**Mexico Rural Assistance**

**Negative**

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#### Glossary

**Felipe Calderon:** The former President of Mexico who completed his term in November 2012.

**Enrique Peña Nieto:** The current President of Mexico.

**NAFTA:** The North American Free Trade Agreement was a deal between the US, Mexico and Canada negotiated in the mid-1990’s that made is easier for companies to ship goods across borders. Also, it eliminated extra taxes and limits on cheaper food from the United States and Canada that used to make Mexican food comparable in price to US and Canadian food. Without these extra taxes that kept US and Canadian food prices at the same level as Mexican food prices, Mexican farmers have had a tough time competing with cheaper US and Canadian goods. It is often argued that this policy has caused a great deal of harm to small rural farmers.

**Mérida Initiative**: The program through which the US is currently providing a substantial amount of aid and security assistance to the Mexican government.

**DTO:** Drug Trafficking Organization or drug cartel; a large and sophisticated gang that produces and distributes drugs.

No Harms – Economy Growing Now

**[ ]**

**[ ]** **The Mexican economy is developing now and jobs are becoming available**

**Flannery, Latin America focused analyst and writer, 2013**

(Nathaniel Parish, 6/24/2013, Investor Insight: Is Mexico's Drug War Doomed To Failure?, http://www.forbes.com/sites/nathanielparishflannery/2013/06/24/investor-insight-is-mexicos-drugwar-doomed-to-failure/2/)

**In spite of the violence, Mexico’s economy has continued to move forward**, even though foreign investment and GDP growth are both starting to slow. **Every day one million people and more than one billion dollars worth of goods cross the border**. **Gruesome drugwar violence tends to dominate the public debate on Mexico, but along the U.S.-Mexico border, the most important bonds between the two countries are economics**. In her book Two Nations Indivisible [Shannon O’Neil](https://twitter.com/shannonkoneil)explains that “Integration with Mexico has allowed giants such as General Motors, Johnson & Johnson, General Electric, and Hewlett Packard to lower costs and compete in global markets where they would otherwise be excluded—creating more exports and jobs for both the United States and Mexico in the process.” **Chrysler, GM and Ford have all invested billions of dollars and hired thousands of workers in Mexico**, a fact that helped these companies earn a combined US$12.7 billion in 2012. Despite the benefits of cross-border cooperation, a number of companies also face serious challenges when in comes to managing their operations in Mexico.[Nissan](http://www.borderlandbeat.com/2012/03/fighting-continues-in-ciudad-victoria.html)and [Pepsi](http://www.dailymail.co.uk/news/article-2151369/Sabritas-factories-owned-Pepsi-attacked-firebombs-Mexican-drug-cartel.html) both suffered attacks against their facilities and [HSBC](http://www.forbes.com/sites/nathanielparishflannery/2012/09/30/could-hsbc-face-the-worlds-first-billion-dollar-money-laundering-settlement/) has seen its reputation severely damaged as the result of a cartel money laundering scandal.

**Status Quo Solves – Mexican Government Increasing Poverty Reduction Efforts**

**[ ]**

**[ ]** **The Mexican government is substantially increasing their poverty alleviation efforts**

**Fox News 2011**

(Mexico's Peña Nieto vows to reduce poverty, Sept 11th, <http://latino.foxnews.com/latino/politics/2012/09/11/mexico-pena-nieto-vows-to-reduce-poverty/#ixzz2XqGXcKZK>)

**President-elect Enrique Peña Nieto** said in an address to political and business leaders that he **planned to focus on reducing the poverty that afflicts 52 million Mexicans and to boost gross domestic product growth**, which has averaged 2.4 percent annually over the past three decades.¶ The president-elect told the approximately 300 movers and shakers from the worlds of business and politics who attended the annual Lideres Mexicanos magazine dinner on Monday that he was aiming to produce positive results.¶ The 46-year-old Peña Nieto, who will take office on Dec. 1, said **his administration would aim to create 1 million jobs annually and restore Mexico's status as a world leader**.¶ Existing social assistance programs that only "give money away" will be changed, with new policies being implemented to help families get involved in productive activities, Peña Nieto said.¶ **Tax, energy, labor and security reforms will be implemented to boost economic growth**, the president-elect said.¶ **The economy has tremendous growth opportunities and Mexico is part of the MIST** (Mexico, Indonesia, South Korea and Turkey) **group**, which is similar to the BRIC (Brazil, Russia, India and China) group of fast-growing emerging economies, Peña Nieto said, citing analysts.¶ "Mexico has a great opportunity to project itself in the world and gain the confidence of capital to promote its economic growth," Peña Nieto said.

### No Harms – Drug Related Violence is Declining in Mexico

**[ ]**

[ ] Violence in Mexico has been declining

Castañeda, foreign minister of Mexico during the administration of President Vicente Fox, 12

(Jorge, CATO Institute Economic Development Memo, No. 16 • September 24, 2012, http://www.cato.org/sites/cato.org/files/pubs/pdf/edb16.pdf)

Time for an Alternative to Mexico’s Drug War False Premises for Launching the Drug War First false premise: violence in Mexico had been increasing, and something had to be done about it. Absolutely false. Violence in Mexico had been declining by any indicator, mainly the most important and reliable one: willful homicides per hundred thousand inhabitants. From the early 1990s through 2007, violence in Mexico declined from around 20-odd willful homicides per hundred thousand a year to about 8 per year in 2006 and 2007. That is still higher than the rate in United States, but it is one-third the rate in Brazil, one-tenth of what Colombia saw in its worst years, and one-third of what we have in Mexico today. Violence in Mexico had been declining for 20 years, but then spiked from 2007 onward. The year 2011 saw violence in Mexico reach Brazilian levels.

### Aid Won’t Solve – Mexican Farmers Can’t Compete with US Subsidies

**[ ]**

[ ] Farmers can’t compete with subsidized American goods – no amount of aid can convince people to remain farmers

Hesson, MA at Columbia University Graduate School of Journalism, 2010

(Ted, Oaxaca Trip: NAFTA and Mexico’s Small Farmers, January 21, http://www.longislandwins.com/index.php/blog/post/oaxaca\_trip\_nafta\_and\_mexicos\_small\_farmers/)

Then came NAFTA in 1994, which hit the Mexican agricultural sector hard. As part of the agreement, Mexico had to eliminate all tariffs on agricultural imports by 2008 (from what I understand, there are no longer any tariffs on agricultural goods). That meant that small Mexican farmers wouldn’t be able to compete with subsidized U.S. imports, including corn. According to a 2002 article in Business Week, the average Mexican farmer then received $722 in annual subsidies, while U.S. farmers stand to collect $20,800 per year. From 1990 - 2000, the market price for corn decreased 58.3 percent and and market price for beans decreased 45 percent. Decreased subsidies hurt Mexican agriculture, but there are other NAFTA-related factors that affected this sector of the economy, as well. Support to small farmers from the Mexican government has declined by 31.26 percent since NAFTA came into effect, and the Mexican government has not enforced pre-NAFTA quota rules, which would limit agricultural imports. In a country where 10 million people—a quarter of the workforce—live off the land, the inability to compete has increased poverty and forced more people to consider migrating, either to the U.S. or other parts of Mexico. Since NAFTA was enacted, 2 million people have been displaced from the agricultural sector while the rural poverty rate has climbed to 85 percent. Here’s what the Witness for Peace information packet has to say about the change: “Because [small farmers] can no longer produce food that is cheap enough to compete with U.S. imports, an increasing number of Mexican farmers have been forced to abandon the countryside. This is disrupting the social and cultural fabric of rural Mexico. It is not unusual for a small Mexican town to have lost half its population to migration over the past twelve years.” In the small villages across the state of Oaxaca, the history of corn cultivation goes back thousands of years. But with rapidly growing Mexican imports—1/5 of corn consumed by Mexicans is now imported—those traditions seem headed for extinction.

### Aid Won’t Solve – Mexican Farmers Can’t Compete with US Subsidies

**[ ]**

[ ] US subsidies make US food so cheap that small farming is no longer economically viable

Baumann, Director of LCSWorldwide, 2013

(Susana G, 01/11/2013, Mexican Farmers Affected By Agricultural Subsidies From NAFTA, Other International Agreements, http://www.huffingtonpost.com/2013/01/11/mexican-farmers-agricultural-subsidies\_n\_2457845.html)

The impact of NAFTA and other international agreements in combination with U.S. agricultural subsidies expel millions of Mexicans and other rural workers from their countries of origin into the United States territory every year.¶ According to Wise, who carried out a comparison of farm product prices in the [U.S.-Mexico trade](http://www.voxxi.com/trade-relations-between-u-s-and-mexico-under-threat-economist-warns/) between 1997 and 2005, Mexico was flooded with agricultural imports exported at prices below production costs**.**¶ In his research, the eight products studied included corn, soybeans, wheat, cotton, rice, beef, pork and poultry. All products showed significant increase in exports—from the lowest 159 percent in soybean to the largest in pork exports at 707 percent.¶ For all products, Mexican producers’ prices fell from 44 to 67 percent from early 1990’s levels, declining local production and increasing import dependency. [Mexican crop production](http://www.voxxi.com/food-crisis-fight-for-corn/) also fell except for corn and meats, which at lower prices, was rapidly adopted for consumption in the Mexican families’ diet.¶ “An estimated 2.3 million people have left agriculture in a country desperate for livelihoods,” said Wise. The study estimated that the cost to Mexican producers was around $12.8 billion in the nine-year period, more than 10 percent of the U.S.-Mexico agricultural trade value annually.

### Aid Won’t Solve – High Demand for Drugs

**[ ]**

[ ] Can’t decrease drug violence without decreasing use in the US – demand, not under development is the cause

Carpenter, vice president for defense and foreign policy studies at the Cato Institute, 2009

(Ted Galen, Troubled Neighbor: Mexico’s Drug Violence Poses a Threat to the United States, POLICY ANALYSIS NO. 631, February 2, 2009, http://www.cato.org/sites/cato.org/files/pubs-/pdf/pa631.pdf)

Robust Consumer Demand Makes Victory Impossible That sobering reality has ominous implications for the strategy that advocates of a “war on drugs” continue to push. Their strategy has long had two major components. The first is to shut off the flow of drugs coming from drug-source countries, through various methods of drug crop eradication, developmental aid to promote alternative economic opportunities, interdiction of drug shipments, and suppression of money-laundering activities. The second component is to significantly reduce demand in the United Statesthrough a combination of criminalsanctions, drug treatment programs, and anti-drug educational campaigns. At best, efforts at domestic demand reduc- tion have achieved only modest results, and the supply-side campaign has been even less effective. Moreover, with global demand continuing to increase, even if drug warriors succeeded in their goal of more substantially reducing consumption in the United States, it would have little adverse impact on trafficking organizations. There is more than enough demand globally to attract and sustain traffickers who are willing to take the risks to satisfy thatdemand. And since the illegality of the trade creates a huge black market premium (depending on the drug, 90 percent ormore of the retail price), the potential profits to drug trafficking organizations are huge. 66 Thus, the supply-side strategy attempts to defy the basic laws of economics, with predictable results. It is a fatally flawed strategy, and Washington’s insistence on continuing it causes serious problems of corruption and violence for a key drug-source and drug-transiting country such as Mexico. Thus, the notion that the solution to the violence in Mexico is to win the war on drugs is asmuch a chimera asthe othertwo so-called solutions. Given the healthy state of global demand, there is no prospect of ending—or even substantially reducing—the trade in illegal drugs. There is only one policy change that would have a meaningful impact.

Aid Won’t Solve – Not Enough Water for Farmers

[ ]

[ ] Droughts and climate change make farming in Mexico unsustainable

Tegel, GlobalPost's senior correspondent for South America, 2012

(Simon, Mexico’s drought turns farms to dust, July, http://www.globalpost.com/dispatch/news/regions/-americas/mexico/120716/drought-farms-climate-change)

The lack of rain is forcing the region’s farmers to draw ever more heavily on the aquifers lying below their fields. Yet that is no solution either.¶ The aquifers’ sole source of replenishment is the rain itself. And just 3 percent of the precipitation that falls here ever makes it to the aquifers. Most of the rest evaporates.¶ As a result, the farmers are having to dig their wells deeper and deeper into the rocky ground.¶ Rafael Armendariz, 65, is president of the community of Benito Juarez, a few miles from Constitucion. He says that wells, which a generation ago produced water from a depth of 250 feet, now have to be excavated, at great cost, to around 800 feet.¶ To make matters worse, CONAGUA, the national water commission, has not done any hydrological studies of the local aquifer. No one in Benito Juarez knows how close they are to the aquifer running dry.¶ “We don’t know what else to do,” says Armendariz, as he predicts that the current generation could be the last in Benito Juarez to work the land. “Farming is the only thing we have ever done. That is why we keep at it.”¶ And the costs of deeper wells go beyond their excavation. Alejandro Rodriguez, 46, uses three wells to irrigate his 338-acre peach and apple farm on the outskirts of Chihuahua city.¶ His monthly electricity bill for pumping that water from an aquifer 350 feet down can reach almost $10,000. As the wells go deeper, the electricity required increases exponentially.¶ The regional government talks about climate change but has done little, says Martin Bustamente, of the Chihuahua branch of El Barzon.¶ “We have never learned to live in the desert and now that climate change has arrived, we are finally going to have to catch up or face disaster,” he warns.¶ He is calling for government support for farmers to acquire more efficient, state-of-the-art irrigation systems and for no aquifer to be used unsustainably. He is also pushing for a way to have thirsty urban areas pay the region’s farmers, who, effectively, manage the natural watersheds that supply the cities’ water.¶ Above all, he wants existing laws to be enforced so that the amount of water actually withdrawn from aquifers does not exceed the concessions authorized by CONAGUA.¶ Outside observers may think northern Mexican governments are overburdened trying to contain [drug war](http://www.globalpost.com/internal/section-config/mexico) violence.¶ But for residents like Armendariz, water is the real security issue.¶ “Violence? If the rains don’t come, it will only get worse because more people will be out of work. You cannot fix that problem if you don’t secure the water**.”**

Aid Won’t Solve – Interferes with Democracy, which is Key to Long-Term Success

Aid Won’t Solve – Aid from outside organizations undermines democratic decision making and thus never allows a people to solve their own problems; this kind of democracy is key to change the rules of engagement, aka, the status quo.

Bräutigam, Professor in the School of International Service at American University, 2000

(Deborah, Aid Dependence and Governance, http://www.sti.ch/fileadmin/user\_upload/Pdfs/swap-/swap404.pdf)

This study analyzes the political economy of aid dependence. Large amounts of aid delivered over long periods, create incentives for governments and donors that have the potential to undermine good governance and the quality of state institutions. These incentives are not always acted on, but when they are, large amounts of aid may reduce local ownership, accountability and democratic decision-making, while fragmenting budgets and lowering tax effort. Large amounts of aid, delivered to countries with weak institutions create some of the institutional problems that lead to ineffectiveness. In aid dependent countries, donor agencies and foreign experts often take over many of the critical functions of governance: substituting their own goals for an absent leadership vision, using foreign experts and project management units in place of weak or decaying public institutions, and providing finance for investments whose operation and maintenance is neither planned for nor affordable. In these countries, aid has been part of the problem. And longterm dependence on aid creates disincentives for both donors and governments to change the rules of their engagement.