Development and Migration
In Rural Mexico
by Andrew Wainer

Key Points

- To comprehensively reform immigration policy, the United States must acknowledge the links in Latin America between poverty, inequality, and migration, and work with migrant-sending countries to address the sources of unauthorized immigration.

- As the source of 60 percent of all unauthorized immigration to the United States, Mexico—and particularly rural Mexico—presents a unique environment to implement U.S. foreign assistance projects that promote development with the aim of reducing migration pressures.

- U.S. foreign assistance agencies working in migrant-sending regions should integrate analysis of migration issues into development projects. Projects that seek to reduce migration deserve increased attention from U.S. policymakers, including support for pilot projects and evaluations.

- Rural development projects in migrant-sending communities can increase their impact through partnerships with small farmer organizations. Strengthening independent small farmer groups creates on-the-ground advocates that influence the Mexican government to support policies and leverage public resources that help small producers.

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Abstract

The immigration debate, while focused on domestic issues, largely overlooks some of the principal causes of unauthorized migration to the United States: poverty and inequality in Latin America.

The U.S. government identifies Latin America as the primary source (80 percent) of unauthorized immigration, but its responses internally, at the border, and through its foreign assistance to migrant-sending countries is focused on enforcement.

Border enforcement fails to impact the causes of unauthorized migration in Latin America and U.S. foreign assistance to Latin America typically doesn’t take into account its impact on migration pressures.

U.S. policy toward migrant-sending countries in Latin America mirrors its enforcement-focused domestic policy. Assistance to Mexico is dominated by the Mérida Initiative, which emphasizes aid to Mexico’s security agencies.

This report analyzes a project in rural Mexico that was designed with an awareness of the connections between development and migration. The project is analyzed in this report to inspire discussion and action linking development and the reduction of migration pressures.

Projects that make these connections deserve increased attention in order to broaden the immigration policy discourse to include options for reducing poverty and migration pressures at the source.
As the source of 60 percent of all unauthorized immigration to the United States, Mexico is unrivaled as in its importance to U.S. immigration policy (see Figure 1). Recognizing this, the U.S. government’s primary response has been reinforcing the country’s 1,969-mile border with its southern neighbor. While this is popular with the public, it hasn’t stopped unauthorized immigration. Although unauthorized immigration has decreased in recent years, most experts attribute that primarily to the loss of available jobs in the United States rather than increased spending on border enforcement.

In order to address immigration pressures directly, the United States must consider a more balanced development agenda toward Mexico and other migrant-sending countries in Latin America. This includes elevating the importance of poverty reduction and job-creation projects targeted to migrant-sending communities—particularly in rural Mexico, where poverty and migration are concentrated.

Building sustainable livelihoods in migrant-sending communities not only has the potential to reduce a major cause of immigration to the United States but could also contribute to the fight against violence and lawlessness in Mexico. While the reasons for the violence are complex, poverty and a lack of economic opportunity for Mexican youth certainly facilitate involvement in illicit activity along with out-migration.

The U.S. government and multilateral organizations such as the United Nations are expressing increased interest in the nexus of development and migration. The U.S. Agency for International Development (USAID) in particular is supporting research on the role that the diaspora can play in their home countries’ development.

In November 2010, U.S. State Department Assistant Secretary Eric P. Schwartz said, “Governments and international organizations must also better anticipate the impact of development programs on the movement of people.” These are a promising signs. But policymakers lack models and a process for converting this increased interest into concrete policies and projects that seek to reduce migration pressures in Latin America in general and in Mexico in particular.

U.S. Foreign Assistance to Mexico and the Mérida Initiative

The U.S. embassy in Mexico City states on its website, “The lack of opportunities to earn a living wage spurs migration—both internal and international.” But the U.S. government’s foreign policy response to the causes of immigration matches its domestic policy: an overwhelming focus on security and law enforcement.

Within the U.S. government’s Latin America assistance portfolio, Mexico has traditionally been a low-priority country because of its status as a middle-income nation. Until 2008, Mexico and Central America received 16.2 percent of foreign assistance funds directed toward Latin America. This typically amounted to $60-70 million per year for Mexico, with more than half of that directed to assist Mexico’s fight against international drug trafficking. Mexico received about $27 million per year in foreign assistance for all non-security programs prior to 2008.

In an effort to combat Mexico’s narcotic trafficking organizations, U.S. assistance was dramatically increased in 2008 through the Mérida Initiative, a multi-year $1.8 billion
program focused on law enforcement assistance to Mexican (and, to a lesser extent, Central American) security agencies. Through this program, U.S. assistance to Mexico increased from $65 million in fiscal year 2007 to almost $406 million in fiscal year 2008. In 2009, total State Department assistance to Mexico was $786.8 million. Of this total assistance package, $753.8 million—96 percent of U.S. funds to Mexico—was directed toward military and drug enforcement assistance. Although it’s dwarfed by the $10 billion annual border enforcement budget, the Mérida Initiative dominates U.S. foreign assistance to Mexico.17

In 2009, U.S. development assistance that could be directed toward job-creation projects that reduce migration pressures totaled $11.2 million, or .01 percent of total U.S. assistance (see Table 1 on next page). The Mérida Initiative increased total U.S. assistance to Mexico but decreased the importance of economic development in the overall Mexican foreign assistance agenda. There are U.S. government agencies other than the United States Agency for International Development (USAID) and the State Department that focus on poverty reduction and rural development in Latin America, but within the entirety of U.S. foreign assistance to Mexico, poverty reduction and economic development remain a low priority. USAID’s lack of emphasis on supporting rural Mexico—where poverty and migration are concentrated—is part of a global foreign assistance trend beginning in the 1980s that de-emphasized agricultural development.20

In spite of the growing interest, discussion among U.S. policymakers and practitioners on migration and development has largely been theoretical. Other than remittance projects, there are few models of how to design and implement development projects that seek to reduce migration pressures. In order to translate conceptual discussions into practice, policymakers and practitioners need to know what works in terms of development in migrant-sending communities.21

A Focus on Rural Mexico

Mexico’s countryside is one of the most promising environments to invest in rural development to reduce migration pressures. Mexico has the 14th largest economy in the world, but it is also extraordinarily unequal. Depending on the measure, between one third and half of Mexicans are

### The Mérida Initiative

Mexico has a long history of producing and supplying drugs for the U.S. market. Today, 90 percent of the cocaine entering the United States passes through Mexico.1 Upon taking office in December 2006—and after a steady increase in drug trafficking violence—Mexican President Felipe Calderón declared his intention to fight the country’s entrenched cartels with unprecedented force.

For decades the cartels were protected by Mexico’s long-ruling Institutional Revolutionary Party (PRI by its Spanish acronym), which served as an arbiter and regulator of the drug trade, thereby minimizing conflict among competing trafficking organizations. But when the PRI began to weaken during the 1990s, its ability to control the cartels diminished and drug traffickers began settling conflicts among themselves, through violence. Adding to the escalating intra-cartel violence and in response to Calderón’s crackdown, the cartels started to target Mexican security forces. Since 2006, the conflict has cost an estimated 28,000 lives—more than 10,000 in 2010 alone.2

Viewing the rising violence as a potential threat to national security, the United States government has been a strong supporter of Calderón’s attempt to dismantle the cartels. This support is expressed through the Mérida Initiative. Named after the Mexican city in which Calderón and U.S. President George W. Bush solidified the agreement in October 2007, the three-year $1.8 billion initiative is currently the United States’ largest foreign assistance package for the Western Hemisphere.

The initiative’s original goals included:
1. Breaking the power and impunity of criminal organizations;
2. Assisting the Mexican and Central American governments in strengthening border, air, and maritime controls;
3. Improving the capacity of justice systems in the region; and
4. Curtailing gang activity in Mexico and Central America.3

To date, Mérida has been almost exclusively focused on providing equipment and training for Mexico’s security agencies. About 59 percent of the funds go to Mexican law enforcement, while 41 percent has been targeted to the military.4

President Obama has echoed his predecessor’s support for the initiative. But in 2009 the Obama administration revised the program “pillars” and added one focused on building “strong and resilient communities.” This pillar calls for addressing socio-economic challenges and providing alternatives for youth.5

Calderón’s drug war led to the killing and capture of many of the cartels’ leaders, but there is no sign that the drug trafficking organizations are ready to surrender. In describing Calderon’s offensive, a U.S. Government Accountability Office report stated that it “does not appear to have significantly reduced drug trafficking in Mexico.”6

Analysts have found that the initiative is insufficient to meet the challenges posed by the cartels because it does not address the long-term problems that feed the drug trade: poverty and inequality. The Obama administration’s expansion of the initiative to include some attention to poverty is a positive change, but to secure long-term impact, poverty relief and job creation for youth will need to become a core component of the initiative.7
considered poor and up to 18 percent live in extreme poverty, unable to meet their basic food needs.  

Reducing migration pressures will require development and job creation throughout Mexico, but poverty and international migration are particularly concentrated in the countryside. Although about a quarter of all Mexicans live in rural areas, 60 percent of Mexico’s extreme poor are rural and 44 percent of all of Mexico’s international migration originates in rural communities (see Figure 2).  

This means that more than half of rural Mexicans live in poverty and 25 percent live in extreme poverty. As one expert states, “Rural poverty is one ... of the principal “push-factors” in Mexican migration to the United States” and thus should be the primary focus of development efforts aimed at reducing migration pressures.  

After decades of declining support among international assistance agencies, agriculture and rural development is now re-emerging as a vital development focus. The World Bank’s 2008 World Development Report states, “Agriculture continues to be a fundamental instrument for sustainable development and poverty reduction.” Research has also found that agriculture is one of the best returns on investment in terms of poverty-reduction spending. For example, each 1 percent increase in crop productivity in Asia reduces the number of poor people by half a percent. This correlation also holds for middle-income countries such as Mexico.

Among the options for agricultural development, support for smallholder farmers is the most promising path for poverty reduction. The World Bank states, “Improving the productivity, profitability, and sustainability of smallholder farming is the main pathway out of poverty in using agriculture for development.” And smallholder farmers in Mexico are especially in need of assistance. After decades of declining

### NAFTA and Mexican Small Farmers

After defaulting on its foreign debt in August 1982, the Mexican government began a major shift in its development strategy from a protectionist, state-run model that nurtured domestic consumption and industrialization to a more market-based model focused on cutting government spending and encouraging exports, all with the aim of reducing debt, inflation, and currency instability. Although the reforms of the 1980s were aimed at stabilizing the economy, the shift in economic model was wrenching for Mexicans. The 1980s saw falling wages, a decline in living standards, job displacement, and lowered prospects for economic mobility.

The impact on small farmers was particularly harmful. In addition to a reduction in state support, small and medium-sized producers faced the cumulative impact of long-term drought, multiple economic crises, increased competition from U.S. producers, falling agricultural commodity prices and increases in the price of agricultural inputs, and reduced access to credit. Mexico’s rural population decreased from 58 percent in 1950 to 25 percent in 2005. While many of the rural poor migrated to Mexico’s overcrowded cities, others opted for the United States.  

The 1994 North American Free Trade Agreement (NAFTA) was the culmination of the economic liberalization that began in the 1980s. NAFTA was touted as a Mexican job-cre-
ation program that would slow immigration. But NAFTA’s policies reinforced support for large, export-oriented producers at the cost of small farmers, and rural employment continued to diminish. Between 1991 and 2007 Mexico lost 20 percent (2.1 million) of its agricultural jobs. The loss of rural jobs and the inability to generate income impacted family farms in particular: non-salaried agricultural family employment declined 58 percent between 1991 and 2007. Many of these displaced farmers ended up in the United States, sometimes working in U.S. agriculture as field laborers.34

After NAFTA, the operation of the Mexican small family farm became the vocation of older Mexicans, while youth migrated to the cities or the United States. Almost a quarter of rural Mexicans ages 15-24 in 1990 had left by 2000. Throughout 30 years of increasing emigration, the Mexican government also has done little to slow the exodus. Its leading program for small agricultural producers—PROCAMPO—does not target areas of high migration.35

Although the Mexican government is primarily responsible for addressing the country’s rural poverty, the United States can provide critical support for programs that address migration pressures at their source. Because of its potential for long-term impact, such a strategy requires commensurate, sustained policy attention and resources. Furthermore, by supporting economic development projects with rural Mexican organizations, Mexican government agencies—particularly at the local and regional levels—can be drawn into development projects that reduce migration pressures.

A comprehensive, smallholder-based approach to development would by its very nature generate rural employment. Without support for Mexico’s small and medium farmers, the country’s rural economy will continue to be increasingly dependent on migration and remittances. While the link between supporting smallholder farmers and poverty reduction is proven, the next logical step with respect to its impact on migration pressures is less recognized.36

**The Contemporary Mexican Countryside**

The village of Avila Camacho, about 200 miles south of El Paso, Texas, is the perfect site for a Hollywood Western (see map on page 7). Along the village’s dirt road a cow grazes in front of abandoned, half-ruined adobe homes. But closer investigation reveals a less cinematic environment.

Up the hill from the ruined buildings, about 160 farming families struggle to maintain the small-scale agricultural production—mostly apple orchards—that are the community’s economic mainstay. For decades they’ve been losing...
economic ground—and population. In 1979, the village had more than 300 residents. But due to a long-term decline in viable agriculture much of the village’s youth left.

Even with the remittances that flow to the region, the area remains poor.37 Today, most of Avila Camacho’s residents are women and older men. Most young people simply expect to leave once they reach working age. A ruined elementary school with rusted chairs and tables is a relic of the once-vibrant community. The few school-aged children remaining travel eight miles to the nearest classroom along roads that are sometimes blocked by overflowing rivers.

Avila Camacho and rural Mexico’s youth exodus were shaped by a variety of factors, but the rate of migration became particularly intense starting in the 1980s when it was spurred by Mexican and international economic policies unfavorable to the country’s small farmers (see above).

Although Mexican small farmers were hurt by the increased imports from subsidized and mechanized U.S. farmers that NAFTA facilitated, the Mexican government’s rural policy has exacerbated the inequality and impoverishment of the countryside. NAFTA has been unsuccessful at supporting rural livelihoods for small producers like those in Avila Camacho. Mexican agricultural government subsidies—which could have been used to cushion the impact of NAFTA for small farmers—have largely increased inequality and migration pressures.38

How can the United States address this flow of migrants from rural Mexico? One path is to support Mexican small farmers to earn a living on their land and provide alternatives to migration.

Although rare, there are development organizations seeking to revitalize rural Mexican communities with the explicit goal of reducing migration pressures. To address unauthorized migration at the source, the U.S. government should learn from these (few) projects and consider funding and evaluating additional efforts at poverty reduction and job creation in migrant-sending communities. To this end, one such project—and the promising practices it has generated—is analyzed below.

Key Elements in Development and Migration Projects

To successfully implement development programs that reduce migration pressures, agencies must understand the critical connection between migration, poverty, and inequality.

When working in migrant-sending regions, U.S. development organizations must incorporate migration concerns into their core mission. Catholic Relief Services’ (CRS) Mexico program is a good example of a development organization that has done this.

“The theme of reducing migration is a fundamental goal of all the work CRS Mexico has engaged in,” said Chuck Barrett, CRS Mexico’s economic development consultant. “[CRS Mexico] has a fundamental undergirding principle to reduce the long-term pressures to migrate … It’s part of the long-range planning; it’s part of the vision.”39

Barrett engaged the problems of Avila Camacho’s small farmers—and others like them in Mexico—through his work with immigrant Mexican farmworkers in the United States, including those working in apple orchards. “[Immigration is caused by] the devastation in the rural economy in Mexico,” he said. “So when I got involved in development in Mexico that was front and center in my mind. To work in [Mexico] without thinking about this link would be turning away from the face of reality.”

But U.S. foreign assistance to migrant-sending communities rarely even considers the impact of development on migration. In El Salvador—another major migrant-sending country in Latin America—the Millennium Challenge Corporation’s (MCC) $461 million compact includes a rural development component and a project evaluation, but in spite of the MCC’s complex evaluation metrics, there is no evidence of an evaluation of the impact of the program on migration pressures.40

The lack of attention to the role of migration pressures is also true for the MCC compacts in Nicaragua and Honduras. Although the productive investment elements of these compacts may be reducing migration pressures, there is no mechanism to analyze and evaluate the projects’ effectiveness in this respect. This is typical for most development projects in Latin America, even in major migrant-sending regions.41

As Barrett began making connections—and seeking a partnership—between Mexican immigrant apple orchardists in the United States and small apple farmers like those in Avila Camacho, he learned of a private foundation in Wash-
ington state that was also interested in the links between Mexican rural poverty and migration to the United States. The Vista Hermosa Foundation serves as the charitable arm of an apple harvesting business that operates more than 6,000 acres of apple and cherry orchards in Prescott, Washington.42 The vast majority of the orchards’ employees are from Mexico, so the foundation is aware of the poverty that drove many of its workers north.

The foundation’s firsthand knowledge of the links between Mexican poverty and migration and its focus on agriculture matched CRS Mexico’s own vision for creating economic development programs aimed at the long-term process of revitalizing rural migrant-sending communities. When Barrett approached the foundation in 2005 with a proposal for a package of projects in Mexico’s apple-producing region, the foundation provided a funding stream and the partnership was solidified. “It was such a natural fit for us as apple farmers to be working with these farmers in Mexico who were living well below the poverty line,” Vista Hermosa Executive Director Suzanne Broetje said. “[They were] caught up in losing their land and migrating north in search of work. That’s what we see on this end.”43

Innovative Partnerships

Development projects seeking to reduce migration pressures draw on the expertise of Mexican immigrants themselves—particularly in agriculture. Their involvement can strengthen the impact of the project in the migrants’ home communities.

The CRS-Vista Hermosa partnership resulted in the For a Just Market project aimed at improving the productivity and commercialization of small and medium-sized apple farmers in Chihuahua, Mexico—the largest apple-producing region in the country. CRS had worked with the apple farmers though a small-producer organization (see below) since the early 2000s, but the For a Just Market project was not implemented until early 2005, Barrett said.44 The project has grown to include 200 farmers and their families (see map above).45

The goal of the project was to increase rural incomes and create jobs by helping small farmers in a region drained by migration. Barrett’s approach was aligned with experts’ analyses of agricultural development in middle-income countries. For example, Gates Foundation agricultural development expert Prabhu Pingali states that revitalization of the rural sector in modernizing economies requires a focus on increasing productivity and assisting small-producers to profitably sell their products on the market. This was the dual approach—increasing productivity and facilitating commercialization—which CRS adopted in seeking to provide Chihuahua’s small apple producers with alternatives to migration.46

Immigrant Experts

For decades, small Chihuahua apple farmers have been at the mercy of agricultural middlemen who target them at the beginning of the harvest season in September when prices are lowest. Although the farmers earned little more than subsistence income from this system, they had no other option. “The intermediaries offered a low-ball price on the trees,” Barrett said. “Most of the [farmers] are totally strapped, so … they will take anything.”

The apple growers were inclined to grow as many apples as they could with little regard for quality. This would give

* After reviewing the literature on development and migration projects in Latin America, CRS Mexico was found to be unique in its attention to the impacts on migration achieved through rural development. Vista Hermosa is one of several funders for CRS Mexico projects and has also provided Bread for the World Institute with funding for its immigration program.
Migration and Development Organizations

Catholic Relief Services (CRS) is a leader at integrating migration concerns into development projects. But other organizations also operate at the nexus of development and migration. Most focus on remittances and engaging migrant associations in development projects. Contact information for these organizations is found on page 12 in the “Migration and Development Resources” section.

German Society for Technical Cooperation (GTZ): GTZ, a German overseas development agency, is one of the leading governmental organizations working on development and migration. Its projects focus on remittances and diaspora engagement.1 GTZ has worked with remittances and migrant associations in Serbia, Afghanistan, Vietnam, and Rwanda, among other nations.2 Although GTZ has been a leader in implementing development projects that integrate diasporas, Latin America has not been a focus of its migration work.

International Organization for Migration (IOM): IOM is the leading multilateral organization in the field of migration. IOM works on a wide range of immigration issues, including ensuring humane treatment of migrants and promoting international cooperation on migration issues. IOM also devotes about 10 percent of its budget to migration and development.3 Like GTZ, IOM approaches the links between migration and development with an emphasis on harnessing the diaspora for development. IOM often partners with local organizations and supports diaspora and remittance programs around the world, including in Latin America. Some IOM projects target productive investment and job creation to reduce migration pressures.4

The Inter-American Foundation (IAF): The Inter-American Foundation is one of the U.S. government agencies most focused on migration and development due in part to its mandate to promote development through working with Latin American grassroots organizations. Most of the IAF’s work on transnational development has been in Mexico and Central America. It has focused primarily on remittance projects in conjunction with local partners. Although remittance projects have been the most common type of development project seeking to reduce migration pressures, evaluations have found that the remittances-for-development model faces many challenges (see IADB below). Some of IAF’s transnational projects include promoting savings and investment of remittances in El Salvador; increasing access to remittance transfers in southwest Mexico; and investing in productive agricultural activities in migrant-sending communities throughout Mexico.5

Inter-American Development Bank (IADB): The IADB is the largest source of development financing for Latin America and the Caribbean. It has also been a major supporter of migrant remittance projects for development. The IADB’s Multilateral Investment Fund finances projects that facilitate inexpensive remittance transfers and seeks to make formal banking services available to people who receive and send remittances. The IADB is also a top source of research and evaluation on remittances and was a pioneer in using remittances for development in Latin America.6 One typical IADB migration and development project in western Mexico sought to promote productive agribusiness activities in migrant-sending regions through integrating remittances into job creation projects in migrants’ hometowns.7 Although the IADB is a pioneer in funding remittance projects, according to its own review of remittance-for-development projects, very few have been successful at developing sustainable productive activities and job creation.8

Development projects in migrant-sending countries such as Guatemala, where this woman from Chontala is working in her field, rarely include attention to the impacts of development on reducing migration pressures.
them enough money to survive, but little more. The 2008 World Development Report describes the challenges in providing pathways out of rural poverty for risk-averse small farmers, “The inability [of small producers] to cope with shocks induces households to adopt low-risk, low-return activities.”47 Thus, the first stage of the For a Just Market project trained the smallholder apple farmers how to access the apple market on better terms while also transmitting new techniques for producing higher-quality apples.

In order to train the apple farmers how to most profitably work with the apple market, CRS hired a Washington state agronomist who visited the farmers in Chihuahua and trained them how to monitor the Mexican apple markets on the Internet. With better knowledge of the market, the small farmers could increase the income generated by their orchards by selling the apples when their price was peaking.

In addition to the market analysis training, CRS facilitated the transmission of state-of-the-art apple orchardist techniques. Beginning in 2005, an exchange program was created between the Chihuahua apple farmers and Broetje Orchards’ Mexican immigrant agricultural laborers. After decades of working on the cutting edge of apple farming in the United States, the immigrants knew how to produce the most valuable apples for market. The techniques they introduced to the Chihuahua farmers included tree pruning and trimming, drip-irrigation, tree spacing strategies, and how to use anti-hail netting.

In January 2006 a group of Chihuahua apple farmers visited Broetje Orchards to learn from the Mexican immigrant workers. The first delegation of Broetje Orchard apple workers and managers visited the Chihuahua farmers in July, 2006 to impart their orchardist expertise. One of the primary techniques introduced to the Chihuahua farmers was limiting the amount of apples grown on each tree branch so that a smaller number of higher-quality apples are produced. “[It] totally changed my mentality,” Chihuahua apple farmer Daniel Delgado said.

Chihuahua farmers appreciated learning the techniques from compatriots who share a common language and culture. “[The immigrant technical advisors] are people who know things, who have a big mentality, but who are modest,” Chihuahua farmer Isidro Molinar said. Barrett also emphasized the differences between traditional technical assistance and immigrant trainers. “If a bunch of gringos were doing that, it would just reinforce the idea that these gringos have all the knowledge,” Barrett said.

While USAID facilitates farmer-to-farmer programs that bring U.S. agricultural volunteers to the developing world to provide technical assistance to farmers, it does not draw upon the United State’s agricultural workforce—a majority of whom are immigrants and who are intensely interested in helping their homelands—to provide culturally relevant agricultural technical assistance overseas.48

Credible, Motivated Local Partners

A key to working effectively with small farmers in Mexico is partnering with a Mexican organization such as a local or regional farmers’ cooperative.

Perhaps the most important component in the For A Just Market project is its local partner, the Frente Democrático Campesino (FDC or Farmers’ Democratic Front). The FDC is a regional small and medium-sized farmer organization based in the northern Mexican state of Chihuahua. It was formed in 1985 in reaction to the Mexican government’s removal of bean and corn price guarantees.49 For Mexican small and medium producers, it’s almost a requirement to collectivize in order to access affordable agricultural inputs, product markets, and government support.50

Since its founding, the FDC has adopted a two-pronged approach to providing its 5,000 family membership with economic opportunity: developing productive and commercial strategies to increase income and generate employment, and participating in collective action and advocacy for policy changes beneficial to small and medium-size farmers in Chihuahua.

Organizations active in agricultural policy advocacy like the FDC can have a two-fold impact on reducing migration pressures. First, these organizations provide an infrastructure able to receive, disseminate, and sustain rural economic development expertise and resources. Second, working with small and medium producer organizations can generate secondary impacts through strengthening civil society organizations that advocate for policies that support rural populations.
The FDC’s democratic structure and openness to innovation facilitated the implementation of multiple projects supported by CRS that help farmers lower their costs and increase their incomes. Additional components of the *For A Just Market* project include creating apple tree nurseries so that farmers can seed and grow more profitable breeds of trees.

CRS is also working with the FDC to build local cold storage units so that after the apple harvest, FDC members will not have to pay others to store their crops while they wait for the best time to sell. The cold storage building, already under construction, will be the temporary home to 2,280 metric tons of apples. Barrett said all the elements of the *For A Just Market* project are meant to ensure that apple profits stay with the small farmer producers rather than middlemen. “Otherwise the expense of going into the retail market is so high that it’s not nearly as profitable,” he said.

Perhaps the FDC’s most important program to increase small farmers’ incomes is a “revolving loan” program in which members can draw on credit—typically not available to small farmers in Mexico. The fund provides loans to producers to pay for basic expenses during the time between the harvest and the sale of apples. Once producers’ apples are sold in November or December—at a price several times higher than the harvest glut in October—the loans are repaid.

Barrett said the revolving loan raised some producers’ incomes, allowing them to invest in more and better inputs for their farms. “[We] now have the possibility to commercialize [our] products,” FDC State Director Pedro Torres said. “[We] don’t have to sell [our] products to the first person who arrives. It allows the producer to take more time to make a decision.”

## Policy Advocacy

Direct technical assistance to small farmers so they can profitably access the market is crucial, but policy advocacy is another tool to provide potential migrants with economic alternatives. This is true in rural areas around the world: “The key ... is to enhance collective action and mobilize public policy to maximize the likelihood of success for rural households,” according to the 2008 World Development Report.52

As the FDC has grown in size and effectiveness since the early 1980s, so has its political clout. In order to assist small farmers increase productivity and incomes, the FDC secured funding from the Mexican secretary of agriculture for its cold storage project. The international funding was crucial in winning government support.

Because of CRS’s support, “We now have the ‘hook’ to get the resources we need,” FDC Advisor Jesus Emiliano said. “If we go to the government and tell them we don’t have any [outside] money, they are not going to support us. Now that we have some money for the project, we ask them, ‘how much are you going to put in?’”53

## Enhancing Rural Livelihoods and Reducing Migration Pressures

There is anecdotal evidence that *For A Just Market* has created opportunities and increased incomes for some farmers in Chihuahua’s apple-growing region, thereby providing alternatives to migration. The program also is providing options for migrants who return to communities typically not prepared to facilitate their reintegration.

While it is a gradual—and perhaps generational—process, the FDC is starting with the parents of migrants in order to build an incentive for their children to return. “The older ones are trying to reactivate [the farms] so that young people stay and put down roots,” FDC advisor Jesus Emiliano said. That’s been the case for 53-year-old farmer Daniel Delgado. Two years ago, his 22-year-old son returned to Chihuahua from Phoenix after he lost his job in the recession. Due partly to the support Delgado received through *For A Just Market*, there’s enough work on his farm to employ his son. “Thank God he is working with me,” Delgado said. “He’s my right-hand man.”54

The Chihuahua apple project is small, including several hundred farmers and their families. But it has begun increasing the incomes of some participating farmers. “The basic incomes have moved up,” Barrett said. Interviews with FDC members and small farmers in the apple-growing region west of the city of Chihuahua also suggest the project could potentially provide alternatives to migration for some producers and their families.

“The project has increased my income a bit,” 55 54-year-old...
old FDC member Arturo Caraveo said. Caraveo immigrated to the United States in 1991 and worked as a custodian in Los Angeles. Now he works with the FDC’s new apple tree nursery that is being used to produce more lucrative brands of apples—such as Galas—to seed new orchards. “If you plant new orchards there’s a chance to create something over time, to provide more income,” Caraveo said. “But it’s going to take [a few] years.”

Key to the project is the long-term vision of regenerating the agricultural sector for small farmers. Since increased income can be used on consumer goods or even to fund migration, it is important that projects emphasize long-term productive investment and job creation. While education, health, governance, and other components of foreign assistance are important, investments in productive activities that provide jobs and stable livelihoods are the mostly likely to reduce migration pressures.

Small apple farmer Isidro Molinar said that project funding administered by the FDC has helped his family plant additional trees, fumigate the orchards, buy fertilizer, upgrade insect control, and purchase anti-hail netting. The project also reunited the Molinar family, whose members had been dispersed for 10 years. Molinar’s three brothers have slowly returned to Chihuahua from the United States—the latest in the summer of 2010. While they might have just waited out the recession and returned once the U.S. economy recovered, they are finding work on the family farm.

When asked if he was concerned that his brothers would re-immigrate to the United States, Molinar said, “They are not even thinking about it now. We are planting some apple trees. We’re not so helpless now.” In addition to incorporating his siblings into the family ranch business, Isidro has also hired three other laborers to support the growing family farm production.

Non-Agricultural Rural Labor

The FDC is also helping non-agricultural rural productive investment. According to the World Bank, non-agricultural rural labor is a key part of the overall rural economy. “The demand for labor, even for low-wage workers, will not increase without a dynamic rural economy in both agriculture and the nonfarm sector.” Because of the FDC’s savings and loan program, rural entrepreneurs have been able to acquire loans to start small non-farm enterprises in the countryside.

Antonio Garcia, 25, returned to Chihuahua after working at a Texas construction site for only four months. Garcia had the foresight to know he wanted to work in the United States temporarily, save money, and return to Mexico to invest in a small business. “I never wanted to work for someone else,” Garcia said. After returning to Chihuahua, Garcia invested his savings in the machinery for a concrete block factory. The FDC helped him acquire tools for the business. “I bought the machinery and, little by little, it started growing,” Garcia said. His success has enabled him to hire three laborers to staff his growing business. With a solid source of long-term income, Garcia is an example of a rural Mexican youth who has no need to re-migrate to the United States. “If everything goes well, I don’t plan on returning,” Garcia says. “Maybe only as a tourist.”

With the support of local and international stakeholders, the Mexican countryside has the potential to be fertile ground for productive activities and investment rather than a major source of poverty and forced migration.

Challenges to Development Projects that Reduce Migration

Development projects aimed at reducing migration face a variety of challenges. Several overarching issues have already been identified:

Impact of Development on Migration: The impact of development on migration is still open to academic debate. Some migration experts find that development—up to a point—encourages migration. Because an increase in income can provide increased opportunities for migration, it is important that development projects that seek to reduce migration pressures focus on building long-term livelihoods and economic alternatives in potential migrants’ home communities.

Pull Factors: Rural development has the potential to improve small farmers’ incomes and generate employment, but the draw of the U.S. economy is still powerful. After genera-
tions of migration to the United States, communities like Avila Camacho have developed a “culture of migration” that reinforces economic push factors. Investment in development to reduce migration pressures is only one part of a long-term strategy to construct a more effective immigration system. A rational system for the integration of immigrants into the U.S. labor force complements increased attention to reducing migration pressures in Mexico.

Reluctance to Change: Many small farmers in Mexico use unproductive farming methods that only allow them to barely survive economically. Sending their youth abroad to supplement low farm earnings is now part of their “business plan.” New and more productive methods are often viewed with suspicion since there is no history of success and failure has dire consequences when you are living on the poverty line. Technical assistance must be introduced by credible trainers, often with a small pilot group. Attempts to impose new productive techniques rapidly and on a mass scale run the risk of alienating farmers unaccustomed to adopting new techniques.

Local Partners: Finding a local partner that works from the ground up and is truly democratic can be difficult in Mexico. Development organizations must be cautious that their local partners are not co-opted by overriding political interests. Due diligence should precede any partnership with Mexican civil society or small producer organizations.

Technical Rather than Community Change: Technical improvements in small farmers’ productivity and commercialization can create economic opportunity in rural Mexico. But, as noted above, to build long-term viable livelihoods, development organizations must focus on community transformation, not just the generation of income.

**Recommendations**

Project Evaluation: Because most development projects seeking to reduce immigration pressures are relatively new, they often lack formal evaluation. In order to generate evidence on what works in reducing immigration pressures, the U.S. development community should fund long term-evaluations of new and pre-existing projects in Latin America in order to generate a bank of promising practices, project models, and challenges.

Pilot Projects: Development projects to reduce migration pressures are rare. In addition to evaluating current projects, bilateral and multilateral development agencies should support pilot projects in major migrant-sending regions in Mexico and Central America. These should be based on current best practices in the field and could be used to generate additional evidence on how development impacts migration pressures.

Improve Mérida: As the main vehicle for U.S. foreign assistance to Mexico, the Mérida Initiative is an ideal program in which to expand funding for development to reduce migration. Economic development is currently a minimal part of the program, but the importance of job creation and economic development is crucial not only to reducing migration pressures but to providing legal alternatives for youth. By increasing the amount of funding for economic programs within the Mérida Initiative, the United States can generate positive impacts in terms of reducing both migration pressures and the lure of illicit activity.61

Dialogue on Migration and Development: Discussions on the links between development and migration are mostly focused on theory, with the exception of evaluations and case studies of remittance projects. Many of the organizations conducting development projects aimed at reducing migration pressures do not share lessons learned. As a means to gather and disseminate best practices, the U.S. development community should build a network where project grantors, designers, and implementers can gather to discuss—at the project level—their experiences and ideas. This should be based on measurable findings in the field.

**Migration and Development Resources**

A growing number of organizations and agencies are undertaking development projects to reduce migration pressures. A list of some of the leading organizations is presented below.

**Development Organizations**

Catholic Relief Services

- Erica Dahn-Bredine, Country Representative, El Salvador, edb@crsmexico.org
- Chuck Barrett, Economic Development Consultant, CRS/Mexico, amanecercb@windstream.net

German Society for Technical Cooperation (GTZ)


**Public and Private Funders**

Vista Hermosa Foundation

- Suzanne Broetje, Executive Director, suzanneb@firstfruits.com

Inter-American Foundation

- Jill Wheeler, Regional Director for Central America and Mexico, jwheeler@iaf.gov

Howard Buffett Foundation

Endnotes

† Bread for the World uses the term ‘unauthorized’ and ‘illegal’ interchangeably to refer to immigrants without legal authorization to be in the United States.

7 Cornelius, Wayne. et al. 2010.
18 Seelke, Clare, et. al. June 2010.
19 For example, the Inter-American Foundation (IAF) which supports grassroots development in Latin America, allocated $1.8 million to Mexico in fiscal year 2009 and has allocated $56 million to Mexico since 1972. Some IAF funding has been directed toward job creation and poverty reduction programs. Durbin, Paula. “Inter-American Foundation: 2009 in Review.” Inter-American Foundation.
25 Ibid.
29 Ibid.
30 Ibid.
36 Fox, Jonathan and Libby Haight. 2010.
38 Fox, Jonathan and Libby Haight. 2010.
40 Phone interview with Chuck Barrett, economic development consultant for Catholic Relief Services, Mexico. July 2010.
43 Broetje Orchards website. www.broetjeorchards.com/index.cfm?pageId=B88D4922-1288-DAA5-01DEE63A59EEC24A
45 Phone interview with Chuck Barrett, economic development consultant for Catholic Relief Services, Mexico. July 2010.
46 Ibid.
47 Pingali, Prabhu. 2010.
50 Fox, Jonathan and Libby Haight. 2010.
51 In person interview with Pedro Torres, FDC Director. August 2010.
52 World Bank. 2007.
53 In person interview with Jesus Emiliano, FDC Advisor. August 2010.
54 Phone interview with Daniel Delgado, FDC member. August 2010.
55 In person interview with Arturo Caraveo, FDC member. August 2010.
56 Phone interview with FDC member Isidro Molinar. August 2010.
57 World Bank. 2007.
58 In person interview with Antonio Garcia. August 2010.

The Mérida Initiative

The North American Free Trade Agreement


Migration and Development Organizations

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