Conference Report

'Technology transfer' conference plans slave labor for Mexico, Texas

by Harley Schlanger

Appropriate technology, cheap labor, tourism, austerity, drugs: This is the future for Texas and Mexico, if those who planned the Aug. 19-20 conference titled "Technology Transfer: U.S.-Mexico Perspective," have their way. George Mitchell, billionaire oilman and member of the U.S. Association of the Club of Rome, presided over the conference from his development, The Woodlands. The focus for the conference was provided by America's national embarrassment Jimmy Carter, who declared that proposals put forward at the conference were an extension of the *Global 2000 Report*—which calls for reducing the world's population by 2 billion by the year 2000—published by his administration.

To "build a policy consensus" among the attendees, including businessmen from both sides of the border, and government officials from the United States and Mexico, speakers voiced their "deep concern" for the future of Mexico, emphasizing support for "economic growth," "development," and the need for "mutual respect for national sovereignty." But the conclusions reached demonstrate that they mean to loot Mexico's people and raw materials—and Texas as well—with a 200-mile free-trade zone along the border.

These conclusions included: 1) The "population problem" must be solved before Mexico can develop; 2) The *Global 2000 Report*, released by the Carter administration in 1980, with the recommendation for mass murder, is the proper approach to control Mexico's "population problem"; 3) "Appropriate technology" (that is, labor-intensive production, using slave labor), is the only means to employ the growing labor force; and 4) Protectionist policies must go, Mexico must join GATT (the General Agreement on Trade and Tariffs), and open up for foreign looting.

By emphasizing Mexico's failing economy, the conference planners hope to cover up the fact that, despite the brave talk from Chamber of Commerce leaders throughout Texas of the strength of the economy (particularly the "diversity" of local economies), in reality Texas has been devastated by

The 'recovery' in Texas

During 1983, as the reality of economic collapse hit the state of Texas, the good ole boys of Texas were unanimous in their "economic forecasts." "Don't worry," they said, "there will always be a need for oil." The consensus was that Texas, the last state hit by the "recession," would be the first to recover. Despite consoling talk of the "Reagan recovery" during 1984, the economy has been shattered.

Energy: The rig count, measuring the number of new wells, has dropped steadily since 1983. Over 62,000 jobs in oil-field and related services have been lost nationally, most of those in Texas. With the present oil "glut" on international markets, this is not expected to improve in the near (or distant) future.

Agriculture: There were officially 3,000 farms lost in Texas last year, but that figure is misleading. The amount of land farmed in Texas dropped by more than 500,000 acres last year, and much of what is under cultivation will not be harvested, because of depressed prices. Even cattlemen, historically spared in past crises, are losing $125-175 per head of cattle they bring to the market.

Trade: The optimism of 1984 (based on improved figures over the total collapse of 1983), is gone. The Port of Houston reports a 13% drop overall from last year, with grain shipments down 63% for the first six months of 1985. The Port of Brownsville is operating at 50% of its 1981 level, while the ports of the "Golden Triangle" (Beaumont-Orange-Port Arthur) are virtually empty; official unemployment in that area is over 20%.

Defense and "high tech": Despite talk of the Reagan defense buildup, there have been layoffs in defense plants in the Dallas-Fort Worth area, including General Dynamics and Texas Instruments.

"Service": Even in this post-industrial sector, all is not well. Realtors have been hit hard. Housing starts have dropped, houses remain unsold for months, condos around Houston are empty and half-completed. Dallas and Houston are in a race with Los Angeles for the lead in empty office space, with Dallas slightly ahead at last count.

the "recovery" as much as the rest of the economy.

There is not one sector which has escaped the combined effects of the Volcker high interest rates and the Reagan administration's "free enterprise" policies. Traditional industries have been idled. Houston has lost 43,000 manufacturing jobs since 1980. The steel and petrochemical plants built during the World War II mobilization have been shut down, and are being sold for scrap.

With official unemployment rates along the border ranging from 12.3% in El Paso, to 16.1% in Laredo, to 37.4% in Eagle Pass, local business leaders have accepted the shift to an economy based on slave labor, the so-called "Hong Kong model free trade zones" (like massive increase in drug trafficking and prostitution) and tourism (like plans for casino gambling in northern Mexico). Behind the banner of "free enterprise," is resurrected the "technetronic society" of Zbigniew Brzezinski, complete with his maxim that the United States must not allow Mexico to become a "Japan on our southern border."

Representative Bill Richardson of New Mexico has introduced legislation to create a 200-mile free-trade zone along the border, a proposal to make permanent the deindustrialization of this region. And Don Shuffstal, an executive vice president of Bank of El Paso, whose prediction of a peso collapse at the end of June triggered a wave of peso dumping, mused that the border should be seen as "a third country," since it is "neither properly understood, nor governed, by Washington and Mexico City."

What the conference planners recommend for Texas—deindustrialization and Hong Kong-style free trade—Mexico must first earn by reducing its population and relaxing its protectionist policies. The only "technology" to be transfered is more of the same slave-labor, low-skilled jobs. Victor Urquidi, a founder of the Club of Rome in Mexico, recommended that the United States focus on transfer of appropriate technologies. These are needed, he argued, to employ a growing labor force. "Technology displaces labor. . . . Mexico must create one million new jobs each year." He rejected the prospect of a return to the economic growth rates of 1976-80, when the economy grew at an annual rate of 8%, creating more than 800,000 jobs annually in steel, construction, infrastructure development, etc. Urquidi said that Mexico must adapt to being a source of cheap, unskilled labor, and slash its birth rate. This proposal was backed by Jimmy Carter, who insisted that technology transfer be dependent on reducing the population and birth rate. Carter called for "an extension of the *Global 2000 Report*, just relating to the U.S. and Mexico," to be funded privately "in the absence of government support from either Mexico City or Washington."

Martha Harris, of the U.S. Congressional Office of Technology Assessment, and Mexican economist Everardo Elizondo, both attacked Mexico's "protectionism." Elizondo said that, to spur industrialization, Mexico must "turn itself into a huge, 'in-bond' industry of the U.S." 'In-bond' industry, or *maquilador*, refers to assembly plants set up in Mexico for assembly of American-made duty-free parts which are bonded and imported for assembly with cheap Mexican labor. The assembled parts are then shipped back to the United States. The only contribution to the Mexican economy is the employment of Mexico's labor at cheap wages—no contribution at all. Elizondo raved, "The best incentive we can offer to the rest of the world is our relatively cheap labor."

Documentation

The following excerpts are from Jimmy Carter's speech at the Aug. 19-20 conference, "Technology Transfers: U.S.-Mexico Perspectives." Readers who recall Carter's days in the White House will note that much of his speech is the usual empty rhetoric; he finally gets to the point with his call for Global 2000.

Mexico has become our third largest trading partner, and the foremost supplier of crude oil to the U.S. For Mexico, the U.S. is its primary trading partner and the largest source of foreign investment. . .

Protectionist tendencies within the United States costs U.S. consumers, damages our neighbors, prevents repayment of external debt, and encourages social and political unrest, particularly in the embryonic democracies.

. . . We in North America must now face the fact that Mexico has taken a great leap in international influence, and decisions made in Mexico City can seriously affect our country. In matters concerning trade, finance, regional security, international diplomacy, employment, immigration, agriculture, music, art, and the everyday habits of life, each nation's people have an increasing impact on the other's.

During times of sober reflection this interrelationship is acknowledged, but it must be managed with balance, maturity, and respect. Both of us are now more vulnerable, and we need to be more sensitive and to forge more routine and comprehensive ways to cooperate in meeting present and future challenges. We must be willing to deal with each other on the basis of equality and mutual respect. If we do this, we need not fear the future.

One of the greatest unmet needs is the long-range analysis of almost inevitable change. An extension of the *Global 2000* report, just relating to the U.S. and Mexico, would be invaluable. In the absence of governmental support from either Mexico City or Washington, private incentives can be explored, perhaps including entities like the U.S. National Academy of Sciences or Mexico's equivalent.

Technology is a vital part of our future, because it represents the capacity of a nation to achieve self-sustaining growth and self-reliance. . . . However, we must not ignore the inevitable complexities of cultural, historical, and political relationships that are intertwined with the potential technological advances.