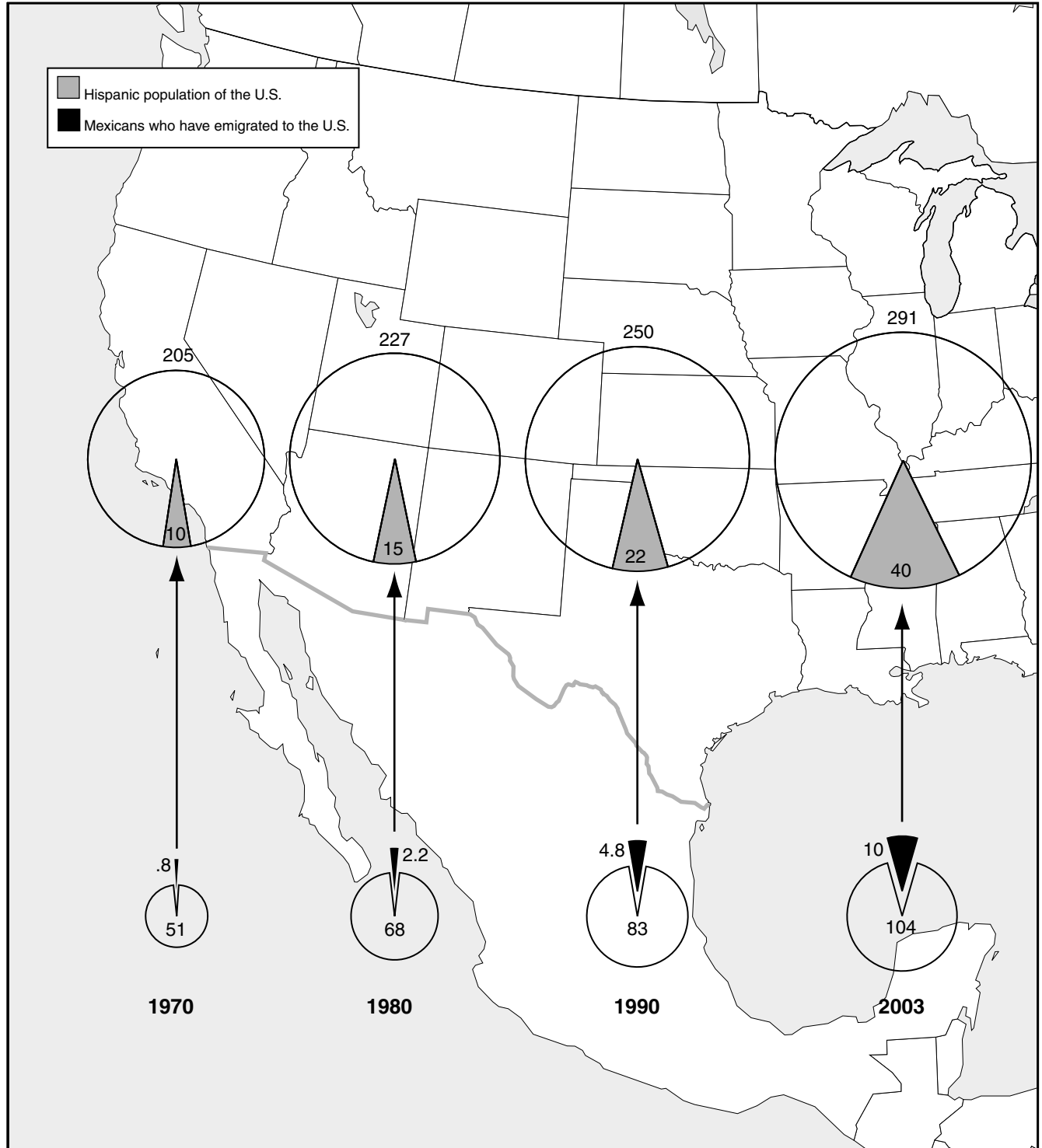


FIGURE 1

Mexico and the United States: Population and Emigration

(All Figures in Millions)



Sources: INEGI (Mexico); U.S. Census Bureau.

States—many of them legally, some of them not. This amounted to just under 1.5% of the total population born in Mexico. At that time, the population of Mexico was less than one-quarter that of the United States. By 1980, there were 2.2 million Mexicans living in the United States: the percentage of Mexicans who had emigrated had thus risen from 1.5% to 3.2% of the total of those born in Mexico.

But from 1980-1990, with the IMF-induced crisis in full swing, the rate of emigration picked up, and by 1990 4.8 million Mexicans had left for the United States (5.4% of the total). And from 1990-2000, emigration accelerated even further, with the percentage of Mexicans who had emigrated to the United States rising to 7.9% of the total Mexican population.

By the end of 2003, there were about 10 million Mexican-born emigrants residing in the United States—almost 9% of the total population born in Mexico (114 million). Today, the total population remaining in Mexico is about 104 million—which is more than one-third of the 291 million population of the United States.

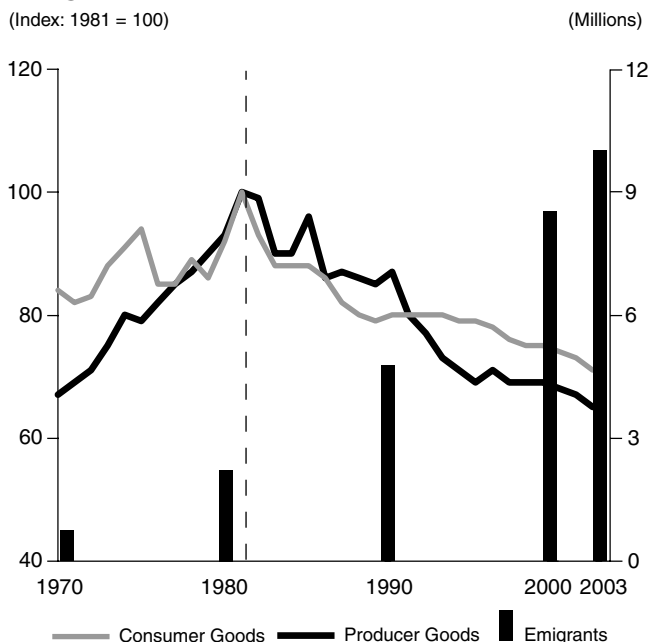
The U.S. population pie charts in Figure 1 show that today there are some 40 million people of Hispanic origin, out of a total of 291 million, living in the United States. These 40 million Hispanics include the 10 million born in Mexico; some 12 million second-generation Mexican-Americans; and 18 million other Hispanics (e.g. Puerto Ricans, Dominicans, Cubans, etc.) So a total of some 22 million persons of Mexican origin now reside in the U.S.—22 million who would, in their vast majority, today be living in Mexico, had the IMF-imposed destruction of that country's economy not driven them to the United States as economic refugees.

It is instructive to look at this accelerating 30-year trend of Mexican emigration alongside the plunge in Mexico's physical economy, which is driving that flood of refugees. **Figure 2** shows the 29% plunge in the per-capita production of a standard market basket of consumer goods from 1982 to 2002—measured in physical, not monetary, terms. The market basket of basic producer goods items plummeted even more dramatically, by some 35% over the same period.

In other words, *Mexico's physical economy has shrunk by about one-third, per capita, over the last two decades.* It is this which is driving the waves of emigration, especially after 1980.

Conversely, had these 10 million Mexicans, and their 12 million second-generation offspring—i.e., a total of 22 million souls—remained in Mexico under the prevailing conditions of collapse, the *per-capita* plunge in consumer goods production in Mexico would have been far greater, in the range of 42%, between 1982 and 2002; and producer goods production would have plummeted by some 46%. Those 22 million Mexicans amount to just under 20%—one-fifth!—of what would have been the Mexican-born population—a fifth of whom are today economic refugees in the United States.

FIGURE 2
Mexico's Physical-Economic Collapse Drives Emigration to the United States



Sources: INEGI (Mexico); *EIR*.

The Fall of the Maquiladoras

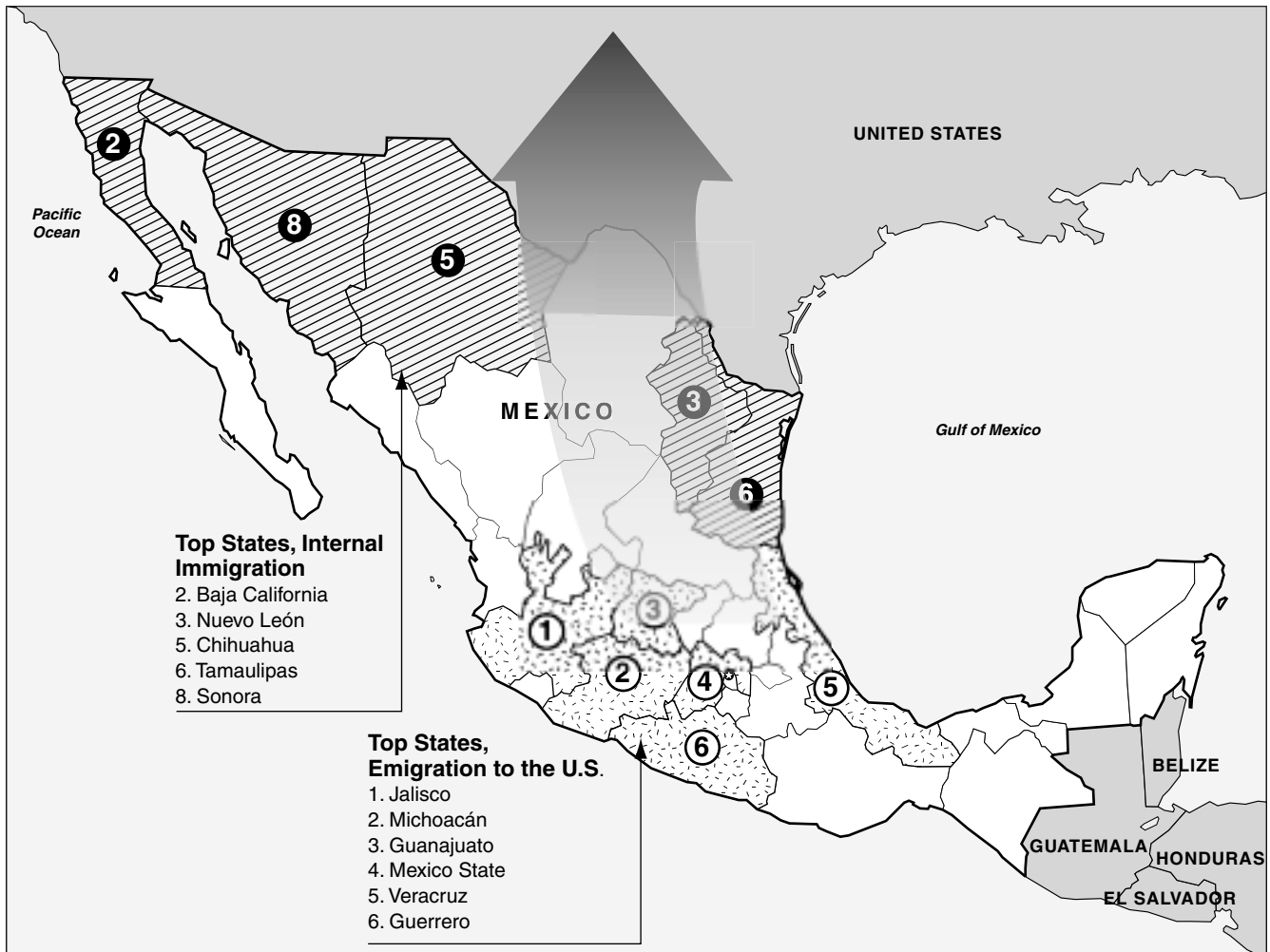
It is *not* the case that most Mexican migrants come from that country's U.S.-border states, as one might initially assume. Rather, they come principally from a swath of a half-dozen states in Mexico's impoverished central region. As **Figure 3** shows, the top six emigration states, in absolute numbers, over the period 1995-2000 were Jalisco, Michoacán, Guanajuato, Mexico, Veracruz, and Guerrero. Together, they accounted for half of all Mexicans who emigrated during this period. Not surprisingly, these are among Mexico's poorest states. For example, over the last decade, the economic growth in those six states—as measured by official statistics of “physical volume” of overall economic activity—was substantially lower than the national average, with the exception of Guanajuato. Similarly, the percentage of the total population with access to health care was less than the national average in five of the six states—in this case, the exception is Jalisco.

If we look at which states had the proportionately larger share of their populations emigrate over this same 1995-2000 period (see **Table 1**), then we see that ten Mexican states had 4% or more of their total population who had emigrated to the United States. The percentage of men who emigrated is even more revealing.

Although detailed statistics are not yet available, in the

FIGURE 3

Mexico: Internal Migration and Emigration to the United States, 1995-2000



Source: INEGI (Mexico).

three subsequent years 2000-2003, that emigration has exploded exponentially. Frontrunner Zacatecas, an impoverished desert state in North-Central Mexico, reportedly has cumulatively *half of its population residing in the United States*.

Returning to Figure 3, we draw the reader’s attention to the role that Mexico’s six border states play in this mass exodus. According to government statistics regarding internal migration among the Mexican states, five of the top eight states in terms of net internal immigration are border states. In other words, from 1995-2000, Mexicans by the millions generally left central Mexico, and emigrated to the border states as a kind of staging area for migration to the United States.

During the 1990s, part of the magnet-effect was produced

by the growth of the infamous *maquiladoras* along the border—the virtual foreign enclaves of slave labor assembly plants, that sprouted up with no underlying infrastructure of any sort to maintain that population. This boom of the *maquiladoras*, which remains the centerpiece of binational economic strategy of both the Fox and the Bush Administrations, occurred while productive employment plummeted in the Mexican economy proper, generating 50% real unemployment in the country, which is often disguised as “jobs” in the informal sector.

But as **Figure 4** shows, the *maquiladora* boom also went bust in October 2000—along with the collapse of the U.S. consumer market to which these plants export. In the subsequent three years, through December 2003, fully 26% of all *maquiladora* companies have shut down, leading to a plunge

TABLE 1
Top 10 Mexican States, Emigration to the United States, 1995-2000

(% of Total State Population)

State	Men	Total Population
1. Zacatecas	8.0%	4.9%
2. Michoacán	6.7%	4.2%
3. Guanajuato	6.1%	3.5%
4. Aguascalientes	4.8%	2.7%
5. Hidalgo	4.7%	2.7%
6. Durango	4.4%	2.9%
7. San Luis Potosí	4.3%	2.7%
8. Morelos	4.2%	2.9%
9. Nayarit	4.1%	2.8%
10. Jalisco	4.0%	2.7%

Source: INEGI (Mexico).

in *maquiladora* employment of 22%. This has been a major aggravating factor of the depression conditions driving millions of desperate Mexicans to seek their livelihood—and that of their families back home—in low-end jobs in the United States.

The *maquiladora* free-fall has of course hit Mexico's border states particularly hard, since about 83% of national *ma-*

quiladora employment is located in that six-state area. The overall demographic parameters of the Mexican border states are revealing, as we summarize them in **Table 2**.

A large area, comprising 44% of Mexico's national land area, the border states' predominantly arid geography is home to only 17% of the country's population. Only the state of Nuevo León, with its industrial city of Monterrey (the third largest in the country), has a population density around that of the national average—the rest is far below the norm. *Maquiladora* employment rose rapidly from 1990, when it was about 10% of the region's total employed labor force, to 18% by 2000. If the anomalous case of Nuevo León is excluded, the other five border states had nearly a quarter (22%) of their entire employed labor force in the *maquiladora* sector. The national average was only 4%.

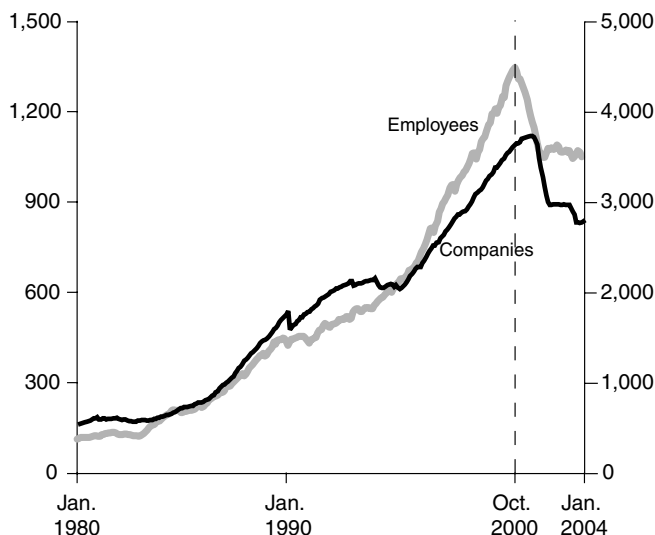
The *maquiladora* free-fall, which began in October 2000 and continues to date, signals the demise of the entire free-trade model that the IMF imposed on Mexico. As a consequence, the border region has been plunged into economic and social chaos, urgently requiring LaRouche's cross-border plan to develop the Great American Desert.

Imported Almost as Slave Labor

The U.S. economy to which these 10 million desperate Mexicans have fled is in ongoing collapse. During the 2001-2003 overall massive loss of jobs in America, and the 2004

FIGURE 4
Maquiladoras: Employment and Number of Companies

(Employment, Thousands)



Source: INEGI (Mexico).

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TABLE 2

Mexico's Six-State Border Region

	Land Area (thou. km ²)	Total Population (millions)	Population Density (per km ²)	Maquiladora Jobs 2000 (thousands)	% of Total Jobs 2000 (%)	Maquiladora Jobs 1990 (thousands)	% of Total Jobs 1990 (%)
Baja California	144	2.5	17	85	15%	283	31%
Coahuila	153	2.3	15	32	5%	114	14%
Chihuahua	247	3.1	12	160	21%	327	29%
Nuevo León	64	3.8	60	15	2%	69	5%
Sonora	181	2.2	12	38	7%	110	14%
Tamaulipas	80	2.8	35	78	11%	181	18%
Six-State Region	868	16.6	19	408	10%	1,084	18%
National Total	1,964	97.5	50	439	2%	1,310	4%
Region/Nation	44%	17%	39%	93%	na	83%	na

Source: INEGI (Mexico).

alleged “rebound,” most major population groups had a *net loss* of jobs, as **Figure 5** shows. Only the *new* Hispanic immigrants—those arriving since Jan. 1, 2000—gained jobs in net terms (more than 1 million of them), which indicates the way in which this group is being used as virtual imported slave labor.

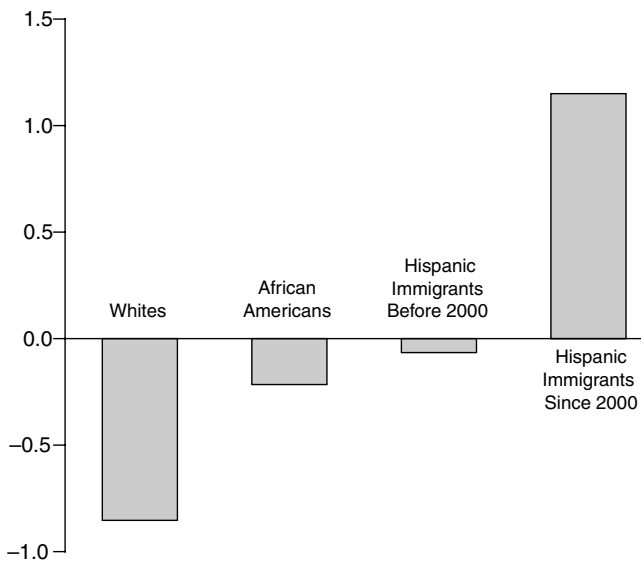
Figure 6 shows that the median wage of all Hispanic workers is more than 25% below the national norm; wages of the newest immigrants since 2000 are still lower.

This “inshoring” of cheap labor is the flip side of the “offshoring” of American jobs, a process of Schachtian economic recycling that is destroying the physical economies of both nations.

FIGURE 5

U.S. Net Jobs Gained or Lost, January 2001-April 2004

(Millions)

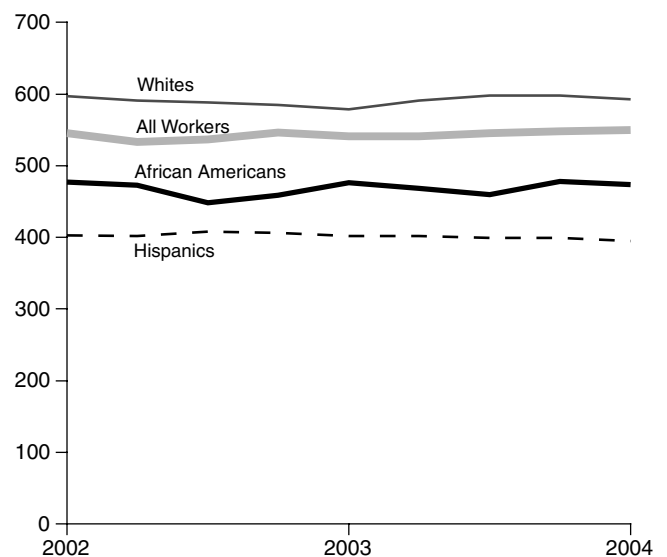


Sources: Pew Hispanic Center; EIR.

FIGURE 6

United States Median Weekly Wage, by Group

(Dollars per Week)



Sources: Pew Hispanic Center; EIR.

More Emergency Repairs, Closures on Waterways

by Marcia Merry Baker

The mid-August shut-down of the McAlpine Locks at Louisville for emergency repairs, which rendered Ohio River shipping out-of-service for 10 days, is just the most dramatic of many such events now taking place on key parts of America's inland waterways, long overdue for overhaul. Many installations are over 70 years old, and Army Corps of Engineers care cannot make up for their structural fatigue. **Figure 1** maps the sites of some of the recent emergency repairs and threatened closures. For the repair to a cracked lock gate Aug. 19-21 at the Rock Island, Illinois dam on the Mississippi River, the Corps had to install its *last temporary gate available* on the Mississippi system!

Pending but stalled Congressional legislation would authorize a 50-year project by the Army Corps to modernize the 26 locks and dams of the Upper Mississippi/Illinois Rivers. (<http://www2.mvr.usace.army.mil/umr-iwwsns/>). Brig. Gen.

Don T. Riley, Commander of the Corps' Mississippi Valley Division, spoke of the "ever-aging river navigation system" in May when the Corps' plans were released, commenting that the proposed improvements—including to riparian ecology—would "ensure these rivers remain a national treasure for generations to come."

Lyndon LaRouche, who backs a build-up of the Army Corps itself, is leading a national mobilization not only for this urgent rivers project, but for an emergency "Super-TVA" approach to national infrastructure building (rail, aviation, water supplies, land reclamation, urban utilities systems, health care, nuclear power), as the only realistic response to the economic breakdown process.

There are bi-partisan sponsors among Mississippi Basin Senators for the Upper Mississippi/Illinois project (S. 2470), including Kit Bond (R) and Jim Talent (R) from Missouri; Richard Durbin (D) and Peter Fitzgerald (R) of Illinois; Mark Dayton (D) and Norm Coleman (R) of Minnesota; Tom Harkin (D) and Charles Grassley (R) from Iowa; and Mark Pryor (D) of Arkansas. Over August, Durbin stumped for the Army Corps projects in Illinois. At the local level, it's a "no contest" issue almost anyplace on the waterways. For example, in Louisville's 3rd C.D. Democratic contender Tony Miller backs Army Corps funding; incumbent Anne Northup (R) also supports her "local" McAlpine Locks project, though otherwise an ideological neo-con who opposes the very principle of infrastructure.

This only illustrates the political point that while almost no one but Tom DeLay favors floods, shutting down navigation, throwing people out of work, etc., the crucial leadership issue—for both parties—is: Who will mobilize the public to think and vote like citizens again? This is the purpose of LaRouche's *Real Democratic Party Platform* and the LaRouche Youth Movement. Louisville is one of the key locations where the youth have been organizing through town meetings, walking tours, and rallies.

'Fatigue Failures'/ Emergency Repairs

The map shows five sites of recent emergency repairs on the locks and dams of the Upper Mississippi/Ohio River systems.

Louisville, Kentucky: On

FIGURE 1

