'Free trade' means union busting

A Mexican labor leader who won his workers a wage increase from 70¢ to 84¢ an hour suddenly finds himself behind bars.

The reality behind the North American Free Trade Agreement (NAFTA) was exposed in Matamoros, Mexico on Feb. 1, when Mexican federal police arrested labor leader Agapito González Cavazos, just after he had negotiated a wage increase for some of Mexico's most exploited workers.

The case rips through the fabric of lies which the free traders have woven, demonstrating that the NAFTA policy means nothing more than slave labor—for Mexicans, as well as for Americans.

González Cavazos, the chief of the labor council in Matamoros (across the Rio Grande from Brownsville, Texas), had been the target of a raid by federal agents in 1989, in search of evidence of financial fraud. No charges resulted from that raid.

He lost his position has head of the labor council in September 1990, when businessmen from Matamoros appealed to Mexico City for his ouster. But they did not, at that time, succeed in removing him from the leadership of the Union of Journeymen and Industrial Workers, which represents more than 30,000 workers in the *maquiladoras*—the cheap labor assembly plants along the border with the United States.

This time around, González was arrested after settling a strike in which 15,000 workers went out at 50 *maquiladoras* in Matamoros. The union was demanding a 30% pay hike. As soon as management agreed to a 20% pay increase, González was arrested and charged with tax evasion.

According to the *Houston Chronicle*, plant operators in Matamoros said they "were trying to hold the line on wages because labor costs were already higher . . . than in any other border town." The article reported that the minimum wage there is 70¢ per hour. A 20% increase would therefore bring the minimum wage up to a whopping 84¢.

A special report published by *EIR* in 1991 on NAFTA, entitled "Auschwitz Below the Border," presented figures provided by the Mexican government which showed that workers in the *maquiladoras* average less than $1 per hour. Mexican Congresswoman Cecilia Soto discovered, when she went to work in a *maquiladora,* that wages can be as low as 50¢ per hour.

Mexican President Carlos Salinas de Gortari has engaged repeatedly in union-busting tactics, at the behest of the International Monetary Fund and the Bush administration. The arrest of González Cavazos is only the most recent example. Other labor officials have been jailed, while goons have been deployed to break up strikes. Since the *maquiladoras,* with their low wages, are key to attracting U.S. corporations to relocate in Mexico, the Salinas government will not tolerate any labor opposition.

Opposition to NAFTA from organized labor in the United States has been based in part on the justified concern that failing U.S. firms will move to Mexico to take advantage of this virtual slave labor. Ford Motor Co., Motorola, Zenith, and other major American firms have moved their chunks of their operations to Mexico.

Some U.S. labor leaders, however, are temporizing their opposition to free trade, saying that they could support the concept, as long as certain wage levels and health and safety standards were guaranteed.

These leaders, including some national leaders in the AFL-CIO, are echoing the loyal opposition offered by supposedly pro-labor Democrats such as presidential candidate Sen. Tom Harkin (D-Iowa) and House Majority Leader Richard Gephardt (D-Mo.), who supported Bush's demand for "fast track" authority to pass NAFTA. In a recent campaign visit to Texas, Harkin shocked some labor leaders who thought he opposed NAFTA, when he said he could support the "fast track" negotiating procedure if he were President, because he would make sure that a "fair deal" was negotiated.

The softening of opposition to NAFTA by labor officials in the U.S. increased when the media declared Arkansas Gov. Bill Clinton the Democratic presidential front-runner, in part due to his support for free trade.

To think that Clinton, or another Democrat who expresses some sympathy for labor, will cushion the blow from NAFTA, is to ignore the reality of the economic crisis: NAFTA is a bailout for the banks.

Even supporters of NAFTA in the business community acknowledge that it will increase economic hardship in the United States. In a recent commentary in the *Dallas Morning News,* former Brown Brothers Harriman banker and NAFTA promoter Richard Fisher wrote that, in Texas, "certain industries will suffer severely." Among those he named were citrus and vegetable growers, glass and furniture manufacturers, and those in the apparel and retail trades.