Preamble

In this article we show how the twentieth-century appearance of a Chicano minority population in the United States originated from the subordination of the nation of Mexico to U.S. economic and political interests. We argue that, far from being marginal to the course of modern U.S. history, the Chicano minority, an immigrant people, stands at the center both of that history and of a process of imperial expansionism that originated in the last three decades of the nineteenth century and that continues today.

Several challenges to conventional interpretations of Mexican migration and the Chicano experience derive from this approach. This century-long exodus of Mexicans to the United States has often been perceived as an “American” problem, affecting welfare, education, culture, crime, drug abuse, and public budgets, to be solved by get-tough measures, such as California’s Proposition 187, and softer policies, such as those of immigrant rights agencies. In contrast, we take the position that migration signifies a Mexican national crisis, reflecting Mexico’s economic subordination to the United States and the limitations placed upon its national sovereignty by that domination. A century of mass border crossings displays the breaking apart of the social fabric of the Mexican nation and its resettlement in enclaves across the United States as a national minority.

The social and political repercussions of this subordination have been enormous. More than a century of domination by the United States increasingly undermined the social and political cohesion of Mexico, causing dislocation to its domestic agriculture and industry as well as migration to the United States-Mexico border and into the United States itself. In his 1911 classic exposé, Barbarous Mexico, John Kenneth Turner addressed the dismantling of the Mexican nation. “The partnership of Díaz and American capital,” he argued, “has wrecked Mexico as a national entity. The United States government, as long as it represents American capital...will have a deciding voice in Mexican affairs.” Washington preferred economic domination by U.S. corporations to the direct annexation of Mexico. As John Mason Hart has persuasively demonstrated, U.S. capital realized that policy objective and established its supremacy in Mexico by the late nineteenth century. Mexico became the first foreign country to fall under the imperial umbrella of the United States.

The practice of territorial conquest and expansion in pursuit of, or as a consequence of, commercial developments is very old; from the Romans to the Aztecs to nineteenth-century Great Britain, this characteristic has been shared by most imperial

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powers. Over the last century, however, the United States, along with other global powers, developed an empire of a new type, a transnational mode of economic domination similar to but in important respects different from previous imperial regimes.

While the United States throughout its history has engaged in numerous acts of territorial aggression and conquest—like other historical centers of power—its particular mode of empire building and maintenance emerged when the growth of large corporations and financial institutions became directly involved in alliance with local elites, in the formally independent economies and politics of other countries. Simultaneously, these large conglomerates of finance and production came to dominate the government of United States, using the power of the state to jockey for position with other world powers. This practice of empire construction and management was aptly captured by U.S. Secretary of State John Foster Dulles in the 1950s: “[T]here [are] two ways of dominating a foreign nation,” he remarked, “invading it militarily or controlling it financially.” In the case of Mexico, U.S. policy preferred financial over military control.

Mexico and the U.S. model of empire building

A transnational mode of imperial hegemony has defined U.S. relations with the rest of the world throughout the twentieth century. Mexico provided the first testing ground. The United States initiated new mechanisms of empire in the late 1870s when it became the senior partner in an alliance with the local Mexican elite personified in the figure of dictator Porfirio Díaz. Using threats of military intervention, U.S. capital interests invested heavily in the construction of railroads in Mexico. These initial intrusions were quickly followed by massive investments in mining, cattle farming, and cotton production. After Mexico, the United States moved swiftly to establish economic control and political influence southward. The United States launched the War of 1898 for a variety of motives: to insure that no sovereign and independent nation appeared in Cuba upon the defeat of the Spanish empire; to establish a military pres-

ence guaranteeing the security of its investments; and to establish strategic outposts to secure and control commerce and investments in the Caribbean and East Asia. U.S. political leaders defended the war with rhetoric of supporting the underdog, a rationale to allay public unease over war and manipulate public opinion. The War of 1898 was followed quickly by the U.S.-supported secession of the province of Panama from Colombia, ensuring U.S. control of interoceanic trade. At the same time, large U.S. investments in Mexico and Cuba took place via the company town model in agriculture, railroad construction, and mining.5

Beginning at the turn of the century, investment by U.S.-based corporations in Latin America, in cooperation with archaic land-based elites and bolstered by the U.S. military and the threat of annexation, transformed the hemisphere into a series of neocolonial republics. Mexico became something of a laboratory for the imperial experiments; few events of significance in the history of twentieth-century Mexico were not decisively influenced by the power of U.S. economic, political, and, as a last recourse, military power.6 A few examples will suffice: The United States played a determining role in the outcome of the 1910 Mexican Revolution; after World War II the United States provided the money, propaganda, and logistics to control the labor and social movements in which the ideas of socialism were taking root, not only in Mexico but throughout Latin America;7 in the 1990s the United States established NAFTA to


6. There are a number of studies that look at the characteristics of the cooperation between Mexico’s elites and powerful U.S. monopolies that descended upon Mexico at the end of the nineteenth century. In addition to those listed in note 5, see Robert Freeman Smith, *The United States and Revolutionary Nationalism in Mexico, 1916–1922* (Chicago, 1972), and Hart, *Revolutionary Mexico*, chapters 5 and 6.

secure further its investments in Mexico and to restrict access for investment there by competitors. The freedom and security of U.S. capital thus remained a constant in U.S. policy toward Mexico in the twentieth century.

This establishment of U.S. imperial hegemony over Mexico and other Latin America nations has long been acknowledged in Latin America as central to local histories and identity. From the 1880s to the 1930s, major Mexican and Latin American thinkers, including Jose Vasconcelos, Jose Martí, Jose Enrique Rodó, and Eugenio María de Hostos, placed U.S. presence in Latin America as central to their essays on Latin America’s future. The profound awareness of the United States that pervades the lives, history, politics, and economics of Latin American countries is not matched by a parallel knowledge in the United States of its southern neighbors. In the academy, official U.S. historiography dates national emergence onto the global scene to World War I, privileging U.S. activity in Europe over decades of investment, interference, and invasions into Mexico and other southern neighbors. As a subset of official U.S. history, the study of the Chicano national minority has largely been constructed in an atmosphere in which “race matters,” and culture, too, but empire does not. Insofar as the U.S. transnational mode of hegemony is acknowledged, it is not seen as essential or even related to understanding the origins and development of the Chicano national minority.8

The push-pull thesis: The “official” line on Mexican migration

Since the first decade of the twentieth century, academic studies of Mexican migration to the United States established one basic theoretical construct—the push-pull thesis, modeled upon conventional supply and demand economics. The thesis reduces the causes of migration to sets of conditions within the sending country and the host country, conditions that function independently of each other. In one country, a push (supply), usually attributed to poverty, unemployment, or political unrest, motivates people to consider a significant move; in the other country, a pull (demand), usually a shortage of labor, operates

to attract the disaffected. In tandem, they synergistically lead to transnational migration.

Following the political militancy and cultural nationalism of the late 1960s, numerous studies focused on the origins of the Mexican population in the United States. These stemmed from the interest not only of Chicano activists but also of academics attracted to the issues raised by the regional political rebellion. As the Chicano Studies research agenda matured, immigration, particularly in the 1900–1930 period, gained a central place in many studies. The original push-pull thesis, as enunciated by the U.S. Industrial Commission on Immigration in 1901 and repeated by Victor S. Clark in 1908 and by Manuel Gamio and Paul S. Taylor in the early 1930s, became an article of faith among a new generation of academics destined to dominate the field to the end of the century.9

Many academics simply made the 1910 Revolution the principal push factor operating in the 1900–1930 era.10 Consequently, when the UCLA Mexican American Study Project turned its attention to immigration in the late 1960s, the theoretical scenario had been set: “The Mexican revolutionary period beginning in 1909–1910 spurred the first substantial and permanent migration to the United States,” the report’s authors wrote. “By liberating masses of people from social as well as ge-

9. See Mario Barrera, Race and Class in the American Southwest: A Theory of Racial Inequality (Notre Dame, Ind., 1979), 68–69; U.S. Industrial Commission, Reports of the Industrial Commission on Immigration, 15 (Washington, D.C., 1901), lxxxix. The report’s conclusions about the cause of migration were based on the testimony of a former commissioner of immigration of the port of New York. As a witness before the U.S. Industrial Commission, he stated that “Those people who come for settlement in this country have a desire and feel the ability in themselves to expand, to look out for larger and better fields for their activity than they can find at home.” Ibid., 183. See also Victor S. Clark, Mexican Labor in the United States, Department of Commerce and Labor, Bureau of Labor Bulletin No. 78 (Washington, D.C., 1908), 505; Manuel Gamio, Migration and Immigration to the United States: A Study of Adjustment (Chicago, 1930), 171; and Paul S. Taylor, A Spanish-Mexican Peasant Community, Arandas in Jalisco, Mexico (Berkeley, 1933), 40.

ographic immobility, [the Revolution] served to activate a latent migration potential of vast dimensions.”

To be sure, different research projects often emphasized particular conditions that modified the form in which push-pull ostensibly manifested. There were variations on the theme. A number of authors viewed the policies of Díaz as similar to European elites’ expropriation of peasants’ lands and the simultaneous de-peasantization of the countryside. Some saw the extension of railroads throughout Mexico as the key element that made migration possible. For others, the devastation of the Mexican Revolution and its aftermath precipitated the early twentieth-century migrations. A survey of the more significant studies of the last twenty years reveals a collage of factors that propel migration; seldom is the “push” viewed as the result of one factor alone. Currently, most students of Mexican migration and border studies agree that a complex of “push” factors, such as low wages, unemployment, poverty, and political oppression have operated at various times to create the conditions leading to Mexican migration over the course of the twentieth century. The “pull” factors—high wages and labor demand in the United States—are taken as a given.

Around 1970 the push-pull thesis came under critical scrutiny, resulting in refinement but not substantial overhaul. Condemned as a neoclassical artifact, the thesis was ostensibly supplanted by a set of theoretical approaches to explain Mexican migration. The new paradigms—social capital theory, segmented market theory, new economics theory, and world systems theory—challenged push-pull. The first three of these contended that the old economic categories—wages, poverty, surplus population, and unemployment—inadequately explain the “push” of Mexican migration, particularly the long-term trends appearing since roughly 1970. World systems theory, on the other hand, contended that global capitalism reaching into the remotest corners of Mexico uprooted peasants from the land and caused unemployment; both conditions drive migration. In spite of the claim that these approaches go beyond the limitations of the push-pull paradigm, we shall argue below that the basic premises of push-pull have not been completely uprooted by these modifications.

Most analysts of migration seem to view the “push” factors, such as Porfirian policies, the 1910 revolution, low wages, and surplus population, as operating independently of the economic power of the United States. Implicit in the argument is the contention that an autonomous modernization process, not unlike what occurred in Europe, led to Mexican migration to the United States. In short, older versions and modern variations of push-pull inherently assume that Mexican migration—from 1900 to the present—followed from independently stimulated economic progress in Mexico. Largely absent in discussions of migration are two questions: Is it appropriate to conflate all migrations into a single “one size fits all” paradigm? And, if the forces of supply and demand work to eliminate economic disequilibria, why has there been an apparent permanent disequilibrium that no amount of migration from Mexico (or modernization therein) has been able to root out and that remains in effect more than a century after it began?13

13. There are a few exceptions. Barrera’s Race and Class in the Southwest briefly pointed out that the push-pull notions were difficult to separate. Alejandro Portes also points to weaknesses in “From South of the Border: Hispanic Minorities in the United States,” in Yans-McLaughlin, ed., Immigration Reconsidered. Portes generally
Recent “refinements” to push-pull

Recent research by sociologists has pointed out that migration continued unabated since the 1960s when economic conditions in Mexico were relatively good. Studies analyzed noneconomic factors and questioned whether these factors affected the decision to migrate. Framed in such a perspective, emphasis swung to the role of “agency,” or the independent decision making of the migrants as they “negotiated” their migratory treks. Social capital theory configured transnational migrant networks linking communities divided by national borders. Migrants summoned motivations, constructed pathways, and provided the resources that propelled migrations over the long term. Theoretically, a culture of migration establishes a social network across borders that feeds migrations. Migration, in other words, exists autonomously above the economic and political life of Mexico. As migrants cross the border, they allegedly define the border on their own terms, reconfiguring sociopolitical spaces. Ultimately, recent sociological models have celebrated migration as “transnational resistance” to internationalized economic and political imperatives.¹⁴

According to this perspective, migration evolved into an institutionalized “self-feeding process” with a life of its own. Tautological in essence, migration is explained by migration; migrants migrate because, as “historical actors,” they have voluntarily chosen to create a culture of migration. Nevertheless, the question of origins, of the factors that send the first migra-
tion and lead to subsequent migrations, is left, by default, to push-pull. The original sin, push-pull, prompts the first migrations, but, once the sin is committed, the migration assumes a self-generating state. The only true national and/or transnational factor of significance in this theory is the migration itself. Rational choices made by migrants, to acquire commodities or reestablish community, cultural lifestyle, and family ties, motivate migrations. Such analyses relegate international economic relations to the margins and ignore the economic domination that we address here; instead, they home in on the “independent” decision making of migrants.\textsuperscript{15}

A second theoretical design arising from the critique of push-pull, the segmented labor market model, emphasizes an economic aspect of the receiving country, precisely the structured dependence of modernized, “post-industrial” forms of production upon the continued flow of cheap immigrant labor. An insatiable thirst for cheap labor drives migration. Adherents to this position contend that the old push conditions—wage differentials, surplus population, and so forth—are secondary if not irrelevant. However, while the push side of the equation evaporates, the pull side—that is, the demand for labor in the receiving country—functions as before. Note that both the social capital theory and the segmented labor market theory view the two economically interconnected countries as economically independent of each other and ignore transnational financial domination with respect to the process of migration. Like the original push-pull theory, these revisions separate the process of migration into two interacting but independent operations.\textsuperscript{16}


\textsuperscript{16} See, for example, Wayne Cornelius, “The Structural Embeddedness of Demand for Mexican Immigrant Labor: New Evidence from California,” in
A third model, new economics theory, contends that migration is explained “by measures of risk and the need for access to capital” rather than by the workings of the labor market. According to Douglas Massey, “Considerable work suggests that the acquisition of housing, the purchase of land, and the establishment of small businesses constitute the primary motivations for international labor migration.” Here the push argument seems to have been supplanted by factors other than wages; however, this theoretical model, like social capital theory, stands well within the old model. New economics theorists argue that the sending country fails to supply needed capital, land, and business opportunities. These contentions fit into the push-pull model as it was first articulated nearly a century ago: The host country has something that the sending country lacks; hence, people migrate to satisfy a felt need, and a neoclassical equilibrium is established (or should be established).

In these critiques of push-pull theory, basic assumptions replicate the old model. For one, migrants have a felt need that Mexico cannot meet—thus, a push. Secondly, the United States has the conditions and wherewithal to satisfy migrants’ yearnings—therefore, a pull. Lastly, the national economies of Mexico and the United States are interactive (often described as “interdependent”) but without domination exerted by either party.

Finally, the world systems model causally links global capitalism with migrations. In this view, direct foreign investments generate economic development in sending countries, which removes natives from farming lands or causes unemployment in traditional occupations, creating a body of migrants within the country. Saskia Sassen, perhaps the best-known world systems

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18. Ibid., 954.
19. See Reimers, Still the Golden Door; Frank D. Bean, W. Parker Frisbie, Edward Telles, and B. Lindsay Lowell, “The Economic Impact of Undocumented Workers in the Southwest of the United States,” in Weeks and Ham-Chande, eds., Demographic Dynamics.
theoretician of migration, rightly points out how foreign investment in export agriculture modernizes production, which simultaneously upsets traditional farming practices, removes small farmers from the Mexican countryside, and resettles them in cities. Some migrate to the northern states where foreign-owned assembly plants advertise employment. Ultimately, that same surplus labor migrates to the United States where immigrant labor is in constant demand.\textsuperscript{20}

While a thorough discussion of world systems theory is beyond the purview of this article, our basic differences with world systems theory as applied to Mexican migration to the United States stem from 1) the emphasis on direct investments, 2) the implicit argument that modernization via foreign financing equals the development experienced by Europe in the nineteenth century, and 3) the exclusive attention to the post-1960 period. First, direct investments are only one type of foreign capital that has affected the national economy of Mexico. Other types of capital have had serious consequences for the economy and society as well. For example, U.S. government lending programs, private philanthropic organizations like the Rockefeller Foundation and others, as well as economic development programs (loans) run by the International Monetary Fund (IMF), the World Bank, and the trade policies of the World Trade Organization, have had a decided impact on the economy and society of Mexico. Second, world systems theory implicitly parallels notions of the great nineteenth-century European migrations, which occurred via an indigenous capitalist modernization and consequent de-peasantization of the land. In the case of Mexico, we contend that foreign economic incursions led to a colonial status, resulting in neither indigenous, capitalist-driven modernization nor dependent modernization, but rather one under foreign control that removes peasants from the land to other parts of Mexico and to the United States. Third, regarding the proposition that the post-1960s migrations are distinct from those of earlier decades, we argue that U.S. economic domination over Mexico has remained more or less

constant over the course of the twentieth century. While world systems theory does point to the significance of foreign investments in the removal of people from the countryside and their migration to cities and northern assembly plants, the model holds that the roots of migration derive from global capital, or direct foreign investment, which “modernizes” the Mexican economy. Accordingly, Mexico and the United States are sovereign nations as in the first versions of the push-pull thesis, each in its own way subject to the nuances of global capital and interdependent in the process. The theory ignores government-to-government lending programs, bank capital, massive foreign debt, and empire; the “world system” is all one massive capitalist system covering the entire globe, in which issues of inequality and domination become obscured.

In social capital theory, the segmented labor model, new economic theory, and world systems theory, the core premise of push-pull—the imbalance of independent conditions in sending and host countries—still obtains in spite of critiques. A real alternative requires a reconceptualization of migration within the context of empire.

Economic conquest: Porfirian Mexico, 1876–1910

A critical examination of the push side of the thesis requires that we analyze the economic policies carried out by the Mexican government in the 1880–1910 period and their social consequences. It is necessary to take another look at four processes: first, the building of Mexico’s railroads by U.S. companies; second, the investment of U.S. capital in mining and smelting; third, the effects of the above modernization projects on Mexico’s agriculture; and fourth, the displacement of large segments of Mexico’s peasant population as a consequence of the foreign-induced modernization.

We will show that foreign monopolistic economic interests—not the much vaunted científicos—were the principal architects of the policies implemented by the Porfirio Díaz administrations and that these policies resulted in the subjection of Mexico to domination of a new type: a transnational mode of economic colonialism. While Porfian policies forcibly removed peasants from ancestral village lands, it is wrong to as-
sume that these were policies wholly designed in Mexico City. Like the construction of railroads, oil exploration and exploitation, mining, and agricultural investments by foreign capital, the removal of peasants from village lands emanated from the integration and exploitation of Mexican natural resources into foreign, primarily U.S., industrial production.

Not only Mexico but all of Latin America fell under the gaze of U.S. foreign policy at the end of the nineteenth century. The United States saw Mexico as the doorway to Latin America’s riches, but only if it remained under U.S. economic tutelage. U.S. policy essentially followed the dictum of no less a patron of imperialism than Cecil Rhodes, who envisioned Mexico as the material fountain of empire. “Mexico,” he once observed, “is the treasure house from which will come the gold, silver, copper, and precious stones that will build the empires of tomorrow, and will make the future cities of the world veritable Jerusalems.” The United States changed the plural “empires” to the singular “empire.”

The 1865 victory of the Northern armies in the U.S. Civil War failed to deter the cry for “all of Mexico” that lingered in the minds of adventurous entrepreneurs and their supporters in the United States. In 1868 a spate of articles in the New York Herald and other metropolitan newspapers called upon the United States to establish “a protectorate over Mexico.” Voices of opposition to such a policy were heard; not all were enthralled by the easy victories of 1848 and the imagined expansion to the isthmus. Anti-annexationists responded with an economic alternative free of any humanitarian impulses. William S. Rosecrans, speculator and promoter of Mexican railroads, while serving as minister to Mexico, anticipated future U.S. policy toward Mexico in his response to the newspaper articles. Rosecrans urged that Americans abandon the notion of “all of Mexico.” “Pushing American enterprise up to, and within Mexico wherever it can profitably go,” he claimed, “will give us advantages which force and money alone would hardly procure. It would give us a peaceful conquest of the country.”

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A number of Rosecrans’s contemporaries engaged the discussion as to whether U.S. economic interests required annexation. One prominent American investor, Edward Lee Plumb, wrote, “If we have their trade and development meanwhile we need not hasten the greater event [annexation].” Former President U. S. Grant, himself an investor in Mexico’s railroads, leaned toward the Rosecrans position. According to David M. Pletcher, “Grant’s fragmentary writings about Mexico . . . suggest that in the last years of his life he developed toward that country an ideology of economic imperialism closely similar to that of other promoters.” Former U.S. commercial attaché Chester Lloyd Jones reiterated this approach decades later in *Mexico and Its Reconstruction* (1921):

The economic advantage that would result to the United States from annexation as contrasted to that which may follow independence and friendship is doubtful. Mexican trade, both import and export, is already almost inevitably American and investments will be increasingly so. . . . A friendly, strong, and independent Mexico will bring greater economic advantages than annexation that certain classes of Mexicans fear and some citizens of the United States desire.

However, when Jones set down his policy recommendations, Mexico was well on the way to being “an economic satellite of the United States.”

U.S. capital first conquered the Mexican railroad system (which, for all practical purposes, was an extension of the American system), then the mining and petroleum industries, and, concurrently, trade between the two countries. The social consequences reverberated throughout Mexico in the form of mass

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23 Ibid., 38, 79–80.
24. Chester Lloyd Jones, *Mexico and Its Reconstruction* (New York, 1921), 299, 310. Mexican elites anticipated the policy design. One-time Mexican representative in Washington, Matías Romero, proposed an economic conquest in an 1864 speech before a gathering of New York City’s prominent citizens. Guests included the largest capitalists; names like Aspinwall, Astor, Fish, and Clews filled the list. Romero advised: “The United States are the best situated to avail themselves of the immense wealth of Mexico. . . . We are willing to grant to the United States every commercial facility. . . . This will give to the United States all possible advantages that could be derived from annexation, without any of its inconveniences.” Matías Romero, *Mexico and the United States* (New York, 1898), 385.
removal of people from village lands, the ruin of artisans and craftsmen, the creation of a modern working class subject to the business cycle, and the appearance of a migratory surplus population. That migratory population first appeared within Mexico in both a rural-to-urban movement and a south-to-north movement; as the tide of U.S. investments grew, the migratory distances increased and crossed over to the United States.

Mexico began to build its railroads during the administration of Benito Juárez (1867–1872), who granted a concession to a British company to build between Mexico City and Veracruz. His successor, Sebastián Lerdo de Tejada, continued the Juárez policies but refused to allow railroad lines to be built toward the north for fear that they might become a military advantage to the United States. Following a period of political instability, military strongman Porfirio Díaz took over Mexico’s government in 1876. Díaz inaugurated the period of economic liberalism— forerunner of the current NAFTA-style neoliberalism—by selling railroad concessions to large U.S. railroad companies in the northern states. Within three years, concessions and $32 million in subsidies to U.S. corporations provided for the construction of five railroads in Mexico. Extending 2,500 miles from south to north, these lines provided a route to the interior of Mexico from which mineral ores and agricultural products were transported to the United States.26

These developments occurred simultaneously with the development of railroads in the southwestern United States by the same corporate interests. By 1902 U.S. investments in Mexican railroads amounted to $281 million with the northern states of Sonora, Coahuila, and Chihuahua the main recipients. Fully 80 percent of all investments in railroads in Mexico emanated from the United States.27 By 1910 U.S. corporate capital had largely financed the building of 15,000 miles of track, providing a basic infrastructure that would insure the transport of raw materials northward and technology south.


27. In his authoritative 1921 review of Mexican railroads, Fred Wilbur Powell stated that “Mexican railroad development was the result of foreign capital and enterprise, attracted by national franchises or ‘concessions’ and encouraged by subsidies” (emphasis added). Fred Wilbur Powell, The Railroads of Mexico (Boston, 1921), 1.
By the dawn of the twentieth century the United States controlled the Mexican economy. According to U.S. Consul-General Andrew D. Barlow, 1,117 U.S.-based companies and individuals had invested $500 million in Mexico. Railroads were the cornerstone of the modernization process, initiated, designed, and constructed by foreign capital. Railroads enabled myriad economic activities, principally those under foreign control, including mining, export of agricultural products, and oil production. In 1902 Walter E. Weyl observed that railroads “permitted the opening up of mines” and stimulated “agriculture, and manufacturing by establishing foreign markets.”28 While foreign investments entered Mexico “at an astonishing rate,” Mexican national markets for raw materials like copper were practically nonexistent or, in the case of coffee, sugar, and henequen, severely limited. Consequently, both U.S. enterprises and those owned by Mexicans marketed their commodities primarily in foreign outlets. Railroads were indispensable for the increased export of raw materials and agricultural products and the import of tools, machinery, and other products supporting the modernized sectors of the economy.

Before 1880, for example, copper was processed through the centuries-old patio method for deriving precious metals from ore. “Railroads,” commented Marvin Bernstein, “aided mining from their very inception.”29 This aid, however, worked to the detriment of established miners using archaic techniques. According to mining engineer H. A. C. Jenison, writing in the *Engineering and Mining Journal-Press* in 1921, railroads “made the more remote regions accessible, made the transportation of heavy machinery possible, and the shipment of low-grade ores to smelters profitable.” Consequently, about one-sixth of rail mileage was “mineral railroad,” but conversely “most railroads counted upon mineral shipments.”30

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Under the stimulus of terms largely favorable to corporate investors rather than smaller individual stakeholders, U.S. capital thus assumed nearly complete control of railroads, oil, agriculture, and mining, as well as substantial control of Mexico’s finances, communication (telegraphs, telephones), and urban transport. Mexico had passed into the hands of foreign economic interests. As historian Robert G. Cleland wrote in 1927:

large numbers of foreign companies, most of them which were American, entered Mexico. As the foreigner became interested in the industry, the Mexican gradually withdrew; little by little the important properties passed out of his control, until by 1912, of a total investment in the mining business estimated at $323,600,000, he could lay claim to less than $15,000,000.\(^{31}\)

American investors held $223 million, and of the total invested in Mexico, nearly 68 percent originated from foreign sources. Foreign capital’s power multiplied through its control of key areas of the economy. Every review of the evidence came to the same general conclusion: “Foreign investment [almost entirely of U.S. origin] was on the order of two-thirds of the total for the decade of 1900–1910; foreign ownership by 1910 has been estimated at half the national wealth.”\(^{32}\) For all practical purposes, the regional elites—the comprador caciques—and their representatives serving as the Mexican government provided the mid-level managing agency for foreign capital.

**Internal migration: The first step toward emigration**

Even as the railroads made the export of agricultural prod-
ucts to the United States and Europe a lucrative possibility, Mexican wealth remained concentrated in the semi-feudal hacienda. Enrichment without social change encouraged *haciendas* to transfer production from subsistence to cash crops for export. Coffee, fruits, henequen, hides, cattle, sugar, cotton, and other goods entered the international marketplace. For good measure, the large exporters received favorable transit rates that discriminated against domestic traders and forced the latter to produce for local consumption or not at all.  

Hacienda export production, developed by and dependent upon railroads, was equally significant for the effects upon the peasantry. The economic spur of the railroad promoted land expropriation laws, under the aegis of liberal land reform, and effected the legalized transfer of free peasant village holdings to nearby haciendas. Based on the locations of recorded violent peasant rebellions contesting land seizures between 1880 to 1910, the majority of land expropriations during the Díaz era occurred along or near planned or operating railway routes. These activities, however, were entirely dependent upon the effects of rail transport and production geared to foreign markets. Evidence points to similar patterns in other parts of Mexico. For example, in the northern state of Sonora, sales of empty public land to speculators “faithfully mirror the history of the Sonora railroad.”  

Interestingly, the railroads, which had little effect upon industrial development, strengthened the precapitalist economic form, the hacienda. However, the hacienda, originally organized for self-sufficiency, engaged in cash crop production on an extended scale to the detriment of staple crops, causing shortages of basic foodstuffs. Corn production fell by 50 percent between 1877 and 1910, and bean production declined by 75 percent, forcing the nation to rely on costly imported staples. At the same time, exports of raw materials, like henequen, coffee, sugar,

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hides, oil, and ores, grew at an annual rate of 6.5 percent. In 1910 Mexico was exporting a quarter of a million pounds of henequen a year, supplying Midwestern farmers with twine for binding hay. While Mexico’s foreign trade grew “tenfold between the mid-1870s and 1910,” the average Mexican’s diet fell below the levels of the pre-Díaz period as prices for staples rose much faster than wages. The state-sponsored expropriations—the mass removal of hundreds of thousands of peasants from former village subsistence holdings—was the first phase toward the transnational migration that would occur a few years later.

The first victims of Mexico’s modernization—that is, economic conquest—were the peasants. By 1910, 90 percent of the central plateau’s villages owned no communal land; meanwhile, the haciendas “owned over half of the nation’s territory.” The army of dispossessed moved from village to town and city and, as the northern mining districts opened up, from south to north. No wonder that over the course of the Porfiriato the village-to-city migration would lead to a dramatic population growth in the provincial capitals, 89 percent, which outstripped the national increase of 61 percent. The most dramatic increase occurred in the nation’s capital, where migrating peasants began to settle in substantial numbers. According to Michael Johns, “Railroads and expanding haciendas threw so many off their lands in the 1880s and 1890s that nearly half of the city’s five hundred thousand residents... were peasants.”

Daily, the new arrivals searched for quarters as best they could, cramming into overcrowded lodgings. An estimated 25,000 homeless moved into mesones, a form of nightly shelter for transients. Men, women, and children could be found sleeping on mats in single rooms, huddled against the cold. Others lived in more permanent quarters, tenements or vecindades, which, while not as inhospitable as the mesones, were nonetheless overflowing. John Kenneth Turner estimated that at least 100,000 “residents” were without stable shelter.

35. Coatsworth, Growth Against Development, 145.
39. Johns, The City of Mexico, 64.
40. Turner, Barbarous Mexico, 116.
From this pool, the city’s aristocracy and foreign (mainly American) businesspeople selected their domestic servants: drivers, cooks, babysitters, housecleaners, and laundresses. Some 65,000 in 1910 accounted for 30 percent of the capital’s workforce.\footnote{Johns, \textit{The City of Mexico}, 30.} This growing labor pool eventually supplied other regions as well. Labor recruiters working for textile manufacturers, henequen plantations, railroads, mines, and oil operations also targeted displaced peasants. Many ended up in Yucatan henequen estates as virtual slaves, working alongside thousands of Yaqui Indians forcibly removed from their Sonoran homelands to make room for land speculators and railroad builders.\footnote{Evelyn Hu-Dehart, “Pacification of the Yaquis in the Late Porfrriato: Development and Implications,” \textit{Hispanic American Historical Review}, 54 (1974), 77.} As railroads expanded their radius of operations and as ownership of mines shifted from small prospectors to Americans, the search for labor became a key element in the modernization process. The northern trade routes from the central region, which normally occupied 60,000 pack mules, underwent a profound change with the advent of railroads. Early Latin Americanists noted this change. Frank Tannenbaum wrote that in the past the “surplus crop was . . . loaded upon the back of pack mules or in some instances on the backs of men and carried to the nearest trading center, often days of travel away. More recently it has been delivered to the nearest railroad station.”\footnote{Frank Tannenbaum, \textit{The Mexican Agrarian Revolution} (Washington, D.C., 1929), 126.} Walter E. Weyl confirmed the gradual displacement in his study:

the muleteer is now relegated to a lesser sphere of activity and a lower position in the national economy. The driver of the mule car is slowly giving way to the trained motorman, and before long the vast army of cargadores, or porters, will go the way which in other cities has been trod by the lenadores and aguadores—“the hewers of wood and drawers of water.”\footnote{Weyl, \textit{Labor Conditions in Mexico}, 91.}

Others besides mule packers were cast aside as wagon drivers, weavers, shoemakers, tanners, soapmakers, and others found that they could not compete against the new enterprises and im-
ported goods; they too joined the army of dispossessed and unemployed, the burgeoning migrant labor pool.\textsuperscript{45}

In a 1908 study for the U.S. Bureau of Labor, Victor Clark noted that underemployment and unemployment interacted with the internal demand for labor to cause a northward migration from the central plateau of Mexico along the railroad routes:

The railroads that enter Mexico from the United States run for several hundred miles from the border through a desert and very sparsely settled country, but all of them ultimately tap more populous and fertile regions. Along the northern portion of their routes resident labor is so scarce that workers are brought from the south as section hands and for new construction. This has carried the central Mexican villager a thousand miles from his home and to within a few miles of the border, and American employers, with a gold wage, have had little difficulty in attracting him across that not very formidable dividing line.

Clark later noted that, “Like the railways, the mines have had to import labor from the south; and they have steadily lost labor to the United States.” Clark interviewed one mining operator who in one year brought 8,000 miners from the south to work in Chihuahua. On the whole, continued Clark, “there is a constant movement of labor northward inside of Mexico itself to supply the growing demands of the less developed states, and this supply is ultimately absorbed by the still more exigent demand . . . of the border States and Territories of the United States.”\textsuperscript{46}

In his review of the Porfiriato, Mexican historian Moisés González Navarro wrote that this “human displacement from the countryside” was a “phenomenon seen for the first time.”\textsuperscript{47} Approximately 300,000 persons left the south to settle in the north primarily during the last decade of the Porfiriato, a massive and permanent shift in the nation’s population generated by foreign-controlled modernization.\textsuperscript{48} One mining engineer

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\textsuperscript{46} Clark, \textit{Mexican Labor in the United States}, 470–471. See also French, \textit{A Peaceful and Working People}, 42–43.
\textsuperscript{47} González Navarro, \textit{El Porfiriato}, xvii, 25.
\end{flushright}
lamented that “The call for labor is greater than can be supplied by the native population.” Another remarked that “The increase in number of mining operations in recent years has been so great as to make the securing of an adequate supply of labor a difficult problem.” At mid-century, scattered mines operated by small contingents of laborers had toiled intermittently, often in a “hand to mouth affair,” but by the century’s end some 140,000 worked the mines and smelters, and most of these were internal migrants. Another 30,000 to 40,000 were employed annually on the railroads in the 1880s and 1890s. It is no wonder the population growth in the north surpassed that of any other area of Mexico.

Along the rail routes, cities like Torreon and Gomez Palacio expanded enormously, as did ports like Guaymas and Tampico, due to the transport of people and/or export of goods. In 1883 Torreon was classified as a rancheria, a collection of ranches. By 1910 it had earned the title “city” with a population of over 43,000. Nuevo Laredo grew from 1,283 in 1877 to 9,000 in 1910; Nogales, which could not claim anything more than desert and some tents, blossomed into a thriving border port of 4,000 within two years after the train passed through. Ciudad Lerdo offers a reverse example of the power of the railroads to determine population placement. In 1900 the city had contained 24,000 inhabitants, but, when the railroad bypassed it, the population declined to fewer than 12,000.

The growth of the city was the other side of the demographic shift from the central plateau to the north. In the case of the north, population growth was most pronounced in the mining areas. Company towns like Cananea, El Boleo, Nacozeri, Navojoa, Copola, Concordia, Santa Eulalia, Santa Rosalia, Batopilas, and Esperanzas sprang from virtual wilderness into thriving mining camps within a few years. American employers

believed that company housing—albeit segregated, with Americans living apart from the Mexican labor force—was necessary to attract and control labor. Cananea offers a representative example of localized change. A mining engineer reviewing the Greene Consolidated mining operations in 1906 wrote, “La Cananea presents a wonderful contrast to its earlier appearance . . . [W]here eight years ago there were no persons other than a few warring prospectors . . . is now a camp of 25,000 persons with all the necessities and most of the comforts of civilization.” The Cananea operations required the labor of 5,500 regular men, with 8,000 to 9,000 listed as employees.

The Esperanza mining region in Coahuila experienced a similar profound change. In five years the area had grown from several villages to a population of 10,000, the mines employing 2,000. Batopilas, in Chihuahua, grew from 300 to 4,000, employing 900 miners. Mulegé, a port near the copper boomtown of El Boleo in Baja California, demonstrates the secondary effects that mining had on the region. The small port grew from 1,500 in 1880 to 14,000 in 1910. Similarly, Nogales, Hermosillo, El Paso, and other cities that depended on mine-driven commerce paralleled the growth in the mining enterprises themselves.

The reconfiguration of the centuries-old demographic pattern in Mexico comprised the first step in migrations to the United States. Crucially, the economic forces that propelled the population shifts were not indigenous to Mexico. Rather, they emanated from large-scale foreign corporate enterprises operating under the protection of the U.S. government’s foreign policy.

Migration and emigration

“In the southern section of the Western division, immigration from Mexico has become an important factor,” stated the 1911 Report of the U.S. Immigration Commission. Indeed, even

54. Rogers, “Character and Habits of Mexican Miners,” 701. See also Brown, Oil and Revolution in Mexico, 80–81. Brown writes that the Veracruz state population increased by 280,000 between 1890 and 1910, the oil boom years cited by personages like Edward Doheny, who developed the Veracruz area oil explorations.

55. Dwight E. Woodbridge, “La Cananea Mining Camp,” The Engineering and Mining Journal, 82 (1906), 623. This citation also applies to the following paragraph.
before the launching of the full-scale battles of the 1910 revolution (which were not to occur until 1913 to 1915), emigration had become a part of Mexican life. According to available statistics, Mexican labor began to enter the United States in sizable numbers after 1905, partly as a result of the south-to-north internal migrations in Mexico. Later migrations occurred in response to the economic depression in the United States that caused a slowdown of mining, motivating a northward migration. Data on Mexican migration shows that the numbers declined between 1905 and 1907 from 2,600 to 1,400. However, the numbers rose steeply in 1908 to 10,638, reaching 16,251 in 1909 and 18,691 in 1910. But these figures tell only part of the story. In 1911 the Immigration Bureau noted that at least 50,000 Mexicans without documentation crossed the border annually. The cyclic pattern of migration of superfluous labor from Mexico had begun to take root.

The argument made for the push of the Mexican Revolution does not answer why the migrations, documented and undocumented, appeared before the onset of the revolution or why the migrations slowed during the revolution but increased in the 1920s, well after the fighting had terminated.\textsuperscript{56} It is entirely probable, even without the 1910 civil war, that emigration would have moved in the same upward direction. This is precisely what happened from the 1940s forward without the violence of war. The war probably exacerbated a preexisting condition rather than created it [see Figure 1].

Moreover, the argument that the railroads as a transportation system inspired migration cannot withstand scrutiny. If railroads \textit{per se} fostered the mass movement, then why did the migrations begin a quarter of a century \textit{after} trains began running from Mexico City to the U.S. border? Furthermore, if wages were the stimulant, then emigration should have occurred earlier rather than in the middle of the first decade of the twentieth century, since wages were always lower in Mexico than in the United States. (This was particularly true during the depression of the 1930s.)

\textsuperscript{56} See French, \textit{A Peaceful and Working People}; Brown, \textit{Oil and Revolution in Mexico}; Wasserman, \textit{Capitalists, Caciques, and Revolution}; Ruiz, \textit{The People of Sonora}; Smith, \textit{The United States and Revolutionary Nationalism in Mexico}.
Abundant evidence suggests that the hacendado class provided a major impetus to emigrate since the hacendados perceived the dispossessed peasants as a potential political hazard and therefore financed migration journeys. In El Paso, Victor Clark interviewed several young migrants and was surprised to find evidence of lending by “patrons” in support of emigration, “sometimes a political officer—in one case a judge—and sometimes a merchant, possibly also a landowner.”57 Years later, Paul S. Taylor also found evidence of lending to the unemployed. In Jalisco, Taylor noted, “Anyone with money engaged in the business of assisting persons to migrate,” and “hacendados prefer to let the workers get away so they won’t congregate in pueblos and ask for land.”58 Clearly, there are serious problems with the conventional mode of analysis. The usual push arguments and the recent modifications simply cannot hold up to the evidence.

The ebb and flow of migration, 1950–1970

Data on migration indicate that the flows are cyclical as well as long-term in nature. The original push-pull thesis and

57. Clark, Mexican Labor in the United States, 472.
58. Taylor, A Spanish-Mexican Peasant Community, 44.
its newer versions cannot explain what accounts for this pattern. A constant (i.e., a steady disparity in the level of income and wages, or migrant networks, or the like) cannot logically account for variations in the pace of migration. Rather, one must turn again to concrete historical developments to explain those changes.

Despite the upheaval of the 1910 revolution, U.S. investment in the 1920s either retained its position garnered during the Díaz years or increased in significance. With the coming of the global depression that began in the early 1930s, economic activity by U.S. companies at home and abroad diminished. The evidence shows that migration from Mexico declined after 1930 following the 1910–1930 upward trend. The slowdown in migration lasted until the early 1950s when it picked up again. Seeking the causes of this rebound, we once again turn to the pattern of U.S. economic activity in Mexico.

Beginning in the early 1940s, U.S. investments in Mexico began to rise once again in new forms. In Mexico, the depression of the 1930s brought to power what would become the future Partido Revolucionario Institucional (PRI) under its paternalistic leading figure, Lázaro Cárdenas. Like Franklin D. Roosevelt’s New Deal, the Cárdenas government used the economic power of the state as never before in Mexico to maintain and protect the free market/private property social contract.

Under the Partido Revolucionario Mexicano (forerunner of the PRI), foreign investment flowed once again: It tripled from 1940 to 1950, and doubled again by 1958. But the profile of the investment was different. Guided by the governing party, the national government instituted in 1934 a major public finance and development institution, the Nacional Financiera, which became the pillar of the economy. Nacional Financiera invested heavily in works of irrigation, highways, and electric power. Of the decades from 1940 to 1970, a period of rapid economic growth in Mexico, it has been said that “[n]o financial institution in Mexico has contributed more to the economic growth of that country than Nacional Financiera.”

59. Smith, The United States and Revolutionary Nationalism, 34.
60. Howard F. Cline, Mexico: Revolution to Evolution, 1940–1960 (New York, 1963), 244.
Beginning in the early 1940s, U.S.-based banks and financial institutions began to invest in Mexico through loans to the Nacional Financiera. Some of the lending institutions included the U.S. Export-Import Bank, the Bank of America, the Chase Manhattan Bank, and eventually the International Bank for Reconstruction and Development (World Bank). Between 1942 and 1959 more than $900 million (mostly of U.S. origin) had been invested in major works of infrastructure in Mexico by way of the Nacional Financiera. By 1953 foreign loans accounted for the single largest—about one-third—source of equity funds available to the institution. This allowed U.S. capital to maximize its leverage over decision making while minimizing risks: U.S. financial institutions were in the driver’s seat of the economic policies of the Nacional Financiera.

The investments financed by the Nacional Financiera had a tremendous impact both on Mexico’s economy and on migration to the United States. A significant proportion of the investment went into major irrigation projects, the most important of which were located in the northern border states. The irrigation projects began in the early 1940s and included the Falcón Dam on the Rio Grande and the Rio Fuerte Irrigation Project in the state of Sonora. A tremendous increase in agricultural production followed. For example, cotton production in areas like the Mexicali Valley made Mexico the largest cotton exporter in the world. Cotton production itself developed under the close control, through credit and marketing channels, of a U.S. agribusiness giant, Anderson Clayton (AC).

Mexican growers did not sell their product in the international market but through Anderson Clayton (and other U.S. companies), which monopolized the harvest and provided credit, seed, and fertilizers to the producers (much as AC had done in California’s San Joaquin Valley in the 1930s). This company also managed cotton production in the countries with which Mexico competed in the world market: Brazil and the United States. In the late 1960s such control enabled AC to engage in cotton “dumping,” reminding the Mexican government

who was boss.\textsuperscript{65} The opening up of irrigated lands in Sinaloa and Sonora allowed also for the production of “winter vegetables” beginning in the late 1940s, creating additional pockets of U.S. agribusiness control. The Pan-American Highway—another Nacional Financiera project—facilitated the marketing of Mexican vegetables in the United States. Thus, the export of tomatoes from Mexico’s northeast increased from less than a million pounds in 1942 to 14 million in 1944.\textsuperscript{66} The denationalized character of this production was evident as other U.S. corporations joined AC in effectively taking over Mexico’s agribusiness, from production and the sale of machinery and fertilizers to the processing and merchandising of agricultural goods. The method of political control that John Foster Dulles described was complete: Mexico was borrowing money from U.S. banks to develop irrigation projects and transportation, thereby making possible the growth of U.S.-controlled agriculture in the northern tier of Mexican states.

With the growth of agriculture came population shifts, continuing the pattern begun in the late nineteenth century. Outside of the tourist-driven economies of Acapulco and Quintana Roo, only three Mexican states, all border states, showed an astonishing rate of growth of 45 percent or above in the 1950–1960 period (Baja California 232 percent, Tamaulipas 61 percent, and Sonora 45 percent).\textsuperscript{67} Between 1950 and 1960 the total population of the eight major \textit{municipios} of the Mexican border (Tijuana, Mexicali, Nogales, Ciudad Juárez, Piedras Negras, Nuevo Laredo, Reynosa, and Matamoros) increased by 83 percent, from less than 900,000 to 1.5 million. By 1970 the population had reached a total of 2.3 million. Between 1960 and 1969 the population rose by 45 percent in the northern border states (Baja California, Sonora, Chihuahua, Coahuila, Nuevo Leon, and Tamaulipas) in contrast with a figure of 31

\begin{thebibliography}{99}
\bibitem{66} \textit{Ibid.}, 123.
\bibitem{67} Raúl A. Fernandez, \textit{The Mexican American Border Region: Issues and Trends} (Notre Dame, Ind., 1989), 61. It is interesting to note that during the cotton boom years (1940–1960), the border \textit{municipios} where cotton was the main agricultural product (Mexicali, Juárez, Reynosa, and Matamoros) registered the highest rates of population growth. On the other hand, during the years of the cotton crisis (1960–1970), the same municipalities suffered a sharp drop in their populations.
\end{thebibliography}
percent for the nation as a whole. In 1970 fully 29 percent of the border population came from other parts of the country.  

Between 1950 and 1970 further ties developed across the Mexico-United States border. Subordination to U.S. corporations and the U.S. government provided the opportunity to construct a giant agribusiness economy on both sides of the border that relied on the ready supply of cheap labor from the interior of Mexico. An evident consequence of this relationship was one of the most spectacular mass movements of people in the history of humanity. The northward migration of people from all corners of Mexico to its north and, for many, eventually to the United States was motivated by the same general force, the economic dislocation caused by U.S. capital—not an amorphous “global” capital—in Mexico, the pace of the movement modulated in a cyclical manner by the relative intensity of U.S. economic intrusion. This movement turned the border area into a highly urbanized region. Simultaneously, migration constantly propelled the growth of the Chicano minority in the United States in a variety of forms: regulated and unregulated, legal and illegal, cyclical and long-term.

The current cycle, 1970–2000

As in the post-World War II period, U.S. investments in Mexico between 1970 and 2000 shifted away from mining and railroads toward industrial manufacturing. U.S. corporations made their way through direct purchase into the most dynamic sectors of local industry, especially in the 1960s. This trend occurred most notably in consumer durables, chemicals, electronics, department stores, hotels and restaurants, and the food industry, whereby United Fruit (later known as Dole), Heinz, Del Monte, and General Foods became very visible; 225 subsidiaries of U.S.-based corporations operated in the manufacturing sector. U.S. investment in manufacturing concentrated around Mexico City, which accounted for 50 percent of the total manufacturing production of the country in 1975. Although this geographical concentration shifted, in the meantime Mexico’s dependence on foreign loans increased. Between 1950 and 1972

68. Ibid., 108.
69. See ibid. and Fernandez, The United States-Mexico Border.
the foreign debt grew at an average annual rate of 23 percent, reaching $11 billion by the latter year.

A chronic balance-of-payments problem, resulting from Mexico’s reliance on the export of primary commodities and on foreign loans, made the situation worse. Beginning in the late 1960s, Mexico’s hardly independent government had no choice but to accept lenders’ terms. At the behest of international creditors, economic policies once again resulted in massive economic and demographic dislocation, contributing to a further increase of migration into Mexico’s northern region, which became not only highly urbanized but acquired a new role as a major staging area for further migration to the United States.

In 1967 Mexico took a giant step in the complete abdication of its economic sovereignty when it established the Border Industrial Program along its northern border, beginning the transformation of the entire area into a gigantic assembly operation. The sad story of the maquiladora program in all its sor- did details has been told elsewhere. Suffice it to say that the maquilas, like a narcotic drug, made Mexico even more dependent while failing to solve its unemployment problems or help the country to become self-sufficient, developed, and modern.

For the purposes of our argument, the maquiladora program made the border states of Mexico, and specifically its border cities, into magnets for poverty-stricken, unemployed masses seeking work in the growing assembly plant industry. Figure 2 shows the rapid rate of growth in maquiladora employment since 1975. The maquiladoras have turned Mexico’s northern border into an enclave with few links to the rest of the economy. Into the border area flowed duty-free manufacturing inputs to be assembled into final products for entry into the United States or export to other countries. The northern tier of Mexico has become a direct appendage of U.S. manufacturing, replicating the examples of railroads and mining in the Mexican economy during the early 1900s.

Simultaneous with the development of the maquiladora program, other significant changes affected Mexican agriculture. Between 1940 and the late 1960s, Mexico’s countryside

70. Fernandez, *The United States-Mexico Border*. 
provided the basic food staples to its growing urban population. However, pressure from international lenders and agribusiness multinationals caused Mexico’s central government to eliminate subsidies to small agricultural producers, who then began to abandon their farm plots to join the migration streams. Into the breach moved the United States, which turned the same agricultural lands into mechanized farms, producing commodities for export to the United States. In the 1970s the rate of growth of basic staples like corn, beans, and wheat began to fall behind population growth. To cover the precipitous decline in staple food production, a problem not seen since the Porfiriato, the country was forced to import basic food supplies.\footnote{David Barkin and Blanca Suarez,} However, imports have not fed Mexico’s people satisfactorily. Infectious diseases and other illnesses linked to malnutrition and economic underdevelopment became rampant by the late 1980s.\footnote{Hart writes “Mexico in 1987 constitutes an economic and social disaster . . . 70 percent of the children suffer from malnutrition. . . . The World Health Organization estimates that 107,000 Mexican children died in 1983 from three diseases for which immunization is available.” Hart, Revolutionary Mexico, 378.}

\begin{figure}
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\includegraphics[width=\textwidth]{maquiladora_employment.png}
\caption{Growth in Maquiladora Employment in Mexico, 1975–2000.}
\end{figure}
The 1990s witnessed the signing of the North American Free Trade Agreement (NAFTA), the most recent and devastating example of how U.S. domination over Mexico continues to misdevelop and tear apart the socioeconomic integrity of that society. The U.S. government and major corporate interests promoted NAFTA as a weapon in their trade competition with Europe and Japan. Under the “free trade” slogan, the proposed treaty would ostensibly serve two purposes. First, it would enable U.S. enterprises willing and able to invest in Mexico to take advantage of that country’s cheaper wages. Mexico was to become a platform for the export of manufactured commodities to the United States and world markets. Major U.S. corporations, in particular automobile manufacturers, stood to benefit greatly from this scheme. Second, the treaty would, in effect, simultaneously deny to other economic powers the advantage of operating in and exporting from Mexico. Briefly put, the United States sought to create with Mexico (and Canada) an economic bloc to compete against Europe and Japan.

In its quest, the United States could count upon the leadership of Mexico’s governing party, the PRI, and President Carlos Salinas. Under his leadership, Mexico undertook a set of wide-ranging measures to make NAFTA a reality. First, to demonstrate resolute support for market-oriented policies and attract foreign capital, the Mexican government broke up numerous government enterprises and laid off thousands of employees. Hundreds of state companies and institutions were sold or “privatized.” The government enacted laws to “flexibilize” the labor market, restricting wage increases, curtailing vacation and sick-leave time, extending the work-week, and increasing management powers over the firing and hiring of temporary workers (known in the United States as downsizing). The elimination of trade protection meant that by 1993 nearly 50 percent of Mexico’s textile firms and 30 percent of leather manufacturing firms had gone bankrupt. By the time of the signing of the treaty, Mexico’s population had become severely polarized in terms of wealth and income.73

The actual signing of NAFTA revealed that Mexico was only

as strong a bargainer as the weakest of the 535 U.S. parliamentarians. U.S. President Bill Clinton succeeded in obtaining a majority vote in Congress only by guaranteeing a multitude of senators and representatives protection for their districts against any competition that might result from NAFTA. For example, a Texas congressman agreed to vote in favor of NAFTA only after Clinton promised that the Pentagon would add two more cargo planes to a production order previously awarded to his district. A Florida representative voted for the treaty only after the State Department agreed to seek the extradition of an individual residing in Mexico who was accused of a crime in the United States. A lawmaker from Georgia opted for the treaty in exchange for promises by the Agriculture Department that limits would be imposed upon increasing imports of peanut butter from Canada. Even small U.S. producers of brooms were protected from Mexican competition. Throughout the entire humiliating process, not a peep was heard from the Salinas government. In the end, “free trade” meant that Mexico would be completely open to U.S. goods, but U.S. producers were safely guarded against Mexico’s products.

Rather than a free trade agreement, NAFTA could be better described as a “free investment” agreement. During the 1980s, tariffs levied by Mexico against the United States had steadily declined. NAFTA codified these changes, and, more importantly, it opened up investment opportunities in Mexico, protected against nationalizations, and eliminated all restrictions against U.S. ventures in Mexico. Of course, the “free investment” part would be limited under a section of the treaty entitled “rules of origin.” These rules defined as domestic any inputs originating in Canada, the United States, and Mexico. Other inputs (for example, those from Japan) were classified as “foreign,” and any products assembled with them became liable to export limits. In other words, after NAFTA it became more difficult for Japanese or European investors to ship products into Mexico for assembly and export to the United States.

NAFTA was never envisioned as a development policy for Mexico. All announced plans, forecasts, and decisions by U.S. multinationals relied on the low wages prevalent in Mexico as the key variable involved. Further displacement of peasants, massive migration, and the destruction of what remains of do-
mestic Mexican agriculture will follow on the heels of NAFTA’s complete opening to competition with the large U.S. agribusiness consortia. Under NAFTA, Mexico has agreed to subject all land to privatization—that is, sale and speculation. For example, it returned Indian lands to the same juridical status that gave rise to Mexico’s famed agrarian revolt over ninety years ago.\textsuperscript{74}

Almost to the day of the first anniversary of the signing of NAFTA, the newly installed administration of Ernesto Zedillo faced a catastrophic devaluation of the national currency. Mexico’s image changed from an investor’s paradise to a disheveled financial hulk, a virtual economic protectorate of the United States. The United States set up conditions for a bailout that were, according to newspaper reports, too sensitive even to be published in Mexico. Eventually it became known that the U.S. plan required Mexico to hand over all revenues from its oil sales and gave to U.S. banks the right to supervise and enforce further privatizations and measures of austerity. Everything was now up for sale: bridges, airports, toll roads, ports, telephones, and so on. In the meantime, thousands of farmers, business people, and consumers went broke because they could not pay bills, meet debts, or finance mortgages. Contemporary estimates indicate that in the first two months of 1995 nearly 600,000 jobs were lost. A whopping 30 percent of Mexico’s labor force, 11 million people, were reported unemployed in mid-1995.\textsuperscript{75}

The U.S. embassy in Mexico, demonstrating U.S. resolve to remain committed to its plans for Mexico, referred positively to rising unemployment and bankruptcies as the “Darwinian effects” of NAFTA. Embassy officials praised its “stabilizing” effects upon the economy and called it the “bright spot” in the Mexican catastrophe. Taking advantage of the plummeting wage levels in Mexico relative to the dollar, the United States benefited enormously as 250 companies set up shop in the border area in the first three months of 1995. Apparently, Mexico should have been grateful that, in exchange for millions of unemployed and thousands ruined, a handful of Mexicans—a new generation of

\begin{footnotesize}
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\item \textsuperscript{74} González, \textit{Mexican Consuls and Labor Organizing}, 12, 14–15; James D. Cockcroft, \textit{Mexico: Class Formation, Capital Accumulation, and the State} (New York, 1983), 91.
\item \textsuperscript{75} González, \textit{Mexican Consuls and Labor Organizing}, chapter 6.
\end{itemize}
\end{footnotesize}
migrants—obtained jobs toiling in border cities for a miserable wage assembling products for reshipment to the United States. In the long run, the devastating effects of NAFTA upon Mexico’s remaining agricultural production and urban manufacturing will throw onto the migration highways an even larger number of people desperately looking to make a living, thereby enlarging at a faster pace the mass of Mexican migrants in the United States. NAFTA is a particularly telling example of the unity of push and pull, as well as the role of U.S. domination in dismembering Mexico and creating a Chicano national minority in the United States.

**Conclusion: A network of domination**

Under NAFTA, steadily dropping manufacturing employment (outside of the maquila sector) points to the deindustrialization of Mexico. While manufacturing employment stood at 2,557,000 in 1981, it fell to 2,325,000 in 1993 and to 2,208,750 by 1997, a 13 percent drop from 1981. This brought with it lower living standards, as many workers moved from permanent to lower wage contingency work that lacked benefits and union protection. The destruction of Mexico’s industrial base is particularly pronounced in the area of capital goods. Between 1995 and 1997 alone, following the peso debacle, 36 percent of the nation’s 1,100 capital goods plants closed down. In all, 17,000 enterprises of all kinds went bankrupt shortly after the crisis exploded. Meanwhile, employment opportunities in the lowest paying categories ballooned by 60 percent, dragging 5 million people to the official category of “extreme poverty.” Manufacturing production has been reduced to the maquiladora sector, situated largely in the northern confines of the country, and to an increasingly concentrated manufacturing system dominated by a few U.S. industrial giants involved in production for export.  

The debacle in national industry has also materialized in

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agriculture with catastrophic consequences. According to a Mexican analyst, the opening of agricultural markets by the NAFTA treaty has led to the rapid ruin of what remained of Mexico’s production of basic staples and to the dumping of cheap U.S. corn, wheat, and beans into Mexico. One hundred years of U.S. empire building has produced what 300 years of Spanish rule could not accomplish: the complete inability of the Mexican nation to produce enough to feed its own people. The migratory consequences are staggering: Millions will be forced to leave Mexico’s countryside in the next decade.\textsuperscript{77}

The demographic impact of this transformation of Mexico’s economy has already caused a dramatic shift in the nation’s population distribution. Since the 1960s the northern municipios feature one of the fastest growing populations in the world. There appears no end in sight. The population there, which topped 4 million in 1995, is expected to double by 2010 and more than triple by 2020. Ciudad Juárez, for example, has grown fivefold since 1970, reaching one million. According to the Associated Press, each day “an estimated 600 new people arrive from Mexico’s poor provinces hoping for work” in Ciudad Juárez—or nearly 220,000 new arrivals a year. Internal migrants in desperate straits will later surface as international migrants confronting the dangers of the militarized border.\textsuperscript{78}

Today, this process intensifies the Mexicanization in the many barrios across the United States, forging a distinct demographic form in which immigrants either outnumber the second generation or reach a level of parity not seen since the 1930s. Migrants are the fastest growing sector of the Chicano popula-
tion; approximately 40 percent were born in Mexico, up from 17 percent four decades ago.79 Had it not been for the Great Depres-
sion and World War II, the migratory movement of the 1900 to 1930 period would have proceeded without respite. That intur-
ruption made possible a distinctive Mexican American
generation and later the Chicano generation. However,
once migration resumed its previous pace, a cultural pattern
that first surfaced in the 1920s reappeared in the 1960s. We
foresee this Mexicanization overwhelming the older enclaves,
remaking older barrios into immigrant centers, and thus re-
shaping the Chicano version of ethnic politics forged in the
1960s.

If there were any doubts about the false dichotomy be-
tween push and pull factors in the case of Mexico, the maquila
program, NAFTA, and the agricultural collapse have erased
them. For the most part, historians and social scientists have
chosen not to scrutinize push-pull in this manner. Rather, social
science perspectives have, in head-in-sand fashion, chosen to fo-
cus away from these “macro” factors toward the agency of mi-
grants who, having constructed networks of migration, are
regarded as the self-generators of migration. To be sure, Mexi-
can immigrants have taken active roles and made significant
choices in the construction of their lives, families, and commu-
nities. But it defies the evidence to insist that the explanation for
Mexican migration to the United States lies within the immi-
grants’ subjectivity. A simpler and more powerful explanation
for Mexican migration northward to the United States, and the
consequent development of the Chicano national minority, fo-
cuses on the 100 years of economic domination by centers of
transnational economic power in the United States. Bit by bit,
this tighter and tighter network of domination has succeeded in
disarticulating the Mexican economy, destroying its domestic in-
dustry and local agricultural production, creating demographic
dislocation, and, in the process, turning an increasing portion

Mexican Immigration in Interdisciplinary Perspectives,” in Suarez-Orozco, ed., Crossings, 7; Gilda Laura Ochoa, “Mexican Americans’ Attitudes and Interactions
of its population into a nomadic mass of migrant workers who eventually emerge as the Chicano national minority. The rise of the Chicano national minority is not an event marginal to U.S. history. Quite the opposite, it has been central to the construction of the U.S. neocolonial empire.

**Epilogue**

In an earlier article we challenged the widespread view that contemporary Chicano history originated in the aftermath of the 1848 conquest. By focusing on economic transformations, we questioned the conventional periodization of Chicano history and argued that the nineteenth- and twentieth-century Spanish-speaking populations of the southwestern United States were largely two different populations. A focus on the War of 1848—the presumed starting point of Chicano history—obscures the relationship between the establishment of U.S. hegemony over Mexico, which came decades later, and the development of the Chicano national minority in the United States in the twentieth century.

We must distinguish the annexation of 1848 and the ensuing institutional integration of Mexican territory into the United States from the economic conquest of the late nineteenth and early twentieth centuries. Rather than the commonly held belief that the Mexican-American War of 1848 led to the construction of the Chicano minority, this study proposes that the origins of the Chicano population evolved from the economic empire established by corporate capitalist interests with the backing of the U.S. State Department. The political and economic repercussions of 1848 had virtually ended by the last decade of the nineteenth century. Furthermore, at no time did the 1848 annexation cause continuous internal migration, the mass population concentration along the border, the bracero program, low-wage maquila plants, Mexico’s agricultural crisis, and, more importantly, a century of migrations to the United States. Those historical chapters, derived from the economic subordination of Mexico, forged the modern Chicano national minority.