Closing the NAFTA Gap

Applying EU Integration to US Immigration

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The accession of Ireland, Greece, Spain and Portugal into the European Community was a significant move towards manifesting everlasting peace by means of a single market. The incorporation of these four weaker countries into the European Union (EU) marked a break from the EU's traditional purview. The paradigm shift of the EU's approach to enlargement placed Member States onto a path that would harness the full capabilities of a common market in improving civilians quality of life while simultaneously achieving individual Member States' objectives including growth, employment, and trade.

The regional effects of the EU's single market are drastically different from the effects of the North American Free Trade Agreement (NAFTA). A much newer trading bloc (NAFTA came into effect on January 1, 1994), it lacks the wisdom and fine tuning of the EU. The governments of the United States, Mexico, and Canada signed the treaty¹ while hailing how it would "fuel economic growth and dynamic trade, stimulate investment while creating productive partnerships, work for small and medium sized businesses and provide fairness and certainty. NAFTA partners promote environmental protection, and provide greater job opportunities in North America."² Yet the effects seem to be the exact opposite. NAFTA has been called "one of the most innovative, astounding documents of the 20th century by the stoic..."³, but this so-called "innovative depth" has reduced barriers to trade and investment, without the necessary checks and balances. For Mexico, NAFTA merely expedited and formalized "the silent integration" that had been occurring since the Border Industrialization Project of 1965— without adding anything new to the table.⁴ Unlike the EU, NAFTA is a rigid document that has not reformed itself as needed to address issues of border control, immigration policies, and uneven socioeconomic development.

In spite of sincere hopes for free trade and economic integration to raise living standards across the continent, the reality is that the unfettered markets have permitted NAFTA to persistently ignore the uneven economic development, and vulnerabilities each country faces. In so doing, the United States has been a quiet bystander to the inequalities proliferating from unchecked free trade. Both countries have been left vulnerable to NAFTA backlash.

Mexico's vulnerability stems from unsound economic development policies and overall slow growth. These factors have increased the US' vulnerability, to migration. Fed up with uneven development, lack of job opportunities, poor working conditions, and low wages, many Mexicans are taking matters into their own hands and crossing the border, often illegally. Militaristic efforts to "defend" the border have done nothing but increase political tensions and migrant death tolls. NAFTA does not address the immigration problem and its root cause of unequal development.

This paper begins with the European Union's initial experience with enlargements and the experimentation process it underwent to reduce economic and social disparities between regions to further facilitate their single market objectives. After considering how the EU's cohesion policy strengthened its own single market while simultaneously curbing migration, we present the NAFTA scenario, specifically against the backdrop of Mexico and the United States, in order to highlight the impotent mechanisms the United States relies upon to quiet the waves of economic migrants.

The European Experience with Single Markets and Solidarity

The Schuman Declaration of 1950 proclaimed integration would not occur overnight with the stroke of a broad brush; rather, it would occur by means of an incremental process, each step leaving behind a concrete achievement for posterity.⁵ This concept has been realized in exact form as the European Community swelled into today's colossal trading bloc

with shared values and goals. The cautious and inclusive approach of the Community's evolution over the past 50 years has striven for deep-seated solidarity that is embodied in the successive mounting ambitions of each treaty. The amorphous single market has coalesced under nine treaties- notably The Treaty of Paris, The Single European Act, The Treaty of Maastricht, The Treaty of Amsterdam, and The Reform Treaty.⁶ The aim of integration had once revolved around

diminishing channels for the nationalistic rifts that sparked and resulted from World War I and II. As peace became ensured, pushes for deeper integration arose and the original justification for the formation of the EU slowly became anachronistic. It was gradually supplanted by the need for cohesion.⁷

The preamble to the Treaty of Rome calls on Member States to minimize regional disparities, but provided toothless mechanisms. The European Social Fund (ESF) and the European Investment Bank (EIB) were incapable of facilitating cohesion. Beginning in 1975, The European Regional Development Fund (ERDF) began to assist poorer pockets in each Member State to redress the Treaty of Rome's shortcomings. This structural fund helped impoverished areas suffering from various afflictions, such as a decline in local industry or falling commodity prices in an agricultural zone. The downside of the ERDF was that major net contributors were also the major net recipients.

The expanding wealth gap which arose from market liberalization became most apparent in the 1980s. The regional imbalances were made starker still with the accession of the Mediterranean countries. Ireland had been on board since 1971, but Greece joined in 1981, and Spain along with Portugal joined in 1986. All are south of what economists have dubbed the "north/south divide" in term of economic disparity.⁸ Although these enlargements were enacted to further postwar goals and strengthen trade, they held the potential to destabilize the delicate single market. Each inductee was balancing on toothpicks domestically and lacked democratic histories. Greece had just been destabilized by a military coup, Spain and Portugal had just ended dictatorial rule, and Ireland was still afflicted by sporadic violence. They all shared the unfavourable characteristics of low human capital levels, poor physical infrastructure, and low research and

development as a percentage of domestic product industry. The health of the single market would be harmed on an economic and political level if Member States failed to bridge the north/south divide.

Jacques Delors, the visionary whose name is associated with monumental steps towards European integration⁹, was a key figure in shaping the cohesion policy in the EU. He imparted a new dynamism into the integration debates when he warned the European Parliament that enlargement negotiations "revealed a tension in Europe which is, let's face it, a tension between north and south. It stems not only from a lack of understanding, [but] from a clash of culture, which seems to promote certain countries to turn their backs on the solidarity pact that should be one of the cornerstones of the Community, solidarity being conceived as an expression of the common wealth, contributing to the vigour of the European entity."¹⁰ Delors vocalized how disparities limit competitiveness and prevent worthy contributions towards sustainable economic growth for the EU entity. He explained how striving for a "solidarity principle" need not involve a redistribution of resources but rather, a convergence of incomes, employment rates and competitiveness.¹¹ Closing the north/south divide by removing structural weaknesses would strengthen the internal market by creating new markets and consumers.

The Padoa-Schioppa Report provided a compelling case for reforming the cohesion policy.¹² Its principal conclusions bolstered Delors' arguments concerning the threats that disparities presented to the single market and money integration.¹³ The report also evinced the political consequences inherent in weak integration. Thus, the Padoa-Schioppa Report was also used by the European Council and the European Parliament to combat the freehand of neo-liberal market principles advocated by Thatcherist

economics.

A radical revision of the cohesion policy emerged from the bitter debates at the 1988 European Council Summit in Brussels. The European Council adopted new policies, known as the Delors I package, to tackle the integration challenges. These policies created a change in the single market concept, a change that Article 23 of the Single European Act (SEA) reflects. The new title, "Economic and Social Cohesion," forges an indelible link between internal development, EC policy and economic growth. However, this new direction for the EU also negated the primary attraction of its access to the single market: the relative lack of costs.^{14 15}

The reforms of 1988 transformed the structural funds into effective instruments of development that would aid underdeveloped areas throughout the EU towards sincere convergence. The main three structural funds are the Guidance Section of Common Agricultural Policy's European Agricultural Guidance and Guarantee Fund (EAGGF), the European Social Fund (ESF), and the European Regional Development Fund (ERDF)- the ERDF being the largest. These funds had budgets doubled in real terms to a total of 60 billion euros by 1993.¹⁶ The Delors I package resulted in a transition from short term, project related aid to continual program assistance with decentralized management.¹⁷ It introduced new principles, such as the non-substitutability of structural funds in place of state funded public expenditures. This ensures that Member States remain obligated to engage in state-directed public activity alongside of cohesion needs.¹⁸ In order to tap into the structural funds, Member States must prepare a clear, concise plan delineating need and the subsequent management actions that will be taken to manage the funds. The final plan is called the Single Programming document; it is the outcome of a negotiation process that tailors Member

States' management of the funds in line with EU goals by outlining actions, objectives, targets, financial resources, monitoring, evaluation and control systems.¹⁹ A critical change that the Delors I package instituted was strengthening the existing principles of structural funds. This reform fortified the funds' ability to work in tandem with one another to achieve five objectives.

Objective 1 regions are areas that had lagging development and a per capita GDP of less than 75% of the EU average. Objective 1 provisions were for basic infrastructure and to encourage investment in basic business economic activity. This objective comprised 80% of overall Community assistance and accounted for 20% of the Community's population. Objective 2 regions received assistance to promote economic conversion and modernization of declining industrial regions. Objective 3 regions were designed to combat unemployment through policies and systems of education, training and employment. All Member States received Objective 3 assistance except for the Objective 1 regions because measures for training and employment were already included in the catching-up programs. Objective 4 regions were targeted at helping younger people in declining industrial sectors integrate into the workforce. Objective 5 regions adjusted and modernized agricultural processes.²⁰

The synergy of market access, democracy and comprehensive development plans resulted in substantial gains for higher growth, job creation, and competitiveness. The structural funds strove to help countries help themselves. Economic growth due to concentrated benefits, coupled with declining prosperity elsewhere, was considered a failure from the standpoint of cohesion success.²¹ The structural funds were designed to dilute territorial imbalances and as such, structural effects were assessed in areas beyond economic growth such literacy and

quality of life.

The Aggregate and Regional Impact Study conducted by the EU in 1996 reveals the importance of developing a competitive base and a productive base.²² The findings present internal market studies that analyse trade and factors flows resulting from an Objective 1 dimension. Its quantitative analyses reveal both the triumphs and missteps of the Delors I package- and the positive effects outweigh the negative. The studies reveal a diversification in employment and investment, increases in trade and, more significantly, intra-industry trade. Intra-industry trade growth draws attention to the scale effects resulting from structural policy, which remain hidden when looking at direct growth measurements. The spread in technology transfer escaped GDP measurements. The studies reveal increases in foreign direct investment which translate into technology transfer and "know how" for lagging regions. Attracting FDI was important for cohesion policy esteem because it signifies dissipating infrastructural deficiencies and weak labour, since business normally does not invest in areas of great need.²³ Large scale FDI increases are signals of developments in human and physical capital. Another obvious benefit from FDI is that it provides a natural means of economic development from employment opportunities, taxes and a circulation of wealth. Tellingly, the main conclusions drawn from the regression analyses of the internal market studies reflect a strong correlation between growth and human capital development. The data shows that increases in convergences due to structural development are generally brought out by positive changes in human capital.²⁴

One notable trajectory was Ireland, which serves as a pivot point to observe the difference in a well-structured cohesion policy's ability to spur key developmental changes for integration. After joining the EC in 1972 and receiving its first dose of

structural funds in 1983, the progress of Ireland has been astonishing. The structural funds provided for the unemployed youth and transportation infrastructure. Between 1986 and 1989, Ireland received 287 million Irish pounds specifically for road investment, since the spurt in vehicle numbers was congesting the commute.²⁵

By 1985, training agencies processed 44,651 trainees in contrast to 13,832 in 1976. Direct job creation schemes rose from 3,100 in 1976 to 28,400 in 1986.²⁶ The potential and opportunity abounding in Irish firms was recognized by multinational corporations, who flocked to Ireland and transformed the traditional labour intensive industry to one of high tech, capital-intensive industries.²⁷

The individualized programs of the structural funds made their mark; Ireland's EC Evaluation ascertains how "Irish agencies could not have benefited [as] much from the fund unless its priorities were congruent with the labour market situation in Ireland."²⁸

However, *real* growth for Ireland did not take off until the 1990s, when it experienced growth rates parallel to the Asian Tigers.²⁹ From 1994 to 2003, the Celtic Tiger Era, Ireland's per capita income was 3,200 euros ahead of the United Kingdom.³⁰

The evidence is unambiguous that a combination of the free market principles from a single market combined with managed development aid has raised the living standards and economic competitiveness of the European Union.³¹ The sustainability and stability of the

countries above is represented by the success of the Economic and Monetary Union. Money integration puts countries with differing growth rates under the same currency. A pervasive fear for the EU since the 1980s had been the destabilizing effect that harmonizing budgetary policies would wreak on the EU's foundation. A single currency put a halt to individual countries' ability to devalue their currency. From an integrationist perspective, the benefit of a single currency is that weaker countries must expand beyond competing on cheap labour or goods. The danger is that poorer countries are no longer able to cushion destabilization through exchange rate flexibility.³² Therefore, in order to participate, a country must exhibit a low inflation rate, sound public finances, stable currency and low long-term interest rates. Portugal, Spain and Greece met these requirements by 2002 while Ireland had already met them by the early 1990s.³³

A pervasive fear for the more prosperous nations was the possible exodus of underemployed people seeking better lives. This fear was heightened by the signing of the Schengen *aquis* in 1985. Though still in its incubating phases, the Schengen area would ultimately drop EU internal border controls and allow free movement of persons.³⁴ The cohesion policy exemplifies how regional integration attenuates socioeconomic disparities that necessitate migration. The internal migrating trends in the EU show a net increase in inter-country migration from 1985 to 1992 but a net *decrease* from 1993 to 1997.³⁵ The total EU15 citizenry living in their country of birth stabilized by 2000.³⁶ Spain, Portugal, and Ireland are no longer emigrant countries, but fall under the category of host countries; magnets for foreign and internal immigrants due to economic and domestic pull factors.³⁷

Despite these accounts of miraculous improvement and integration for the EU15, it cannot be assumed that

the structural funds alone uncovered blossoming economies and domestic stability. Greece only raised its per capita income by 2.4% and remained at 64.3 % of the EU per capita average.³⁸ To this day, it remains at the bottom of the rung. Time has shown that the reality of convergence can only be attained by a combination of factors. Sound macroeconomic policy, market liberalization, foreign direct investment, a favorable external environment, public willingness, low levels of corruption and a strong rule of law are necessary components to release the full potency of cohesion.³⁹ Structural funds are often thought of as the base point for sturdy and sustainable growth; an integral piece of the virtuous economic circles liberal markets can bestow.

The influence of globalisation on regional development and transformation has been accompanied by continuing integration policies. The beauty of the European Union is that it is based on living documents that promptly respond to changes in demographics, markets, public opinion, and high profile events. Though the purpose remains constant, the face of the structural funds has changed dramatically. Large strides have been made in the reduction of physical infrastructure disparities; thus the future of the funds is being shaped by the Innovative Actions Programme, an experimental initiative that aims to find new, [novel and] profitable venues of development in the relatively untouched areas of innovation, research and technology.⁴⁰ This program will be based on 15 years of EU experience and strive to develop areas that are risky and require testing before official implementation.⁴¹

The OECD's position that "Catch-up is not... a spontaneous process, but depends very much on the degree of development of market mechanisms and the quality of social and economic infrastructures" aptly applies to the underlying logic behind the long-term processes of the cohesion

policy.⁴² In the case of the EU's enlargement process, single markets have been the bones, while development aid has been the nourishment. The largest trading bloc worldwide has benefited most from human capital and infrastructure development—two programs out of the smorgasbord of projects ranging from tourism to research and development to food product marketing to equality in labour markets. Razing socioeconomic disparities abated the pull factors for economic migration. As evidenced, the effects of managed capitalism go beyond the conventional notions of equitable wealth distribution. Liberalized markets cannot provide blanket public goods because it's not profitable for individual investors. From the development angle, the cloned solutions that the "Washington Consensus" prescribes cannot provide individualized attention that a struggling economy needs. To Jacques Delors, the medium for cohesion was synchronized development aid, sustainable self-help, not simply throwing money at the problem.⁴³ The European Union allocated a total of 195 billion euros for the Structural Funds from 2000 to 2006, which accounted for roughly one third of the Community budget in 1999 prices and is 0.4 % of the EU GDP.⁴⁴ Humanizing rabid market growth is clearly attainable. Why then does NAFTA show such a drastically different results?

"NAFTA was Mexico's first bloodless revolution"

America sold the idea of a single market to the public, saying that it would be the fulcrum for economic and wage convergence, a shining star for the world to emulate as living standards across the continent would rise due to increased growth. NAFTA's true ambition could never have been a single market – the written agreement does not even make mention of Mexico as a consumer market.⁴⁵ Rather, the agreement was designed to support a crude form of free trade so that investment

could expand with minimal constraints, with Mexico being an appendage for corporate needs. NAFTA's misaligned priorities flung an ill-equipped Mexico into an arena of unrestrained market liberalization, unarmed with the resources necessary to compete against global multinationals. The dexterity of change from the "bloodless revolution" that NAFTA spurred, has hurt the embryonic stages of Mexican democracy by concentrating economic wealth in the hands of a few and disenfranchising the "have-nots." The ramifications of marrying democratic voice to economic prosperity further masks the harsh suffering of affected Mexicans.⁴⁶ Moreover, by choosing to ignore the deep rifts between Mexico and the United States, NAFTA architects have created a situation in which many Mexican citizens have no better options. Only leaving their homeland portends a better future.

The trade agreement dropped agricultural barriers to increase the free flow of farm goods. What was detrimental was how the U.S continued to over-subsidize crops and protect its domestic agriculture, while the Mexican government withdrew historic protections such as tariffs and subsidies to be in step with neoliberal standards. These agrarian reforms rendered Mexico's traditional farming methods useless against American mass production techniques.⁴⁷ Mexico's already fragile market riskily opened itself, while the already over-protected American market remained closed, leaving Mexico at an even greater disadvantage.

The border industrialization region is fair evidence of NAFTA's failed promises. The peppering of *maquiladoras* are a cursed blessing, where desperately needed work is adjoined with harmful living conditions. "The lack of health and safety standards, pollution in surrounding areas, low wages, and tedious work are parts of the destitute whole that is life working in the *maquiladoras*. Only poverty stricken human

beings accept these inhumane conditions and only because they have no power to better their lot.”⁴⁸ In these *maquiladora* border regions NAFTA requirements prevent Mexico from taxing anything except for value-added taxes, yet tax revenue is essential to fuel a development agenda. Residents are powerless against the multinationals and their desperation for work unwillingly renders them more subservient.

Deregulation can be highly beneficial as it trims the fat from bureaucratically burdened markets. However, when it goes past a certain threshold, deregulation becomes nothing more than a cost shifting measure.⁴⁹ For instance, allowing industries to deposit toxic waste with minimal costs subsequently causes a rise in costs for the city. Indirect results are further costs to health and quality of life. Transnational companies do not pay taxes, so who will cover these mounting public costs? The Mexican workers living hand to mouth simply cannot.

NAFTA has failed to curb illegal immigration because negotiations were not crafted to promote a rise in living standards, health care, environmental cleanup, and worker rights in Mexico. It has not had a neutral impact, but has destroyed sectors of the economy and undermined public welfare policies.

Thus, the synergized forces of an abrupt introduction to the neoliberal economic model, the Peso Crises of 1994, and trade liberalization have pushed

migratory flows to new levels. Desperate Mexicans are lured to the border area and are willing to risk their lives to cross into America. There were 2.5 million illegal Mexican immigrants in 1995; 8 million have crossed the border since then.⁵⁰ The greater visibility of illegal immigrants combined with capital flight from America to the Mexican border region has created a compelling scapegoat for Americans to press for aggressive border protection as opposed to dealing with the crux of NAFTA's. The price of inaction is flagrant human rights abuses as hostility on both sides of the border spirals upward.

US Immigration History and Current Debates

As a result of this influx of Mexican immigrants, America has taken a step to a more liberal immigration policy. The INA amendment to immigration policy in 1965 was the first step in a bias-free, fair immigration policy, something the US had lacked for years. A more liberal immigration system based on admitting people with needed skills, reuniting families, and sheltering refugees replaced the old country preference system. With these more liberal immigration policies, it was not long before illegal immigration increased. With the implementation of these new policies combined with low standards of living and increasingly open borders due to trade, it is hardly surprising that many Mexicans began to flood the border.⁵¹

The US government is understandably unhappy with this flood of people. But the solution to this problem is not to militarize the border; you cannot stop a tidal wave with a net. The solution is to use NAFTA to provide more economic opportunity for all Mexicans (not just those already on top). A NAFTA development agenda will calm the ocean to a gentle ebb and flow. If trade policies, such as the US over subsidizing agriculture and the existence of tax-free zones, are reformed,

trade could benefit all NAFTA countries by providing more high-end consumers, more economic diversity, and more skilled labour.

George Bush has merely flip-flopped around the issues of border control. Caught in the middle between democratic pressure and very conservative republicans, it seems the President is unable to take a true stand on immigration reform.

In 2000, Vicente Fox proposed a second phase of NAFTA that would involve open immigration borders along with the trade borders. This "second phase of NAFTA" was a bold new plan. Recognizing the differences in living and wage standards between the US and Mexico, Fox proposed to close the gap, to make NAFTA more "fair." Fox encouraged workers migrating to the US and argued that migrant labourers were good for both countries.⁵² Fox's plan is a proposal to help close the development gap between Mexico and the US by creating a common labour market, a step towards a single-market system. With his proposal, Mexicans could have competitive advantages for their wages, helping to close the difference, and removing the problems of illegal immigration. Vicente Fox used the example of EU integration as a model for NAFTA's second phase. Fox compared the wage differences between Mexico and the US to those in the EU: "Twenty-five years ago, Spain, Greece and Portugal had the same differences in income with Germany, Italy or England, and today that has been erased." Fox spoke that the key was to stem illegal immigration would be "agreements on sectors" which would increase labour efficiency. This might help close development gap, but this EU-style leniency is not on-par with US policy.

Fox's proposal was debated in Congress, but soon forgotten in the wake of 9/11. The intense fear of terrorism that followed 9/11 led to an immigration policy focused on security. Fear replaced reality as the need for comprehensive immigration

reform was forgotten in the movement to secure the borders. In 2003, Bush began forming a proposal to overhaul immigration to include a guest worker program.⁵³ Domestic problems were again abandoned as the fear of foreign terrorism rose at the beginning of the Iraq war.

Pro-immigration argues that the US has a responsibility to help developing nations. As the US continues to emerge as the superpower in the global economy, it must use some of its wealth to help other nations prosper.⁵⁴ In doing so, it will increase prosperity with its trading partners, and therefore increase trade. However, until it does so, it is unfair of the US to deport illegal immigrants who simply want to live a better life. Especially in the post-NAFTA world, the US must recognize its interdependence with Mexico. By deporting and abusing all illegal immigrants, diplomatic ties with Mexico are weakening. No country likes to see its citizens mistreated abroad, so for NAFTA to be a healthy relationship, the US must find a better solution to illegal immigration than the costly and disruptive method of deportation.

The views of anti-immigration activists must also be taken into account as the US decides what to do about illegal immigration. Anti-immigration has flooded the US after 9/11 with increased fear over border control and the infiltration of terrorists.⁵⁵ Policy makers need to recognize the need to document and background check immigrants more thoroughly to avoid criminals and terrorists entering the country, as a way to reassure Americans that their concerns over national security are heard.

The Secure Fence Act passed in 2006 will add 700 miles of fence to the border.⁵⁶ It will not stop illegal immigration. A fence is not a long term or effective solution. As long as Mexicans are willing to risk the danger of crossing the border to find what they believe to be a better life, illegal immigration will continue. The issues lie in

why these immigrants are choosing to leave in the first place. The US can fence itself in as much as it wants. It can attempt to isolate itself from the world. This attempt, in a world of increasing international cultural, economic, and political interdependence through globalization, is useless. If the US wants to stop illegal immigration, it must engage with the issues of development. Partial integration has caused an increased political and economic divide. Greater, more equitable integration is needed. The floodgates have been opened and now the wave must be controlled. No wall or fence can keep the problems of unequal development out, no matter how high or long it is.

Piecing the Lessons Together...

FRONTEX and the European Commission are like the glue among Member States in coordinating border security operations at the external borders. The combination of an independent body and a supranational organization not only promotes uniformity in managing borders, but it continually assesses progress and effectiveness. By providing detailed analyses and reports on the progress on its latest policies and projects at Summit conventions and Interministerial Conferences, the European Union is able to keep a running tab on the usefulness of its funding. This method is only one of the many ways that the EU monitors the success of its border control and the cost effectiveness of implemented measures.⁵⁷

The US has done little to empirically evaluate the effectiveness of the border's militarization. The Government Accountability Office (GAO) noted how the INS & Justice Department did not have plans to measure the effectiveness of its border control system in curbing the flow of immigrants.⁵⁸ Not formally assessing the effectiveness of border controls tacitly acknowledges the current policies' weakness without outright criticism.

The results thus far have been a spike in professional smuggling, corruption, deaths, ruining of American property, and creating an environment of fear in American towns. By projecting the appearance of a more secure border, the US is merely reinventing the image, which is a perverse way of fooling the citizenry to garner votes.⁵⁹

The purpose of this paper is not to place the EU on a pedestal; a social market system is not something to be cloned. It has a set of institutions whose foundation took root hundreds of years ago, thus policies for a society must be specific to that society. This paper hopes to convey *alternative ways to combat illegal immigration*.

The EU has a system of addressing immigration with ample empirical evidence to support their methods of simultaneous migration reduction supplemented by increased economic prosperity. Not only did the EU create markets for the poorer countries, it created quality jobs from capital and technological investment. The Economic and Social Research Institute in Dublin evaluated the EU's programs and came to the conclusion that the combination of three factors led to the "Celtic Tiger": Gradual accumulation of human capital, fiscal control and the maintenance of wage competitiveness, and a sharp increase in EU structural funds.

The EU model shows how converging disparities only benefit all those in a single market.⁶⁰ Plenty of Americans are hurting alongside. 60 % of Americans live on \$14 per hour.⁶¹ By competing on a price model, a natural downward harmonization ensues. The more immigrants from Mexico enter illegally, the more wages are depressed. Where is our basic humanity in reducing social exclusion and poverty, here and across the border? Is the real aim to end immigration? Or it is to perpetuate unfair advantages for multinationals?

The pro-immigration stance fails to properly address these growing concerns, labeling them unsubstantiated.

Pro-immigration groups such as the National Council of La Raza and the AFL-CIO – who recently changed from an anti-immigrant stance- support a new vision of immigration policy that aims to strengthen the economy by remaining “consistent with global realities, fostering economic growth, attracting needed worker to America, and protecting the rights of workers and families.”⁶² However noble, this stance fails to address the root problem and simply plays the politically discordant note that immigrants are good for the American economy. The pro-immigration stance needs to have clear say in its mission; does pro-immigration mean pro-cheap labour or does it mean creating a humane, just and safe society? Only then will the cacophony of messages finally resonate with a greater population.⁶³

In context of America’s quandary with illegal immigration, the EU’s internal and external policies for migration are points for comparison. Structural funds are an example of how minimal assistance can deter illegal immigration. The hegemony of the United States exerts pressure on the other two economically smaller countries, thus, bargaining tends to converge toward the minimum common denominator of corporate interests. The US should draw from Europe’s hits and misses to develop a comprehensive migration policy of an American hue. NAFTA has not even begun to flesh out compensatory mechanisms for weaker regions. Reversing the trends of NAFTA should be a top priority.

By basing reforms on wildly successful EU projects, like investments in human capital, America can boost economic

efficiency, and decrease immigration. Europe serves as an important reminder that the solution to immigration is neither easy, nor are there speedy solutions.

The US has long portrayed itself as the shining city on the hill. The ideal country, where everyone wants to be, but only the worthy can enter. The reality is that many migrants do not want to come to the US, let alone permanently reside here. The 1.3 million farmers who left their lands to take jobs as underpaid fruit pickers did so because they had no other viable choice. The regional labour and technology divide has multiplied under NAFTA, increasing the difficulties for non-privileged Mexicans, such as small-scale farmers, to earn a proper living in their homeland. The pull factor of US economic and social opportunity combine with the push factor of poverty drives economic migration, not the love of American values or culture.

The EU took 50 years to firmly link social justice with economic efficiency, to develop programs that foster democracy, equality and solidarity. It has also spawned from catastrophism; two world wars and the Holocaust. NAFTA has only been formally in operation for 15 years. Change should not come from a jolt; we can learn from example. By amending NAFTA, we can shape it to attack the root cause of immigration—a lack of opportunity. By making NAFTA a living document, we can ensure it responds to the barrages of one sided globalization and the voice of the American people.

When the US decides to take responsibility as the super power of the American region, the whole continent can feel secure, fence or no fence.

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