

EIR Feature

Tri-national drive to stop Bush's 'fast track' to genocide

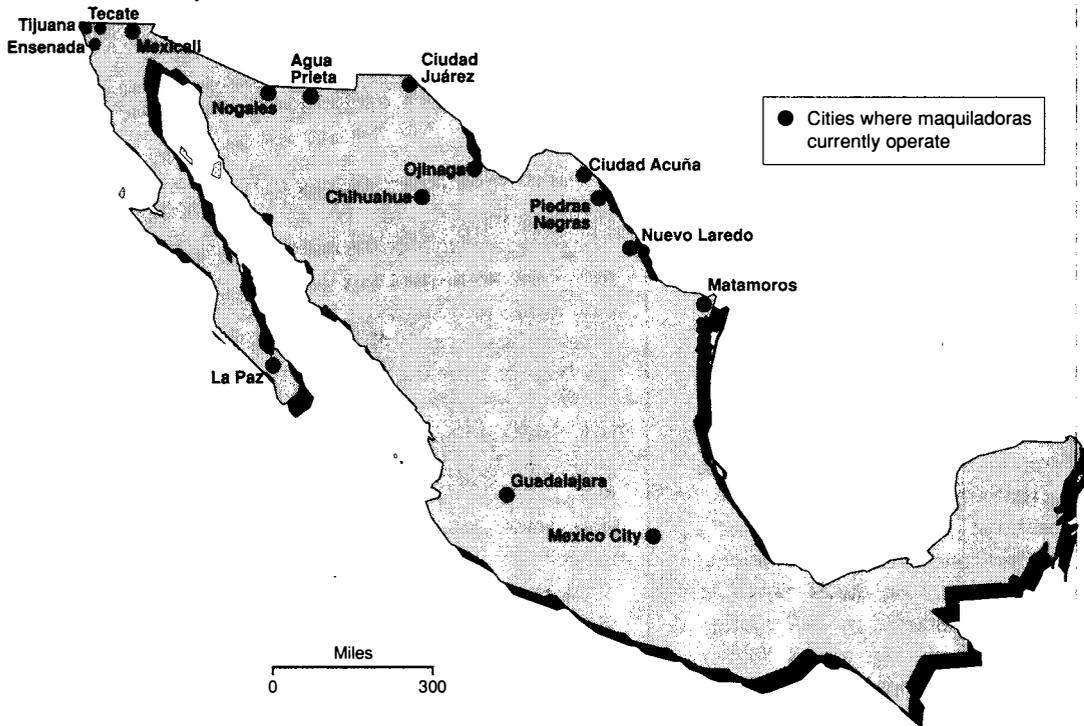
by Alan R. Ogden and Dennis Small

On May 7, *Executive Intelligence Review* held simultaneous press conferences in Mexico City and in Washington, D.C., to announce the release of a new *EIR* Special Report on the North American Free Trade Agreement (NAFTA) with Mexico and Canada, which the Bush administration is trying to ram through Congress. The distribution of the new *EIR* study, which is being simultaneously released in English and in Spanish, is expected to fuel the growing mobilization in the U.S., Mexico, and Canada against President Bush's demand that Congress extend his "fast track" authority in negotiating the agreement.

The Special Report, sections of which are abridged in the pages that follow, is entitled "Auschwitz Below the Border: Free Trade Pact Is George 'Hitler' Bush's Mexican Holocaust." The Washington press conference, held at the National Press Club, was given by *EIR* editors Dennis Small, Chris White, and Marcia Merry, who led the team of authors who produced the report. They called on Congress to reject the fast track authority, to oppose the NAFTA accord as a whole, and to repudiate the underlying free trade policies promoted by the Bush administration. They documented that NAFTA, if approved, will destroy the economies of all three nations, and that it is premised on using cheap Mexican slave labor to destroy the standard of living and employment of U.S. labor in particular. They argued that NAFTA would lead to the creation of concentration camp conditions below the border in Mexico.

In Mexico City, *EIR* bureau chief Carlos Cota Meza told a press conference packed with representatives from 17 Mexican press, radio, and television media, that NAFTA was designed to take advantage of Mexico's cheap labor force in order to "guarantee that the Mexicans generate a foreign exchange surplus in order to pay the foreign debt." Prominent articles appearing May 8 in the Mexico City dailies *La Jornada* and *El Universal*, reported Cota's revelation that Mexico's minimum wage has dropped by more than 50% over the past decade, and that "the *maquiladoras* have become a kind of Nazi-style concentration camp, where the workers are over-

Mexico and its maquiladoras



exploited and live under conditions of extreme poverty.”

As the *EIR* press conferences were under way, David Rockefeller’s Council of the Americas was meeting across town in Washington to launch *their* lobbying effort—in support of NAFTA. According to an account which appeared in the Mexico City daily *El Financiero* on May 8, Rockefeller personally took the floor to give the bankers’ view of the importance of NAFTA’s passage: “Without the fast track, the course of history will be stopped; without it, there will be no Free Trade Agreement, there will be no Enterprise for the Americas [Bush’s free trade policy for all of Ibero-America], and without that, the hope for a brilliant future for the continent will come crashing down.” Bernard Aronson, the assistant secretary of state for inter-American affairs, was blatant about Bush’s goals: “If the Free Trade Agreement fails, we could see the resurgence of populist and anti-American forces which would reverse the gains achieved.” NAFTA, he confided, would make the looting and debt repayment policies implemented by Mexico’s Salinas de Gortari government irreversible, because “they will be embodied in a treaty protected by international law.” Even Dan Quayle was trotted out for the occasion to issue a dire warning over lunch: “I have just met with the President, and he instructed me to please request that you intensify your lobbying on Capitol Hill on behalf of the fast track. . . . If we are not able to negotiate free trade agreements, the democratic governments will be blamed, and there will be a resurgence of coups d’état and dictatorships.”

Washington warfare

This is not the first time that political forces associated with *EIR* and U.S. economist Lyndon LaRouche have squared off on the issue of economic policy towards the Third World, directly against establishment spokesmen such as Rockefeller and Henry Kissinger. As far back as 1976, then presidential candidate LaRouche used a nationwide television address to warn the American public that Wall Street’s policies would lead to genocide in Mexico and other Third World countries. He countered with a proposal for U.S. participation in the industrialization of the Third World, through the export of high-technology capital goods to these nations. The repayment of the foreign debt, LaRouche has repeatedly argued, will just have to take back seat to the need for development.

Today, 15 years later, Washington is faced with the same choices, in the form of the congressional vote on the fast track. And the outcome is far from decided.

Informed Washington sources report that the Bush administration wants to call the congressional vote on fast track authorization as early as possible in the May 15-31 window that is scheduled for the decision to be made. This is because they sense a growing national mobilization to stop the fast track, coming from labor, farm, and other groups capable of influencing the congressional vote. By May 8, the office of Rep. Byron Dorgan (D-N.D.) had reported that the number of co-sponsors of HR 101, the resolution he introduced against congressional approval of extending President Bush’s authority to negotiate free trade treaties on the fast

track, had jumped from 24 to 78 in a week and a half. But there is still a large number of officially undecided congressmen, whose votes could swing one way or the other.

While Congress is on the hot seat, many lawmakers on the state and local levels are quicker to take a stand. The Iowa Senate has passed a continuing Resolution 17 urging the state's congressional delegation to vote against the fast track. Other farm state legislatures are reported to be doing the same. Reflecting local farm sentiment, the Minnesota-based agriculture weekly, *Agri-News*, editorialized April 25 against the fast-track option by pointing out, "Too much is at stake for Congress to act quickly on these agreements."

The U.S. AFL-CIO trade union federation has also fueled the debate by producing a six-minute video on the abysmal living and working conditions for tens of thousands of Mexican workers in the *maquiladora* zone. Reportedly, every congressional office was sent this video, so no congressman can plead ignorance of what the barbarous recycling of manufacturing jobs down to the level of death camps actually means. But the AFL-CIO has *not* gone on the kind of national organizing drive necessary to ensure defeat of NAFTA. Many local trade union officials contacted by *EIR* confess total ignorance to what is stake in the agreement. Others report that they are not mobilizing because they were not even aware of the free trade negotiations. Some farm and labor organizations are leaving the issue to their national lobbyists. Others are only going as far as having in-plant meetings with their memberships.

But the forces associated with LaRouche are deploying to fill this vacuum. On May 1, a delegation of 30 citizens associated with LaRouche's 1992 Democratic presidential campaign converged on congressional offices in Washington to lobby against NAFTA. And similar visits to local congressional offices have been going on across the country for weeks. An expanded lobbying and educational effort is planned for May 19-20 in Washington, D.C.—on the eve of the expected vote.

In Canada, where the two-year-old U.S.-Canada Free Trade Agreement has knocked out thousands of jobs, trade union leaders have come out strongly against the fast track to NAFTA. Canadian trade union leaders representing some 300,000 workers have released a press statement calling upon the U.S. Congress to defeat the fast track. "We see it to be in the interests of Canadians as well as American working people and of the nations of Canada and the U.S. as a whole, not to cut their throats by constructing slave-labor camps on the Mexican border in the name of 'free enterprise.' "

Just how bad will NAFTA be?

The new *EIR* study forecasts that NAFTA will cause up to one-third unemployment in critical sectors of U.S. manufacturing within a few years of its adoption. This would occur by the rapid growth of the so-called *maquiladora* zone in Mexico—the in-bond assembly plants which use cheap Mexican labor to manufacture consumer goods like electron-

Poverty and free trade in the Rio Grande Valley

A major aspect of the strategy of NAFTA proponents for sneaking through "fast track" authority from the U.S. Congress, was to hide the fact that, to a large extent, "free trade" already exists along the U.S.-Mexico border. Some *maquiladoras* have been in operation for more than 20 years in the area and, since 1985, the Mexican government has been phasing out protective barriers.

If an expanded free trade agreement were to be as beneficial for both the U.S. and Mexican economies as its advocates claim, one might expect, therefore, that part of the promotion would be to point to the border areas to show how successful the first phase of this program has been.

A recent tour of the Rio Grande Valley in Texas provided dramatic evidence of why this has not been done: Much of the valley has already fallen into Third World status, and NAFTA threatens to collapse the rest to that level.

The valley stretches for approximately 100 miles along the Rio Grande, from Brownsville, Texas and Matamoros in the Mexican state of Tamaulipas on the Gulf of Mexico, to Rio Grande City in the west. Some of the most productive farmland in the United States has been developed on the Texas side. More than 85,000 acres are cultivated, producing more than \$180 million annually from 40 varieties of citrus fruits and vegetables, employing almost 100,000 farm workers.

The agricultural infrastructure is quite impressive, creating a lush, green landscape throughout the area. Water is pumped from the Rio Grande through underground canals in 15 water districts. A highly integrated trans-

ics and auto parts for re-export back to the United States. Since average U.S. manufacturing wages are about \$11 per hour, and the average wage in the *maquiladoras* is only 98¢ per hour, U.S. manufacturing is expected to shut down as runaway sweatshops are set up just across the border in Mexico.

Over the past few years, the *maquiladoras* have been growing at a rate of about 12% per year, and today employ about a half-million Mexicans in conditions reminiscent of Nazi concentration camps like Auschwitz. Under NAFTA, they can conservatively be expected to grow by about 20% per year. What this means is that, over the course of the 1990s, about 2.5 million slave labor jobs would be created in the *maquiladoras*, that is, about 250,000 jobs per year.

portation grid with an extensive network of highways, rail and ports rushes the fresh produce to markets throughout the United States, placing the valley only behind Florida and California in food production.

Growers fear that NAFTA will destroy agriculture here, eliminating the one positive economic feature of the region, and will force them to move their operations to Mexico, which has no comparable infrastructure. A study released by Texas A&M University confirms these fears, by comparing the wages paid to farm labor on each side. U.S. workers average \$4.74 per hour, while farm workers in Mexico are paid \$3.80 per day. An official of the Texas Citrus and Vegetable Association recently pointed out the obvious, asking, "How in the world can we compete with that?"

Poverty and free trade

Even with the wealth produced by valley agriculture, which has been protected so far from the encroachments of free trade, the valley as a whole is one of the poorest regions in the United States. For at least the last six years, it has had double-digit unemployment rates, with official rates reaching 20% at times in Brownsville and McAllen. At present, Brownsville has a 13% rate of unemployment, McAllen is at 17.6%.

As of 1990, there were 803 *maquilas* on the Texas-Mexico border, almost one-third of which are in the Rio Grande Valley. Yet, the economic boom promised by advocates of the *maquiladoras*—based on the hope that newly employed Mexican laborers would come to the U.S. side to shop—has proven to be a fraud, as few who work in these slave labor shops can afford to buy even cheap goods in Mexico, much less goods on the U.S. side.

As a result, many of the small towns on the U.S. side of the Rio Grande are empty, their shops and businesses boarded up. In downtown areas which still maintain some level of commercial activity, such as Brownsville, McAl-

len, and Harlingen, there are whole sections where families crowd into houses which are little more than rotted, wooden shacks, hoping that someone in the family will find a day-labor job to put some food on the table.

Even worse are the *colonias*, unincorporated areas with dirt roads, no sewage systems, and little hope. One of these, outside of Brownsville called Cameron Park, is the home of more than 4,000 people. Many of the houses in this "subdivision," as it is euphemistically known, have no indoor plumbing or electricity, though the "developers" who sold the houses promised that both would be available "soon." Some residents have been waiting for 20 years!

Though residents pay taxes to Cameron County, to the school district and the navigation district, they receive few services. A crew comes twice a year to grade the roads, which are dirt, and are the source of constant swirling dust storms except when it rains, when they are momentarily turned into pools of mud, with raw sewage flowing through the quickly flooded drainage ditches. Police protection is sporadic, fire protection almost nonexistent. Health officials report that water-borne diseases, tuberculosis and hepatitis are widespread, with only several poorly equipped, overburdened clinics to offer care. One official admitted it is an area ripe for the spread of cholera into the United States.

Though Valley Chamber of Commerce officials have been promoting NAFTA as the best way to improve the situation, some admit that they have been disappointed by developments over the last 10 years. One Chamber official in Brownsville candidly admitted that he does not believe the hype. "It's true," he said, "that we have not seen any improvement in retail sales" since barriers were relaxed in 1985. "I admit I'm somewhat apprehensive about the effects of NAFTA. We may experience another dip in retail sales, and we could face higher unemployment."

—Harley Schlanger

The irony of this situation is that these new "jobs"—leaving aside the fact of the subhuman conditions of employment that they entail—are large enough to wreck the U.S. economy and labor force employment, but *not* large enough to provide any real relief for Mexico's staggering unemployment problem.

Mexico needs to generate 1.25 million new jobs per year just to integrate new entrants into the labor force, i.e., in order to stand still at the current unemployment level of 50% of the labor force. Yet even a *maquiladora* boom would create only 250,000 jobs per year, or 20% of this amount. On the other hand, the loss of a quarter-million jobs per year to the *maquiladoras*, would directly increase unemployment in U.S. manufacturing by about 20% over the decade—and this doesn't even take into account the indirect impact that

such a collapse would have on the economy and labor force, which would easily bring the total loss of jobs to between one-third and one-half of those currently employed.

These *EIR* estimates coincide, in order of magnitude, with a suppressed Commerce Department study, which the Washington D.C. *National Journal* reported on in its March 23, 1991 edition. According to the *Journal*, the secret, unreleased study projects job losses of up to 40% in key U.S. industries if NAFTA is signed, including auto parts, steel, shoes, and textiles. So far, administration officials, including Trade Representative Carla Hills, have denied that the Commerce Department study exists. But none have dared dispute the *facts* of the expected unemployment, as documented in the new *EIR* study.