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# **A Southern (Peripheral) Perspective on Migration and Development: Lessons from the Mexico- US corridor**

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# Content

The context of contemporary capitalism

The new migration

Towards a N-S balance: evidence from the US-Mexico migration corridor

Conclusions: six demystifying thesis regarding M & D

# Neoliberal Globalization

- § *The internationalization of capital.* Subcontracting chains/enclaves
- § *Financialization.* Speculation/ fictitious capital
- § *Environmental degradation.* Privatization of natural resources/ ecosystem breakdown

# Neoliberal Globalization

- § *The restructuring of innovation systems.* Scientific and technologic outsourcing from the South
- § *Labor precariousness.* Oversupply of cheap and flexible labor
- § *New migratory dynamic.* Expulsion processes/growing vulnerability

# Reinsertion of the Periphery

- The mechanism: *Structural adjustment programs*
- New International Division of labor: *Labor exportation*:
  - § Indirect or disembodied (Global Commodity Chains) □ 66 million workers
  - § Migration □ 100 million workers
- *New modalities of unequal exchange*

## New migration: forced population movement

1. *Expulsion processes* triggered by the dismantling of the production apparatus in the South.
2. Restrictions to the mobility (criminalization) of migrant workforce, which depreciates it and subjects it to conditions of *high vulnerability, social exclusion, precariousness and extreme exploitation*.

# US: Latin American Immigrants, 2009

Thousands

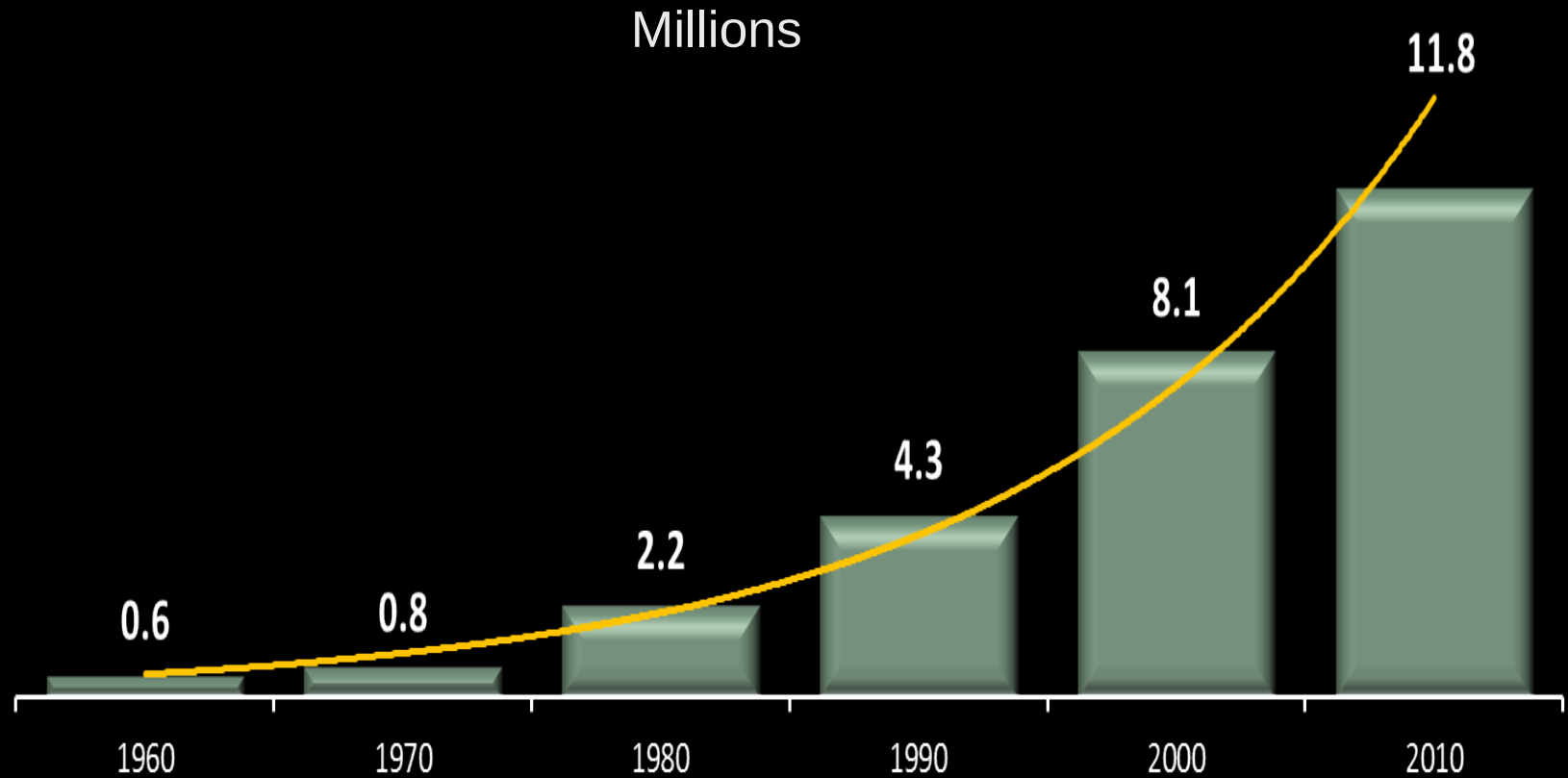


Source: SIMDE, based on CPS March supplement





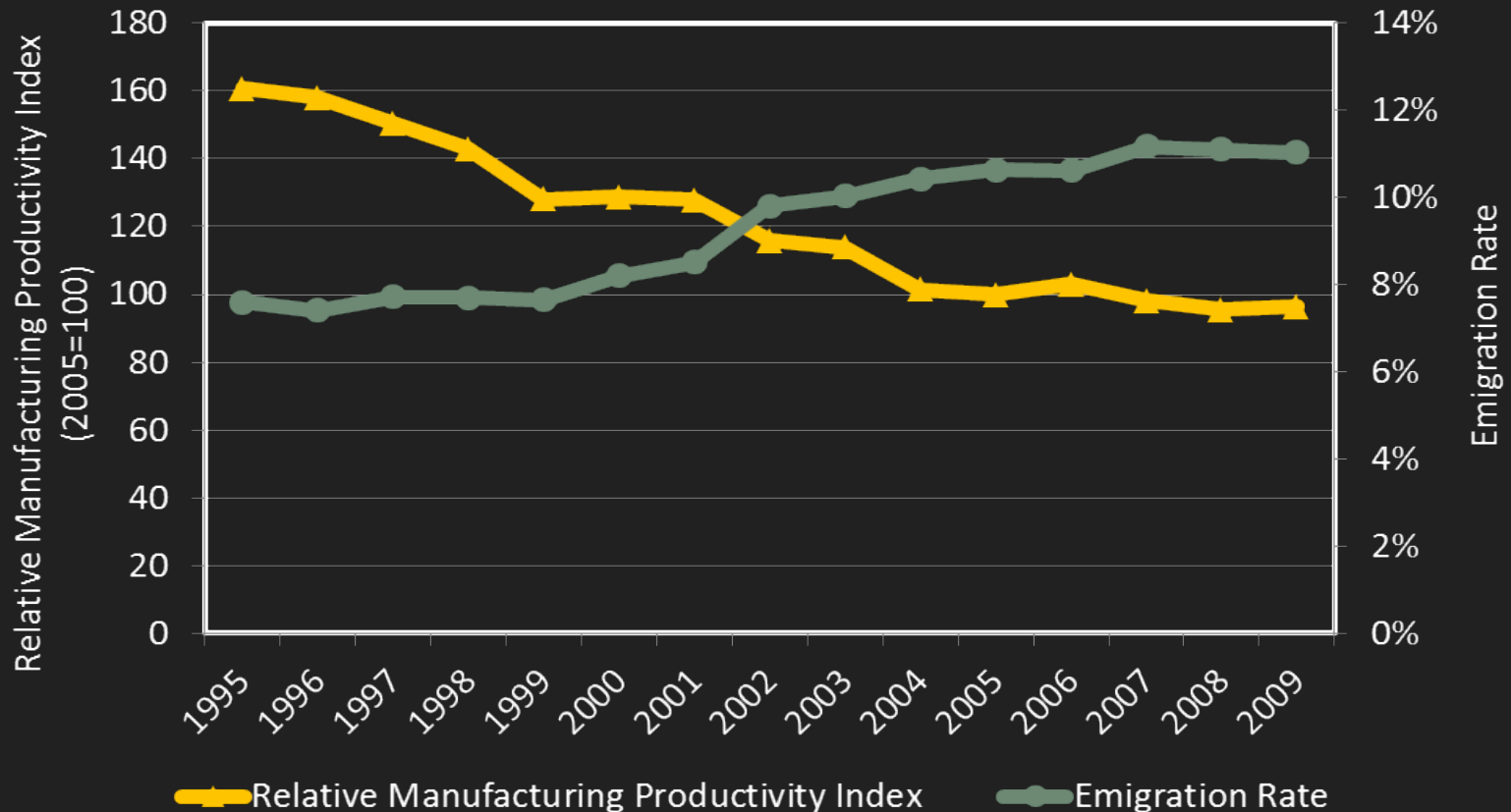
# US: Growth of Mexican Immigrants



Source: SIMDE, based on US Census, 1960, 1970, 1980 y 1990, y CPS, March Supplement, 2000 and 2010.

# Growing asymmetries US-Mexico 2000-2008

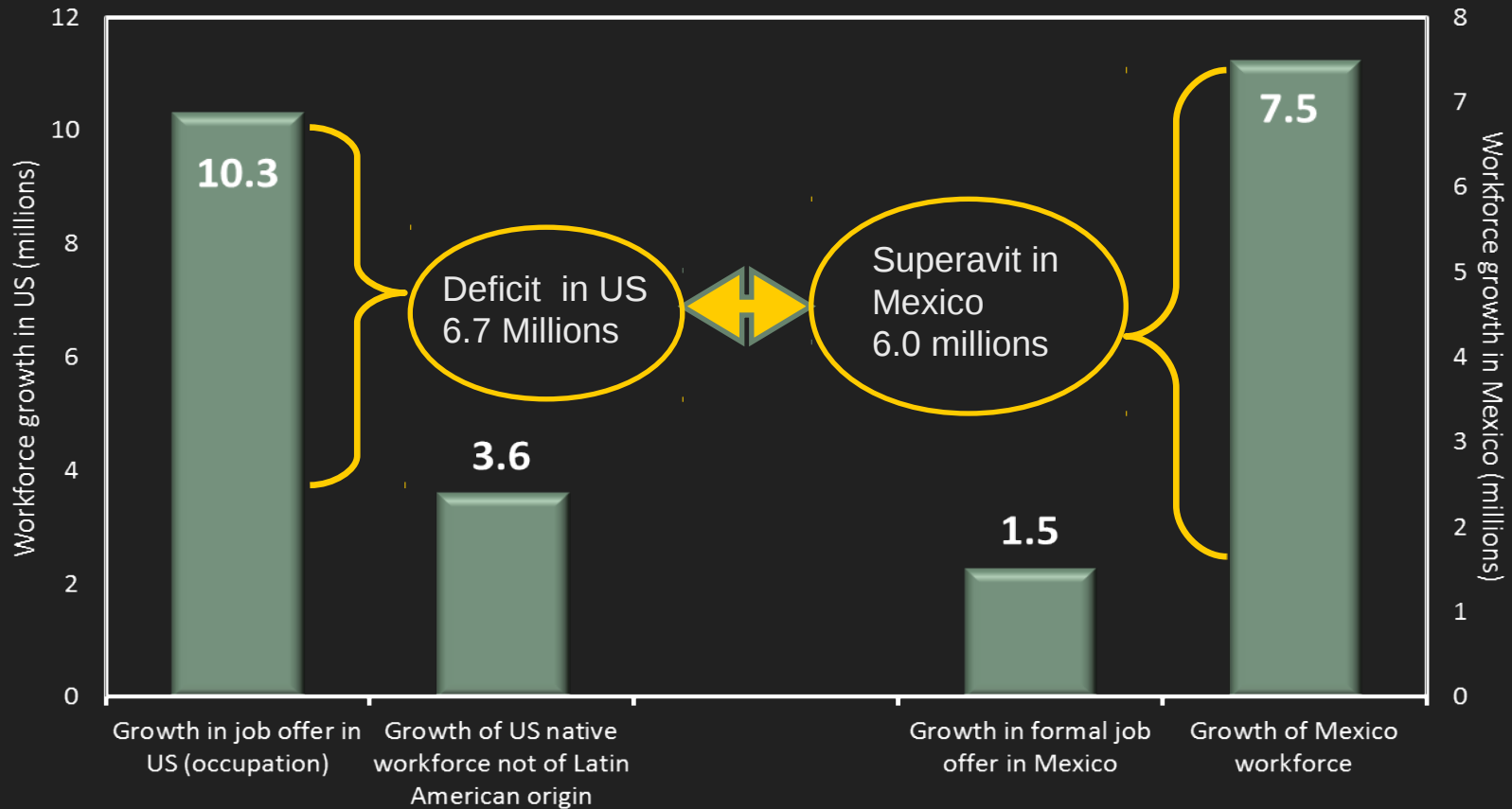
## Root Causes



Source: SIMDE, Productivity Index, estimation based on OECD Statistics, 1995-2009; Emigration rate, estimations based on CPS, March Supplement, 1995 to 2009, and CONAPO.

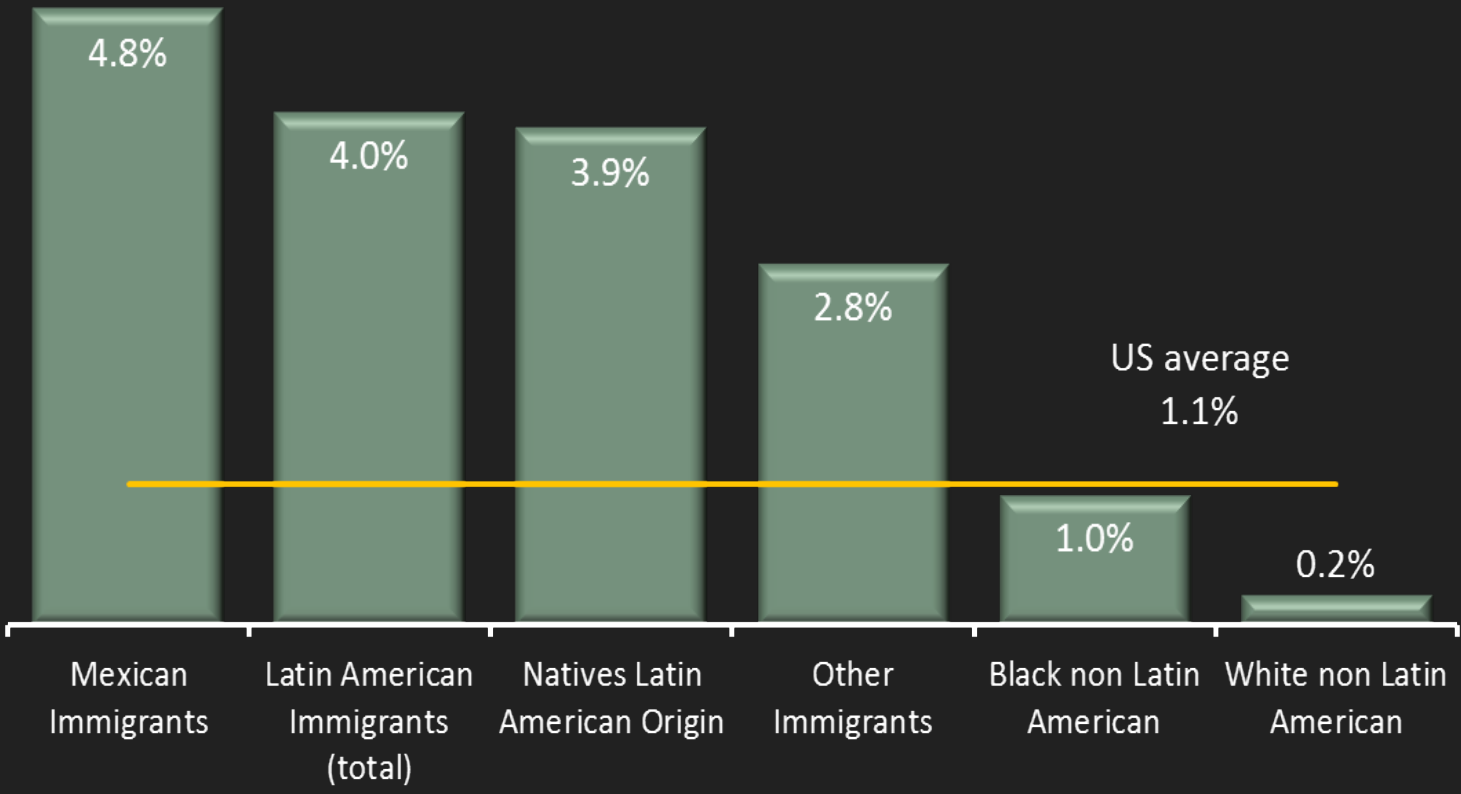
# Labor market imbalances 2000-2008

## Root Causes



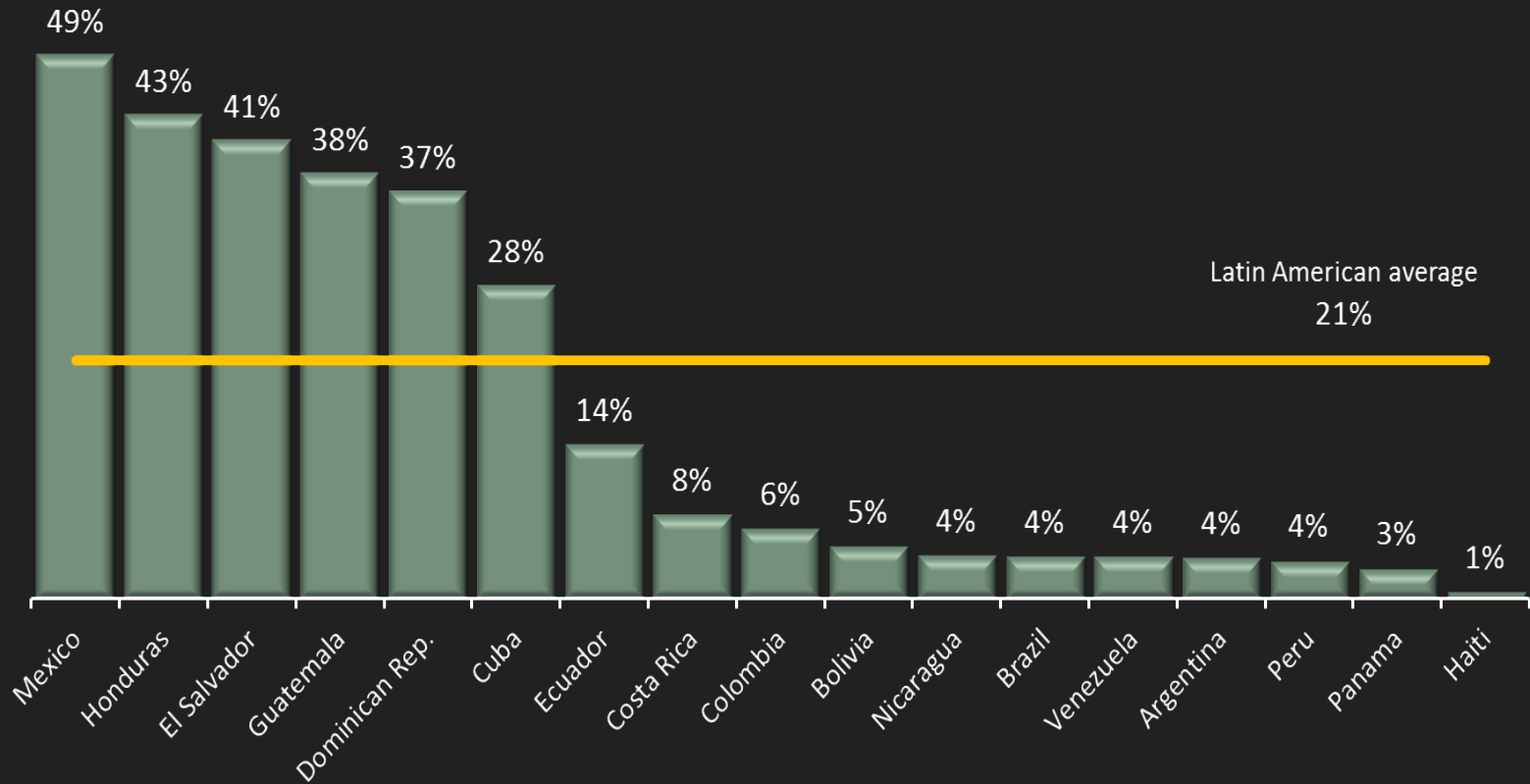
Sources: SIMDE, US deficit: estimation based on CPS, March Supplement, 2000 and 2008; Latin America superavit: estimation based on CPS, March Supplement, 2000 and 2008; and CEPALSTAT, Estadísticas de Empleo para América Latina, 2000-2008.

# Demographic growth rates in the US, 2000-2008



Source: SIMDE, based on CPS, March supplements

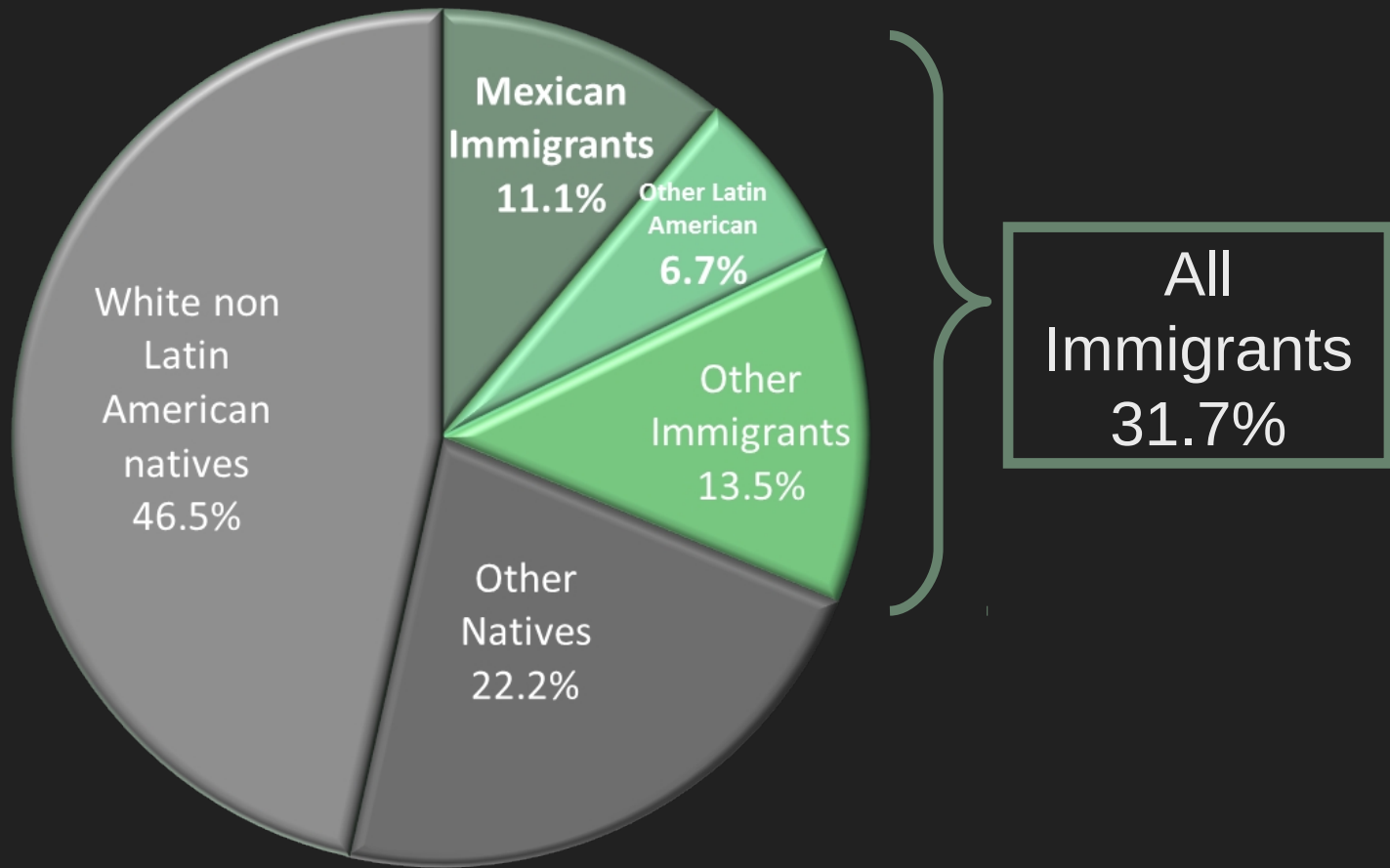
# Demographic dividend export to the US, 2000-2008



Sources: SIMDE based on CEPALSTAT, *Estadísticas de América Latina y el Caribe*; and US Census Bureau, Current Population Survey, March Supplement, 2000 and 2008.

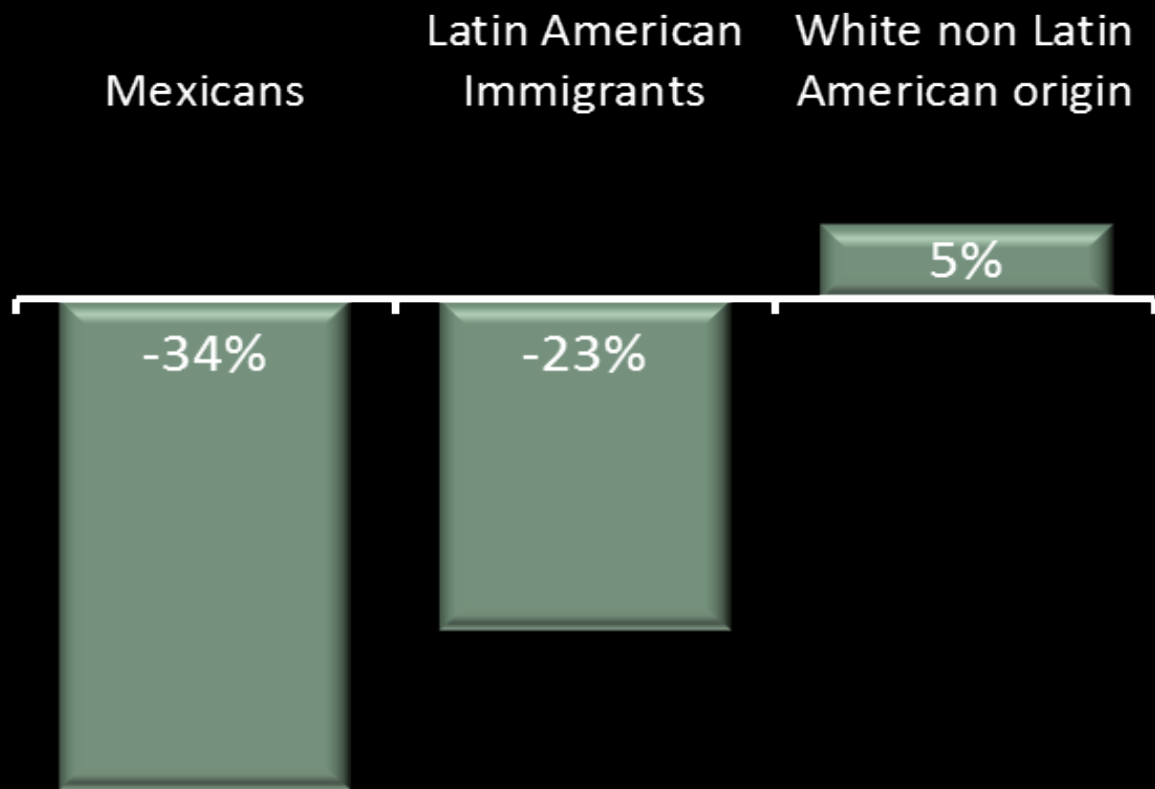
Implications for origin

# Contribution to US GDP Growth 2000-2007



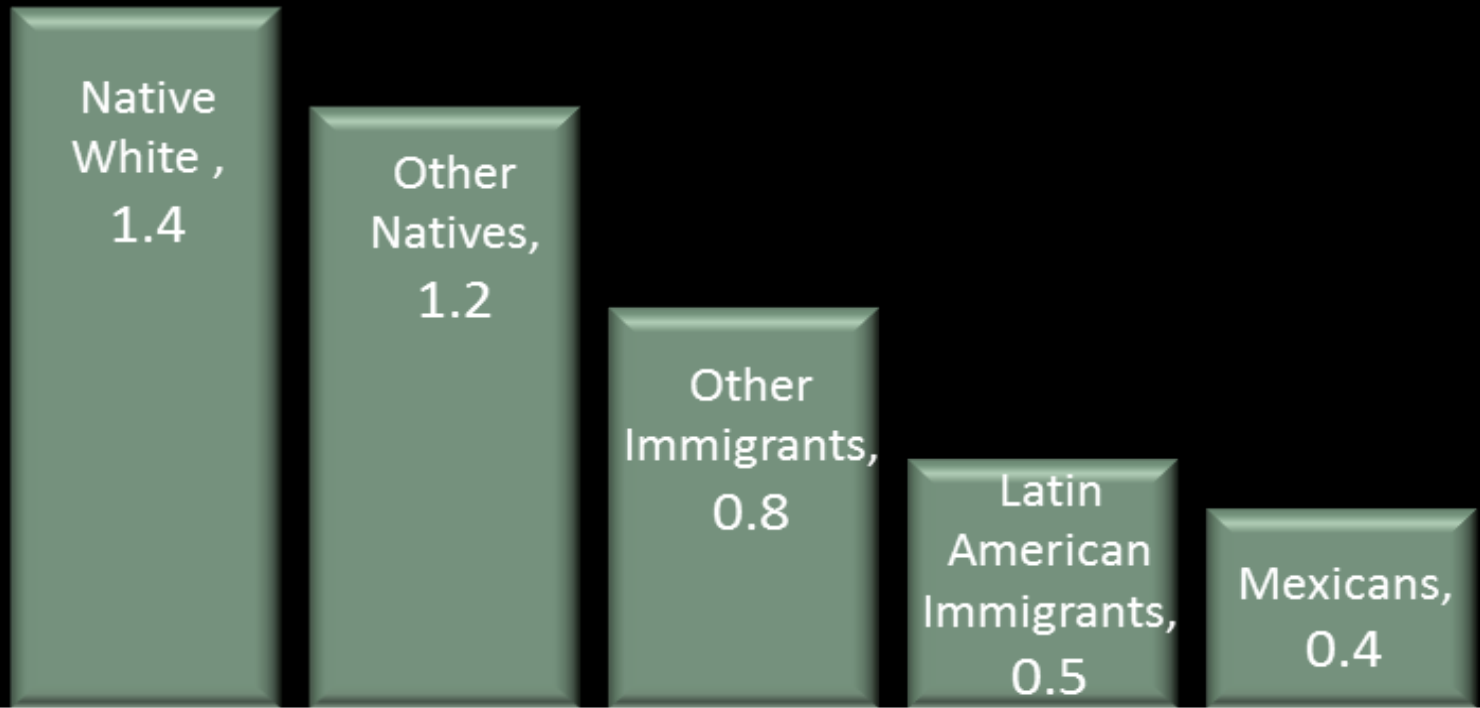
Sources: SIMDE, estimation based on US Bureau of Economic Analysis, Gross Domestic Product by Industry Accounts, 1995 a 2007, and US Bureau of Census, CPS, March supplement, 1995 to 2007.

# Wage transferences 2005-2007



Sources: SIMDE, estimation based on the US Bureau of Economic Analysis, Gross Domestic Product by Industry Accounts, 2000 to 2007, and US Bureau of Census, CPS, March Supplement, 2000 to 2007.

# Ratio between taxes to public social benefits in the US (2008)



Source: SIMDE based on US Bureau of Census, CPS, March Supplement, 2008

Implications for destination



# US: Direct and Indirect taxes paid by Mexican Immigrants

(Million US dollars)



Source: SIMDE

# US: Border Patrol Budget

Billion US dollars



Source: SIMDE UAZ, Estimations based on U.S. General Accounting Office; U.S. Department of Homeland Security; Public Policy Institute of California

# Cost of emigration for Mexico vs Remittances, 1994-2008

Billion US dollars

340

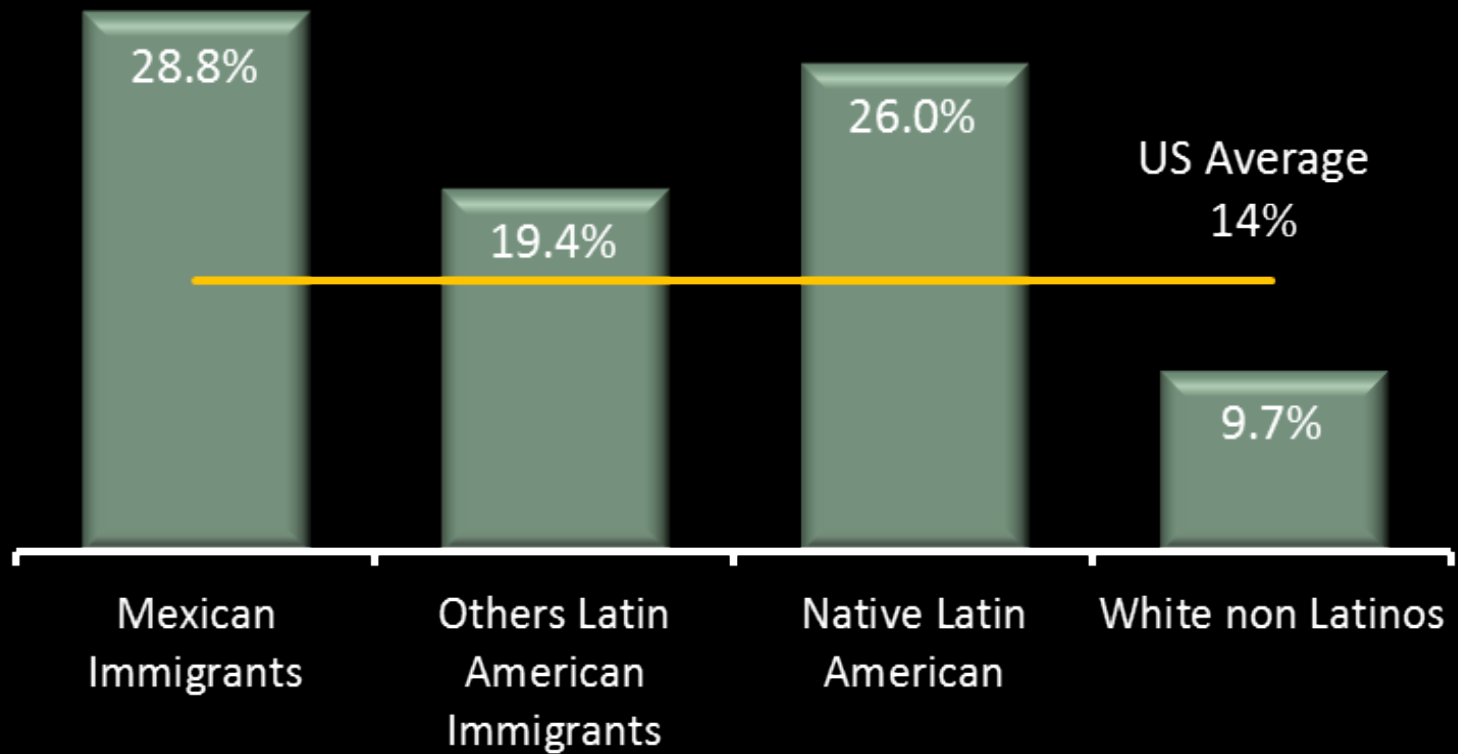
Educational  
Investment and  
Social  
Reproduction  
Costs

185

Accumulated  
Remittances

Source: SIMDE, based on CPS (1994-2008); CONEVAL , Poverty Lines in Mexico and Educational Statistics Yearbook in Mexico, 2008.

# US: Population below poverty 2010



Source: SIMDE, estimation based on CPS, March Supplement, 2010

# Concluding remarks

1. *Human mobility* in the context of capital restructuring has little to do with a “free choice” option and mainly adopts the form of a *forced* population displacement
2. The exportation of labor becomes a key element of the *New International Division of Labor* by the supply of cheap, flexible, and disorganized workforce from the periphery
3. Migrants significantly contribute to the satisfaction of *demographic and labor needs* as well as *economic growth* in the destination countries

# Concluding remarks

4. Migrants contribute to the fiscal and social security systems in the receiving country while living in conditions of *social exclusion* and *criminalization*
5. Migration implies an important transference of revenues (a S-N *subsidy*) from the sending countries which is not compensated by the flow of remittances
6. The current global multidimensional crisis poses many challenges for *social transformation* which demands a new way of conceiving and addressing the relationship between migration & development