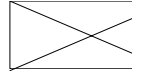




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[HEADLINE](#)
[Archive](#)
[Site Search](#)

[HOME](#)
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[EDITORIAL](#)
[METRO & COUNTRY](#)
[VIEWS & REVIEWS](#)
[EDITORIAL](#)
[LETTER TO EDITOR](#)
[COMPANIES & FINANCE](#)
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[LEISURE & ENTERTAINMENT](#)
[MARKET & COMMODITIES](#)
[SPORTS](#)
[WORLD](#)

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[Asia/South Asia](#)

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Immigrants, reconquistas and economic systems

Paul Driessen
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IN one week, three news items helped clarify the intertwined issues of illegal immigration, poverty south of the Rio Grande, and how the fortuitous course of US history generated opportunity and prosperity that remain elusive for our southern neighbours.

Mexicans working legally and illegally in the United States send more than \$25 billion a year back to their families, says Professor Luis Pazos of the Mexican think tank CISLE. That's twice what Mexico gets from tourism, and second only to petroleum production revenue.

The poor fisherman who discovered Mexico's vast offshore oil fields got a little medal but never a peso, for alerting the government to resources that have earned his country tens of billions of dollars. The oil might belong to "the people," but the bonanza revenues go to the rich, the corrupt and failed government programmes, leaving the country's poor to eke out a living on less than \$5 a day.

A growing "reconquista" movement demands the return of "Aztlán," as radicals call southwestern states that were "stolen" from Mexico, causing it to remain impoverished, they claim. "Aztlán is California. Aztlán is this country," a student ranted to Sean Hannity of Fox News. "This country was ours, and we want it back."

A review of history and economics is in order. Spanish colonists arrived first in the Americas, installing their seigneurial (feudal) system in lands claimed for king and church. The state gained title to all mineral rights, upper classes acquired vast land holdings, and often corrupt bureaucrats regulated markets and businesses. The vast majority of families worked the land or did menial labour, with few opportunities to own property, become educated or improve their social status.

By the time the English began establishing colonies, their system of laws, democratic government, property rights, free enterprise and individual rights had evolved far beyond feudal concepts. Even poor entrepreneurs could and did acquire property, patent inventions, mine gold and silver, and build businesses, factories and

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industries. When wars and treaties added Texas, New Mexico, Arizona, Nevada and California to the expanding nation, those new states exchanged Spanish feudalism for the dynamic American system.

But even today in Mexico, key industries remain nationalised, and wealth is concentrated in the hands of elites. Prevalent ideologies view wealth as "a zero-sum game," in which what one person acquires can come only by taking money or property from someone else. These doctrines help foment class conflict.. demand "more equitable" distribution of wealth, and condemn globalisation and foreign investment, rather than seeing them as agents of improved opportunity, health and environmental quality.

Mexico's poor own their limited property in "deficient form", says Peruvian economist Hernando de Soto. with inadequately documented rights and assets. They have what he terms "dead capital" -- "houses but not titles; crops but not deeds; businesses but not statutes of incorporation." Worse. they have little opportunity to improve their lot, as long as they remain in Mexico.

Much of rural and small-town Mexico does not even have electricity, telephone and internet service, sewage treatment, water-purification or decent roads, schools and healthcare. Just five miles from Cancun, I visited Valle Verde, where several thousand people live in primitive wood shacks, with electricity for only a few light bulbs and no running water or sanitation. One cannot help wondering where all that petroleum and tourism money has gone.

Low-skill wages today are less than 15 per cent of what Mexican workers can earn in the US, and half of its 106 million people still live in poverty.

Instead of investing in Mexico, affluent families often go where there are fewer barriers to establishing new businesses, and less crime, corruption, onerous taxation and threats of confiscation.

So while America creates jobs, grows richer and becomes more technologically advanced, Mexico limps along, its oil reserves are declining, and its government fosters illegal migration northward, as a pressure-release valve for the growing frustration of its impoverished masses.

Mexico is not poor because it lacks natural resources or bright, industrious citizens. It is blessed with both in abundance. Mexico is poor because it retains an antiquated legal and economic system -- and its populist leaders scapegoat the United States for what ails Mexico, rather than adopting the practices of successful nations.

If the southwestern United States had remained part of Mexico, this region would have been governed under Mexican laws -- and would probably be as impoverished and bereft of

opportunity as Mexico is today. It would never have generated the inventions, innovations, industries, minerals and wealth that its hardworking people have produced as the bounties of their creative genius, risk-taking and labours.

The Southwest's vigorous cities and universities, its medical centres and Silicon Valleys, its upward mobility and thriving middle class, its transportation, communication and power generation systems would be a mere shadow of what they are today. Las Vegas and Hollywood would still be sleepy desert way stations. There's a silver lining in every cloud, some would say.

If La Raza, MeCha and the other reconquistas were to 'take back' these lands, they would likely impose the same disastrous policies that have enfeebled Mexico. They would squander, rather than capture, America's prosperity and opportunity -- turning America's gold into lead, like a reverse King Midas. Countless poor Mexicans would still be drawn to the magnetic North. And our immigration problems would simply move to the southern borders of Oregon, Idaho, Utah, Colorado and Oklahoma.

Mexico needs to pay less attention to the tenets of liberation theology and leftist populism -- and more to Pope John Paul II's Centesimus Annus encyclical, which underscores the benefits of private property rights, free trade, entrepreneurship, reduced taxes and government intervention, and evenhanded rule of law. It needs to do what rich countries have done to become rich -- and what China, India and many eastern European nations are doing today.

If it does, if it can finally break its feudal shackles, Mexico will give its people the opportunity, health, environmental quality and prosperity they seek, and so richly deserve. Those who want to migrate will still be able to. But all classes will have a better future, and Mexico will become an inspiration for all of Latin America.

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