



Mexico's solution to the Migration Crisis: A 'Marshall Plan' for Central America

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Mexican President Andrés Manuel López Obrado in his speech to the nation stated, “The relationship with the government of the United States will be one of respect, mutual benefit and good neighbourliness. It is time to change the bilateral relationship towards cooperation for development. Creating jobs in Mexico and Central America is the alternative to migration, not coercive measures.”¹ A major cause of migration from the region, known as the Northern Triangle (El Salvador, Honduras and Guatemala), is large scale drug & gang related violence and lack of opportunity in education, health and employment. In an effort to escape the violence and to build a more secure future, people walk miles and pay traffickers their life savings to cross the border illegally. They face death, sexual harassment, and detention with the threat of deportation. In one of his first acts in office, President Lopez Obrador has signed an agreement with his counterparts from three Central American countries (El Salvador, Honduras and Guatemala) to establish a development plan to stem the flow of migrants seeking asylum in the United States.

To achieve this goal he has proposed a ‘Marshall Plan’ for Central America- a long term strategy to reduce the flow of migrants from Central America to the United States via Mexico. The plan is to raise US\$ 30 billion through public and private investment to build infrastructure, develop the energy sector and create jobs in the region. According to media reports Mexico is likely to invest US \$ 20 billion into the plan.² However, foreign minister Marcelo Ebrard, while speaking about the plan at United Nations (UN) migration conference in Marrakech, Morocco (Dec. 2018) did not elaborate on how Mexico will raise the money or details of how it will be utilised. Mr. Ebrard, has also called on El Salvador, Guatemala and Honduras to contribute similar sums to the plan. He has also stated that seven countries have expressed an interest in the plan, however, details of the countries and the possible amount they are willing to invest has not yet been made public. The United States State Department announced its intention to deliver US \$5.8

billion in aid and investment to the plan through OPIC³, the government agency in charge of helping American businesses invest in emerging markets.

Advantages of the Plan for Mexico and the United States

Mexico

For Mexico the plan provides a solution to the migration issue and development of Central America while attracting investment to southern Mexico. It allows President Lopez Obrador to fulfil his domestic commitments, such as development of southern Mexico, while increasing Mexico's regional footprint.

The plan helps Mexico deal with the large number of migrants, stranded at its border with the United States, who may become an internal security problem. Mexico has been a transit point for many years, but it is now increasingly becoming the destination point for some migrants. As the United States tightens its asylum process, more and more people remain in Mexico. The plan has provision for Mexico to grant work visa. The Ministry of Labour is setting up camps to connect migrants with employers, providing transportation from shelters to job fairs in a effort to provide the migrants jobs and formalise there legal status in the country. These visas are issued for one year with an option to renew, and function as a legal work permit. President Lopez Obrador wants migrants to help him revitalise Mexico's economy, especially in the south. Mexico's private sector has been asked to help and is looking at this as an opportunity to expand work force and production. It will allow migrants to move beyond the north to other regions of Mexico. Mexico feels that a permanent solution to constant migration is addressing the security and development concerns of Central America. In this Mexico and the United States have common ground to work together.

The United States

While the details of the plan have yet to be made public, the initiative has found favour within the United States. The Trump administration is currently facing domestic criticism for its handling Central American migrants. The US federal government is in a shutdown since 22 Dec. 2018 on differences on funding for the border 'wall' between the White House and the House Democrats⁴. The Democrats oppose the funding demand as expensive and not required. Instead they want to discuss the Deferred Action for Childhood Arrivals (DACA) programme, which will begin to expire from 05 March 2019, and the Temporary Protected Status programme⁵. President Trump wants to make changes to immigration laws and build a physical wall. He has claimed that the wall would prevent terrorists and illegal immigrants from entering the country.

President Trump has threatened to close down the border and cut existing aid to Central America, which amounts to hundreds of millions of dollars annually. Both ideas have been criticised for their long term adverse effects, especially on American business in the border areas. It has been stated that American aid in developing the region will help reduce migration. Many

have also stated that it will not be possible for either the United States or Mexico to stop migration from the region entirely as sought by the Trump administration.

The plan as proposed provides the possibility of slowing down illegal immigration, an important domestic agenda for President Trump. The Department of State in its press release stated that, “The United States ... welcomes the historic commitment by the government of Mexico to development in southern Mexico and to promote our shared goals with the countries of El Salvador, Guatemala, and Honduras. Furthermore, the United States also wishes to recognize Mexico’s willingness to develop a framework to ensure migration occurs in a legal, orderly, and safe manner.” The statement further stated that, “The United States is committing \$5.8 billion through public and private investment to promote institutional reforms and development in the Northern Triangle.... The Overseas Private Investment Corporation (OPIC) has already invested and mobilized more than \$1 billion in the Northern Triangle since 2017.... OPIC could invest and mobilize up to \$2.5 billion more in this region if commercially viable projects are identified.” The administration would be asking for an additional \$180 million in bilateral assistance for the region in the FY 2019 budget request.⁶ The United States has identified three areas of action. They are: (a) Security: combat transnational criminal organizations, stem drug trafficking, enhance citizen security, reduce gang violence, strengthen borders, and deter human smuggling and trafficking by focusing on professionalizing security institutions. (b) Governance: support anti-corruption efforts..., strengthen the rule of law ... and improve fiscal management ... civil society engagement, and institutional reform and (c) Prosperity: promote economic growth, energy and food security, poverty reduction, workforce development, education and training, and greater regional integration to increase jobs for Central Americans, improve opportunities for U.S. and other businesses and reduce illegal migration.⁷

Conclusion

The plan outlined by the Mexican governments is short on the details of how it will fund this massive programme. It is assumed that after initial investment by the governments, of Mexico, the United States, El Salvador, Guatemala and Honduras, to develop infrastructure, private companies would be willing to invest in the region at a later stage. Foreign Minister Ebrad has stated that Mexico and Central America will be ready to show donors some job creating projects by January 2019. Theoretically, the plan provides both Mexico and the United States a solution to the issue of migrants that is suitable to both of them. For Mexico, it attracts qualified migrants to develop its economy while enhancing its regional and global profile. For the United States, it reduces the flow of migrants to the country and gives it an opportunity to strengthen its relations with Central America. It may also provide the Democratic and the Republican parties an opportunity to work together on border security. For both, Mexico and the United States, the plan allows the two presidents to achieve their goals without negative outcomes.

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Disclaimer: The views expressed are that of the Researcher and not of the Council.*

Endnotes:

¹ ----“Speech by Andrés Manuel López Obrador, President of the United Mexican States,” <https://www.gob.mx/presidencia/es/articulos/discurso-de-andres-manuel-lopez-obrador-presidente-de-los-estados-unidos-mexicanos?idiom=es>, Accessed on 19 Dec. 2018.

² Reuters, “Incoming Mexico Official: Massive Effort Needed to Deal with Migration,” <https://www.voanews.com/a/incoming-mexico-official-massive-effort-needed-to-deal-with-migration/4677540.html>, Accessed on 04 Jan. 2019.

³ The Overseas Private Investment Corporation (OPIC) is a self-sustaining U.S. Government agency that helps American businesses invest in emerging markets.

⁴ The Trump administration has requested US\$ 5.7 billion to build a physical barrier or a wall on the US-Mexico border. The House Democrats have rejected this request but have tabled a bill that will continue to fund the government at existing levels through February — with about \$1.6 billion in funds for the wall. (The Senate would have to pass the bill anew in order for it to go to the president’s desk, and Senate Majority Leader Mitch McConnell isn’t willing to do that.). It will also approve funding for other departments till 30 Sept. 2019.

⁵ Temporary Protected Status (TPS) is a temporary immigration status provided to nationals of certain countries experiencing problems that place their nationals at risk if deported there or that would compromise the foreign government’s ability to absorb the return of its nationals. TPS has been a lifeline to hundreds of thousands of individuals already in the United States when problems in a home country suddenly make their departure or deportation untenable.

⁶ US Department of State, “The U.S. Strategy for Central America and Southern Mexico,” <https://www.state.gov/r/pa/prs/ps/2018/12/288168.htm>, Accessed on 19 Dec. 2018.

⁷ Ibid.