



# Mexico at a Crossroads:

Learning from History, Facing the Future

A Conference Jointly Sponsored by Colegio de Mexico and Tulane University | New Orleans, Louisiana | November 17-18, 2011







## **MEXICO AT A CROSSROADS: LEARNING FROM HISTORY, FACING THE FUTURE**

**Conference Jointly Sponsored by Colegio de México and Tulane University**

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**New Orleans, Louisiana | November 17-18, 2011**

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## THE CENTER FOR INTER-AMERICAN POLICY AND RESEARCH AND EL COLEGIO DE MÉXICO HELD A CONFERENCE AT TULANE UNIVERSITY TO DISCUSS KEY ISSUES CONFRONTED BY MEXICO AT THE START OF THE TWENTY FIRST CENTURY.

The event focused on Mexico's future challenges, informed by an analysis of the country's history and its present circumstances. It was inspired by the Colegio's release of the series *Los grandes problemas de México*, a seventeen volume series edited to commemorate the Institution's seventieth anniversary. Participants at the conference discussed social, economic, and political issues in seven panels over two days. Presenters and discussants on the panels represented scholars and policy experts from El Colegio, Tulane, and other premier U.S. academic and research institutions.

The inaugural panel provided the historical backdrop to contextualize the complexities of present-day Mexico, analyzing the nation's debated history, beginning with independence from Spain and then the Mexican Revolution. A second panel examined the international context by tracing the evolution of Mexican foreign policy, both with regard to other Latin American countries and the United States. It was followed by a special presentation by Mexican Undersecretary of State Julián Ventura, which also focused on U.S.-Mexican relations, particularly trade and border policy. Panels three and four addressed longstanding questions related to Mexican economic development, including the relative adequacy of economic growth, the sustainability of poverty and inequality reductions, the effects of policy choices on economic outcomes, and the persistence of structural limitations to growth in the Mexican economy. On the second day of the conference, the panels turned to the discussion of key contemporary issues in the domestic and international arenas. The first panel ex-

plored the challenges posed by demographic change and migration. Panelists analyzed the evolution of population and migration trends and the reciprocal impacts between them and social and economic forces. They also focused on government efforts to control migration and their intended and unintended effects. Participants on the second panel discussed the consolidation of Mexican democracy since its transition from single party rule at the turn of the century, pondering the challenges and dilemmas that persist in spite of considerable progress. The final panel examined security and drug trafficking, two issues that have played an outsized role in Mexican domestic affairs and U.S.-Mexican relations in recent years. The conference was capped by a provocative keynote presentation by Jaime Serra, Mexico's former Minister of Trade and Treasury, which stimulated debate about the real obstacles to Mexico's trade and economic growth.

This document was prepared by Ludovico Feoli with inputs provided by Hannagan Johnson and Michael Legendre. It provides a brief synthesis of the presentations and some of the interventions by discussants and participants. It also highlights some of the conclusions reached during this fruitful two-day conference.

*The Center for Inter-American Policy and Research and the Colegio de México wish to thank Tulane University for hosting the conference and the faculty and staff at both institutions for organizing the event. A special thanks goes to Angela Reed for her coordination efforts and to Kelly Jones for her assistance with the editing process.*

## PANEL I

### *Some Consequences of the Independence of Mexico*

Josefina Z. Vázquez began by detailing the economic and political situation that both helped bring about the Mexican War of Independence and the troublesome conditions of the young, independent nation. By explaining how the lack of resources within Royal Spain exacerbated a financial crisis in its colonies, she demonstrated how Spanish loans and war financing bankrupted New Spain. The war also affected social order and destroyed the administration built during three centuries and especially the efficient tax collection and concentration of funds in Mexico City. On top of that, the fame of richness and its immense and uninhabited territories wetted the appetite of its expanding neighbor, and the ambitions of the commercial powers. Thus financial crisis and destruction produced by the war explains the search of a suitable system through several experiments. But the lack of resources made all of them fail and the weakness of the national government made it unable to defend itself from the country's external menaces.

The conditions in 1821 were not conducive to building a state. All capital had been drained from the Viceroyalty and the mechanisms of social order and administration were destroyed, including tax-collecting mechanisms. The only experience of governance that could be drawn upon was that of monarchy, centralized control, and dictatorship—this was precisely the type of regime that emerged from independence and allowed Agustín de Iturbide to gain control, however briefly. The 1824 Federal Constitution, though federal only in name, closely followed the Spanish constitution of 1812, favoring a weak federal authority in favor of the states, lacking fiscal power over the inhabitants. Even the U.S. constitution gave the state the power to tax for the common interests of the nation. But Mexican independence followed a colonial tradition of strong regionalism, with wealth concentrated in small groups and limited social mobility. The political elite was made up of a middle class of lawyers and priests with little experience in government, in sharp contrast to the drafters of the U.S. constitution. Weakness was endemic to the nascent Mexican state and government was crippled in its abilities from its origins. What characterized early Mexico, then, was a chronic instability of institutions



*Josefina Vázquez*

driven by bankrupted treasuries, despite governance efforts by centralized governments.

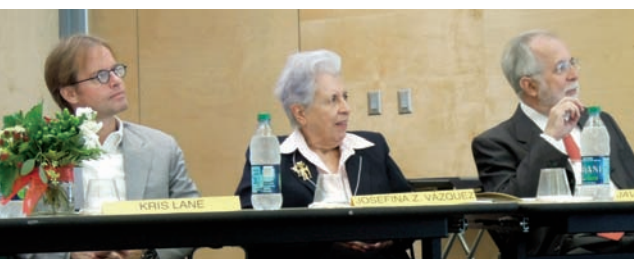
Javier Garciadiego discussed the Mexican Revolution, a product of multiple ideological movements that is still hotly debated, including regarding the question of when it ended. While it produced Mexico's first social constitution in 1917, Garciadiego explained that it is difficult to pinpoint the Revolution, given its changing moral context and accompanying power struggles. While the constitution of 1917 did succeed in stabilizing Mexico quickly, it was not until the presidency of Lázaro Cárdenas that its implementation reached the national level. Following Cárdenas, Mexico continued onto a long period of economic growth, but in that period the concept of modernization replaced that of revolution. This placed the Revolution as an item in history rather than a plan for government.

Garciadiego explained the Mexican Revolution as an evolving event over several stages, though the categorization as a single revolution is still possible. He suggested that we must admit components of a single revolution; otherwise the movements would be isolated searches for political change. He explained the Revolution as one led by elites and the middle class, and as a complex process. He suggested there should be a distinction between creators and destroyers in the revolutionary period and noted that while there were struggles against hacienda owners, this was not the case against bankers and industrialists. He emphasized the missionary nature of revolutionaries like Pancho Villa and Emiliano Zapata, and finally he noted that some revolutionary politicians censored the press and aligned themselves with the army and the United States embassy.

Professor Garciadiego explained how the image of the revolutionary period suggested several lessons for today. The image of the Revolution, he said, is less optimistic and more ambiguous today than fifty years ago. While Mexico's Revolution did accomplish its initial goals with regards to independence, it did not establish a new system of social justice or democracy

and this led to differentiated movements throughout the revolutionary period. The Revolution carried the lesson that violence is no guarantee. Today's challenges, then, should be faced peacefully, Garciadiego suggested, by devoting this century to consolidating democracy and promoting social justice.

Tulane professor Kris Lane provided commentary on the papers by Vázquez and Garciadiego. He highlighted the conflicted, rich history of Mexico discussed by the presentations and suggested that various legacies emerge from the country's historical context. The pre-Colombian period, the Colonial period, the Church, the Independence movement, and the Revolutionary period all reside in different lights and legacies within the consciousness of Mexico, but hopefully should provide lessons from which improvements can be made in the future. While some legacies are negative, such as the persistent poverty of the indigenous, positive aspects, like the persistence of indigenous culture, often temper them. The effects of yet other legacies are more uncertain, as in the case of nationalism, emergent already from the creole patriotism of Hidalgo and Morelos, or the case of the Revolution. Was it a success or a failure? It kicked off the search for democracy, opening a sequence of debate and violence, factionalism and regionalism, that was eventually displaced by bureaucratic



*Kris Lane, Josefina Vázquez and Javier Garciadiego*

heroes (Cardenas, Calles) who consolidated and institutionalized it, giving rise to economic nationalism and, eventually, economic crisis and the notion that the Revolution had died. But has it? What are the key lessons of these processes of independence and revolution for current day policy makers? Participation of the popular sectors changed outcomes, so we might ask ourselves how the increased incorporation of these sectors might come about today. Another lesson is the danger of having a weak central government, which can lead to rebellions and territorial loss. Today weak government faces a new kind of war. But then another lesson is that violence is not unambiguously a solution for social problems.

## PANEL 2

### *Mexican Foreign Policy*

Ana Covarrubias began the panel on Mexican Foreign Policy with her presentation, "Mexico's Policy towards Latin America: Facing Diversity." One of her focal points was Mexico's conspicuous shift from a non-interventionist stance during the Cold War to a more assertive promotion of inter-American human rights and democracy during the first PAN government in 2000. Some of the more salient indicators of this shift include the recognition of the Inter-American Court under Ernesto Zedillo in 1998 and the deterioration of Mexican-Cuban relations, which started with Zedillo but accelerated and deepened under Vicente Fox.

Covarrubias identified the change in Mexico's relationship with Cuba as the most emblematic illustration of the transformation of Mexico's regional foreign policy. Whereas historically, both Cuba and Mexico had together defended non-intervention, in 1999, PRI president Ernesto Zedillo declared that non-democratic governments could not be sovereign in the region, demonstrating Mexico's new commitment to promoting human rights and democracy. Under PAN president Fox, Mexican-Cuban relations worsened, as Fox assertively committed himself to human rights, security, and democracy within the inter-American system in his policy towards Latin America. Fox's hard-line position towards Cuba had the consequence of damaging Mexico's relationship with Venezuela and Argentina, relations that were already difficult as a result of the countries' different positions regarding the Free Trade Area of the Americas, FTAA. Venezuela and Argentina criticized Mexico's support of the FTAA. While Mexican-Cuban relations deteriorated nearly to the point of diplomatic rupture, PAN president Felipe Calderón has since restored them, stating that Mexico cannot issue judgment on human rights violations in other countries since it struggles with its own internal human rights violations, particularly in the context of recent narco-related violence.

Covarrubias concluded her presentation by asserting that overall, Latin America and the Caribbean have become secondary in Mexican foreign policy, a development which she primarily attributes to the exigencies of internal circumstances related to organized crime and drug violence that have exacted greater attention from the Mexican government.

Gustavo Vega continued the panel by looking northward at Mexico's relationship with the United States in his presentation "Mexico-U.S. Relations at

a Crossroads: The Challenges for the Next Mexican and U.S. Administrations.” Vega noted that although Mexico has historically attempted to distance itself from the United States, a contiguous border and the economic and social integration that have taken place, accelerated with the signing of NAFTA, have brought the two closer together, so that they are now almost inextricably linked. Two of the more salient indicators of interdependence between the two countries include the level of U.S. investment in Mexico, and the supply of Mexican labor to the U.S., which currently accounts for one-fifth of overall Mexican labor.

Vega emphasized that since September 11, however, the context of the Mexican-American relationship has changed, hindering the prospects for a deeper, more effective partnership. More recently, neither Barack Obama nor Felipe Calderón have prioritized the U.S.-Mexico relationship: Obama promised to renegotiate NAFTA, which has not yet occurred, and he and the U.S. government are more preoccupied with other challenges, including a relatively unstable dollar, manufacturing flight, the economic and political ascendancy of China, and violent backlash against globalization; on the Mexican side, Calderón has overwhelmingly committed his presidency to combating organized crime and drug trafficking, which has left little space to focus on the Mexican-U.S. relationship outside of the issue of the drug trade. For the next Mexican administration, Vega believes that there must be a greater focus on the development of human capital and infrastructure, as well as more efficient management and productivity in the energy sector to enhance prospects for further economic development in Mexico. In Vega’s view, Mexico must also attain more solid and robust economic growth, as well as develop domestic competition, which is low compared to industrialized countries like the United States and Europe.

With respect to the future of the Mexican-U.S. relationship, Vega shared his view that the two neighbors must deepen their integration to further enhance mutual socioeconomic benefits and to establish more effective coordination in confronting critical issues like drug trafficking and migration. Vega enumerated specific areas of improvement, the first being border management in the context of bilateral trade. One of the overarching purposes of NAFTA was to eliminate barriers, yet for the last fifteen years, Mexican trucks have not been permitted to cross to the U.S. side of the border. Vega contrasted this with a positive counter-example, the trade of Mexican avocados. U.S. inspectors are actually allowed into Mexico to verify

compliance with sanitation standards, which then facilitates the transit of the avocados across the border by obviating the need for cumbersome border inspection. Vega referred to this example as “moving the border inside” to improve efficiency, an area in which the U.S. and Canada have already made progress but which is still lacking between the United States and Mexico. Vega suggested that a customs union like that of the European Union might be an approach that would improve border efficiency, but that as of now, such a union is not viable due to sociopolitical obstacles. Security is another area in which cooperation needs to be increased, which might be effectively realized by integrating intelligence and surveillance activities in all three North American countries, although Vega noted that information leakage in that scenario could be a potential problem. And finally, with respect to the perennially salient issue of migration, Vega suggested that the establishment of high-tech identity cards and a program of frequent travelers would be potentially beneficial improvements to the current dysfunctional migration policy.

Francisco González of the Johns Hopkins School of Advanced International Studies closed the panel by focusing on the increasing preeminence of security in the bilateral relationship between the U.S. and Mexico. González traced the emergence of the relative salience of security in the Mexican-U.S. relationship to September 11 and, more recently, to the rise of drug-related violence. Beginning with the Fox government, new police forces were established in Mexico, later accompanied by a drastic increase in the number of U.S. Drug Enforcement Agency (DEA) personnel operating in Mexico. Domestic security within Mexico became a central issue with the arrival of President Felipe Calderón, who initiated a “War on Drugs” at least partially, many believe, to legitimate the contentious 2006 election in which he won by a very narrow margin. The United States initially pledged 1.4 billion dollars in aid to assist Mexico in this war.

With respect to more recent developments in security and the drug war, the arrival of Obama to the White House has not substantially altered security policy, despite significant ideological differences between him and his predecessor, George W. Bush. There was, however, one small but significant exception underscored by González: the idea of shared responsibility in the transnational drug trade due to the United States’ exorbitantly high domestic demand for drugs, as well as the flow of arms to Mexico. The Obama administration’s explicit acknowledgment of U.S. responsibility had overwhelming symbolic sig-



nificance in Mexico, but nevertheless, “the nuts and bolts” of security policy from Bush to Obama have remained unchanged. Since 2010, in fact, González noted that there has been a large surge of U.S. DEA personnel going into Mexico.

Considering the preeminence of security in the Mexican-U.S. relationship over the last decade, González posed the question: what will happen after 2012? Both Mexico and the United States have presidential elections this year. Will the security relationship between Mexico and the United States be institutionalized independently of who is in office? Is the institutionalization of the security relationship feasible or desirable? González shared his view that a revival of economic activity is the best avenue for mutual gains for both Mexico and the United States, as well as increased economic cooperation between the two neighbors. For Mexico, establishing a rule of law and strengthening the judiciary is vital because without it, González believes that Mexico’s democracy cannot survive. González also suggested that institution building would be a more effective solution to curbing drug violence than the current “War on Drugs.” In this regard, U.S. aid to Mexico might be better utilized and ultimately produce better results for both Mexico and the United States if it is aimed at strengthening the judicial system and building state capacity rather than buying military hardware and increasing security personnel.

## SPECIAL PRESENTATION

### AMBASSADOR JULIÁN VENTURA



The Mexican Undersecretary for North American Affairs, Julián Ventura, addressed the conference in a special presentation in which he highlighted the importance of trade and border policy for the relationship between the U.S. and Mexico.

Since the implementation of NAFTA, trade relations between the two countries have become progressively important. Mexico buys more goods from the U.S. than the rest of Latin America, more even than China and Japan combined. Mexico trades more with California alone than with the rest of Latin America. More than a billion dollars in goods is exchanged between Mexico and Texas daily. Ventura highlighted that this crucial bond could be deepened further if the two governments work together on regulatory cooperation, simplifying processes that will allow better integration. Streamlining trade operations in trans-



*Conference Participants*

portation, gas and oil, could lead to immediate gains in productivity and efficiency.

In fact, progress in these areas is already visible. Railways linking border towns are under construction and talks are underway to better integrate the San Diego and Tijuana airports. Cargo inspection rules are being revised to avoid unloading and re-loading shipments on each side of the border. Trusted traveler programs are being considered to allow low-risk, pre-approved travelers like business people and students to travel expeditiously. In the energy field, the two governments are negotiating agreements on renewable fuels as well as a cross border hydrocarbons treaty to control the oil industry in the Gulf. The goal is to establish common standards, to foster disaster prevention, and to enable quicker reactions during emergencies.

Ventura identified organized crime as a key point of friction between the U.S. and Mexico. He emphasized that its proper management will require a coordinated response based on shared responsibility, with U.S. and Mexican enforcement agencies overcoming any current mutual mistrust. But he also expressed confidence in an emerging consensus about the importance of such an approach, including the need for symmetrical intelligence exchange, south-north as well as north-south border inspections, and bilateral legal enforcement. A key element of any initiative should also be capacity building, with training of police and judges accompanying the reform of the legal system and the reallocation of federal resources to municipalities in Mexico. Whether these ongoing initiatives are sustained, or even deepened, will depend on both countries mustering the necessary political will, especially through the presidential elections they will both hold in 2012.

### PANEL 3 | PART I

#### *Structural Change, Economic Growth and Equity*

The two-part panel entitled “Structural Change, Economic Growth and Equity” offered economic analyses that tried to identify the roots of the present state of the Mexican economy. In the first panel, Gerardo Esquivel from the Colegio de Mexico sought to answer “Why is Mexico not rich? Why should it be?” Tulane professor Nora Lustig next showed the progress as well as shortcomings made toward reducing inequality and poverty in Mexico from 1982 to 2010. Finishing the first part of the panel, professor Robert Blecker of American University discussed the consequences of trade liberalization and their effect on Mexico’s employment and wages.

Professor Esquivel outlined several indicators of slow growth in Mexico from the recent past. Quoting recently published papers he illustrated that growth in Mexico has been stagnant for about thirty years. The previous three decades, he said, exhibit about a 1% yearly growth rate in per capita GDP since 1980, a much lower rate than hoped for, and well below the steady annual growth of about 3% prior to this year. Citing labor productivity, Esquivel showed that Mexico is performing worse than other Latin American countries like Brazil and Peru. In fact, Spain has a much higher GDP per capita than Mexico today, although both countries began at approximately the same level about forty years ago. Thus, Mexico’s bleak poverty rate is intrinsically tied to slow economic growth rates from the recent past.

Numerous theories explain this slow growth. Downplaying theories of economic informality, labor market rigidity, China’s influence, and political factors as causes, Esquivel sees four main contributors to Mexico’s low growth: human capital, physical capital, institutional development and rule of law, and a lack of competition. Low high school education rates and a poorly functioning credit market reflect the country’s quandary. Banking credit to the private sector, for example, is at similar levels to Sub-Saharan African nations. This suggests that the Mexican economy lacks a strong internal market and depends too much on the U.S. economy. It calls for a strengthening of Mexico’s domestic market and for a diversification of its foreign trade relationships. Professor Esquivel suggested that fiscal reform can and should guarantee vertical and horizontal equity, while some issues can be addressed without the need for major reforms.

Nora Lustig followed by detailing the trends in



*James Alm, Robert Blecker, Nora Lustig and Gerardo Esquivel*

poverty and inequality in Mexico in the period from 1982 to 2010. Using statistics from this period, she showed that while GDP growth was very slow, the poverty picture did not look as bad, although progression in this aspect has slowed. Dr. Lustig divided the period into phases to illustrate the economic landscape. From 1982-1994, for example, the debt crisis coincided with a rise in inequality and poverty. From 1994 until 2006, the post-NAFTA economic environment in Mexico exhibited slow growth but a stronger decline in inequality and poverty. In the more recent years of 2006-2010, however, Mexico experienced another increase in poverty and the progress made on the economic inequality front slowed down.

Lustig showed how the results of state policies varied in these three phases. The debt crisis was the driving force for the rise in poverty and inequality from 1982 until 1994, but evidence suggests that policies implemented to address this may have made things somewhat worse. During this period, the wage gap between the skilled and low-skilled workers rose, a major determinant of the rise in overall inequality. The rise in poverty and inequality in the first phase was chiefly due to the debt crisis, over-adjustment, trade liberalization, and labor market policy (in particular, the sharp reduction in minimum wages). From 1994-2006, though, the wage gap declined and government transfers increased and were better targeted to the poor. In the post-NAFTA era, mild GDP growth and educational expansion resulted in the lowering of the wage gap. In the most recent period from 2006 to 2010, the slowdown of progress on the poverty and inequality front may be due to issues in the supply and demand of education and the effects of the global financial crisis which hit Mexico particularly hard. It is too early to say whether the loss of momentum in the decline in inequality is transitory or reflects some new structural trends.

Robert Blecker focused on the effects of trade liberalization on the Mexican labor market, and analyzed



why the optimistic expectations for job creation and wage increases were not realized. Blecker argued that the overly optimistic expectations came from viewing the Mexican economy in a regional (North American) context rather than in a global context. After Mexico opened its economy, first through joining GATT and later by forming NAFTA, the natural tendency to trade more with the United States grew out of the two nations' geographic proximity and economic complementarities. Intra-regional trade flourished in the late 1980s and 1990s, and many industries became vertically integrated on a North American basis. Manufacturing employment rose substantially in Mexico in that period, but the job creation was not large enough to absorb most of the increase in the Mexican labor force.

After 2000, both Mexican and U.S. trade shifted more toward other nations, especially China and other Asian countries, and this coincided with the stagnation of employment in Mexican manufacturing. The U.S. share of Mexican imports fell below 50 percent by 2010, although over 80 percent of Mexican exports continued to be destined for the U.S. and Canadian markets combined. Mexico and China produce similar types of exported goods, and therefore have a competitive rather than a complementary trade relationship. As China has made greater inroads into the U.S. market, Blecker argued, it has not only displaced potential Mexican exports, but also weakened many U.S. industries that relied on inputs or assembly from Mexican producers.

In regard to wages, the expectation was that the abundant factor of production, in Mexico's case unskilled workers, would have the most to gain from opening trade. Thus, unskilled wages should have risen and wage inequality should have narrowed. However, while Mexico is labor-abundant compared to the United States and Canada, it is only about average in labor abundance on a global scale, and hence large gains in wages or reductions in wage inequality should not have been expected. Blecker acknowledged that the changes in Mexico's labor market since the 1980s have many other causes, and cannot be attributed solely to trade liberalization. With the United States and Europe expected to grow more slowly in the foreseeable future, he argued that Mexico will have to rely more on internal demand to spark its growth.

## PANEL 3 | PART II

### *Structural Change, Economic Growth and Equity*

Alejandro Castañeda revealed some interesting characteristics of the Mexican telecommunications industry in his presentation "Telecommunications Regulation, Political Incentives." Using two examples of questionable tactics and behavior on the part of major telecommunications companies in Mexico, Castañeda suggested some changes needed to overcome the industry's lack of transparency and high levels of corruption. The first example involves the interconnection contracts of the major Mexican telecommunications corporations. Intercommunication, a term used to denote the allowed transmission between customers of different carriers (a Telmex user calling a Telefonica user, for example), is a necessary mode of operation in these markets. However, it can work as a collusive device to control the tariffs and fees involved. Mexico traditionally exhibits some of the highest costs of interconnection in the world, though there are only a few major players in the telecommunications game in the country and external interest in the market is quite low. There is a public interest in controlling these collusive practices, since doing so would reduce costs for all customers and lead to an increase in public welfare.

The licensing market for Mexico's nine telecommunications regions also poses a significant risk for inefficiency in operations. Spectrum auctions, in which companies bid for regional licenses, are of particular interest as new technologies like 4G and LTE are introduced. One such auction held by COFECO, the regulatory body for Mexico's communications industries, placed a frequency cap for three national licenses that disqualified the big providers from competing for them, since adding this spectrum to their already existing services would surpass the set cap for qualifying bidders. Thus, Nextel was the only



*Conference participants*

company eligible to bid for these licenses, and true competition did not occur.

Finally, the transition from analog to digital television is of particular concern since it exhibits some signs of political handouts and non-transparent behavior by the telecommunication giants. By using technical language, these corporations aim to confuse the public when new technologies actually allow for a more competitive market. For example, since digital television channels require less spectrum space than their analog predecessors, more space should be available with the shift in technology. However, corporations received the same spectrum levels they were previously allotted, thus allowing existent companies to expand with many more channels, while denying entry to new market participants and restricting true competition.

Politicians express concern about reducing the market share of these large companies. Yet, as elections approach, these politicians lessen their pressure since these conglomerates are responsible for airing important campaign advertisements. Fostering competition by allowing new entrants into the market is crucial to solving such cyclical behavior. Likewise, a better understanding of the technical aspects of the industry would allow politicians and policy makers to devise better formulas for the promotion of a healthy and competitive telecommunications market.

Isidro Soloaga illustrated the impact of policy changes on Mexico's rural economy from 1985-2010. By 1982, rural poverty reached a level of 32% in Mexico, compared to 13% for urban citizens. Spatially, there existed a strong contrast between lower-tech, more sustainable agricultural practices in southern Mexico and higher tech agriculture in the north. Since then, policy changes affected this landscape. Specifically, the process of opening up Mexican trade through GATT and later NAFTA significantly changed agricultural production in unpredicted ways. Yet, there were also policies enacted to manage this transition to trade openness, attack rural poverty, and achieve new levels of environmental protection.

By 2010, poverty levels rose to 35% in rural areas and to 14.7% in urban areas. Rural areas now experience high levels of emigration to urban centers, the United States, and even other rural areas. This has occurred in a context of new trade openness, an increase in imports, a decrease in domestic prices, and an increase in non-irrigated land production.

Soloaga demonstrated that public policy had in fact isolated big producers from international competition, which was contrary to the original intention. The absence of clear policy for small producers also

contributed to an increase in agricultural production in the urban periphery and a reduction in small-scale farmers. This is partly explained by the considerable power of big agricultural producers and their leverage with the state. Big producers benefited from infrastructure investment, even if policies were shifted away from producers of specific crops.

Concluding the two-part panel, UNAM professor of economics Rolando Cordera offered some insights and lessons to take away from the presentations. The story of Mexico's economy over the past two decades is both a happy and unhappy one. Trends should continue to display gradual reductions in poverty while income concentration should continue to rise. Inequality, Cordera explained, exhibits levels very similar to those of the 1980s, showing that the conditions for better relationships between social classes have not improved. Indeed, statistics show an unjust society, which suffers from what Cordera calls poverty of the state as well as poverty of growth. This unjust society manifests itself in many ways, such as in the lack of opportunities for rural populations, the links between rural poverty and criminal activity, and the inability of the state to enact political change that reflects the changing social conditions.

Cordera's central point of reflection was that there is a great divorce between Mexico's economic transformation and its demographic transition. Specifically, the 1980s brought about an increase in the number of young people, yet as growth lost its dynamism, it was insufficient to absorb them into the formal marketplace. Informality increased over time, with the worst type playing out as organized criminal activity. The opening of the economy was not enough to spur the health and robustness of Mexican society. It failed to generate the public surplus necessary to educate and provide for those citizens that overflowed into informal avenues.

Ultimately, Cordera posited, a weak state and weak political structures mirror the weakness of the economy. The result is widespread disenchantment with the government among citizens. The question of poverty and social exclusion requires addressing wages, employment, exports, education, and political structures all within the context of inequality. To Cordera, Mexico remains a large, rich country with far too many poor.



*Conference participants listen to Francisco Alba*

## NOVEMBER 18

### PANEL 1

#### *Demographic Change and Migration*

Manuel Ordorica opened the symposium's panel on Demographic Change and Migration by providing a comprehensive overview of population and migration statistics in Mexico in his presentation "The Population of Mexico in the 21st Century." According to Ordorica's research, as of 2010, the population of Mexico was 112.3 million with a declining population growth rate of approximately 1 percent a year and a total fertility rate of 2.2 children per woman. This total population figure represents about one-third of the U.S. population (317.6 million in 2010). In Mexico, the average life expectancy in 2010 was 76 years, which was comparatively below the average life expectancy of 80 years in Japan. Ordorica noted a striking regional discrepancy between the national average life expectancy and the rural average life expectancy of Mexico, which was less than 70 years for 2010. With respect to migration statistics, from 2000-2010, the annual average of outward migration was approximately 260,000, indicating a significant decrease with respect to the 2000-2005 figure, which was 780,000. In terms of infant mortality, the rate for Mexico was four times that of Japan in 2010, though it has dropped dramatically since 1950. Ordorica predicts that the overall mortality rate will begin to increase in coming years because the Mexican population is aging rapidly. As with other countries, this will be one of Mexico's greatest demographic challenges.

Ordorica concluded his presentation by cautioning that these population statistics must be read with discretion because under or over registration of the

population, even if slight, can complicate comparisons of population statistics over time. With respect to migration statistics, for example, the balancing equation is very sensitive, so even a seemingly miniscule under-registration of the population can have a large distortive effect on the migration balance. Another example he offered was that the 2010 population of Mexico was larger than the 2005 registered population, but we must keep in mind that this could be the result of under-registration of the population in 2005.

Francisco Alba continued the panel on demographic change and migration in Mexico with a comprehensive examination of recent Mexican migration trends in "Making Virtue out of Necessity: Toward a New Generation of Migration Policies." Alba showed how flows of Mexican migrants into the United States went from less than 100,000 in the early 1970s to around 500,000 in the early 2000s, more than half of which were probably undocumented. Since 2008, however, the emigration of Mexicans has decreased substantially, heralding perhaps a longer-term inflection of Mexico to U.S. migration trends. Alba attributed this recent decrease in outward migration to a confluence of economic and political factors, the overarching economic factor being the recent recession in the U.S. and the overarching political factor being the increase in restrictions at the U.S. border, part of that country's shift towards an emphasis on security, a shift that has not been altered under President Obama.

Alba continued by asserting the need for migration reform on both sides of the border. In Mexico, after the collapse of the Mexico-U.S. migration negotiations in 2001, the Mexican government sought to adopt a strategy of shared responsibility on migration, stating that Mexico would do what it could to stanch the flow of migration and provide enhanced opportunities and incentives for economically disadvantaged Mexicans to remain in Mexico. Under Calderón, however, there has been a more indirect approach to migration, with Calderón adopting a "wait-and-see" attitude with the hope that a dynamic Mexican economy will provide jobs for Mexicans and that the U.S. economy will improve and reactivate its demand for migrants. Divergent attitudes toward migrants often hinder bilateral cooperation on the issue: Mexico is primarily concerned with protection of migrants whereas the United States is primarily concerned with the enforcement of laws. At the local and state levels in the U.S. there has been a surge of tough laws targeting illegal migrants (Arizona and Alabama, for example). Overall, Alba suggested that there is no



meaningful dialogue on immigration and that the immigration reform debate lacks comprehensiveness on the U.S. side. On the Mexican side, Alba underscored the need for Mexico to de-activate the “migration syndrome” and adopt a more active response to outward migration. This would include pro-active labor policies and employment programs, as well as proactive support of migrants and would-be migrants. Finally, echoing Gustavo Vega’s recommendations for increased regional integration Alba asserted that the establishment of a regional framework with a vision for the future of the North American region would facilitate the establishment of comprehensive, meaningful reform on both sides. Pursuant to this point, Alba emphasized that the U.S. in particular needs to constructively accommodate to the geostrategic reality of its vicinity to Mexico.

Wayne Cornelius turned the panel’s focus to examine the effectiveness of U.S. border control. Cornelius traced the beginnings of increased border patrol to 1993, when the politically motivated project of border enforcement first garnered support and momentum, in large measure, because of California. Since 1992, the size of the U.S. border patrol has quintupled to over 20,000 with about 18 billion dollars spent annually on border enforcement. The construction of a border fence has accounted for much of border control expenses. From 2006-2010, more than 600 miles of fence were constructed, though two-thirds of the border is still unfortified, leaving significant gaps. Some sections of the border, however, are triple-fenced, and some fencing is over 20 feet high with accompanying surveillance systems. The cost of the fence varies between 3.9 and 16 million dollars per mile. Other efforts have focused on building a virtual fence through the use of remote video surveillance, drones, radar, and other detection mechanisms. This approach has also been very costly, controversial and ineffective.

This attempt to thwart migration by erecting physical and technological barriers has been accompanied by the criminalization of the immigration process. Under this new approach, fewer apprehended migrants are given voluntary departure, and more are prosecuted criminally. Raising the legal penalties for unauthorized re-entry is considered a strong deterrent in the new policy, and the Pew Research Center does indicate a decline in the number of border apprehensions in recent years. However, Cornelius does not attribute this development to the success of increased border fortification or the criminalization of the immigration process. Rather, he believes that the proba-



*Conference participants*

bility of migration has declined commensurately with the intensification of the U.S. economic recession. Cornelius finds that heightened border security and the criminalization of immigration have instead produced troubling consequences that include increased physical risk and increased fatalities in crossing, as well as an increase in people-smugglers’ (Coyote) fees. The higher cost and risk of migrating has in turn disrupted traditional patterns of circular migration because migrants feel compelled to stay longer each trip due to the higher costs of crossing. It is estimated that without the increased border fortification, 2 million Mexicans currently in the U.S. might have already returned to Mexico. Cornelius has also found that criminal prosecutions of migrants have increased, whereas human and drug trafficking prosecutions have declined. Finally, there has been a noteworthy change in migrant demographics: whereas they previously had been the majority, lone males are now the minority of migrants, and there is a higher number of women and children migrating. Under the new system, there are currently 400,000 deportations per year, and there has been a substantial increase in the number of deportations since Barack Obama has been president.

Cornelius concluded his presentation by reiterating that the U.S. Congress is paralyzed on the immigration issue. He also shared his belief that border control intensification and criminalization of migrants is very damaging for both the migrants themselves as well as the U.S. society as a whole. The lack of an improved, comprehensive policy and reliance on repression and fear represents a moral failing for the U.S., while it also reflects the failure to fully benefit from the human capital of Mexican migrants.

To close the panel on demographic change and migration in Mexico, Manuel Angel Castillo presented “Central American Immigration and Transmigration in Mexico: Current Trends and Debates.” Castillo described Mexico as a country that has be-

come a place of origin, destination, transit, and return for migrants, illustrating the tremendous complexity of migration as a transnational phenomenon. With respect to Mexico as a destination country, Castillo explained that historically, there has been a low presence of foreigners in Mexico, with the significant exception of the influx of Spaniards that occurred during the Spanish Civil War in the 1930s and 1940s. During the second half of the 20th century, social crises in Central America created a flow of refugees towards Mexico, though most of these refugees, particularly those from Guatemala, were repatriated in cooperation with the Guatemalan government.

Mexico's role as both a transit country for Central American migrants and a country of origin for Mexican migrants heading northward creates a situation in which there are potential linkages between Central American migrants and long-term Mexican migrants, particularly in the context of shared obstacles they often confront. Migrants moving through Mexico often face geographic obstacles (flora and fauna), criminal attacks, and abuses committed by government officials. Both Central American and Mexican migrants heading to the United States must also confront the shared obstacles of the current dearth of jobs in the U.S., Obama's hard-lined policies and criminalization of immigrants, and aggressive state laws towards the undocumented. Castillo closed his presentation by reiterating that migration is a multi-origin, multi-faceted issue and that Mexico occupies a diversified role in the process as a site of origin, destination, transit, and return.

## PANEL 2

### *Democracy and Elections*

Jean Francois Prud'homme initiated the panel by pondering the state of Mexican democracy. In Mexico, he showed, 23% of citizens manifest dissatisfaction with democracy, a figure that ranks last for Latin American nations. Equally troubling, Mexico routinely ranks below average for voter turnout. Prud'homme proposed that there exists a softer concept of democracy today in Mexico in which efficiency has decreased. It represents the combination of the dispersion of citizen interest with the existence of a higher number of veto players and low state capacity, which all together have lowered the effectiveness of the regime.

Democratic practices in Mexico currently exhibit three dilemmas. First, there are issues of actual representation that, if over-emphasized, may inhibit the efficiency of the democratic process. Secondly, there

are issues of keeping some democratic continuity while looking for effective change. Finally, there are concerns about the role the state should play: should there be an overarching state or a regulatory state?

Citing high levels of legislative activity but low levels of legislative efficiency, Prud'homme argued that the excessive emphasis on the competitiveness of the democratic system has had a cost in terms of process efficiency. While the resultant pluralism of representation may be valuable, it has been tempered by the weakening of the Executive, fragmentation of the party system, and divided government, which together have led to a dispersal of decision-making power. While a large number of bills do pass, fundamental reforms are postponed, and the reforms that are approved have no teeth. Consequently, reforms often fail to fix their targeted issues. With regard to continuity versus change, the strategic positions granted to players by the transition, particularly economic groups and the media, sometimes referred to as factic powers, makes them reluctant supporters, if not outright obstructers, of reform. This affects policy efficiency and places an emphasis on the short-term, inhibiting a focus on long-term change. Finally, with regard to the state, Mexico placed high hopes on its strengths in the post-Revolutionary period. The institutions inherited from that historical trajectory are now incompatible with democratic rule but have not been fully or adequately substituted, so state capacity is very low, especially for confronting the factic powers and regulating economic and political players. A symptom of this is the low level of tax revenues the state is able to collect, and its continued dependence on oil revenues, which hinders executive capabilities.

In conclusion, institutional engineering may create incentives for shaping the political process, but the real challenge lies in changing the behavior of political actors. Cooperation can achieve real change regardless of other challenges. These problems are not unique to Mexico, but Mexico has the added challenge of building democratic institutions.

Fernanda Somuano examined partisan behavior and political identities in Mexico. She argued that partisan identification is a key aspect of identity, and is thus important in understanding electoral choices. Using sociological, psychological, and rational choice models can help distill motivations for party alignment. Somuano revealed that the partisanship of parents affects voters' partisanship the most. Explaining that the PRI is showing the largest number of self-identifying partisans, as well as having the largest popularity among non-partisans in recent polls, she

highlighted the party's strong standing for the upcoming presidential election. However, the fact that a large number of non-partisan voters remain undecided indicates that predicting the result of the election is still highly uncertain.

Rod Camp followed by scrutinizing the efficiency of political campaigns in Mexico in terms of whether they make a difference for elections. Using a panel study in which the same voters were surveyed in both 2000 and 2006, Camp revealed four major themes apparent from the results. First, campaigns indeed change election outcomes as they affect voter preferences. Second, independent voters account for 35 to 45 percent of total voters and they make up their minds at the end of campaigns. Third, a trend of increasing negative attitudes over time can cause loyalty shifts for political parties. Finally, Camp showed that party loyalty in Mexico is far from static, but rather is highly fluid.

Camp also focused on the issues considered most important by Mexican voters. These tend to be national issues: the economy, personal insecurity, and unemployment. Around 60 percent of voters consider the drug war to be going in the wrong direction and likely to become a failure. Similar numbers approve of president Calderón yet most disapprove of government performance. Evaluations are particularly negative among those who have been victims of crime or have suffered from the negative economic context. If you subtract negative opinions from positive opinions, one in five Mexicans see the PRI positively, while the other two parties are viewed negatively. Two fifths of voters expressed preference for the PRI as the party for the next presidential election, twice as much as other parties. If the election were held today, 46% would vote for the PRI, and the party's likely candidate, Enrique Peña Nieto, has a 60% positive rating, with high support among non-partisans and very low negative ratings. Such results echo the trend highlighted by Professor Somuano regarding the strength of the PRI.

Ending the panel on democracy and elections, Sergio Béjar presented a study on voting behavior in Mexico. His results indicate that, despite the transition to democracy, Mexico has provided incentives for parties and candidates from all parties to manipulate elections via vote buying (generally defined as offers of any material goods for the recipient's vote). As reported by individuals, vote buying tends to be both high and highly variable. While the measurement of vote buying is plagued by difficulties, Bejar's study suggests that, on average, 28% of votes in Mexico are

tied to some form of given material good.

Poverty contributes to this behavior, as well as the idea of reciprocity of the voter. Mainly, vote buying targets those people who campaigners believe will reciprocate with a vote, even though data suggests this does not always work. With high levels of party volatility and low levels of party attachment in Mexico, vote buying is increasingly risky, given the uncertainty of electoral outcomes. Indeed, Béjar shows that electoral volatility is a critical role in explaining the likelihood of vote buying. Nonetheless, where vote buying is seen as a profitable strategy there is a weakness or inability of parties to devise legitimate formulas to attach voters to their party labels. A challenge for democratic strengthening is to shift the focus to platforms and away from material gifts.

Discussant Andrew Selee, of the Woodrow Wilson International Center for Scholars commented that Mexico's political system is based on informal rules and understandings governing competition along decision points leading up to the president. While the country is transitioning from these informal rules to formal rules of democracy, the transition is still incomplete. In the realm of public security, for instance, the informal mediations of the past for managing criminal enterprises have not been successfully replaced. Professionalized ones are replacing social programs that used to be handled via clientelist channels, but not all have made the shift. Indirect citizenship, mediated through brokers, is giving way to a system where rights are guaranteed. Mexico is currently caught in a moment of transition from one state to the other. There is a great deal of variation on the ground about how people experience democracy in



*Guanajuato Mexico Overview from Pipila hill*



the country. Everyone was influenced for votes, and that is still occurring, but now with greater competition. Is vote buying going up or is it just more obvious? This transition shows signs of increasing inefficiency, from informal rules that worked well, to formal ones that do not. An example is monopoly regulation. Many veto points have been created without an authority that can override them. There has been a significant level of change and circulation among the elites: who gets elected, who the brokers are. A lot of things can happen and campaigns matter a lot. The PAN and the PRD lost a great opportunity to develop their brand among voters in the last decade. The PRI recaptured lost ground. The PAN will play off a narrative about continuing change and progress; the PRD about changing the rules. The PRI could end up changing the rules along the way, but it claims to be the one that knows how things can get done, appealing to people that are fed up with inefficiency.

### PANEL 3

#### *Security and Drug Trafficking*

Arturo Alvarado began the panel on Security and Drug Trafficking by focusing on the rise in violent crime in Mexico over the last two decades. According to Alvarado, rising criminality is relatively new in Mexico, first emerging during the mid-1980s and then increasing substantially in the mid-1990s, particularly in large urban centers like Mexico City. Violence with the use of firearms has been one of the most troubling trends to emerge during the last decade: from 2000-2008, there were 113,241 recorded homicides in Mexico, and 55 percent of those were committed with firearms. During the last five years of Calderón's administration, there has been a sharp increase in violent deaths in a set of nearly 80 municipalities, produced mainly by either members of rival criminal organizations confronting each other, or confronting with the armed forces. Young men are the most likely demographic group to be the victims of homicide. Of those homicides committed between 2000-2008, roughly 45 percent had victims between the ages 10-29.

Alvarado made the significant observation that the rise of violence is not endemic to Mexico. Similar growth in violence has emerged all over Latin America in recent years. Alvarado also underscored the fact that all illegal activity is on the rise, (from corruption to human trafficking, to kidnappings, extortions, forced disappearances and extrajudicial killings), not just drug trafficking, despite the fact that

drug trafficking dominates the discourse on violence in Mexico. Such illegal activity is taking place in a globalized context involving money laundering, non-drug related homicides, and general organized crime. All this is occurring simultaneously with efforts to construct the rule of law and democratic institutions, as well as combating the prevalence of criminal activity within the government apparatus itself. Alvarado believes that reforming the military and the police, as well as any institution charged with controlling violence, to extirpate corruption and strengthen the rule of law will be vital to effectively reducing violent crime in Mexico.

Peter Hakim continued on the topic of Mexico's security by highlighting the United States' role in this troublesome issue. Namely, he alluded to Hillary Clinton's recognition of a "shared responsibility" between Mexico and the U.S. for the cross-border transfer of drugs, arms and money. Additionally, Hakim noted that the U.S. consumption of drugs as well as the ease of purchase of firearms drive the illegal activities in Mexico. While Mexican cartels continue to make large profits despite a stringent crackdown, the bulk of their clientele is in the U.S.. This makes drug consumption the key issue.

How to tackle the problem of drug consumption, however, is less clear. While both Mexico and the United States have spent millions of dollars and man-hours pursuing a war on drugs, the problem persists virtually undeterred. Thus, another strategy must provide the real change in preventing illicit drug use. Hakim suggested that it is not clear that prevention programs can be an effective alternative. More recently, legalization or decriminalization of marijuana is emerging as a viable alternative. At the very least it would aid in lessening the current pressures on overflowing prison systems, which often cost more than the educational systems of a state. However, legalization is politically fraught and unlikely to advance through legislatures. Marijuana is closer to moving into a category similar to that of cigarettes and alcohol in the US, although this might be more difficult in Mexico. Yet, little is known about the flow of money from marijuana to Mexico. Could it be better to move the growing of marijuana to the United States? While drug trafficking, use, and violence presents a serious risk, Hakim emphasized the need to continue devising new alternatives to replace the present failed paradigm.

# KEYNOTE ADDRESS

## JAIME SERRA PUCHE



*Photo courtesy of Roberto Morales*

To conclude the symposium, Tulane welcomed keynote speaker Jaime Serra Puche, Mexico's former Minister of Trade and Treasury. An economist and prominent policy advisor, Serra Puche discussed the trends in the economic growth of Mexico after trade liberalization. In "Openness and Growth," he outlined three basic questions that, while very similar in wording, highlight three different issues pertaining to Mexico's trade.

Serra-Puche asked: If Mexico has opened up its economy, why has it not produced higher rates of economic growth? By showing that the domestic and non-tradable industries are much less competitive than tradable industries, it is clear that the initial premise is false. Namely, Mexico did not open its economy completely, as foreign direct investment is much needed for these non-traded industries. Serra Puche sees a lack of liberalization in this sector, which promotes a less competitive market and hinders interest from new foreign players.

Next, he wondered about trade liberalization specifically, asking: Why has Mexico's trade liberalization not resulted in overall aggregate demand increase? Explaining the high rates of exports for Mexico as a percentage of GDP, it is clear that trade openness did occur, but export growth was stronger and more dynamic than aggregate demand.

Yet, he asked, if exports have increased, then why has GDP not been growing equally fast? Looking at figures of a 9-10 percent increase annually in exports in the post-NAFTA era, it is troubling that GDP grew at a much slower pace of around 3 percent annually. Using Brazil as a counter-example, Serra Puche demonstrated that while Mexican exports are higher, Brazil has a higher export multiplier, meaning that there is a much larger impact per dollar of exports on the aggregate production of the economy. Thus,

the premise that an increase in exports necessarily increases GDP proportionately is false: Mexico's low foreign trade multiplier makes GDP grow at a slower rate than exports.

Suggesting some policy actions, Serra Puche saw changes in anti-trust law and industry regulation policy as essential, particularly in order to end monopolies in key industries. Claiming that Mexico trails about 100 years behind the United States anti-trust law, he sees the creation of new commissions such as a Comisión Intersecretarial de Competencia (CIC) and an institutional bank to replace the inadequate Bancomext as viable and tangible policies that would aid the overall growth of the Mexican economy.



*Conference participants listen to Jaime Serra Puche speak*





The symposium concluded with the signing of an agreement between Tulane University and the Colegio de México. The Memorandum of Understanding signed by Tulane president Scott Cowen, at left above, and Javier Garcíadiego, president of the Colegio de México, creates a framework for the development of a partnership between the two universities that will lead to the expansion of academic and student exchanges between them.



# PARTICIPANTS

## **Francisco Alba Hernández**

Francisco Alba Hernández is a professor and researcher at El Colegio de México. An economist by training (San Luis Potosí University, Mexico, 1970), he also graduated in Philosophy (Gregorian University, Rome, 1962), and did post-graduate work in demography and other social sciences in Mexico, France and the United States. He is currently a member of the Governing Council of El Colegio de México. Since 2001, he has been a member of the Advisory Council of Mexico's National Migration Institute. He was a member of the U.N. Committee on the Protection of the Rights of All Migrant Workers and Members of Their Families and a member of the Global Commission on International Migration. He participated in the Mexico/United States Bi-national Study on Migration. He was a member of the Board of Trustees of the Population Reference Bureau and of the Committee on Population, National Research Council, U.S. National Academy of Sciences. Alba obtained the National Prize in Demography in 1991, and was awarded (collectively) the Banamex National Prize in Economics in 1971. His publications in books and in Mexican and international journals deal mainly with international migration issues, Mexican migration policies, Mexico-U.S. migration, bilateral relations and regional economic integration and the implications of population change for development.

## **James Alm**

James Alm is Chair of the Department of Economics at Tulane University. Previously, he was Regents Professor in the Department of Economics at the Andrew Young School of Policy Studies at Georgia State University in Atlanta, Georgia, where he served as Chair of the Department and Dean of the School. He has also taught at Syracuse University and at the University of Colorado at Boulder. He earned his master's degree in economics at the University of Chicago and his doctorate at the University of Wisconsin-Madison. His teaching and research are in the area of public economics, in such areas as tax compliance, the tax treatment of the family, income reporting, and tax reform. He has also worked extensively on fiscal and decentralization reforms overseas. He is currently Editor of *Public Finance Review*.

## **Arturo Alvarado Mendoza**

Arturo Alvarado Mendoza holds a PhD in Social Sciences with a specialization in Sociology from el Colegio de México (1988) and a BA in Sociology from the Universidad Autónoma Metropolitana, Unidad Azcapotzalco in Mexico (1974-1978). He has been a research fellow at the Institute of Developing Economies in Tokyo, the Institute Francaise de Reserche Scientifique pour le Developpement (IRD),

The Woodrow Wilson International Center, the Massachusetts Institute of Technology and Harvard University. He was a visiting professor at the Watson Institute at Brown University and at Kobe-Gakuin University in Kobe, Japan. He was a member of the International Advisory Board, the Center for U.S. Mexican Studies and the University of California San Diego. He has published multiple books and articles. He is currently the Director of the Center for Sociological Studies at El Colegio de México.

## **Sergio Béjar-Lopez**

Sergio Béjar holds a PhD from the University of Notre Dame, 2011. He is an assistant professor in the Department of Political Science at William Paterson University and a research associate at the Center for Inter-American Policy and Research (CIPR) at Tulane University. Professor Béjar's current research interests focus on studying the political determinants and policy consequences of electoral corruption, the impact of democratic politics on financial and trade policies, and the effects of International Financial Institutions on contentious collective action across developing nations, with an emphasis on Latin America. His work has been published in the *International Review of Political Science* and *Economics of Governance*. He is currently working on a book manuscript on party systems and electoral corruption in Latin America.

## **Robert Blecker**

Robert A. Blecker is professor of economics and chair of the department of economics at American University, Washington, DC, where he is also affiliated faculty of the School of International Service. He is a member of the editorial boards of the *International Review of Applied Economics* and *Investigación Económica*. He is also the author of numerous journal articles, books, and book chapters. His research includes work on open economy macroeconomics, economic integration in North America, the value of the dollar and the U.S. trade deficit, the Mexican economy, and north-south trade and export-led growth. Professor Blecker received his BA in economics from Yale University (1978) and his PhD in economics from Stanford University (1987). He also attended the master's program in economics at El Colegio de México in 1978-79 under a Fulbright scholarship.

## **Roderic Ai Camp**

Professor Camp is presently the Philip McKenna Professor of the Pacific Rim at Claremont McKenna College. He has received a Fulbright Fellowship on three occasions for research on Mexico, and was awarded two major grants from the William and Flora Hewlett Foundation to explore attitudes toward democracy in Mexico and Latin America. He serves as a member of the Advisory Board,

Mexico Institute, Woodrow Wilson Center for International Scholars, Smithsonian Institution. He is a frequent consultant to national and international media, including the New York Times, the Wall Street Journal, National Public Radio, and BBC. He is the author of thirty books on Mexico, six of which have been designated by Choice as outstanding academic books. He is the recipient of an Honorary Doctorate in Humane Letters from St. Olaf College for his scholarship and teaching on Mexico.

#### **Alejandro Ildelfonso Castañeda Sabido**

Alejandro Castañeda holds a PhD in Economics from Stanford University. He is a professor and researcher at the Center for Economic Studies at el Colegio de México and is a member of the National System of Researchers at the second level. His research interests include technological innovation and competition and industrial productivity.

#### **Manuel Angel Castillo Garcia**

Manuel Castillo is a professor-researcher at the Center for Demographic, Urban, and Environmental Studies (CEDUA), El Colegio de México. He is also the director of the journal *Estudios Demográficos y Urbanos*, CEDUA, El Colegio de México. His main research interests include immigration in Mexico, Central American migration trends, migrants' rights and migratory policies, and refugee protection. He is the author of *Centroamérica*, in Mercedes de Vega (coord.), *Historia de las Relaciones Internacionales de México, 1821-2010*, tomo 2, Archivo Histórico Diplomático/Secretaría de Relaciones Exteriores, México, 2011; and a co-author of "Xenofobia y discriminación en México" in Mónica Vereá (ed.), *Sentimientos, acciones y políticas antinmigrantes*, Centro de Investigaciones sobre América del Norte (CISAN), Universidad Nacional Autónoma de México, 2012.

#### **Rolando Cordera**

Rolando Cordera is an emeritus professor of the Faculty of Economics at the National University of Mexico (UNAM). He is also the coordinator of the university program of development studies. He has recently published *La disputa por la nación*, with Carlos Tello, Second edition and new prologue (Siglo XXI Editores, 2011) and *El papel de las ideas y las políticas en el cambio estructural* as co editor and co author, FCE, Mexico, 2009

#### **Wayne Cornelius**

Professor Cornelius holds a PhD in political science from Stanford University and graduated summa cum laude with an BA in political science and Latin American studies from the College of Wooster. He was a professor of Political Science at MIT and has been a visiting professor at Harvard, Princeton, Stanford, Oxford, El Colegio de México, the University of Tokyo and the Universidad Complutense de Madrid. He was a visiting fellow at the

Woodrow Wilson International Center for Scholars and is a research fellow of the Institute for the Study of Labor in Germany and he is a member of the Council on foreign Relations. He is a past president of the Latin American Studies Association. He founded UCSD's Center for U.S.-Mexican Studies in 1979 and established UCSD's Center for Comparative Immigration Studies. He is currently teaching at the University of California San Diego where he has been since 1979. He has received multiple awards for teaching and mentoring. He is the author, co-author, or editor of 247 publications.

#### **Ana Covarrubias Velasco**

Ana Covarrubias obtained her doctorate in international relations at the University of Oxford and is currently working as professor-researcher at the Centre for International Studies of El Colegio de México. She has worked mostly on Mexican-Cuban relations and more generally on Mexican foreign policy, including the issue of human rights. She teaches international relations theory, and U.S. and Canadian foreign policy.

#### **Gerardo Esquivel Hernández**

Gerardo Esquivel holds a PhD in Economics from Harvard University, a BA in economics from the National Autonomous University of Mexico and an MA in economics from El Colegio de México. He is currently a professor of economics at El Colegio de México, where he has been since 1998. He is a member of the National System of Researchers, level III. Previously, he worked as a researcher at the Harvard Institute for International Development (HIID). He has also been a consultant for the International Monetary Fund, the Inter-American Development Bank, the World Bank, the United Nations Development Program, as well as the Central Bank, the Ministry of Social Development and the Ministry of Economy in Mexico. He also worked as an economic advisor for the Secretary of Finance of Mexico City (2004-05). Esquivel has written extensively on several economic issues and has received several distinctions for his research. He was awarded the 2005 National Prize for Research given annually by the Mexican Academy of Sciences for the most outstanding scholar in the Social Sciences in Mexico under 40 years of age.

#### **Ludovico Feoli**

Ludovico Feoli is the director of the Center for Inter-American Policy and Research (CIPR) and a Research Associate Professor in the Stone Center for Latin American Studies and the department of political science at Tulane University. His research interests include the political economy of market reforms in Latin America, institutions and institutional change, and the quality of governance. He is currently the executive director of the Centro de Investigación y Adiestramiento Político Ad-

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### **Javier Garcíadiego Dantán**

Javier Garcíadiego holds a bachelor's degree in political science from the Universidad Nacional Autónoma de México (UNAM), a master's degree in Latin American history from the University of Chicago, a PhD in Mexican history from El Colegio de México, and a second PhD in Latin American history from the University of Chicago. His field of specialization is the Mexican Revolution, particularly its political and cultural aspects, within a timeline that stretches from the late nineteenth to mid-twentieth century. He has taught at the UNAM and at the Instituto Tecnológico Autónomo de México, but has been most active as a professor at El Colegio de México. He has been a visiting professor and lecturer at universities worldwide. He has received numerous awards and recognitions, including the Salvador Azuela Award, the Biografías para Leer contest, the Gran Cruz de la Orden de Isabel la Católica, a career recognition from the Instituto Nacional de Estudios Históricos de las Revoluciones de México, the prestigious Julio Cortázar chair at the Universidad de Guadalajara, membership in the Sistema Nacional de Investigadores (SNI, level III) and in the Academia Mexicana de la Historia, and two honorary doctorates: one from the Universidad Nacional de General San Martín, in Argentina, and the other from the National University in Athens, Greece. He has authored many articles and books and is the main speaker for the weekly radio program *Conversaciones sobre historia*, broadcast nationwide by the Instituto Mexicano de la Radio. He has served as director of the Center for Historical Studies at El Colegio de México (1995-2001) and director-general of the Instituto Nacional de Estudios Históricos de la Revolución Mexicana (2001-2005). As of September 2005, he is President of El Colegio de México, where he has been a professor-researcher since 1991.

### **Francisco González**

Francisco E. González is the Riordan Roett Associate Professor of Latin American Studies at The Johns Hopkins University School of Advanced International Studies (SAIS) in Washington, D.C. He is the author of the books *Creative Destruction? Economic Crises and Democracy in Latin America* (2012) and *Dual Transitions from Authoritarian Rule: Institutionalized Regimes in Chile and Mexico, 1970-2000* (2008). Both are published by Johns Hopkins University Press. Professor González has won the "Excellence in Teaching Award" at SAIS twice, in 2006 and 2012. He holds master and doctoral degrees in politics from the University of Oxford.

### **Peter Hakim**

Peter Hakim is president emeritus and senior fellow of the Inter-American Dialogue where he served as president from 1993 to 2010. Hakim writes and speaks widely on hemispheric issues and has testified more than a dozen times before the U.S. Congress. His articles have appeared in *Foreign Affairs*, *Foreign Policy*, the *New York Times*, *Washington Post*, *Miami Herald*, *Los Angeles Times*, and *Financial Times*, and in newspapers and journals in Argentina, Brazil, Chile, China, Colombia, Canada, Cuba, El Salvador, Italy, Mexico, Peru, and Spain. From 1991 to 2001, he wrote a monthly column for the *Christian Science Monitor*, and now serves as a board member of Mexico's Foreign Affairs Latinoamérica and editorial advisor to the Chilean-based *Américaeconomía*. Prior to joining the Dialogue, Hakim was a vice president of the Inter-American Foundation and worked for the Ford Foundation in New York, Argentina, Brazil, Chile, and Peru. He taught at MIT and Columbia, and served on boards and advisory committees for the World Bank, Council on Competitiveness, Inter-American Development Bank, Canadian Foundation for Latin America (FOCAL), Partners for Democratic Change, and Human Rights Watch. He is a member of the U.S. Council on Foreign Relations. Hakim earned a BA at Cornell University, an MS in Physics at the University of Pennsylvania, and a master of public and international affairs at Princeton University's Woodrow Wilson School.

### **James D. Huck**

James D. Huck, Jr. earned a BS in Foreign Service with a Certificate in Latin American Studies (1990) from Georgetown University, and both his MA (1993) and his PhD (1997) in Latin American Studies from Tulane. He joined the Roger Thayer Stone Center for Latin American Studies at Tulane University in January of 2001 and his responsibilities at the Stone Center include teaching core undergraduate LAS courses, advising graduate students, and monitoring and coordinating the LAS curriculum at both the undergraduate and graduate levels. Before rejoining the Center, he served as the founding Director of the Johnson Center for Latin American Studies at Albright College in Reading, PA (1998-2000). His research interests include contemporary Mexican foreign policy and inter-american relations. He also teaches for the political science department.

### **Kris Lane**

Kris Lane is France V. Scholes Chair in Colonial Latin American History at Tulane University. He is author of several books, including *Colour of Paradise: The Emerald in the Age of Gunpowder Empires*, *Quito 1599: City and Colony in Transition*, and *Pillaging the Empire: Piracy in the Americas, 1500-1750*. Lane has also published work on the history of slavery, mining, and witchcraft.



His current work centers on mining and coin production in the silver mining city of Potosí, Bolivia in the sixteenth and seventeenth centuries.

### **Nora Lustig**

Nora Lustig is Samuel Z. Stone Professor of Latin American Economics at Tulane University and a nonresident fellow at the Center for Global Development and the Inter-American Dialogue. Her research focuses on inequality, poverty, social policy, and development with an emphasis on Latin America. She was co-director of the World Bank's World Development Report 2000/1, *Attacking Poverty*, founding member and president of LACEA (Latin American and Caribbean Economic Association), and chair of the Mexican Commission on Macroeconomics and Health. She is currently the director of the Commitment to Equity Project and editor of the *Journal of Economic Inequality's* Forum. She is a member of the boards of directors of the Institute of Development Studies and the Global Development Network as well as a member of the advisory boards of the Center for Global Development and Columbia University's Earth Institute. Her most recent publications include: *Declining Inequality in Latin America. A Decade of Progress?*; *Thought for Food: the Challenges of Coping with Soaring Food Prices*; *The Microeconomics of Income Distribution Dynamics*; *Shielding the Poor: Social Protection in the Developing World*. She received her doctorate in Economics from the University of California, Berkeley.

### **Manuel Ordorica Mellado**

Manuel Ordorica Mellado obtained a bachelor's degree in actuary sciences from the National Autonomous University of Mexico (UNAM), a master's degree in demography from El Colegio de México, and a PhD in engineering with a specialization in operations research and an honorable mention from UNAM. He also holds a diploma in demography from the Japan International Cooperation Agency (JICA). Ordorica served as head of the Department of Demographic Evaluation and Analysis at the Head Office for Statistics (now part of the National Institute of Statistics and Geography, or INEGI); director of Population Studies at the Mexican National Population Council; consultant on population education for UNESCO; coordinator of the master's program in demography and, subsequently, the doctoral program in population studies at the Center for Demographic, Urban, and Environmental Studies (CEDUA) at El Colegio de México, where he was also the director for six years. He is currently Secretary General of El Colegio de México. He was a member of the Board of Directors of the National Institute of Statistics and Geography, and is presently serving on the Editorial Board of the journal *Population* (French National Demographic Institute, or INED, Paris). He belongs to the Mexican National

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### **Jean-Francois Prud'homme**

Jean-Francois Prud'homme is the general Academic Coordinator of El Colegio de México. He holds a PhD in Political Science from York University and a DEA in International Relations from the Institut d'études politiques de Paris. He is a member of the Mexican National System of Researchers and has published extensively on democratization, citizenship and political parties in Mexico and Latin America. In 2010, he co-edited the 16 volume collection *Los grandes problemas de México* published by El Colegio de México to commemorate its 70th anniversary.

### **Thomas F. Reese**

Thomas F. Reese received his PhD in the history of art from Yale University in 1973 and taught at the University of Texas in Austin. He was promoted to full professor in 1983. During this period, he held a John Simon Guggenheim Memorial Foundation Fellowship, 1976-77, was elected académico correspondiente, Real Academia de Bellas Artes de San Fernando, Madrid, 1977, and was Samuel H. Kress Senior Fellow, Center for Advanced Study in the Visual Arts, The National Gallery of Art, Washington, D.C., 1983. He was named deputy director of the Getty Center for the History of Art and the Humanities in Los Angeles, 1986, and served as acting director of the Getty Research Institute for three years. In 1999, he became executive director of the Roger Thayer Stone Center for Latin American Studies at Tulane. Reese has published five books and over twenty scholarly articles.

His publications include studies of eighteenth-century Spanish art and politics, culture contact in sixteenth-century Mexico, devotional space in Colonial Andean society, and contemporary architectural practice in Europe and the Americas. His most recent research focuses on images and identity in turn of the century Argentina, Mexico, and Panama. He currently serves on the boards of the Arts Council of New Orleans, Contemporary Arts Center, and the National Performance Network and the New Orleans Museum of Art.

### **Jaime Ros**

Jaime Ros is a professor of economics at the National University of Mexico and emeritus professor at the University of Notre Dame. Jaime Ros specializes in development economics with special reference to Mexico and Latin America. Recent books include *The Oxford Handbook of Latin American Economics* (OUP, 2011), *Development and Growth in the Mexican Economy* (OUP, 2009, with Juan Carlos Moreno-Brid), *Development Theory and the Economics of Growth* (University of Michigan Press, 2000) and *International Handbook of Development Economics* (Edward Elgar, 2008, edited with Amitava Dutt). His articles have appeared in the *Cambridge Journal of Economics*, *World Development*, *Journal of Development Studies*, *The Manchester School of Economic and Social Studies*, *El Trimestre Económico*, *Desarrollo Económico* and other scholarly journals and edited books. Current projects include a book on classical development theory, the new institutional political economy and modern growth economics.

### **Aaron Schneider**

Aaron Schneider has been particularly interested in the sources of and uses for the wealth of states, including taxation and budgeting. It is through the lens of public finance that he explores issues such as efforts to deepen democracy and generate equitable livelihoods in the context of global integration. He has done research in Brazil, Central America, India, and sub-Saharan Africa. His most recent book is *State-building and Tax Regimes in Central America*, published by Cambridge University Press in 2012, and his next multiyear project will explore the domestic political impacts of distinct patterns of insertion into the international economy in Brazil and India.

### **Andrew Selee**

Andrew Selee is currently the director of the Woodrow Wilson Center's Mexico Institute and is an adjunct professor of government at Johns Hopkins University in Advanced Academic Programs. He has previously been an adjunct professor at George Washington University and a visiting professor at el Colegio de México. He serves on the board of the Mexico-U.S. Fulbright Program and is a member of the Mexican Collective for Security and

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### **Jaime Serra Puche**

Mr. Serra is chairman of SAI Law and Economics and founder of Aklara, CAM (Arbitration Center of Mexico) and the NAFTA Fund of Mexico, a private equity fund. He worked in the Mexican government from 1986 to 1994 where he served as Undersecretary of Finance, Secretary of Trade and Industry and Secretary of Finance. As Secretary of Trade and Industry he led the negotiation and implementation of NAFTA; headed the negotiations of free trade agreements with Chile, Colombia, Venezuela, Bolivia and Costa Rica; and promoted the creation of the Federal Competition Commission in Mexico. He has been a board member of the Corporation of Yale University where he currently co-chairs the President's Council on International Activities. He is a trustee of the National Institute for Genomic Medicine in Mexico and of The Trilateral Commission. He is also on the Board of the following publicly listed companies in the NYSE: Chiquita Brands International (cqb), The Mexico Fund (mxf), Tenaris (ts), and Grupo Modelo (gmodeloc). Serra is a graduate of UNAM. He earned his master's in economics at El Colegio de México and his PhD in economics at Yale University. He has been professor of economics at El Colegio de México, Stanford, Princeton and NYU. He received the Wilbur Lucius Cross Medal, Yale University (1993), the National Prize for Social Sciences, Mexico (1986), and the National Prize for Economics (Banamex, 1979). He is married to Joanna Wright and they have three sons: Sebastian, Daniel and Julian.

### **Isidro Soloaga**

Isidro Soloaga holds a PhD in agricultural and resources economics from the University of Maryland, at College Park (USA). From 1995 to 2001 he worked as a consultant for the World Bank in Washington DC. From 2002 to 2007 he was director of the Center for Public Policy and Development Studies and professor of economics

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#### **María Fernanda Somuano Ventura**

Maria Fernanda Somuano obtained a MSc in public administration and public policy at the London School of Economics and a PhD in political science at the University of Iowa. Her research areas are political participation and citizenship in Mexico and Latin America, subnational democratization processes, social movements, civic culture and values in new democracies. She is an associate professor at the Center for International Studies at El Colegio de México since 2001.

#### **Josefina Zoraida Vázquez y Vera**

Josefina Z. Vázquez (Mexico, 1932) holds a PhD in history from the Universidad Nacional Autónoma de México and a PhD in American history from the Universidad Complutense de Madrid. She did postdoctoral studies in American history at Harvard. She has been a researcher at El Colegio de México since 1960. She has taught at the University of Mexico, Iberoamericana, the University of Texas at Austin, UC Berkeley and Goethe Universität Frankfurt. She is an emeritus researcher of the National System of Researchers and a full member of the Mexican Academy of History since 1978. She is also a member of the American Historical Association, the Conference of Latin American Studies. She is a correspondent of the Royal Academy of History, of the Venezuelan Academy of History and of the Colombian and Peruvian Academies of History. She specializes in the political and diplomatic history of nineteenth century Mexico and has also taught U.S. history. She is the author of numerous books and articles and the recipient of several awards, including the OAS Andres Bello Award in 1991, the National Prize of Sciences and Arts in 1999 and the 2008 Medal awarded by the Federal District Government.

#### **Gustavo Florentino Vega Cánovas**

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#### **Julián Ventura**

Ambassador Julián Ventura holds a bachelors degree in history from the University of British Columbia in Vancouver, Canada. A career diplomat since 1990, he was appointed Undersecretary for North American Affairs in September, 2010. In Mexico he has served as director-general for Asia-Pacific Affairs; chief of cabinet to the Secretary of External Relations; and chief of cabinet to the Undersecretary for Africa, Asia-Pacific, Europe and United Nations Affairs. Abroad, he has served as deputy chief of mission in the Embassy of Mexico in the United States; alternate representative to the Organization of American States for political and Inter-American drug control affairs; political affairs officer in the Embassy of Mexico in Cuba; and alternate representative in the Permanent Mission of Mexico to the International Organizations in Vienna, Austria. Ambassador Ventura has been a member of Mexican delegations to various Inter-American and United Nations conferences.



