

# SHARING SPACE WITH OUR HEMISPHERIC PARTNERS:

## A LATINO PERSPECTIVE ON U.S. POLICY TOWARD LATIN AMERICA

Final Report of the Latino Leadership Task Force

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The Pacific Council was pleased to partner with the Mexico Institute at the Woodrow Wilson International Center for Scholars for this project. The Institute maintains an ongoing focus on key issues that align with the objectives of the Task Force, and provided valuable expertise and technical support throughout the course of the project.

The Mexico Institute's mission is to improve understanding, communication, and cooperation between Mexico and the United States by promoting original research, encouraging public discussion, and proposing policy options for enhancing the bilateral relationship. A binational Advisory Board, chaired by José Antonio Fernández Carbajal and Roger W. Wallace, oversees the work of the Mexico Institute. The Institute maintains an ongoing focus on five key issues in U.S.-Mexico relations: security cooperation, economic integration, migration and migrants, border issues, and energy and natural resources.

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Task Force members join a consensus signifying that they endorse the general policy thrust and judgments contained in this report, though not necessarily every finding and recommendation. They do so as individuals. Institutional affiliations are listed for identification purposes only and do not represent endorsement of the report by a Task Force member's place of affiliation or any of its sponsors. Each Task Force member also has the option of putting forward an additional or dissenting view for inclusion in the final report.

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## Foreword

One of the most important opportunities facing the United States lies in our own hemisphere, in the prioritization of Latin America when deploying the nation's economic, diplomatic, and military assets. Yet the Obama administration announced a strategic "pivot" toward the Asia-Pacific region in late 2011, when a pivot toward partners and markets much closer to home would better serve the national interest. Many Americans still tend to view the hemisphere as a source of problems for the United States rather than a region filled with opportunities. U.S. Latinos, on the other hand, by virtue of their personal and familial histories, have a visceral understanding of the challenges shared across the hemisphere, and of the importance of Latin America as a region of potential and actual U.S. partners – a region dominated by stable and increasingly middle-class, market-oriented democracies.

Meanwhile, the U.S. Latino community's political and economic influence is growing. Latinos now make up 16% of the U.S. population, and in 25 years, they will represent a quarter of all Americans. The purchasing power of U.S. Latinos is projected to top \$1.5 trillion by 2015. Most electoral battleground states have large Latino electorates, and both candidates in the 2012 U.S. Presidential elections are eager to secure the vote of this diverse demographic.

Furthermore, data continues to demonstrate the importance of trade relationships in this hemisphere as drivers of job creation and growth in the United States. Today, Latin America accounts for about one-fifth of total U.S. merchandise trade, and absorbs more U.S. exports than Europe. Mexico alone imports more goods from the United States than does China, accounting for more than 10% of total U.S. exports.

Given overwhelming economic evidence, as well as the growing influence of the Latino community and the increasing number of Latinos in elected office (as well as military and Foreign Service roles), U.S. domestic and foreign policy must become more informed by Latino voices. Latinos by no means comprise a single, unified bloc. But a Latino-influenced foreign policy would be shaped by an innate understanding of the changing demographics of the United States, the complexity and diversity of the nations of Latin America, and the natural interdependence of the countries of the hemisphere – including the United States – on issues ranging from trade and economic development to regional diplomacy, and from security to human mobility.

The Latino Task Force convened leaders from a variety of fields and from both sides of the political aisle, all of whom (Latino and non-Latino) identify these issues and the Latino community's role in addressing them as particularly important to the U.S. foreign policy discussion. Primarily from California, the bipartisan Task Force included representatives from the business community, academia, the not-for-profit sector, and others.



We are grateful to the Pacific Council on International Policy for conceptualizing, convening and supporting this Task Force, and to the Woodrow Wilson Center's Mexico Institute for its partnership throughout the duration of the project. Dr. Pamela K. Starr's work in distilling the group's consensus and drafting this written report was invaluable to the Task Force.

With this report, we urge policy makers to embrace the many positive changes taking place in our hemisphere, and to engage the Latino community as partners in the effort. It is our hope that the recommendations contained in the report will spur concrete policy action to enhance partnerships throughout the hemisphere, and additionally contribute to an ongoing policy dialogue that better reflects the changing demographics of the United States. In the current climate, as the United States seeks to create jobs for American workers and solve a myriad of economic challenges, this dialogue will be imperative, but it will only become more important in the future.

**Antonia Hernández and Solomon Trujillo**

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Sharing Space with our  
Hemispheric Partners:  
A Latino Perspective  
on U.S. Policy toward  
Latin America

## Executive Summary

Latin America matters greatly to the United States and to the everyday lives of its residents. Yet U.S. policy has generally treated the region as an afterthought and most Americans tend to see Latin America, if they think of it at all, as a source of problems for the United States rather than a region filled with opportunities. Most U.S. Hispanics, by contrast, for reasons of history, language, culture, and family ties, are predisposed to comprehend the importance of Latin America to the United States and the opportunities it presents. This important and growing segment of the U.S. population is thus particularly well-suited to think anew about U.S. policy toward Latin America and how it might best advance U.S. interests in the 21st century.

Over the past twenty-five years, Latin America has changed dramatically – from a region dominated by statist authoritarian regimes with weak economies and little international influence to a region populated mostly by stable, market-oriented democracies with an expanding middle class, and including some rising global players. These changes have made Latin America’s relevance to the United States simultaneously less visible and more profound by transforming the region into a place of significant economic and diplomatic opportunity, albeit alongside continuing security and migratory challenges. The visibility of Latin America among U.S. Latinos has created an appreciation for this profound regional transformation and for the new opportunities it presents the United States, and it is the foundation for a consequently unique and valuable perspective on U.S. policy toward the region.

This report draws on this Hispanic understanding of Latin America to outline a new way of thinking about and engaging with our Latin American partners, and to present a series of policy recommendations that U.S. policymakers and opinion leaders should take into account. It contains a Latino-inspired policy that places Latin America at the center of the U.S. foreign policy agenda, insists on more effective engagement with our neighbors, and focuses on opportunities without neglecting challenges. And it puts forward nineteen specific changes in U.S. policy toward Latin America – in the areas of trade and economic development, regional diplomacy, security, and human mobility – to advance U.S. regional interests in the 21st century.

In the economic realm, a Latino-inspired policy toward Latin America would promote deeper U.S. integration with a region dominated by stable market economies that generate economic opportunities for U.S. firms and jobs for U.S. workers. The region’s rapidly expanding economies and growing middle classes have driven an expansion in U.S. exports that exceeds every other region of the world. And very much unlike China, production sharing in Mexico translates into U.S. imports with high U.S. content, and government policies in most of the region protect the intellectual property rights of U.S. firms.

A Latino-inspired policy toward Latin America would actively engage the region's rising global actors to augment the weight and legitimacy of U.S. global diplomatic initiatives, and it would strengthen existing security cooperation based on "shared responsibility" without neglecting the economic dimension of the problems faced. And a Latino-inspired policy would take immediate steps to implement a sweeping overhaul of U.S. immigration policy that balances labor market efficiencies and social justice, moves immediately towards the full integration of all undocumented residents of the United States into the mainstream of U.S. society, and promotes ever more vibrant relations between sending and receiving communities.

### **The Latino Voice and Its Importance to U.S.-Latin American Relations**

When Americans think about our neighbors to the south, they sometimes tend to conjure images of poverty and violence, or of uncontrolled waves of undocumented migrants, and of threats to U.S. national security. Yet Latin America today is dominated by healthy market economies generating rapid growth, declining poverty, growing middle classes, and increased technological sophistication. It is a place where the flow of illegal migration north has plummeted in recent years. It is a region dominated by stable democracies, despite a large and troubling increase in crime and violence, and by governments that are mostly friendly toward the United States, albeit accompanied by a handful of regional adversaries.

Latin America of the 21st century is a complex collection of countries that create significant economic and diplomatic opportunities for the United States alongside real security challenges. In this setting, the United States cannot lose sight of the opportunity by focusing excessively on the challenges. This is something that Latinos, for reasons of history, language, culture, and family ties, clearly understand. It is time for policymakers to take advantage of the informed wisdom of this increasingly important segment of the U.S. population.

The transformation of Latinos from a minority group to a weighty segment of the U.S. population is well underway. Today, Latinos make up 16% of the total population, and in 25 years they will comprise a quarter of Americans.<sup>1</sup> They were 7.5% of the electorate in 2008, a number that the National Association of Latino Elected Officials estimates will grow to 8.7% for the 2012 elections and continue to expand rapidly in the years ahead.<sup>2</sup> Latinos occupy a rapidly growing number of elected offices in the country – nearly 6,000 in 2011 – reflecting a 53% increase over 15 years.<sup>3</sup>

On the economic front, the U.S. Latino economy is valued at over \$1 trillion, a market larger than every Latin American economy except for Brazil and Mexico. Hispanic businesses account for about 8% of all U.S. non-farm businesses, employ over one million workers, and are the fastest growing segment of small businesses in the country. These firms also tend to export more than non-minority-owned businesses.

It is something of a cliché to say that the growing size and political and economic clout of the U.S. Hispanic population matters for domestic politics. But its relevance to U.S. foreign policy is equally important, even if much less discussed.

The expansion of the Hispanic population is transforming the United States into a more “Latin” American country, which is a positive development for U.S.-Latin American relations. Latinos know Latin America better than most other segments of the U.S. population because of their personal and linguistic ties, family histories, and consequent cultural kinship with the region. These language skills and cultural affinities can help form a bridge between the United States and its southern neighbors. Even more important, Latinos’ personal and familial histories cause them to look at U.S. foreign policy from a perspective that is both different from the current crop of foreign policy practitioners, and better suited to the demands of the current and future U.S. relationship with Latin America.

Latinos tend to look at Latin America, a region characterized by increasing complexity and diversity, from the multi-cultural and pluralist perspective that defines the way they integrated into the U.S. population. Latinos tend to see the United States as a member of the American family, unlike the traditional U.S. foreign policy perspective that tends to see the United States as a European country transplanted to the “New World”. Latinos tend to see the Western Hemisphere not as a place to be dominated by the United States, but as a space we share with our neighbors, friends, and often family to the south. Nor can Latinos escape the increasingly intermestic quality of Latin America’s importance to the United States— neither purely international nor purely domestic but both at once.

More attuned to Latin America’s growing importance to the United States, and more comfortable with sharing the hemisphere with our neighbors rather than trying to dominate them, Latinos thus tend to see Latin America as a region filled with economic opportunities and with vital partners in regional and global affairs.

## **A Latino Foreign Policy toward Latin America**

In broad terms, a Latino-influenced foreign policy would reaffirm traditional pillars of U.S. hemispheric policy – assuring U.S. security, encouraging trade expansion through reciprocal trade agreements, and promoting democratic political development. But it would also recognize that finding solutions to these policy challenges must take into account a central fact about the 21st century policy context: we depend on one another and on cooperation across borders to advance our mutual interests. U.S. policy toward Latin America must take into account this context and the policy recommendations that follow from it to effectively advance U.S. national interests.

A Latino-influenced policy would give higher priority to further integrating our foreign policy with many of our own domestic issues, such as protecting energy security through joint energy development in hemisphere, and strengthening the rule of law, law enforcement, and judicial institutions and administration. It would be more attuned to the role of economic integration and partnerships in stimulating economic development, and to how rising living standards in Latin America positively impact issues that directly affect the everyday lives of Americans, such as migration, drugs, crime, and jobs. And it would emphasize achieving comprehensive immigration reform in a way that not only mobilizes cross-border human capital flows, but also recognizes that labor mobility is an element of the complex economic interconnectedness between the United States and Latin America. As such, a successful immigration policy must be integrated into a comprehensive policy for regional security, growth, and development.

A Latino-influenced foreign policy would emphasize the new reality of the Americas – that we live in a shared space with our regional neighbors; that our future well-being depends increasingly on their well-being; that the solutions to many of our foreign and domestic policy challenges depend on working with regional partners; and that we need a 21st century policy that reflects the current policy context and its challenges at home and abroad.

## **New Hemispheric Opportunities and Challenges for the United States**

Latin America matters to the United States. Latin America's proximity to the United States makes it inevitably important to U.S. national security. But the region also matters as an economic partner, and as an actor in the global expansion of freedom, democracy, and human rights. Latin America matters differently for the United States than it did twenty-five years ago, yet policy makers often fail to take this into account when shaping U.S. policy toward the region.

Historically, Latin America has been considered relevant to U.S. national interests mostly as a potential security threat – as a place where extra-hemispheric adversaries of the United States (Germany, Japan, the Soviet Union, and now Iran) can menace the United States. For most of the 20th century, authoritarian and often unstable governments frequently posed strategic problems for the United States, while the region's insular model of economic development limited the region's economic relevance. Today, Latin America is a different place, transformed by the rise of stable democracies and market economies open to global trade in most of the region. Latin America is no longer populated by potential pawns in the Cold War (if it ever really was) but instead by rising global actors such as Brazil and Mexico, new trading states such as Chile, Colombia, Panama, and Peru, and some of the world's most vibrant democracies.

In the early 21st century, Latin America's importance to the United States no longer revolves around military-security concerns. Although rising crime and violence, often associated with powerful organized crime syndicates, pose a real threat to citizen security, political stability, and

commerce in several countries, security no longer dominates Latin America's significance for the United States. Latin America instead matters mostly as a region full of potential economic partners that can enhance U.S. global competitiveness and job creation, prospective allies that can reinforce U.S. international influence, and fellow democracies that can strengthen the global image of democracy and human rights. In the early 21st century Latin America matters to the United States as much as Asia, a region on which U.S. policy-makers seem to be fixated. U.S. policy must reflect the large and growing significance of Latin America to U.S. economic and political interests.

## **Economic Opportunities in Our Neighborhood**

Latin America's considerable and growing economic relevance to the United States is often overlooked amid daily news headlines dominated by "drugs and thugs". Latin America as a region weathered the 2008 global financial crisis better than most of the rest of the world. After a brief downturn in late 2008 and early 2009, Latin America experienced strong and steady growth in 2010 and 2011 – around 5.9% and 4.3% respectively – growth rates similar to the East Asian Tigers. The drivers of this recovery are the same factors responsible for a region-wide economic expansion of nearly 5 percent from 2003-2008 – strong export performances coupled with rising domestic demand.<sup>4</sup>

Steady growth and innovative social policies have helped lift an estimated 40 million Latin Americans out of poverty between 2002 and 2008.<sup>5</sup> Although Latin America remains the second most unequal region in the world in terms of income distribution (and is home to some of the wealthiest individuals in the world), it now includes a vibrant and growing middle class that hungers for cars, cell phones, computers, flat screen TVs, and other luxuries of middle class living. This demand translates into a stable source of domestic economic growth, but in open market economies it also generates a market for a wide range of imported goods. At a time when export-driven job creation has become an increasingly important feature of the U.S. economy, the rise of the Latin American middle class presents an opportunity to expand U.S. exports and thereby create jobs.

The United States has begun to take advantage of this opportunity, but it needs to do more. In part due to having signed trade agreements with our most important Latin American trading partners, U.S. trade with Latin America grew by 82% between 1998 and 2009, faster than trade with any other region of the world, including Asia. Today, Latin America accounts for about one-fifth of total U.S. merchandise trade, and absorbs more U.S. exports than Europe. Mexico alone imports more goods from the United States than does China, accounting for more than 10% of total U.S. exports.<sup>6</sup> But U.S. trade with Brazil, the world's sixth largest economy, continues to lag – China, not the United States, is Brazil's principal trading partner<sup>7</sup> – and overall the United States has failed to promote trade opportunities in Latin America with the same vigor as in Asia.

Beyond markets for U.S. exports, the increasing sophistication of many Latin American economies has made some regional partners essential to the global competitiveness of U.S. firms in technologically advanced sectors such as computers, automobiles and aerospace. This is particularly evident in Mexico, where economic stability, proximity to the United States, and an increasingly skilled workforce in a flourishing manufacturing sector combine to create a perfect partner for production sharing. Because production sharing requires parts to be shipped back and forth across the border as goods are produced, U.S. imports from Mexico contain an average of 40% American-made parts, compared to about 4% for imports from China. This means that, in an era of outsourcing, U.S. trade with Mexico translates into six million American jobs.<sup>8</sup>

Additionally, most Latin American governments give strong protection to intellectual property rights and trade secrets, in sharp contrast to China, and their generally friendly relations with the United States (with some notable exceptions) reduces the likelihood of supply disruptions due to political disputes. These characteristics point to additional opportunities for investment and additional production sharing in the region.

### ***Policy Recommendations***

To take better advantage of these opportunities, a Latino-inspired U.S. economic relationship with Latin America would:

1. Use existing mechanisms to complement regional trade agreements with economic development loans that strengthen market-based economic self-sufficiency where it continues to lag. This might include investments in infrastructure and technology enhancement through the development banks, as well as increased Export-Import Bank loans to small and medium-sized businesses in the region.
2. Promote region-wide technical exchanges and an educational initiative to increase the number of engineers, scientists, technology and communications specialists, and other professionals pivotal to regional development.
3. Engage the largest and most diversified economies in the region more aggressively to promote trade and investment.
4. Encourage (via promotion programs) small- and medium-sized U.S. businesses to take advantage of trade and investment opportunities in Latin America. This would help stimulate growth among firms that create the majority of jobs in the U.S. economy, and it would encourage the majority of Latino businesses (which are concentrated in this sector) to utilize existing cultural and family ties to establish or expand regional economic operations.
5. Work with partners in the region to remove non-tariff trade barriers that inhibit the free exchange of goods.



6. Reinforce efforts to develop common regional regulations and standards that might help facilitate the fluid movement of goods across borders. Place a special emphasis on improving mobility across the U.S.-Mexico border through modernization of ports of entry and the enhanced use of technology for pre-screening.

## **Democratic Partners on the International Stage**

In an era in which diplomacy and soft power have become essential complements to military might in international affairs, Latin America's importance to the United States as a region of potential international partners is greater than ever. For more than 200 years, the United States encouraged its neighbors in the "New World" to adopt democracy to strengthen the global perception of the vitality, strength, and broad applicability of the American democratic project. In the final years of the 20th century, this long-standing regional aim became reality. Today, the vast majority of Latin Americans live in stable democracies, even as the absence of democracy continues to characterize much of the Middle East, Africa, and Asia. Many of these Latin American democracies, most notably Brazil, Mexico, Chile, Colombia, and Peru, have presided over a prolonged period of economic growth with declining poverty and a rising middle class, and have embraced an expanding role on the international stage. In other words, several Latin American countries, simply by being themselves, have become global ambassadors for democracy. A United States that actively and positively engages with its democratic partners in Latin America can bask in the glow of this democratic progress.

On this foundation of economic and political success, several Latin American countries have become active participants in international politics and have thereby altered the regional position of the United States. No longer the predominant regional player standing apart from Latin America, the United States is now merely the most important regional actor, and one that has become increasingly integrated economically and politically with its partners in the hemisphere. In this context, Brazil and Mexico stand out as rising democratic powers with significant international influence that should be natural allies of the United States. Despite real differences in national interests, they share core political and economic values with the United States, not unlike many of our European allies. And yet, not a single Latin American country ranks in the top four sending students to study in the United States – a demonstrated tool to increase cross-cultural communication and understanding. Mexico ranks highest among Latin American nations, but is ninth overall, and Brazil ranks fourteenth for a combined total of just 3% of foreign students studying in the United States, compared with 22% for China.<sup>9</sup> Additionally, numerical caps coupled with delays, high costs and consequent uncertainty in the visa application process hinder cultural exchanges as well as internship and training programs with Latin America.

## ***Policy Recommendations***

To more effectively engage politically with our Latin American neighbors, a Latino-inspired approach to regional diplomacy would:

1. Strengthen democratic institutions from the national to the local level (and in the United States as well as in Latin American countries) and ensure the protection of human rights throughout the hemisphere in close collaboration with our neighbors.
2. Aggressively promote educational and cultural exchanges by simplifying the U.S. visa application and review process required for cultural and educational exchanges, and by working in partnership with Latin American countries to develop new initiatives that support educational exchange.
3. Promulgate education policies at home that further language training in Spanish and Portuguese to encourage bilingualism.

## **New Security Challenges**

If Latin America (particularly its northern tier) is not populated by stable and prosperous partners, U.S. security can never be fully assured. Although the direct threat to U.S. security emanating from Latin America is currently limited, the United States cannot ignore the alliances some countries have forged with Iran, or the dramatic expansion of Chinese influence in such a strategically significant region. Yet the growth of organized crime throughout Latin America is an even more pernicious problem, in part because it seems less menacing. These criminal organizations, built around drug trafficking and mostly based in Mexico, are not simply the central source of illegal drugs in the U.S. market and the consequent challenges of crime and public health problems. They are major criminal enterprises operating throughout Latin America whose considerable power and global reach directly threaten the stability and security of some of our nearest neighbors while hindering economic activity and job creation.

According to a report by the Woodrow Wilson Center Mexico Institute, the annual export revenues of Mexico-based drug trafficking organizations are estimated to be between \$4.7 and \$8.1 billion (although U.S. government estimates are higher), coming from markets that cover the entire Western Hemisphere and extend into Europe, Asia, Africa and Australia.<sup>10</sup> Their objective is not to destabilize Latin American governments – they are business enterprises, after all, not revolutionaries – but this is often the outcome of their operations. To do business, organized crime must weaken the capacity of governments to obstruct their operations. It is estimated that as many as three-quarters of Mexican municipalities are under criminal control and that between

40 and 60% of Guatemalan territory is dominated by drug traffickers. At the same time, the crime and violence that accompany organized criminal activity has skyrocketed, especially as this activity has expanded to include kidnapping, extortion, and robbery. Murders have multiplied throughout the region. Latin America now has the second highest regional homicide rate in the world (second only to southern Africa), Honduras and El Salvador have homicide rates exceeding those of countries engulfed in war (and more than four times the Mexican rate, which is itself nearly four times the U.S. rate), while Caracas registers the highest murder rate of any capital city in the world.

Organized crime thus poses a direct threat to the national security of several Latin American countries, to the stability and operational autonomy of several governments, to citizen security throughout the region, and to commerce and economic development. This situation directly undermines U.S. national interests by destabilizing or threatening to destabilize allied countries situated on or near our borders, by creating the potential for terrorist alliances with rogue criminal operators, and by undermining economic growth opportunities in much of the region. And it matters for humanitarian and moral reasons, since the U.S. demand for drugs and the balloon effect of U.S. counter-narcotics efforts have contributed to the problem. The United States must reduce its insatiable domestic demand for illicit drugs in order to avoid further destabilizing Latin American governments and economies.

### ***Policy Recommendations***

A Latino-inspired approach to the U.S. security relationship with Latin America would:

1. Strengthen U.S. efforts to block the illegal export of arms and the flow of money to Latin America, and to reduce the U.S. demand for illicit drugs.
2. Reinforce the current policy emphasis on “shared responsibility”, possibly by creating a high-level regional strategy to fight multinational organized crime groups.
3. Increase mutual support for rule of law initiatives in the hemisphere, including efforts to improve the performance of police, prosecutors, and courts.
4. Build partnerships with civil society-led efforts to address public security concerns.

### **Human Mobility: A Pivotal Link in Our Shared Hemispheric Space**

Over the past decade, migratory patterns in the Americas have changed in significant ways. Tighter enforcement policies and a deep and lingering recession in the United States coupled with booming growth of Latin American economies have caused Latin American migration to the United States to fall to the lowest levels since the 1970s. In fact, net migration from

Mexico reached zero following the recession, meaning that the number of arriving migrants was matched by the number returning home.<sup>11</sup> These developments suggest that the United States is unlikely to see another immigrant surge of the proportions experienced at the turn of this century.

But the U.S. economy continues to attract migrant labor, both low-skilled and high-skilled, suggesting that a recovering U.S. economy is likely to be associated with a renewed inflow of job seekers from Latin America. Further, since the current U.S. immigration policy framework does not provide for an adequate, orderly flow of either labor or family reunification migration, the result is undocumented migration. In other words, the currently reduced inflow of undocumented workers does not mean that the problem has been solved, but it does produce an opportunity to enact new legislation that will address illegal migration.

At the same time, the deportation in the last three years of 1.2 million undocumented immigrants (most of them of Latin American origin) has generated unjustified hardship for Latino communities while also contributing to labor shortages in U.S. agriculture.<sup>12</sup> Misguided on humanitarian and policy grounds, the deportations have highlighted the critical role played by migrant labor in the U.S. economy. In California, farmers are switching to less labor intensive crops, planting less, or even plowing under entire crops because of labor shortages (despite increasing wages, offering signing bonuses, and aggressive recruiting).<sup>13</sup> The Fruit and Vegetable Growers' Association in Georgia estimates losses of \$75 million in 2011 due to labor shortages.<sup>14</sup>

This is just one symptom of an immigration system that does not reflect contemporary realities. Foreign-born Latinos make economic contributions that extend far beyond our fields and orchards. In some of the fastest growing sectors of the economy, like home health care and hospitality, Latino immigrants are at the core of the workforce, and in other more established sectors, like transportation and retailing, they represent the largest source of growth. Immigration is a critical asset for U.S. economic production, but it is not regulated as such.

A Latino perspective on immigration, however, does not stop with labor force issues. Rather it sees immigration as one of the defining characteristics of our shared hemisphere today. In an increasingly interconnected world, we live in an exceptionally interconnected hemisphere, and a key connection in the Americas is the human bond created by migration. Latinos do not see human mobility as merely a product of market forces but rather they understand it as an expression of aspirations and affections. Immigration is not simply an individual's search for better wages. The massive flow of remittances to the family members who remain behind demonstrates the extent to which immigration is often a family enterprise that creates powerful transnational ties between countries. As a result, a new immigration policy framework must satisfy multiple objectives: it should promote respect for both our laws and the values that underlie them; it should seek to maximize the economic benefit for both employer and employee; and it must recognize

the vibrant linkages that have been forged among individuals, families and communities in the United States and Latin America.

It is time for the U.S. government to openly acknowledge that, for now, the United States continues to rely on imported labor, most of it emanating from Latin America. It is time for the U.S. government to accept that deporting undocumented migrants in record numbers has produced troubling consequences, not only for the U.S. economy, but also for families that have been divided and U.S. citizen children who have departed with their parents and now live in a foreign land.

It is time for the U.S. government to admit that deportations and enhanced border security do not comprise an effective or fair enforcement strategy. More to the point, U.S. policy must recognize the fact that enforcement alone cannot compensate for the absence of legal channels for migration. There is a growing consensus that the border is more controlled today than at any time since large-scale illegal immigration began in the late 20th century, yet this is matched by clear evidence that managing migratory labor flows is impossible without balancing enforcement with legal paths for immigration. If there are job opportunities, job seekers will be motivated to migrate. Similarly, if separated family members face nightmarish waits and bureaucratic roadblocks in the immigration system, they will find other means to reunite.

Most of all, it is long past time that the U.S. government found a just and workable solution for the 11 million people currently residing in the United States without legal status. The Obama Administration's recent decision to defer deportation for some young people who were brought to this country as children is a significant beginning; but it is only a small, temporary and partial step forward. Until the entire unauthorized population has a path out of the shadows, pernicious effects will spread throughout our society. As workers, parents, tenants, consumers, and in many other roles, unauthorized migrants are denied basic protections or are afraid to exercise their rights. They suffer, but so does the rest of the U.S. population, and a Latino perspective on immigration sees legalization for the unauthorized as a benefit for all Americans. Moreover, the demonization of unauthorized immigrants causes harm to all Americans. It has coarsened our civic discourse and eroded the basic respect for all human beings on which our democracy is based. Latinos will not tolerate these circumstances as a matter of principle, but also because they well know that the demonization of a few often leads to discrimination against many.

The federal government's long failure to reform the immigration system has allowed dissatisfaction and suspicion to fester, and now we see the results in a rash of state and local efforts to regulate immigration. Deciding who is allowed to live in the country is quintessentially a federal function. That is what the U.S. Supreme Court forcefully declared in its decision last June striking down the core of Arizona's immigration law. It is not just a matter of constitutional niceties. The multiplicity of state laws, often at odds with each other and with federal regulations, have created confusion in labor markets, have often encouraged violations of the civil rights of documented

and undocumented migrants as well as Hispanic U.S. citizens, and have needlessly antagonized our neighbors to the south.

Finding a better way to manage Latin American migration to the United States would help advance U.S. interests in the region. It promises to eliminate what has become a constant source of friction between the United States and Latin America – the perception that the United States treats Latin American citizens pursuing job opportunities abroad unfairly. The United States rarely thinks of immigration as a foreign policy concern, but its multinational effects and implications can be as profound as its domestic consequences.

### ***Policy Recommendations***

A Latino-inspired approach to immigration begins by insisting that politicians stop blaming immigrants for rationally responding to the perverse incentives produced by U.S. immigration policy, for which the politicians are responsible. Politicians must therefore stop punting this critical policy challenge and instead face it head on, and they must develop a single federal policy that enacts a comprehensive solution: improved enforcement, more sensible and more humanitarian management of legal flows and a means to regularize the status of all undocumented individuals residing in the United States. Such a policy would:

1. Immediately halt the detention and deportation of undocumented immigrants unless they have previously committed a serious crime. Our law enforcement system will be much more effective if it concentrates on removing individuals who genuinely pose a threat to public safety instead of wasting resources on the removal of those who have only utilized a broken immigration system. In order to redress the situation, Washington not only has to change its own policies but also must insist that state and local agencies adopt the same stance.
2. Fully implement the doctrine of federal supremacy over immigration controls embodied in the *Arizona v. U.S.* decision by the U.S. Supreme Court. The two other branches of the federal government must now vigorously combat any state or local initiatives designed to limit immigrants' prerogative or even their simple presence. Congress and the executive equally face a responsibility to satisfy federal responsibilities under this doctrine by creating an effective and just immigration system.
3. Create and implement a process for the legalization of undocumented immigrants living in the United States, with clear steps toward achieving citizenship for individuals that choose to pursue it.

4. Shift the incentives for Latin American migrants to come to the United States legally, rather than illegally, by creating mechanisms for both labor and family migration that respond to needs effectively and humanely. Instead of trying to treat all countries in a similar manner, the U.S. immigration system must recognize the exceptional role played by some countries of origin, most notably Mexico, in order to accommodate demand on both ends of the migration process.
5. Work with partners in the region to create opportunities that mitigate the economic impetus for individuals to migrate.
6. Develop bilateral agreements on deportation to regularize the process and enable sufficient exchange of information with return countries.

## Conclusion

Latin America matters more than ever before to the everyday lives of U.S. citizens, and it matters in ways we never could have imagined twenty-five years ago when the fight against communism and repeated economic crises dominated U.S. thinking about the region. Today Latin America is dominated by stable and increasingly middle-class market-oriented democracies, including some rising global players, although it remains challenged by profound pockets of poverty, a troubling expansion of crime and violence, and in a handful of countries, the reversal of market reforms and adversarial behavior. Latin America still poses some problems for U.S. interests, but its real relevance to the United States today is as a place of economic and political opportunity.

This shift in the importance of Latin America to the United States is often hard for the majority of Americans to see, but for most U.S. Hispanics it is patently obvious. Latinos also recognize the value of sharing hemispheric space in a neighborhood that contains new global actors, significant trading states, and some of the world's most vibrant democracies. Hispanics understand that Latin America is positioned to partner with the United States across a wide range of economic and political initiatives that will advance U.S. national interests.

Given the overriding need to create jobs for American workers, a Latino-inspired policy toward Latin America would aggressively take advantage of the opportunities to expand trade and investment in a region filled with potential markets, production sites, and trading partners. It would reinforce economic integration with expanded diplomatic engagement in the region, especially with countries that share our core political and economic values. It would insist that the United States strengthen regional security assistance under the rubric of "shared responsibility", including attention to the economic sources of crime and violence, to provide the citizen security that is a prerequisite for long-term economic advancement and political stability. A Latino-inspired

policy toward Latin America would finally make reform of the U.S. immigration system a paramount concern. Such reform is essential to enhancing the efficiency of U.S. labor markets, to integrating undocumented residents into U.S. society, and to attesting to the U.S. willingness to partner with our Latin American neighbors by developing guest worker programs that respond to U.S. labor demands while protecting worker rights.

Enlightened self-interest demands that the United States engage with Latin America more actively and more effectively. This requires U.S. policymakers to place Latin America at the center of the U.S. foreign policy agenda, to focus sharply on regional opportunities while responding to problems, and to engage Latin American countries as partners with whom we share hemispheric space. It ultimately obliges policymakers to listen to the voice of U.S. Hispanics, as reflected in this report.



## Additional/Dissenting View

I must publicly disagree with the first Policy Recommendation in the Human Mobility section. I strongly agree with the objective, but I cannot support breaking laws, even if I find them objectionable. An essential cornerstone of our republic is a strong commitment to the rule of law. Our slow political process can be maddening, but it has proven to be a strong bulwark for freedom and stability in the oldest democracy in history. I believe that Latinos and supporters are making progress and will continue to do so in changing objectionable laws. I can understand the impatience, and the desire to change now, but I cannot agree with advocating unilateral changes. Thus I disagree with this particular recommendation: however, I strongly favor change in immigration policy that accomplishes the same end.

**Ambassador Frank Baxter**

Latino Leadership Task Force member

## Endnotes

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