

EMERGING INFLUENCES IN CONTEMPORARY U.S.-MEXICO RELATIONS

Silvia Núñez-García*

Given its indissoluble geographical link with the United States, the world's foremost economic actor, Mexico's insertion in the global order is a strategic laboratory for Latin America in terms of analyzing the two nations' growing interdependence.

Together with its dynamic trade with the U.S., Mexico's structural adjustment program, in place since the 1980s, has irrefutably had an impact on its society. This is shown by the growing inequality and increasing number of Mexicans who emigrate to the United States, an average of 450 to 500 thousand a year.¹

In this context, the aim of this article is to contribute elements to allow us to explore examples that not only illustrate the growing transnational activity between the two countries, but also to study relations between transnational actors who may forge new elites in social, economic, political or cultural structures. We will concentrate on the characteristics of two organizations, the U.S. Hispanic Chamber of Commerce (USHCC) and the Institute for Mexicans Abroad, both recognized by the Mexican and U.S. governments.

The Transnational Phenomenon

Specialist Rebeca Morales's observations are an obligatory reference point for this topic. She emphasizes that institutions, individuals, capital and all kinds of organizations are transnationally mobile. This erodes traditional spheres of influence and simultaneously generates new forms of behavior and fields of action.² Her analy-

*Researcher and academic secretary at UNAM's Center for Research on North America. The author would like to thank Tonatiuh Velasco Frías for his collaboration in updating information and references and developing Table 1.

¹ Gerónimo Gutiérrez Fernández, "Migración, dimensión y factores de un fenómeno complejo", in Centro de Estudios Sociales y de Opinión Pública (CESOP), *La migración en México: ¿un problema sin solución?* Legislando la Agenda Social Collection (Mexico City: Cámara de Diputados LIX Legislatura, 2006), <http://www3.diputados.gob.mx/camara/content/download/28773/126405/file/La%20migracion%20en%20Mexico,%20un%20problema%20sin%20solucion.pdf>, accessed March 26, 2007.

² Rebeca Morales, "Dependence or Interdependence: Issues and Policy Choices Facing Latin Americans and Latinas," in Frank Bonilla, et al., eds., *Borderless Borders. U.S. Latinos, Latin Americans and the Paradox of Interdependence* (Philadelphia: Temple University Press, 1998), 1-25.

sis includes the concept of “interpenetration”, particularly important in the case of Mexico-U.S. relations because of the growing impact on political, economic, social and cultural structures.³

We base our analysis on the idea that transnationalist approaches have emphasized thinking about the interactions of immigrants with their countries of origin and their adopted countries that led to processes linking up geographically separate institutions and communities.⁴ We are interested in stimulating the debate about current shifts in the U.S. economic agenda and Mexico’s political agenda, in order to join specific transnational communities to new organizational dynamics that would tend to strengthen an eventual coalescence of traditional and emerging elites. This does not keep us from recognizing that both the origins and the power of the elites in the two countries are different since they have grown out of the specificities of each respective historical process.

According to the experts, the concept of “the transnational” must go beyond this, analyzing the occupations and activities for which surpassing territorial boundaries is absolutely necessary to get results.⁵ Thus, in this article, the aim is to inform the reader about the impact that the organization and cohesion of transnational groups have on the agendas of the United States and Mexico.

According to Alejandro Canales and Christian Zolniski, “It is enough to be part of a community where transmigration... has allowed [the actors] to expand their territorial spheres of social and economic reproduction” to constitute a transnational community.⁶

The U.S. Hispanic Chamber of Commerce (USHCC)⁷

Though founded in 1979, in the last few years the USHCC has become more visible because it is one of the most important means for defending, representing and promoting Latino businesspersons in the United States. Its current membership comes to two million businesses, and 150 Local Hispanic Chambers.⁸

Its objectives include:

- Implementing and strengthening national programs that assist the economic development of Hispanic firms;

³ Ibid.

⁴ Alejandro Canales and Christian Zolniski, “Comunidades transnacionales y migración en la era de la globalización,” paper (Simposio sobre Migración Internacional en las Américas, San José, Costa Rica, September 2000).

⁵ Alejandro Portes, Luis E. Guarnizo and Patricia Landolt, “The Study of Transnationalism: Pitfalls and Promise of an Emergent Research Field,” *Ethnic and Racial Studies*, vol. 22 (2) (March 1999): 219.

⁶ Canales and Zolniski, “Comunidades transnacionales y migración,” 6, 3 and 19.

⁷ U.S. Hispanic Chamber of Commerce, <http://www.usfcc.com/about.html>, accessed March 3, 2008.

⁸ Ibid.

- Increasing business relationships and partnerships between the corporate sector and Hispanic-owned businesses;
- Promoting international trade between Hispanic businesses in the United States and Latin America;
- Providing technical assistance to Hispanic business associations and entrepreneurs and monitoring legislation, policies and programs that affect the Hispanic business community.

Considering that immigrants of Mexican origin make up most of the U.S. Hispanic population (64 percent in 2006),⁹ the following data outlines the context for this chamber's growing importance as a space for the transnational business sector's advocacy:

- The most recent U.S. Census Bureau figures, for 2006, show that the total Hispanic population comes to 44.3 million people, of whom 28.3 million are of Mexican origin. The demographic trend is for this figure to grow, so that by the year 2050, there will be more than 102 million Hispanics in the U.S., 25 percent of the total population.¹⁰
- In the last decade, this community's buying power has increased 56 percent, reaching almost US\$700 billion by May 2004.¹¹
- The number of Hispanic firms is growing almost three times faster than the rest of U.S. businesses. According to USHCC, while in 1992 there were fewer than 800,000, by 2002, there were an estimated 2 million, and their total profits went from US\$35 billion to US\$300 billion in that same period.
- Hispanic-owned companies' commercial value totals over US\$175 billion.
- The five states with the highest concentration of Hispanic firms are California (427,805), Texas (319,460), Florida (266,828), New York and New Jersey. In the first two there is a high concentration of Mexicans: 73 percent of Hispanic businesses are owned by Mexicans, Mexican-Americans and/or Chicanos.¹²
- The U.S. Spanish-speaking community is considered the world's fifth largest.
- The Latino market in the U.S. can be considered the world's third most important, after Brazil and Mexico.

On the other hand, Mexico was the main country of destination for Texas exports in 2006, totaling US\$54.877 billion.¹³

⁹ U.S. Census Bureau, "Hispanics in the U.S.," 2006, http://www.census.gov/population/www/socdemo/hispanic/files/Internet_Hispanic_in_US_2006.pdf; accessed March 3, 2008.

¹⁰ www.ushcc.com/res-statistics.html.

¹¹ "Hispanic Purchasing Power Surges to 700 Billion," www.hispanicbusiness.com/news/news_byid.asp; accessed March 10, 2008.

¹² Hispanic American Demographics, updated May 2006, www.ameredia.com/resources/demographics/hispanic_dem.html; accessed March 10, 2008.

¹³ "Foreign Trade Statistics: State Exports for Texas," <http://www.census.gov/foreign-trade/statistics/state/data7tx.html>; accessed March 3, 2008.

In that same year, Mexico was also the main destination for Californian exports, coming to US\$19.30 billion, or 15.4 percent of its foreign trade.¹⁴ And, it ranked first among all the nations of Latin America for exports from the state of New York.

Experts estimate that by 2010, the United States will sell more products to Latin America than to Europe and Japan combined.¹⁵

This is why the USHCC is betting that its linguistic and cultural links will strengthen the projection of Hispanic business and professional elites inside and outside the United States, which would provide, in our view, a window of opportunity for making transnationalization even more dynamic.

Even though the number of small and large Mexican-origin entrepreneurs is low in the United States, if we add the fact that only 25 percent of Hispanic businesses manage to survive beyond the second generation, and 13 percent beyond the third because of a dearth of professional advisory services,¹⁶ the U.S. Departments of State and Commerce have committed to a crusade to consolidate this business sector. Using mechanisms for technical and financial assistance and establishing commercial missions in Mexico and Latin America, they are seeking to facilitate bridge-building for their expansion based on the natural links offered by cultural affinity.

We should underline the fact that the close economic relationship between Mexico and the Mexican community in particular and the Hispanic community in general in the United States goes far beyond the issue of remittances, which came to US\$13.605 billion in the first seven months of 2007.¹⁷

The Institute for Mexicans Abroad (IME)¹⁸

During the 2000 presidential campaign, candidate and future President Vicente Fox expressed concern about Mexican migrants getting attention and responses to their many demands.

As part of a comprehensive strategy, the Ministry of Foreign Relations led the institutionalization of different mechanisms to create the Program for Mexican Communities Abroad. This program promoted links between those communities and their country of origin and their development in the areas of health, education, sports, culture and community organization.

¹⁴ "Foreign Trade Statistics: State Exports for California," <http://www.census.gov/foreign-trade/statistics/state/data/ca.html>; accessed March 3, 2008.

¹⁵ Elizabeth Lisboa-Farrow, "Strengthening U.S. Relations with Latin America" (remarks, The Secretary's Open Forum Distinguished Lecture Series. Washington, D.C., October 11, 2002), <http://www.state.gov/s/p/of/proc/tr/14680.htm>; accessed December 5, 2006.

¹⁶ Karla Wucuan Ochoa, "Proliferan los negocios familiares," *La Opinión*, February 17, 2004, <http://www.laopinion.com>; accessed June 10, 2004.

¹⁷ Juan Antonio Zúñiga, "Estancado, el ingreso de divisas por remesas, reporta el Banco de México," *La Jornada*, September 5, 2007, <http://www.jornada.unam.mx/2007/09/05/index.php?section=economia&article=025nleco>; accessed March 3, 2008.

¹⁸ See www.ime.gob.mx.

Based on this experience, the Mexican government's commitment to Mexicans living and working abroad led in 2002 to the creation of the Institute for Mexicans Abroad (IME). Its mission is to promote strategies, develop programs and receive proposals and recommendations from the communities, its members, organizations and consultative bodies that tend to raise the living standards of Mexican communities abroad. The IME's objectives are to:

- Promote the rethinking of the phenomenon of migration and decent treatment for Mexicans living abroad.
- Be a liaison with the Mexican communities living abroad, in coordination with Mexico's diplomatic missions.
- Establish appropriate coordination with governments, institutions and organizations of Mexico's states and municipalities with regard to prevention, attention and support to Mexican communities abroad and other related, complementary issues.
- Gather and systematize proposals and recommendations that tend to improve the social development of Mexican communities abroad.

The institute carries out different activities to promote the study and analysis of migration to develop new proposals for improving the well-being of Mexican communities abroad.

The IME operates through a Consultative Board (CCIME), first created in 2006 with 126 full members. Most are from the Mexican and Mexican-American community in the United States, although Mexican-Canadians (elected leaders living in the United States and Canada) also sit on it.

The CCIME also includes 10 councilors from the United States' most representative Latino organizations, like the Association of Farmworker Opportunity Programs, the Hispanic National Bar Association, the Hispanic Scholarship Fund, the League of United Latin American Citizens, the Mexican American Legal Defense and Educational Fund, the National Council of La Raza, the New American Alliance, U.S. Hispanic Chamber of Commerce and the National Association for Bilingual Education, plus a representative from each of Mexico's 32 state governments.

The IME has strengthened the CCIME's ability to fulfill its mission, which is to give a voice to migrants and their descendents, by forming six working commissions. These bodies concentrate efforts on issues of common interest and direct actions to benefit Mexicans and persons of Mexican origin living in the United States. Currently its commissions are the following: Economic Affairs and Business; Educational Affairs; Legal Affairs; Political Affairs; Health Affairs; Dissemination and Media; and Border Issues.¹⁹ According to table 1, of all 126 CCIME full U.S. members: 18 percent are business owners and/or executives; 21 percent earn their livings in the professions (doctors, lawyers, educators, etc.); 4 percent are owners or editors of local or national Hispanic newspapers; 9 percent are local or state officials; 2 percent are mayors or members of Congress.

¹⁹ See www.ime.gob.mx/ccime/directorios/Dir-CCIME-2006-2008.

TABLE 1
 PROFILE OF THE 126 FULL MEMBERS OF THE INSTITUTE FOR MEXICANS
 ABROAD CONSULTATIVE COUNCIL (CCIME) (2006-2008)

United States	
Members of Hispanic organizations and/or organizations representing the established Mexican community	73
Business owners and/or business executives	23
Political representatives of the Mexican and/or Hispanic community (mayors and members of Congress)	3
Local county or state government officials	11
Active members of the broadcast media (radio or television)	7
Owners, directors of the print media specialized in the Mexican and/or Hispanic community	5
Workers and/or activists exercising their professions (academics, educators, doctors, interpreters, lawyers, etc.)	27
Members of bi-national Mexico-U.S. organizations, institutes and committees	10
Labor leaders	4
Members/leaders of Hispanic religious organizations	7
Promoters/disseminators of Mexican art and culture	9
Members of the Mexican American Legal Defense and Educational Fund (MELDEF)	1
Members of the League of United Latin American Citizens (LULAC)	7
Members of the National Council of La Raza (CONCILIO)	3
Canada	
Members of Hispanic organizations and/or organizations representing the Mexican community	2
Members of bi-national Mexican-Canadian organizations/associations	1
Promoters/disseminators of Mexican art and culture	1
Active members of the broadcast media (radio or television)	1

NOTE: In most cases, the CCIME members participate in several activities at the same time and belong to different organizations, which is why the numbers do not add up to 126.

Source: Table developed with information available at the IME official portal http://www.ime.gob.mx/ccime/perfiles_ccime06.pdf, accessed May 20, 2008.

When we analyze these percentages, we find that 54 percent of the 126 councilors have sufficient economic means or influence to be considered an emerging transnational elite.

Looking more deeply at this same hypothesis, we can say that the first and current IME director, Cándido Morales, appointed in September 2002, sets a significant precedent given his personal history.

Morales was picked from among a group of 320 candidates, all Mexican men and women living abroad, mainly in the United States. Originally from the small town of Miltepec, Oaxaca, he now holds dual nationality after emigrating at the age of eight

to California to join his father, a farm worker who entered the United States as an undocumented migrant.

After getting his college degree at Sonoma State College, Cándido Morales began a distinguished career as a social worker at the California Human Development Corporation (CHDC), where he rose to the position of vice president and director of communications.

This non-profit organization provides social services for people living in poverty in 18 rural Northern California counties. Presumably, a large number of its beneficiaries are Mexican migrants. The CHDC's work is carried out through contracts signed with the federal, state and local governments.

The IME's current president has distinguished himself as an able community leader, vocational advisor, press director and head of several development programs targeting California's Hispanic and Mexican communities.²⁰

He has also been a member of the Hispanic Chamber of Commerce of Sonoma County, where he demonstrated his ability to build bridges between social activism and the transnational business milieu.

His appointment prompted strong reactions from conservative sectors in the United States, who said,

[As] Vice President and Director of Communications at CHDC, Morales's job was to make sure illegal aliens received every federal and state handout available.... On and on goes the Mexican propaganda machine. Whether the names are Salinas de Gortari, Zedillo... or Morales, their mission is monotonously the same: gimme, gimme, gimme.²¹

Final Thoughts

The two examples described here show us that both institutions are based on transnational networks, where businesspersons on the one hand and politicians or social activists on the other link up with society in Mexico and the United States. This allows them to gradually have an impact on their respective national governments and state and/or local institutions, broadening out the traditional spaces for social, cultural, economic and even political reproduction. This way, both bodies find the ideal spaces for optimizing their specific objectives, increasing their members' social capital.

Although with different focuses, both organizations confirm what Robert Smith has pointed out about transnationalism being promoted by states once the governments realize the importance of their communities abroad, or the potential of those

²⁰ Embajada de México en Estados Unidos de América, "President Fox names the director of the Institute for Mexicans Abroad." September 16, 2002, <http://embassyofmexico.org/>; accessed June 11, 2004.

²¹ Joe Guzzardi, "Fox Appoints another Mexican Meddler," January 3, 2003, <http://www.vdare.com/guzzardi/morales.htm>; accessed June 11, 2004.

who have already emigrated, and for that reason they take on the role of facilitators of new initiatives that can benefit them.²²

In the case of the U.S. Hispanic Chamber of Commerce, we can see what Portes et al. point to when they argue that “the economic initiatives of [new] transnational entrepreneurs who mobilize their contacts across borders in search of suppliers, capital and markets” situates this organization in the category of *Transnationalism from above*.²³ On the other hand, the IME could be identified with promoting *Transnationalism from below*, since its aims and actions include “the political activities of... government functionaries, or community leaders whose main goals are the achievement of political power and influence in the sending or receiving countries.”²⁴

We consider that a space for promoting emerging elites is being created in the shadow of these two organizations, taking into account that the actors operating there have to change their patterns of adaptation and integration into society in the United States and Mexico. In other words, it is worth wondering whether the conditions imposed by globalization favor the accumulation of social capital based on the mobilization of economic, political and cultural resources around transnational actors, prior to the displacement of those other actors who resist this process and who, by closing themselves off from it, could see their capacity to influence erode even within the context of national states.

In conclusion, we believe that these examples confirm that a sector of the national political elites in both countries has decided to deepen the design and strengthening of pro-active, institutional mechanisms to benefit from the emergence of increasingly interdependent political and business-sector transnational actors.

The role of social networks today in determining new spheres of influence is undeniable. In turn, these networks are articulated beyond national borders, and their capacity for influence has transnational potential.

On the other hand, we base our ideas on the conviction that the development of organizational skills is an imperative that must be fulfilled in constituting elites—in accordance with the theses of Italian thinker Gaetano Mosca—and that this is happening in the cases we have presented here.

We find empirical research to deepen our analysis and comparison of Mexico-U.S. transnational actors extremely important. It would incorporate into the study of the elites concepts like heterogeneity, and thus make it possible to recognize new interactions among economic, political, social and public administration leaders who include negotiation, pacts, compromise and strategy development in their calculations for achieving power.

In the approach developed here, we think that the United States and Mexico are already converging in a model of pluralist democracy in which societal power trans-

²² Robert Smith, “Domestic Politics Abroad, Diasporic Politics at Home” (paper, session Transnational Communities: Space, Race/Ethnicity, and Power, American Sociological Association, New York, NY, August 1996).

²³ Alejandro Portes et al., “The Study of Transnationalism,” 221.

²⁴ *Ibid.*

cends the concept of closed elites. Thus, the USHCC and the IME-CCIME will have to demonstrate their capacity to have an impact on society in both countries in order to prove or refute their insertion as strategic elites,²⁵ the result of the complexities of modern society, which has imposed a high degree of specialization in decision making.

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²⁵ See Suzanne Keller, *Beyond the Ruling Class* (New York: Random House, 1963).

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