized Populations* (Brownsville, TX: The University of Brownsville Texas 2011), 42.
The 1950’s was first time since the early 1900’s that open borders were allowed in order to have *Charro Days* festivities take place. The same cannot be said today as violence has escalated and the United States policies towards immigration have tightened. Although those days are gone, the mayors of both Brownsville and Matamoros still meet halfway on the Gateway International Bridge for the traditional hands across the border ceremony. Between the people of Matamoros and Brownsville, the ceremony entails the exchanging of national anthems, national flags, gifts, hugs, and handshakes symbolizing a friendship that has lasted over a century. As Brownsville’s Mayor Tony Martinez said, “We are more than neighbors, we are family.”\(^{356}\) When Hilary Clinton visited in 2008, she weighed in on the wall’s effect on this tradition, saying, “It is troubling to me that our country’s current border security plan threatens a South Texas tradition historically created to celebrate the sharing of cultures…I believe we need to re-evaluate the border wall as it is currently being implemented.”\(^ {357}\)

In attempts to stop the Border Wall in parts of Brownsville, San Benito, Harlingen, and Matamoros, many rallied and petitioned both President Bush and President Obama to reconsider the decision. In 2009, the City of Brownsville passed a resolution on behalf of its city, culture, and people. The resolution acknowledged that:

“… The “border fence” represents a symbol of separation, isolationism, and the tragic inability of misguided, posturing policy makers, to come to grips with real world problems. Whereas, the city of Brownsville is open to any agreement that provides security for the… United States of America, that is reasonable, just, and has truly sought, and, in good faith, considered all options that are viable but rejects the “border fence”-border wall, as the only way to secure OUR border along the Rio Grande/Rio Bravo; Whereas, the responsible people and leadership


of the community of Brownsville, Texas exercise a zero tolerance for bullying... Whereas the DHS has recklessly, and in gross violation of the law, arrogantly refused to enter into good faith negotiations with property owners... Whereas, the border community of Brownsville, Texas extends across the Rio Grande/Rio Bravo, to Matamoros, Mexico, where many of US have beloved friends and relatives, and the very idea of a border wall represents something terribly ugly, not to speak of the actual, constructed “infrastructure”, which remains unthinkable, to most of US, in terms of the cultural damage which will be wreaked on OUR community, this terrible misguided project grinds forward... Whereas, the people of Brownsville and Matamoros share history, linguistic characteristics of the Spanish Language, ethnic traits, food, music, fiestas (e.g. Charro Days) deeply value these ties, and are in no mood to roll over and grant waivers to destructive, divisive elements, who harbor little or no sensitivity to such factors... Whereas, we continue to vigorously seek, a good-faith solution to this Border Wall Crisis, AS EQUALS, not as subjects of bullying and associated, lawless tactics, the latter, totally unsatisfactory to OUR reasonable, lawful expectations, and of course, OUR cultural sensibilities.”

Unfortunately these calls to protest were never answered and the 34 miles of fence in the area were built. From 2006 and 2009, Customs and Border Protection spent $2.4 billion to complete 670 miles of border fence on the entire border and was $400 million dollars over budget in 2008. Unexpected construction costs and legal holdups due to land disputes paralyzed border wall construction just weeks after DHS broke land in the Valley.

Organizations and individuals ended up walking off with more money than the United States government intended to pay. According to Samantha Sais, The Nature Conservancy balked an offer of $114,000 for a fence on its land in the Rio Grande Valley

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358 The City of Brownsville, Box No Border Wall, May 25, 2009. Border Studies Valley Archives, The University of Texas Pan American, Edinburg, TX.
359 Lower Rio Grande Valley Archives and Special Collections, The University of Texas Pan American, Edinburg, TX, Kevin Sieff, “Border Wall Fate in Financial Limbo,” The Valley Morning Star, September 22, 2008.
in South Texas, and ultimately settled for $1 million. A developer in Brownsville, Texas was offered $233,000 but ended up with $4.7 million three years later.\textsuperscript{360}

Figure 20. In Defiance of the Border Wall. Source: The Iron Canvas, The Texas Observer http://lareportera.com/2012/05/the-iron-canvas/.

The payoff of the fence remains unclear. According to the Government Accountability Office, entries to the United States fell 69 percent between 2006 and 2011, while drug and contraband seizures nearly doubled. At the same time, the report said Customs could not account to the impact of the fence.\textsuperscript{361} In 2010 President Barak Obama claimed the fence was “basically complete” and as of 2012, the Department of Homeland Security claimed that 649 out of the proposed 652 miles were built, with 299 miles of vehicle barriers and 350 miles of pedestrian fence. As if Congress did not learn


anything from the border fence, in 2013 a plan for 700 miles of additional fencing along
the border was proposed by the Gang of Eight, a group of senators and representatives
aimed at tackling immigration reform.

Southwest Border Security Act 2010

The Southwest Border Security Act passed in 2010 and provided for roughly
1,500 new law enforcement agents, new unmanned aerial vehicles, new forwarding
operating bases, and $14 million in new communication equipment. “It would represent a
10 percent increase in border security spending over 2010”, said New York Sen. Charles
Schumer, a bill sponsor. President Barak Obama noted that the resources made available
through this legislation will build upon successful efforts to protect communities along
the Southwest border and across the country. This new law strengthened the U.S.’
partnership with Mexico in targeting the gangs and criminal organizations that operated
on both sides of our shared border. Not only did this bill attempt to stop the entry of
criminal organizations from Mexico, it funded hiring more border patrol agents and
increased border patrol budget by $244 million, including $600 million in supplemental
funds for enhanced border protection and law enforcement activities. This spending was
offset by cancelling $100 million from the Secure Border Initiative Network (SBINet)
program, which aimed at integrating new and old border technology into a single system,
within DHS.

The Southwest Border Security Act further militarized the border with increased
personnel at the U.S.-Mexico border, while using modernized and expanded technology
and operation at the ports of entry. It also assembled the Southwest Border Task Force to
fight arms trafficking, and enhance intergovernmental security cooperation.
The Merida Initiative

As John Kerry stated at a Senate Committee on Foreign Relations, “The drug trade recognizes no border… and neither should law enforcement. We need to build trust in both countries and eliminate the barriers between them.” Then in 2008, the United States Congress, alongside the Bush Administration, passed legislation that aimed at tackling the issue of national security on the basis of crime and drugs with both Mexico and other Latin American countries. The Merida Initiative provided technical expertise and assistance to Mexico and others for police professionalization, prosecutorial capacity building, judicial and prison reform, justice sector institution building, information technology enhancement, and infrastructure development and border security, with an appropriated $1.6 billion. Mexico invested about $46.6 billion of its own resources for security and public safety. The United States forged these strong partnerships to improve citizen safety in affected areas to fight drug trafficking, organized crime, corruption, illicit arms trafficking, money-laundering, and the demand for drugs on both sides of the border. The Merida Initiative was meant to deal with the explosion of cartel related crime and impact by disrupting organized criminal groups, strengthening institutions, buildings a 21st century border, and building strong and resilient communities.

The program was especially important to “places of violence” like border cities such as Ciudad Juarez and Matamoros, as the Rio Grande Valley and Matamoros served as network locations for the Mexican drug trade. The Merida Initiative served a military purpose to minimize crime and drug trafficking from and within Mexico and spill over zones in the United States. However, in 2011, U.S. officials denied that the increase in drug trafficking-related violence in Mexico resulted in a significant spillover of violence in the United States, but acknowledged that the prospect is a real concern.\footnote{Congressional Research Service, \textit{CRS Report For Congress: U.S.-Mexican Security Cooperation: The Mérida Initiative and Beyond}, 4.} The Merida Initiative was part of the effort to address the challenge of border violence while combining U.S. domestic enforcement efforts and those of Mexico.\footnote{David T. Johnson, “The Merida Initiative: A New Security Cooperation Partnership,” \textit{National Security Journal} 10, no.3 (2009).} As cartels strategies and weapons became more modernized, the United States and Mexico found partnership in increased weaponry and officer training.

The Merida Initiative affected the efforts of border patrol agents from both countries inspecting both northbound and southbound cargo as historically, Mexican customs did not serve the role of performing southbound or inbound inspections. Critics of the program claim that the system was flawed as the intricate network of U.S. and Mexican government, police, and officials was already infiltrated with crooked agents. In 2009 the DHS Inspector General opened 839 investigations of DHS employees. Of the 839, investigations, 576 were Customs and Border Patrol employees, 164 were ICE employees, 64 were of Citizen and Immigration services employees, and 35 were of

Transportation security Administration employees. Unfortunately, it is unknown how many were corrupted by Mexican Drug Trade Organizations.  

Part of the Merida Initiative focused on building strong and resilient communities along the U.S.-Mexico Border and involved community based programs in high crime areas developed by both Mexican and U.S. federal officials. Currently, nothing has been implemented in the Matamoros/Brownsville Region in terms of communal cooperation. Other issues that the Merida Initiative overlooks as argued by Shannon O’Neil, with the Council of Foreign relations, were three “…U.S. based factors that perpetuate the drug trade…guns, money, and demand,” while noting that the vast majority of the guns used by trafficking organizations come from the U.S.” Currently, there are no to very little studies of the Merida Initiative with border areas but the one prospect from the Merida Imitative is that it opened dialogue between the United States and Mexico that was much needed in terms of addressing the drug trafficking issue. The Merida Imitative also demonstrates militarization of the border is only increasing. Fighting fire with fire may not prove to be the best method as Mexico’s drug trade is correlated with the United States’ want of drugs and supply of automatic weapons. While the Merida Initiative may seem like another failed attempt at border security, only time will tell what the program will do for the border areas and both countries.

Conclusion

National security in the United States experienced a change unlike ever before. As multiple acts, reforms, accords, and initiatives were enacted in the last decade, border

regions like the Rio Grande Valley experienced increased border security and militarization of the border without consent or consideration for the people living there. Congress believes that it is doing what it must to keep the interests of the United States protected, but what are interests if not their people? Congress and the American public need to understand and consider why national security has led to the border we know today. If immigration, legal or illegal, is a form of terrorism, Congress needs to reevaluate who these terrorists are and what countries they are coming from. But for now, we must remember that the majority of Mexican immigrants, who entered the United States in the past 50 years, were mostly here because of political and economic reasons.
CHAPTER VII
CONCLUSION

Migration and immigration are among the biggest concerns in American political discourse today. With increased border goods, increased migration to border areas, and increased apprehensions higher than ever before, it is important to understand why this situation has come about and where it has come from.

Over the last century, the movement of people to and across the border has played a pivotal role in the United States as the real issue is that migration occurs to places where opportunities seem more apparent to seeking work, and a level of safety. In the Rio Grande Valley, men and women crossed the Rio Grande freely before there was a defined border, but changes in the economic and political relationship between Mexico and the United States drastically transformed the experience of life on the border. If we in the United States are to come to understand the border and the people, then we need a greater familiarity with and sensitivity toward the border as a cultural creation and part of our own ongoing cultural production.\(^{369}\)

In terms of border history, migration, and population, the migration of Mexicans to and from the U.S. to meet the economic and political needs of both countries alternated from the revolving doors of the early 1900’s open border, which helped create and expand Cameron, Hidalgo, Starr, and Willacy Counties in the late 19\(^{th}\) and early 20\(^{th}\) century. By examining the Rio Grande Valley and Cameron County specifically, the relationship and hybridity between Mexicans and Mexican Americans along the border can be appreciated and understood from the viewpoint of bilateral economic and political policies that fostered and accelerated these unique border environments.

\(^{369}\) Arreola and Curtis, *Mexican Border Cities*, 222.
The midcentury Bracero policies to the post-bracero period depended and sanctioned migration from Mexico to the United States. Although the Bracero Program was meant to be a temporary wartime measure, economic growth and employers seeking new pools of labor across the West, Texas, and the Midwest, recruited and hired Mexican workers. Following that temporary population drive into mostly California and Texas, Mexico created the Border Industrialization Program (BIP) along the border to curtail unemployment. The BIP brought many people from the interior of Mexico to Mexican border states like Tamaulipas, which contributed to population growth there. The 1965 Immigration Naturalization Act added hemispheric caps and placed, for the first time ever, restraints on the number of people who could enter the United States from the Western Hemisphere. At the same time, Mexico’s “policy of no policy” failed to regulate the number of people leaving the country for the United States. U.S. Congress responded with the Immigration and Reform Control Act of 1986 that, for the first time in history, set the standards for those who crossed the border without permission or citizenship. As a result of increased illegal immigration and American perceptions, the Immigration Act of 1990 and Illegal Immigration Reform and Responsibility Act of 1996 made it more difficult for illegal immigrants to qualify for benefits, become citizens, and criminalized them. But as economic problems from Mexico continued to add to the immigration problem, the Mexican and Mexican-American population increased along with it. Elected officials pushed to restrict access to citizenship across the United States, and at the same time pushed for more access to Mexican workers and Mexican markets.

The NAFTA era eventually sped up the economic integration between Mexico and the United States as it created a free trade area of more than 360 million consumers.
It produced a trade deal that was supposed to benefit and modernize each country involved, but produced many different outcomes. Mexico experienced more jobs and higher incomes in maquiladora industries and the manufacturing sector along the border. Yet poverty gaps increased and wages were volatile to the NAFTA economy. Farmers in Mexico’s once large and subsidized agriculture sector lost jobs as competition with the United States drove them out of business. Later, thousands of jobs were lost in the automotive assembly sector when the American economy went into recession. The Mexican peso was devaluated in order to participate in NAFTA, which continued to drive Mexicans seeking employment to, and across, border regions. Mexico’s trade surplus with the United States soared but declined with the rest of the world.

In 2011 trade between Mexico, the United States, and Canada reached $1 trillion dollars. The United States export sector grew incredibly from $169 billion before NAFTA to $622 billion in 2011. With NAFTA, the RGV experienced sector booms in education, healthcare, retail trade, and construction. NAFTA drove job loss and unemployment down in some instances from 50% to the teens. Some farmers in the area also benefited from NAFTA as sales to Mexico were the highest on record. International trade from NAFTA increased the use of ports and border crossings well after 1994, as jobs from both governments and retail shops along these areas increased. The negative effects from NAFTA resulted in increased economic dependence from Mexico on the United States, high levels of low wage job creation, and ultimately a volatile economic relationship and dependence for Mexico on the United States.

Residents of the RGV operated in the formal, informal, and underground economies that contributed to the economic “wellbeing” of the area. Because the area is
poverty stricken, the informal and underground economies helped those survive. Those activities included legal work that avoided government oversight and illegal work that was evasive. Many people in the Rio Grande Valley and border have had to deal with the drug trade and drug cartels that stem from Mexico as it has affected almost every aspect of society from business booms to law enforcement. This is largely attributed to the unemployment in Mexico and the Rio Grande Valley, as the drug trade provides for good, fast money. Unemployment rates and civilian job growth has remained largely stagnated making these areas far worse than others in the country. Poverty prevails in all the Rio Grande Valley with Cameron, Hidalgo, and Starr County providing some of the poorest cities in the nation from the 1980’s to the present. The Rio Grande Valley has been consistently lower in per capita income and household incomes compared to Texas from 1990 to 2010. Because poverty and low educational attainment are linked to one another, the educational picture in the Rio Grande Valley is not much better. Most students in Region 1 are economically disadvantaged and are of Hispanic descent. Region 1 also serves children of illegal immigrants, temporary border crossers, and migrant students.

After 9/11 increased security and legislation was aimed at criminalizing immigrants for the purposes of fighting terrorism. 9/11 legislation militarized the border and alienated the Mexican and Latino population at large. Congressional Acts like the USA PATRIOT Act, Smart Border Accords, Secure Fence Act of 2006, Southwest Border Security Act of 2010, and the Merida Initiative, all provided for more border patrol agents, weapons, technology, law enforcement, and the border wall, all without the consent of the people living in the area. The problem is that although the U.S. became
involved in helping Mexico’s law enforcement, the goal was to rid the United States of illegal immigrants, who today are mostly Mexican and Central American economic and political refugees. These security policies place a disconnect between the people of the Rio Grande Valley and Washington, D.C. as their situations are mostly considered in the context of immigration. The most pertinent part being unconsidered in conversations pertaining to legislation is the fact that the Rio Grande Valley and the American side of the border are, in fact, American. Just because these areas once belonged to Mexico and are predominately Latino does not give Congress the right to discredit the Rio Grande Valley and border as anything else.

Local, state, and federal governments have very little contemporary and on-going research data to support informed policy making when it comes to decisions regarding immigration and the U.S.-Mexican border. More should be done to work with border leaders in managing an area that many politicians in Washington and Mexico do not have first-hand experience with. More should also be done to inform policy makers of the role migration, immigration, and border areas have played historically in the relationship between the U.S. and Mexico today. Policy makers need to remember that push pull factors through political and economic legislation have strained border locations through population in areas such as the Rio Grande Valley with past and present legal and illegal immigrants. Unfortunately, inaccessibility to government benefits and better paying jobs leaves border communities between a rock and a hard place and the inability to better themselves and the communities they reside in.
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