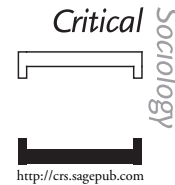


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Forced Migration and US Imperialism: The Dialectic of Migration and Development

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Abstract

James Petras has been and continues to be a prolific writer whose monumental work over the years is linked to a biting criticism of contemporary capitalism and US imperialism. His writings, always polemical in the best sense of the word, cover a broad range of issues linked to the class struggle and the popular movement. Although his specific contributions to the study of migration have been few and sporadic, they provide a vital contribution to a critical Marxist analysis of labor migration in the current conjuncture of capitalist development and US imperialism. In many ways, his work has been a major inspiration to my own reflections and work in the area, especially as it relates to the notion of 'forced migration' and to what my colleague, Humberto Márquez Covarrubias, and I have termed the dialectics of migration and development.

Keywords

development, forced migration, migration, US imperialism

Introduction

Led by the World Bank and the Inter-American Development Bank (IDB), most international organizations and governments have been pursuing a political agenda in the area of migration and development. They posit that remittances sent home by migrants can promote local, regional and national development in the countries of origin. By extension, remittances are seen as an indispensable source of foreign exchange that provides macro-economic stability and alleviates the ravages caused by insidious problems such as poverty. This view is supported by the growing importance of remittances as a source of foreign exchange and subsistence income for many households in underdeveloped countries. The United Nations Development Programme has estimated that 500 million people

(8% of the world's population) receive remittances (UNDP, 2007). According to World Bank figures, remittances sent home by emigrants from underdeveloped countries rose from 85 billion US dollars in 2000 to 199 billion US dollars in 2006. If unrecorded flows through informal channels are considered, this figure may increase recorded flows by 50% or more (World Bank, 2006). Taking unrecorded flows into account, the overall amount of remittances surpassed foreign direct investment flows and more than doubled official aid received by Third World countries. In many cases remittances have become the largest and least volatile source of foreign exchange earnings.

Although, in a recent document, the World Bank's position vis-a-vis the relationship between remittances and migration has been more cautious (Lapper, 2006), it should be pointed out that the impact of the implementation of structural adjustment programs as a key element of the neoliberal policy promoted by the World Bank and the International Monetary Fund (IMF) is the root cause of the upsurge in South-North migration and remittances flows. Moreover, far from contributing to the development of migrant-sending countries, structural adjustment programs have reinforced the dynamics of underdevelopment and transformed many countries into 'people-exporting' countries.

The great paradox of the migration-development agenda is that it leaves the principles that underpin neoliberal globalization – referring to the current phase of US imperialism – intact and does not affect the specific way in which neoliberal policies are applied in migrant-sending countries (Castles and Delgado Wise, 2007; Delgado Wise and Márquez Covarrubias, 2007).

This article underscores the need for a theoretical approach based on a Marxist critique of the dominant perspectives regarding the migration-development nexus, taking into consideration James Petras' insights and contributions regarding both the nature of contemporary US imperialism and his characterization, in this context, of labor migration as *forced migration* (a concept used by Marx in his analysis of the Irish question). From this perspective special attention is placed on:

- a) the relationship between US imperialism and forced migration, and
- b) the role of remittances, which are chiefly assessed as a wage component embedded in a complex set of transnational social relations and used for the subsistence of a surplus population that is forced to enter cross-border job markets under conditions of labor precarization and social exclusion.

Most of the studies that address the relationship between migration and development tend to view the relationship from a unidirectional and decontextualized perspective, as if migration were an independent variable and development possibilities were subject to and depended exclusively on the resources and initiatives of migrants. Nevertheless, given the analytical complexity of this relationship, it is necessary to come up with an alternative approach that does not center on the phenomenon of migration but focuses on the macro-processes of underdevelopment/development in the broader context of contemporary capitalism or, more specifically, what Petras (2007: 40) characterizes as 'the imperialist-centered model of capitalist accumulation'.

Setting out from the above considerations, this article is divided into two main sections and also includes a brief section of concluding remarks. The first section offers an analytical framework for understanding the relationship between migration and development, rooted in Marxism. The second one shows the interpretive capabilities of the proposed approach when applied to the analysis of Mexico's asymmetrical and subordinated regional integration process with the USA.

A Marxist Approach for Analyzing the Dialectic of Development and Migration

As Petras points out, 'all the orthodox explanations of international migration fail to examine the social structure of the political economy of the "people-exporting" countries and "people-importing" countries. To that end,' he adds, 'it is obligatory to put forth an economic model which encompasses the historical relations between the imperialist nations and semi-colonies of the Third World' (Petras, 2007: 40).

From this perspective and considering some of the basic characteristics of contemporary capitalism (the Imperialist-Centered Model of Capitalist Accumulation, in Petras's terms), it is possible to identify at least four critical aspects of the dialectical process underlying the development-migration relation:

1) *Current capital restructuring – as a manifestation of the dominant imperialist project – operates as a catalyst for forced migration from peripheral to developed countries.* In this context, core-developed countries led by the USA-EU employ a geopolitical-imperialist strategy of economic restructuring that internationalizes productive, commercial, and financial capital at the same time as it allows the major developed countries and its elites to appropriate the natural resources, economic surplus, and cheap workforce of underdeveloped nations. The relationships maintained between 'people-importing' countries and peripheral and postcolonial nations exacerbate the latter's conditions of underdevelopment. Underdeveloped countries find themselves with massive population reserves (and, therefore, a large volume of surplus population, well beyond the conventional formulation of the reserve army of the unemployed), members of which are unable to find decent working conditions in their countries of origin for ensuring personal and family reproduction. This is the direct result of reduced accumulation processes derived from their asymmetrical relationships with developed nations (an unequal exchange that translates into diverse forms of surplus transference).

Petras refers to this impact in the following terms:

The *de-structuring* of labor (delinking the development of industry and infrastructure from the local population) and the relocation of profits to the receiving country creates a mass permanent surplus labor population in the dominated country. The imperialist-centered model of capitalist accumulation (ICMCA) further weakens the employment generating potentialities of the dominated 'people-exporting' countries by capturing local savings – they do not 'risk' their own capital. Local banks prefer to lend to large foreign MNCs because they believe there is less risk than lending to local manufacturers, farmers or service

enterprises. By 'crowding out' local borrowers from the credit market and forcing them to borrow at higher rates in the informal credit market, the MNCs increase the local bankruptcy rates among the locally owned, labor-intensive enterprises. (2007: 41)

The above conditions are not socially sustainable and lead to forced migration, which we understand as population movements occasioned by the lack of proper living and working conditions, or life-threatening political or social conflicts. It also implies locating migrants 'at the bottom of the social and economic class hierarchy in the receiving country', where they are 'exposed to discrimination additional to that related to poverty – disparagement of their culture and ethnicity [and moreover] cheated in their salaries, subject to a kind of perpetual debt peonage, or abuse by employers of the lack of the sender country protection or local trade union solidarity' (Petras, 2007: 50).

Forced migration can result in substantial population loss for countries of origin, sometimes even leading to relative or absolute depopulation. The loss of qualified and unqualified workforce is also associated with the abandonment of productive activities and the loss of potential wealth.

2) *Exploitation of migrant labor contributes to socioeconomic dynamism and to the concentration and centralization of capital in core-developed countries.* Developed-imperialist nations demand large quantities of qualified and unqualified workforce; in some cases, this human merchandise is rendered increasingly vulnerable and is additionally devalued by the regulation of migration imposed by the imperial country. First, this ongoing demand results from developed nations' increased accumulation capacity, which is derived from the transference of resources and surpluses from underdeveloped countries. Secondly, it is the consequence of processes of demographic transition and an ageing population. Immigrants contribute to an overall cheapening of the workforce since they tend to be employed in work-intensive areas of production where they rescue or substitute for a national workforce that tends to earn higher wages and benefits. Although the qualified immigrant workforce belongs to an elite sector it is still comparatively cheap, as an immigrant's salary is lower than that of a national citizen employed in the same position. In the case of both qualified and unqualified migrants the receiving country reaps substantial benefits, having invested nothing in the formation of the human capital it now enjoys. In this regard Petras posits that '[t]he imperial state regulates the inflow and restrictions on labor immigration'. For one thing, 'it determines the scope (how many immigrants), the timing (when more or less immigrants can enter and when they will be expelled), the "quality" of the immigrants (skill level and specific categories of professionals) and laws governing the longevity of the immigrants' work permits' (Petras, 2007: 42). For another, 'the imperial state decides on the penalties for illegal entry and on repatriation and whether to bring criminal charges. Immigration policies of the imperial state are directly linked to the business cycle, to the tightness of the labor market and to the social strategies of the capitalist class' (2007: 42).

Moreover, Petras adds, '[i]mmigration policies have served the capitalist class by creating a reserve army of cheap labor to lower wages, to undermine unionization and to fill "niches" in the domestic labor market in low-paid, unhealthy work'. Equally significant,

'capitalists hire low wage immigrant workers to replace skilled and semi-skilled workers in higher paying jobs such as nurses, doctors, carpenters, plumbers, plasterers, painters, machinists, cooks, meat cutters and so on' (2007: 42).

Contrary to the argument of many 'progressives', Petras points out that 'immigrant labor is used to downgrade existing high-paying jobs with expensive health and safety protections into low-paying degraded, unsafe and unhealthy work'. Thus, the progressive argument that immigrants are mostly 'unskilled' cheap labor engaged in work that the local workers reject is partially false. 'While the "first and second waves" of immigrants might have fit that profile during the 1950s and 1980s, it is not the story today. Capital now imports skilled labor in information technology, home and office specialty repairs, and medicine – in order to lower the costs to the state, employers and affluent homeowners' (2007: 43).

Not only do immigrants provide static comparative advantages derived from a reduction in production costs: they also bring comparative dynamic ones through their participation in accelerated innovation processes. Overall, working immigrants and their families internally strengthen the receiving country's market through consumption. Even the so-called 'nostalgia market' entails the creation of consumer demand, which fortifies internal economic activity. On the other hand, immigrants' taxable contributions enrich the country's fiscal fund but do not translate into the kinds of social benefits enjoyed by the national population, which denotes a criterion of social exclusion. Immigrant workers also help pay for the current crisis faced by pension systems due to the massive retirement of the Baby Boomer generation.

Petras notes that the capitalist class imports immigrant labor to pay into the pension system for local retirees, thus keeping state expenditures and taxes on the rich very low – counting on the immigrant worker never being able to benefit from his pension contributions. In brief, 'an open immigration policy lowers state expenditures, such as pension and health costs, allowing the imperial state to channel resources to subsidize agricultural interests and MNCs' (2007: 43–4). Moreover, he adds, 'the high rates of profits, derived directly from employing immigrant labor and indirectly from the depressed wages and salaries of local workers, facilitate overseas expansion' (2007: 44).

Although these contributions counteract some of the effects brought about by the dismantling of the welfare state, they obviously do not constitute a long-term solution.¹

3) *Migrants help maintain precarious socioeconomic stability in their countries of origin.* Migrants' salary-based remittances contribute to the subsistence of family members in the country of origin.² To a lesser extent, remittances also help finance small businesses in the subsistence economy. The participative remittances collected by migrant organizations finance public works and social projects in the places of origin. In some cases this practice has become institutionalized: Mexico's program *Tres por Uno* (Three for One) has been replicated in other countries. Migrants with savings or entrepreneurial plans use their money to finance micro-projects in their places of origin. The most important type of remittance is, however, the salary-based one employed for family subsistence, which means that the resources sent by migrants are rarely destined to processes of development and social transformation.

In a macroeconomic context, remittances serve neoliberal governments that, not bothering to come up with actual development alternatives, use them as a source of foreign exchange income that sustains the country's fragile macroeconomic stability. In some cases, remittances have even been used as a guarantee when incurring foreign debt. In the absence of any kind of project, migrants are now portrayed as the 'heroes of development', an utterly cynical move that renders them responsible for the promotion of said development while the state, opting for the conservative stance of minimal participation, is no longer held accountable.

The strategy of market regulation postulated by fundamentalist neoliberals lacks any sort of development plan that involves migrants as well as other social sectors and promotes processes of social transformation. In truth, underdeveloped 'people-exporting' countries fulfill a particular role as workforce reserves and their potential development is obstructed by increasingly reduced national elites, which are subordinated to the interests of governing circles in developed countries and, to a great extent, the interests of US capital.

Petras emphasizes this point by maintaining that '[t]he ICMCA is not simply an "imposition" from the outside by the IMF and MNCs'. It is in large part 'a model imposed from the *inside* by imperial *hegemonized economists* whose higher education has been financed by imperial foundations and institutions'. Through the 'people-exporting countries', Petras adds, 'the local policy elites linked by business interests, bribes and ideology to the imperial countries, impose and implement the ICMCA'. Thus, 'financial and economic ministers, central bankers, trade and agricultural officials trained by and identified with the ICMCA execute the neoliberal policies that are an integral part of the empire-centered model' (Petras, 2007: 42).

4) *The promotion of development as social transformation could curtail forced migration.* Globalization depicts migration as inevitable; we must endorse, both in theory and practice, the viability of alternative processes of development and do so on different levels. We must first redefine the asymmetrical terms that developed countries, aided by principles that have by now turned into fetishes (e.g. democracy, liberty, and free trade), used for imperialist domination. This involves an exposé of imperialist practices, which have created oceans of inequality and condemned vast regions of the world to marginalization, poverty, social exclusion, and unfettered migration. Foreign investment (FI) has been a fundamental driving force in this regard. A genuine process of social transformation involving the migrant and non-migrant sectors of society would not only seek to contain the overwhelming flow of forced migration but also revert the ongoing processes of social degradation that characterize underdevelopment and even pose a threat to human existence (Bello, 2006; Harvey, 2007).

As an alternative to the current phase of imperialist domination, Petras argues in favor of what he defines as a Worker-Engineer Public Control model (WEPC) based on six main principles: tax revenues versus tax evasions; profit remittances and privileged salaries versus social investment; high reinvestment ratios versus capital flight; long term investment in research and development versus speculative investment; social welfare versus

capitalist privileges; and fixed capital/mobile labor versus mobile capital/fixed labor (Petras, 2007: 234–5).

This model provides an alternative approach that maximizes national and working-class interests: ‘it has potential drawbacks and internal contradictions, which require constant reflection, deliberation, debate and reforms’ (2007: 237). Nonetheless, ‘the model provides the surest and most direct road to development with democracy, social justice and national independence. The success of the WEPC model, its introduction and sustainability, does not depend merely on its socioeconomic viability but also on appropriate and supporting national security and cultural policies and institutions (2007: 237–8).

Following the above considerations, an approach based on a Marxist critique of the World Bank’s views regarding the migration-development nexus, would posit that international migration is an element of the current imperialist project led by the USA and that the migration phenomenon has to be examined in this context in order to reveal its root causes and effects. In order to approach migration’s cause-and-effect relationships with development and examine specific moments in the dialectic interaction between development and migration, the following two issues must be addressed:³

1. Strategic practices. These refer to the confrontation between different projects that espouse diverging class interests, which in turn underlie the structures of contemporary capitalism and its inherent development problems. There are currently two major projects. The hegemonic one is promoted by the large MNCs, the governments of developed countries led by US imperialism, and allied elites in underdeveloped nations, all under the umbrella of international organizations commanded by the US government, like the IMF and the World Bank. The project’s loss of legitimacy under the aegis of neoliberal globalization means that, nowadays, rather than writing of hegemony we can use the term ‘domination’. The implementation of this imperialist project is not the result of consensus but rather military force and the financial imposition of macroeconomic ‘structural reform’ along the lines of the Washington or Post-Washington Consensus.

The second alternative project consists of the sociopolitical actions of a range of social classes and movements as well as collective subjects and agents, including migrant associations that endorse a political project designed to transform the structural dynamics and political and institutional environments which bar the implementation of alternative development strategies on the global, regional, national and local levels.

2. Structural dynamics. These refer to the uneven development processes driven by the dynamics of US imperialism on several planes and levels. This includes the financial, commercial, productive, and labor market spheres, as well as technological innovation (a strategic form of control) and the use and allotment of natural resources and environmental impacts. These factors condition the ways in which

- 1) developed,
- 2) developed and underdeveloped (including ‘people-importing’ and ‘people exporting’ nations), and
- 3) underdeveloped, peripheral or postcolonial

countries relate to each other. They also determine the fields in which interactions between sectors, groups, movements, and social classes take place, within and across national borders. All of this entails different – albeit interrelated – dynamics at the global, regional, national and local levels.

The Dialectic between Development and Migration: The Case of the Mexico-USA Asymmetric and Subordinated Regional Integration Scheme

Since the late 1970s, the USA has promoted the implementation of neoliberal structural adjustment policies in Latin America, which have been carried out by several international organizations in tandem with the Latin American elites and national governments. In accordance with new models of regional integration, these policies focused on exports.

The export-led Mexican economic model and the particular mode of regional integration determined by the North American Free Trade Agreement (NAFTA) are the result of strategic policies implemented by agents of large transnational corporations and the US government under the umbrella of the international organizations at their service: the World Bank and the IMF. In fact – and as has been amply documented – NAFTA itself was created and implemented by a sector of the US political class allied to the large transnational corporations and their counterparts in Canada and Mexico (Cypher, 1993; Faux, 2006). In the case of the latter, the government and a sector of the Mexican business elite led by the *Consejo Coordinador Empresarial* (Entrepreneurial Council), which is linked to the *Comisión de Organismos Empresariales de Comercio Exterior* (Commission of Entrepreneurial External Commerce Organizations), participated actively in this process (Cypher and Delgado Wise, 2007; Puga, 2004).

Mexico soon became Latin America's major exporter and the world's 13th largest. This 'achievement' was irresponsibly and superficially attributed to the successful implementation of the neoliberal economic reforms (i.e. the structural adjustment programs). At first glance, 90% of its export platform was comprised of manufactured products, 39.4% of which was classified as 'technical progress-diffusing goods' (CEPAL, 2002). This stance can create an optical illusion, and an examination of the subject becomes necessary: what is it that the country really exports?

The Basis for Mexico's Cheap Labor Export-led Model

The way in which Mexico entered the orbit of US capitalism under neoliberalism, and particularly in the context of NAFTA, plays a fundamental role in the understanding of the model of 'development' adopted in the country. As has been documented elsewhere and contrary to what Mexico's progress along the secondary-exporting path would indicate (i.e. the establishment of a successful model of manufactured exports), the country's export-led model is based on cheap labor (Delgado Wise and Cypher, 2005;

Delgado Wise and Márquez Covarrubias, 2005). This model, which, as a component of its renovated imperialist architecture, is crucial to the US productive restructuring process, comprises three inter-related mechanisms that, taken together, indicate the asymmetrical and subordinated integration of the country's economy into that of the USA:

- 1) *The maquiladora industry*, made up of assembly plants and involving a strategy of productive relocation led by large US corporations in order to take advantage of low labor costs in Mexico. The result is that the nation experiences a very low level of integration with the domestic economy and, in addition, is subject to a further dismantling of its productive apparatus.
- 2) *Disguised maquilas*, or manufacturing plants with productive processes that are more complex than maquila assembly operations but operate under the same temporary import regime as maquiladoras (e.g. the automobile and electronics sectors).

It should be noted here that the maquila and disguised maquila share two characteristics:

- a) they are practically devoid of productive upstream and downstream links to the rest of the national production apparatus, and
- b) they are subject to intense processes of labor precarization.

Maquilas issue wages that are around a tenth of those in the USA, while the difference in disguised maquilas is one seventh. Due to their high levels of imported components (between 80 and 90% of the total export value), their contribution to the Mexican economy is basically restricted to the wage earnings; in other words, the value of the labor incorporated into the exports. This means that the country is engaging in the *indirect exportation of labor*, or a transfer of the workforce that does not require workers to leave the country. This is a crucial conceptual element that demystifies the purported success of Mexican manufacture exports and reveals retrograde movement in the export platform.

Although Petras does not use the notion of the indirect exportation of labor he has been aware of the implications of this aspect of the process of industrial restructuring. When discussing the implications of foreign direct investment (FI), he notes that 'since the 1990s, FI has increasingly looked toward *outsourcing* skilled jobs to low-wage/salary regions'. This, he notes, 'requires state promotion of an educated low-paid work force and financing of local business elites to act as recruiters and point men for the FI'. Overseas relocation (both the reality and the threat of it) is a common policy for lowering wages, pensions, health benefits and job security in the imperial countries. Foreign investors, he notes, benefit from both ends: 'exploiting skilled and unskilled labor in assembly plants and manufacturing industries in Latin America while reducing labor costs within the US'. Thus, the MNCs play one against the other and secure labor-related incentives in both. 'The net effect is to increase profitability by squeezing out greater productivity per worker at lower costs, expanding market shares and creating lucrative export platforms to sell back into the *home market*' (Petras, 2007: 216).

3) *Labor migration*, which involves the mass exodus of Mexicans to the USA as a result of the constrained size and precarization of the Mexican formal labor market and the process of neoliberal regional integration.

If we add indirect labor exports to the *direct exportation of the workforce* through labor migration, the true makeup of Mexico's exports is revealed. This is why we characterize the current model of export growth as *the cheap labor export-led model*.

The New Migration Dynamics

Under the labor export-led model, migration from Mexico to the USA has experienced an exponential growth during the past two and a half decades. This growth was accentuated by the implementation of NAFTA, which turned Mexico into the world's major migrant sender to the USA. The sheer dimensions of the migration phenomenon speak for themselves: in 2007, the US population of Mexican origin – including Mexican-born documented and undocumented migrants (12 million) as well as US citizens of Mexican ascendancy – was estimated at 30 million people. It is the world's largest diaspora to be established in a single country. According to the UN (ONU, 2006) estimates, during the 1990–1995 period, Mexico was the country with the largest annual number of emigrants (a total of 400,000 people vis-a-vis 390,000 from China and 280,000 from India). Between 2000 and 2005, the Mexican annual exodus rose to 560,000. The country has consequently experienced an exponential growth in remittances and, along with India, is the world's major recipient (IFAD, 2007). In 2007, the amount of remittances received by Mexico amounted to 24 billion US dollars (Banco de México, 2008).

Practically all of Mexico's territory shows incidence of international migration. In 2000, 96.2% of national municipalities experienced some type of migration-related activity. This territorial expansion has resulted in the emergence of new migration circuits (historical, indigenous-traditional, emerging, etc.) with particular dynamics and problems. At the same time, even though the Mexican immigrant population in the USA is still concentrated in a handful of states, in the last two decades it has expanded throughout most of the national territory. Migration circuits have also expanded to the eastern and central-northern areas ([Zúñiga and Hernández-León, 2005](#)), where some of the most dynamic centers of industrial restructuring are located ([Champlin and Hake, 2006](#)).

In 2005, 39% of the population aged 15 years and older born in Mexico and residing in the USA had a level of education higher than a basic high-school diploma (Giorguli et al., 2007). In contrast, the average figure for Mexico is 33.2%, which means that in general terms and in contrast to what is commonly believed, more qualified workers are leaving than remaining in the country. In other words, there is a clear selective trend, in line with the underlying rationale behind international migration. It should also be noted, however, that in comparison to other immigrant groups in the USA, the Mexican contingent is the one with the lowest average levels of schooling. That situation does not attenuate the problem; on the contrary, it highlights the serious educational shortcomings

that still exist in the country and that have been heightened with the adoption of neoliberal policies (OECD, 2005).

One high-profile form of labor migration that does not fall in with the stereotypes involves Mexican residents in the USA with university degrees or postgraduate qualifications. This figure totals slightly more than 590,000 individuals born in Mexico (CONAPO, 2008), indicating that the 'brain drain' has become a significant problem. Thus, under Mexico's prevailing maquiladora-based model there is very limited demand for qualified workers and practically no demand for scientific and technological knowledge, which leads to a hemorrhaging of highly qualified human resources.

These changes have been accompanied by transformations in the migration patterns, which have moved from circular to established migration and show increased participation on the part of women and complete families (Delgado Wise et al., 2004). Even though the evolution of migration flows often leads to established migration, in this case the tendency has been accompanied by a unilateral closing of the border that, in contravention of its goals, has not contained the exodus; rather, given the return risks and difficulties, it has encouraged new migrants to prolong their stay indefinitely. These changes and Mexico's decreasing birth rate have resulted in a worrisome and growing tendency toward depopulation: between 2000 and 2005, one in every two municipalities had a negative growth rate (CONAPO, 2008).

Given the hemispheric extension of the economic political integration promoted by the US government, Mexico has also become a transit country and must address the concomitant problems. In 2004, nearly 400,000 people moved through the Mexican southern border; most of them were Central American undocumented migrants (INM, 2005).

The Implications and Paradoxes of Regional Integration under NAFTA

It is evident that the promises made by the promoters of regional integration under NAFTA only benefited a small segment of the Mexican and US elites, particularly the latter. This reveals the policy's true purpose and explains why its supporters continue to brag about the success of the restructuring strategy and the regional integration scheme.

The following is a brief summary of the effects this process has had on the Mexican economy and society, which have been the most affected:

- 1) *The generation of disaccumulation processes in the Mexican economy.* The indirect export of labor force via the *maquila* and *disguised maquila* industries implies a *transfer of net profits* to the US economy. This constitutes a new mode of uneven exchange that is even more acute than those examined in the structuralist and dependency theories previously endorsed by the Economic Commission for Latin America and the Caribbean (ECLAC).
- 2) *The loss of a labor force whose formation costs fall on the national economy.* Mexican labor migration represents a drain of valuable human resources which, in turn, leads to the neglect of productive activities, constitutes a waste of resources spent on the formation of the emigrating labor force, and, to an extent, the displacement of relatively qualified

workforce. It also implies the transference of the reproduction costs of this labor from Mexico to the USA, which according to our own estimations – based on official information – amounted to 356 billion US dollars considering the population born in Mexico and residing in the USA in 2006.

Regarding this point, Petras underlines that ‘almost all the costs of raising workers from childhood – educational, training and health costs – are borne by the “sender” country’. This means on average ‘at least 25 years investment amounting to billions of dollars in expenditures by sender countries without receiving the benefits of the productive years, which take place in the receiver country, and facing the possibility of the return of tapped-out workers once their usefulness has been exhausted’. In other words, ‘hundreds of billions of dollars in value added labor accrues to the overseas capitalist class and the state receives the tax revenues. What is remitted by the immigrants to their families is a small percentage of the value produced’ (Petras, 2007: 49).

Furthermore, ‘the overseas migration deprives the nation of its most innovative, skillful and ambitious workers who provide the basis for creating a diversified economy based on industry and services’. What remains ‘is a client state dependent on agro-mineral exports, tourism and of course immigrant remittance’ (2007: 49).

3) *The dismantling of a substantial part of the Mexican production apparatus.* Economic regional integration and the implementation of the current export model have contributed to the progressive dismantling of the internally-focused production apparatus, which plays an irrelevant role in the neoliberal agenda. There is evidence that at least 40 production chains in the small- and medium-sized business sector have been destroyed after the implacable reorientation of the economy toward the external market (Cadena, 2005).

4) *The reduction and precarization of formal employment.* Neoliberal policies have failed to create high quality formal employment; rather, they have destroyed employment sources and increased precarization and flexibilization in the current formal job market. In the absence of benefits such as unemployment insurance, the informal sector is a source of precarious subsistence for large sectors of the population who have been excluded from the formal job market. The informal employment sector comprises a large population that lives at a subsistence level and serves as a labor reserve that further depreciates labor costs both in Mexico and the USA. Paradoxically, the informal sector (a sort of safety net for the Mexican labor market) and migrant remittances have breathed artificial life into a development model that exacerbates social inequalities and damages the country’s productive activities.

To conclude, it is worth mentioning that the labor export-led model – as expression of the dialectic relationship between migration and development within the Mexico-USA context – involves two paradoxes:

1) *Economic integration under NAFTA does not promote the development convergence between Mexico and the USA. Rather, it has contributed to the expansion and deepening of asymmetries between the two nations.* While, in 1994, the US per capita GDP was 2.6 times higher than the Mexican one, in 2004 the gap had grown to 2.9. In 1994, US manufacturing wages were 5.7 times higher than in Mexico; in 2004 the difference was 6.8. Paradoxically,

this growing income gap does not mirror productivity levels, which have declined. In fact, Mexico has shown more productivity in certain sectors, particularly those related to the labor export-led model.

2) *Economic integration has not encouraged the creation of job opportunities in Mexico. Rather, it has become a motor of direct labor force exporting and increased socioeconomic dependence on remittances.* According to official data, remittance reception in Mexico has increased thirtyfold. On a macroeconomic level, remittances are the second source of foreign currency and the one with the most consistent growth rate given the relative loss of importance of other sources of external financing (e.g. foreign direct investment, or FI, and manufactured exports). On a microeconomic level, remittances support family consumption and ensure the subsistence of 1.6 million homes (CONAPO, 2008). To a lesser extent, they serve to fund public works and productive investments through programs such as *Tres por Uno* (Three for One).

Having taken all of this into account, it is possible to assert that migration operates as a crucial cog in the neoliberal machinery, providing it with an appearance of 'stability' and, paradoxically, a 'human face'. On a macroeconomic level, remittances serve to extend the life of a development model that is already showing signs of unsustainability. On a microeconomic level, they help ease poverty and marginalization inasmuch as they involve a transfer of resources that lack any solid ties to savings strategies but improve productive capacity and economic growth. In other words, '[i]mmigrant remittances help sustain a parasitical oligarchic ruling class which uses the hard currency remitted to pay illegal foreign debts, luxury imports and corrupt politicians. Without overseas remittances, many of the oligarchic regimes would collapse or enter into profound crises' (Petras, 2007: 40–50).

Social Resistance and a Tentative Project of Social Transformation

The profound need for change in the structural dynamics and strategic practices at work in the current schemes of regional integration and neoliberal national development have given way to two types of social agents, which can be separated into two groups: those 'from above' and those 'from below'. The current economic project has clearly been implemented 'from above' by the agents of US imperialism in tandem with Mexican allies. They work within a political coalition that seeks to maintain the privileges of neoliberal integration and push them to its very limits. In short, this is an actual class project that promotes economic asymmetries, social inequalities and phenomena such as poverty, unemployment, labor precarization and migration.

In contrast, those 'below' – particularly in Mexico – are mostly unhappy and disenchanted, although they sometimes engage in open acts of opposition, resistance, and rebellion. It is true that there is currently no collective agent that can articulate a project that counters the one being implemented by neoliberal elites. However, we should point out that a number of dispersed social alternative movements have willingly, even optimistically, sprung up.

The Mexican agricultural sector, one of the quarters that has been hardest hit by the implementation of NAFTA and is suffering in the productive, commercial, population and environmental areas, has given rise to movements like *El Barzón* (The 'Plow'), *El Campo No Aguanta Más* (The Countryside Can't Take Anymore; see Bartra, 2003) and the campaign *Sin Maíz no hay País* (No Corn, no Country). Other denouncers of the neoliberal system include the *Ejército Zapatista de Liberación Nacional* (Zapatista Army of National Liberation, EZLN) and its *Otra Campaña* (Other Campaign), as well as some sectors of the social and electoral left who have converged into the *Coalición por el Bien de Todos* (Coalition for the Good of All) and the *Convención Nacional Democrática* (National Democratic Convention). There are also other more or less important national sociopolitical movements, but what is worth noticing is that the widespread popular discontent (which could even extend to the majority of Mexicans) is not expressed in an organized manner and has not produced yet an alternative development project.

On a binational level, the actions of opposition forces have been even more scattered. Initially, the *Red Mexicana de Acción frente al Libre Comercio* (Mexican Action Network in Opposition of Free Trade) communicated with likeminded organizations in the USA and Canada that opposed the signing of NAFTA, but since then its actions (which involve agreements between unions and social organizations on both sides of the border) have been few and far between (Brooks and Fox, 2004).

The idea that migrants are agents of development has been promoted for over a decade. This proposal, which is in no way sustainable when applied to large-scale social processes, suggests that migrants should be held responsible for promoting development in their countries of origin. And yet, as Fox (2005) has pointed out, migrant society has produced social actors who operate on three levels:

- 1) integration into US society (e.g. unions, the media, and religious organizations);
- 2) networking and promotion of development in places of origin (i.e. native organizations), and
- 3) binational relationships that combine the previous two (i.e. pan-ethnic organizations).

For example, Mexican migrant organizations fund public works and social projects in their communities of origin with the aid of the program *Tres por Uno*. And during the spring of 2006 USA-residing immigrants participated in massive marches in favor of their working, political, social, and civil rights. As for the latter, Petras (2006) points out that 'between March 25 and May 1, 2006 close to five million migrant workers and their supporters marched through nearly 100 cities of the US'. This, he notes, is the biggest and most sustained workers' demonstration in the history of the USA. In its 50-year history, the US trade union confederation, the AFL-CIO, has never been capable of mobilizing even a fraction of the workers convoked by the migrant workers movement. The rise and growth of the movement is rooted in the historical experience of the migrant workers (overwhelmingly from Mexico, Central America and the Caribbean), the exploitative and racist experience they confront today in the USA and the future in which they face imprisonment, expulsion and dispossession.

Generally speaking, migrants and their organizations affect the political, social, economic, and cultural aspects of sending and receiving countries to varying degrees. However, it would be a theoretical mistake to present migrants themselves as a collective agent of transformation. If we intend to portray them as agents of development, then we had better examine the strategic projects and structural dynamics present on the different planes and levels, as well as the interests that prompt participation 'from above' and 'from below'. This will allow us to understand the role played by migrants. Stating that they cannot be considered agents of development does not entail a pessimistic message advocating immobility. Quite the opposite: this can help us disentangle possible forms of articulation between migrant organizations and social sectors that seek a new type of development agenda, one that can be applied on the global, regional, national, and local levels. Only then will we be able to discuss the configuration of an agent of social transformation that includes migrant participation.

In any case, as Petras (2006) has pointed out, '[t]he emergence of the mass migrant workers' movement opens a new chapter in the working class struggle both in North America, and Central America'. First and foremost it represents the first major upsurge of independent working class struggle in the USA after over 50 years of decline, stagnation and retreat by the established trade union confederation.

Final Remarks

The theoretical framework outlined in this article for understanding the dialectic relationship between development and migration has four critical components.

A Critical Approach to Neoliberal Globalization

Contrary to the discourse regarding its inevitability (on this see Petras and Veltmeyer, 2000), we posit that the current phase of imperialist domination is historical and can and should be transformed. In this regard, it is fundamental to notice that '[t]he principal factor generating international migration is not globalization but imperialism, which pillages nations and creates conditions for the exploitation of labor in the imperial center' (Petras, 2007: 51–2).

A Critical Reconstitution of the Field of Development Studies

The favoring of a singular mode of analysis based on the belief that free markets work as powerful regulatory mechanisms, efficiently assigning resources and providing patterns of economic convergence among countries and their populations, has clearly resulted in failure. New theoretical and practical alternatives are needed, and we propose a reevaluation of development as a process of social transformation through a multi-dimensional,

multi-spatial, and properly contextualized approach, 'using the concept of imperialism as an alternative explanatory framework of international capitalist expansion and the growing inequalities' (Petras and Veltmeyer, 2000). This integral approach requires the consideration of the strategic and structural aspects of the dynamic of uneven contemporary capitalism development, which should be examined at the global, regional, national, and local levels. For this purpose it is crucial to understand, *inter alia*,

- a) the central role played by foreign investment in the process of neoliberal restructuring of peripheral economies, and
- b) the new modalities of surplus transfer characterizing contemporary capitalism.

The Construction of an Agent of Change

The globalization project led by the USA has ceased to be consensual: it has only benefited capitalist elites and excluded and damaged an overwhelming number of people throughout the world. Economic, political, social, cultural and environmental changes are all needed but a transformation of this magnitude is not viable unless diverse movements, classes, and agents can establish common goals. The construction of an agent of change requires not only an alternative theory of development but also collective action and horizontal collaboration: the sharing of experiences, the conciliation of interests and visions, and the construction of alliances inside the framework of South-South and South-North relations.

A Reassessment of Migration and Development Studies

The current explosion of forced migration is part of the intricate machinery of contemporary capitalism as an expression of the dominant imperialist project. In order to understand this process we need to redefine the boundaries of studies that address migration and development: expand our field of research and invert the terms of the unidirectional orthodox vision of the migration-development nexus in order to situate the complex issues of uneven development and imperialist domination at the center of an alternative dialectical framework. This entails a new way of understanding the migration phenomenon.

Notes

- 1 The advance and development of migration dynamics have created a complex social transnational space that engages societies of origin and destination and serves as a dynamic field of economic activity. Economic opportunities in this field are usually seized by the large corporations of developed countries (Guarnizo, 2003).
- 2 For the different types of remittance see Márquez Covarrubias (2006).

- 3 For our analytical purposes we adopt Petras and Veltmeyer's (2001) approach for understanding the nature of contemporary capitalism and 'unmasking' the notion of globalization by considering, following Marx's method, two critical and inter-related analytical dimensions: strategic and structural.

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