

# **The U.S.-Mexico Free Trade Agreement: Prospects for Hispanics**

**By Representative Bill Richardson**

**I** wanted to tell you first of all about an encounter I had with a very distinguished colleague on the Republican side as I got on the elevator and told him I was coming to The Heritage Foundation. His face turned red, his eyes dropped. And when I told him what it was about, he said that we truly have a coalition for the Free Trade Agreement – broad and objective. And that is what I want to talk to you about today. I am going to discuss the Hispanic community.

**Unifying Issue.** When I was first elected to the Congress, I always had to give the little “Spanish” bit because nobody felt that a “Richardson” was Hispanic. I am; my mother is Spanish. I come from New Mexico, which is a very ethnically diverse state – 40 percent Hispanic, 20 percent Native American, 40 percent Anglo.

It is my hope that the U.S.-Mexico Free Trade Agreement will serve as a unifying issue for Hispanics. An issue that the Hispanic community in the United States – including Central Americans, Cuban-Americans, Mexican-Americans (Mexican-American being the predominant ethnic group within the Hispanic community at 70 percent) and Puerto Ricans – can unite around. And I believe that on a bipartisan basis and on a regional basis that is what is happening. But it is happening slowly.

Our community is growing and has enormous potential; Hispanics now comprise close to 10 percent of the American population. If the census undercount is ratified, then we could have close to thirty million Hispanics in this country. We have the proliferation possibly of up to eight new Hispanic seats in the Congress in 1994 as a result of redistricting. That number is optimistic, but look at states like Arizona, California, Florida, Illinois and Texas. There are potential Hispanic seats in all of those states. We have a Hispanic community that is growing politically and economically, and I believe very strongly that the U.S.-Mexico Free Trade Agreement and the Fast Track vote will become, and should become, a defining issue for Hispanics, whether Republican or Democrat, and whether from the Midwest, from the Southwest or from a border state.

**Broad Support.** A majority of members of the Congressional Hispanic Caucus will support the Free Trade Agreement when the vote takes place on Wednesday. I am not ready to disclose who those are, because that is an individual decision. Some have been listed as undecided; there are already two that are against. But I think when you look at the vote along regional lines, we will get votes from Hispanic Caucus members across the board from California to Florida and from New Mexico to Texas. And it will culminate on Tuesday when I will be arranging a news conference of national Hispanic leaders – primarily Democrats – who will be coming to Capitol Hill to have a major press conference to show the diversity of views and support by ethnic groups for the Free Trade Agreement.

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Representative Bill Richardson is a fifth term Democrat from the Third District of New Mexico.

He spoke at The Heritage Foundation on May 15, 1991.

ISSN 0272-1155. ©1991 by The Heritage Foundation.

Why is it that the Hispanic community is supportive of this agreement? Why is it, if you look at polls — and the one that we have is systematic and scientific from Univisions, the largest Hispanic language television network, done in combination with *La Opinion*, the leading Spanish language newspaper in the Southwest — 66 percent of those Hispanics polled agreed that the Mexican-American community in the United States will experience significant changes if a Free Trade Agreement is signed. Seventy-seven percent believe that an FTA will be good for American Hispanics. Sixty-four percent believe that relations between the United States and Mexico are headed in the right direction, while only 17 percent feel that we are on the wrong track. And 76 percent of national Hispanics consider themselves positively interested in a free trade agreement. Plus, we have 340,000 Hispanic companies and businesses in the United States with annual sales totalling over \$20 billion. These businesses are in an excellent position to take advantage of the emerging opportunities that will result from a free trade agreement, obviously because Hispanics share a common border, a common language, common customs and a common culture. I think there will be a community of interest that can be positively exploited.

**Changing Attitude.** There has been change, too, on the part of the Mexican government. Previous to the administration of Carlos Salinas, there was a kind of hands-off attitude by Mexico toward American Hispanics. The Mexican government was not quite sure where American Hispanics fit in the political spectrum, and not quite sure of their commitment to Mexican causes. What you are seeing now is increased contact and dialogue between the Hispanic community in the United States and Mexico. This is the result of an active outreach effort both on the part of President Salinas and Hispanic organizations, groups, businessmen and politicians in the United States. I see Ambassador Abelardo Valdez in the audience. He was in a bipartisan group of Hispanics who went down to Mexico a week ago to discuss with President Salinas the positive advantages to Hispanics that this Free Trade Agreement might bring. I do not see the creation of a lobby, necessarily, for Mexican interests, the way some other groups have with the Congress — the Jewish community, for example, or the African-American community — because I think the relationship between Mexico and Hispanics is growing and it is evolving. And it is evolving positively because of interest on both sides.

**Lack of National Issues.** Another factor here that I think is important is the lack of national issues to bring the Hispanic community together. Yes, we come together on the immigration bill; we come together when it comes to bilingual education; we come together on funding for social programs; we come together on a variety of issues. We come together on a vague view that we need to be doing more with our neighbors to the South — Latin America. But there have been those divisive issues within the Hispanic community that have prevented, perhaps, unity among Cuban-Americans, Mexican-Americans and Puerto Ricans. The Puerto Rico issue is one example; the Contra issue is another. Cuban-Americans felt very strongly that we had to protect the interests of the democratic forces — the Contras — in Nicaragua, and felt that many Mexican-American Hispanics were tilting too much in favor of the Sandinistas. That division still has not been overcome. I have spoken in the Cuban-American community in Florida and told them that we need their community to help us with a free trade agreement with Mexico. It will mean more trade for Florida. It will mean more trade for Cuban-Americans in Miami, the U.S. gateway to Latin America. Yet still there is concern. Hispanics are concerned about the relationship Mexico has with Cuba. They are concerned about the strong support in the Mexican-American community that exists in the border areas for the Free Trade Agreement. These concerns have to be overcome, and we are overcoming them.

**Mexico Bashing.** We do have some other factors that I think are positive here. We have an opportunity to eliminate once and for all the Mexico bashing that has existed as part of this debate. I know that in California some Hispanic groups that were very concerned about Fast Track are now starting to move in our direction because of what they consider to be Mexico bashing. I do not necessarily agree with President Bush's characterization that some opponents of the agreement have thrown race into the issue. But I think there has been a little sensitivity on the part of Hispanic Americans.

When we made the free trade agreement with Canada, there was no discussion of the political problems of Canada, yet there was the Quebec issue. There was not much discussion of the environmental issues, acid rain or the problems in our northern border with Canada. There was no discussion of some of the workers' rights issues that are also issues between the United States and Canada. Tension over these points seems to have been exacerbated as we have discussed Mexico. I think that is regrettable. Perhaps the view is that many of us with Latin blood are sensitive to being pictured as products of Banana Republics — Latins that cannot manage, cannot do things. There is that little sensitivity; I do not think it is racism — I reject that. But again, it is out there. And if you are Hispanic, you know what I am talking about.

**Patriotic Hispanics.** Why is this Free Trade Agreement important to the United States? The Hispanic community in this country is very patriotic. We are very supportive of our defense goals, of our economic goals. And as Hispanics we do not just want to be known as being interested in Hispanic issues. I think you will see the emergence of Hispanics on the national scene interested in issues of economic growth, of taxes, of defense and foreign policy. Should there only be a Hispanic ambassador to Mexico? Cannot that same Hispanic do the same job in France or Japan? I say the answer is yes. Hispanics are interested in a broad section of issues, so you cannot categorize us. In a way, I rather resented the fact that every time my 1988 presidential candidate, whom I like enormously, would see me he would say, "Comas esta los Hispanos?" (How are the Hispanics?) I could talk about the intelligence community, the energy policy, and yet I was typecast as only able to talk about the immigration bill. We want a broader context.

The U.S.-Mexico Agreement is an issue that involves American competitiveness, American jobs, and an increase in exports for the United States. For every one billion dollars in increased exports, 25,000 jobs are created. It also allows us Hispanics to address the issue of immigration. There has been great concern in this country about increased immigration taking American jobs. We can point out that with a free trade agreement we will have more job creation on the Mexican side, and therefore less immigration in this country. Mexico will be a more stable source of petroleum. Yes, we want to move into alternative fuels and a new alternative energy policy. But in the same vein, Mexico will have petroleum that will be available, that will be cheaper. Free trade will also, and perhaps most importantly, help build a stable Mexico, a more prosperous Mexico that will be able to address environmental concerns, workers' rights problems and economic dislocation problems. Prosperity for Mexico is the key element here.

As we vote next week, the vote will be on an issue of trust. There are three actors here. The first actor is the Bush Administration. Do we believe the Bush Administration when it says that it will protect the environment on both sides of the border, protect workers' rights and limit job replacement and displacement? I say the answer is yes. The Administration demonstrated that in the letter it sent to Congress dealing with the environment, putting en-

vironmentalists on the negotiating team and by creating a border economic-environmental plan. As for worker replacement, the White House has indicated a commitment to have adjustment assistance targeted especially toward Mexico; commissions and committees to allow input on the part of labor and environmental groups and to have a say as we proceed with the negotiations. So, while I have faulted the Bush Administration on environmental and other issues, I think that it understands the importance of these issues and is ready to participate to ensure that American interests are totally protected.

**Enlightened Leader.** The second actor here is Mexico. I do not know of a more enlightened leader in Europe, Asia, the Western Hemisphere, or the Caribbean than Carlos Salinas de Gortari. I know some of you will say Václav Havel or others, but name somebody who has taken on the problems of economic growth with the dynamism that President Salinas has, who has dealt with environmental issues the way that he has. He has doubled the number of inspectors, created a new EPA and shut down a refinery with 5,000 jobs right outside of Mexico City — an oil refinery that produces \$500 million annually — because it was polluting Mexico City. (There is still the problem of pollution there.) He acted courageously. He is addressing the problems of democratic reform, which must happen in Mexico. He has privatized industry, for example, privatized the telephone company. He has said he wants to be a friend of the United States, and there has always been a little tension between our two countries. So, when a Hispanic-American and a Mexican president see this link, and I can take a Mexican president and Mexican government officials to the United States Congress, which sees well-educated, young technocrats committed to improving the economic conditions of their people, and not somebody who smokes a big cigar and arrives late, somebody who is just as good as we are, then it gives me pride as a Hispanic.

**Defining Issues.** This vote, I think, will be a defining issue for this country, for this hemisphere, but also for the Hispanic community. We need those defining, uniting issues that bring us together. It has taken a little time, it will not be a unanimous vote in the Congressional Hispanic Caucus. (From the Puerto Rican in New York to the Cuban in Florida, the potential for Hispanic Americans is enormous. In fact, Governor Hernandos-Colon has sent me a telegram — and there is no stronger Democrat than he — in support of the Free Trade Agreement with Mexico.) If we can deal with some of the defense issues concerning Cuba and Mexico, we will get strong support from the Florida Cuban-American community. The Texas votes look very good. The Democratic Governor of Texas is strongly endorsing this issue. The Texas Hispanic organizations are very supportive. In California, we have a little bit of a problem. It is not just for Fast Track, but for the years ahead as we negotiate this very positive agreement for this country.

Let me say one more thing.

If the Free Trade Agreement fails it will be a political embarrassment for President Salinas. He has staked the economic growth of Mexico on this Agreement. He is the first president of Mexico in years who has said, "Yes, I know we have had differences with you guys, but we think our future is with you, and we think that a free trade agreement can help us both." If we slap them down with a "no" vote, I think perhaps one of the more enlightened leaders right now and our own neighbor, will feel rejected. We deal with Iraq and France and NATO and Japan. Our Secretary of State, whom I tried to get to do something on Mexico, is back in the Middle East. We cannot deal with our own neighbor: we do not pay attention to our own neighbor. And a "no" vote reinforces this indifference. It reinforces their view that we do not care about Latin America, that we do not trust them. So, I think we are talking

**we do not care about Latin America, that we do not trust them. So, I think we are talking about a larger issue here than a bilateral problem that we have with Mexico. If the Free Trade Agreement does not pass, will also show our lack of commitment to the international trade talks at GATT. Ladies and gentlemen, quite a bit is at stake. Thank you.**

