

Mexico: Hell is the Tijuana assembly line*

The economic crisis seen from Mexico – The maquiladora factories, where consumer goods are pieced together along the Mexican-US border, are falling apart. Their workforce is without rights, without hope, and increasingly without jobs

Anne Vigna

Anne Vigna's incisive account of the maquiladora sector –in-bond plants that import about 97% of the parts, which are assembled to be then "exported" back to their contractors– exhibits the dire and complete disenfranchisement of Mexican workers in the formal economy. Yet over 50% of workers toil at a living in the even worse underground economy.

Of all the manufacturing sectors in Mexico, the maquiladora sector is clearly at the bottom in labour conditions. The average manufacturing nominal direct pay hourly wage in Mexico in 2006 was \$2,07 –or 17% of the equivalent U.S. wage¹, despite the fact that the cost of living in Mexico was 66% of the cost in the U.S. that year.² The maquiladora nominal direct pay hourly wage was even worse, at \$1,95. But that is only the average. There are many subsectors –such as apparel– that in most countries typically pay the lowest wages for full-production work. Consequently, for the assembly work performed by the in-bond plants in Mexico the pay

is even worse. In 2006, apparel was the lowest paid in the maquiladora sector, with a nominal direct pay hourly wage of \$1,54.³

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In Vigna's first hand experience, right on the field during 2009, she talked to workers earning even lower wages. She found workers –mostly women– earning \$58 per week in the electronics sector. That is barely more than a dollar an hour (about \$1,16), for the typical work week of at least 48 to 50 hours. In the apparel sector, the hourly pay could easily be below a dollar an hour. Such labour endowments are, to be sure, what is now commonly regarded as modern-slave work wages. Contrary to popular wisdom, slavery in the XXI century is not by any account a thing of the past. It is a social phenomenon that has been growing in direct proportion to the grip that today's global Darwinian capitalism –the worst of its kind– is increasing on a world where representative democracy has been supplanted by marketocracy, where the institutional investors and their corporations dictate the public agendas.

Indeed, the most prominent feature of the practice of modern-slave work in Mexico's maquiladora sweatshops –a far more accurate adjective to refer to this mode of production– is the complete, systematic and customary violation of all international labour rights as well as many other human rights that Mexico's Congress ratified many years ago. This creates an ethos clearly reminiscent of the worst kind of social Darwinism practiced in the factories of the English Industrial Revolution that Charles Dickens so eloquently portrayed.

¹ U.S. Department of Labor – Bureau of Labor Statistics: International Comparisons of Hourly Compensation Costs in Manufacturing, 1975-2008, Production Workers Time Series, 26 August 2010.

² World Bank: World Development Indicators: GNI and GNI in purchasing power parity terms, 2010.

³ Derived from: U.S. Department of Labor – Bureau of Labor Statistics: Mexico: Maquiladora Manufacturing Export Industries – Table 1. Hourly compensation costs for Production workers in maquiladora manufacturing, 1975-2006: U.S. dollars, 28 May 2008.

In the case of Mexico, Anne Vigna's brief vividly exposes the dire circumstance that millions of Mexicans working in the maquiladora sector throughout Mexico endure daily in a gripping account of first hand experiences. Since NAFTA took effect, millions of Mexicans have been displaced –completely disenfranchised– for they lost their past livelihoods as part of the so-called “market externalities” of today's global economy. Many of them have sought to work in the sweatshop sector as a measure of last recourse; many after trying unsuccessfully to migrate to the U.S. where many corporations and millions of consumers benefit from the modern-slave work conditions model of Mexico's maquiladora industry. Vigna presents a bold image of a variety of completely illegal but customary practices –including kidnapping– by the owners of the assembly plants, typically owned by foreign companies or by Mexican subcontractors that provide “outsourcing” services to multinational corporations. On one hand Vigna shows how employers treat their employees as, literally, replaceable commodities, with no regards not only for their labour rights but for the danger that their lack of many basic industrial safety standards pose on their health. On the other hand, Vigna details how the need to survive under very dire circumstances in an undemocratically globalised economy has practically silenced –with very few exceptions– both workers and potential workers. It is quite telling the fact that no company in the in-bond sector has ever had to deal with a real union, as Vigna conveys in her account.

As could be expected, the maquiladora sector is only a symptom of a far more complex and dire problem. The dramatic account of the lives of millions of Mexican workers provided by Vigna is sadly one of the worst examples of the devastation of Mexico by global Darwinian capitalism, but not the only one by any means. The actual systematic depredation and destruction of this nation for the last three decades is due to the close partnership between the Mexican oligarchy, foreign corporations and their governments, who have worked closely –through the traditional centre-periphery relationship– to exploit at ease the human and natural resources of this depredated territory. Every economic sector, every strategic industry and the never fully established welfare State system have been deliberately plundered as a result of the abduction of Mexico by global Darwinian capitalism. Taking into account all of its “externalities”, the social cost is so dramatic that we assert that there is no paragon in history for any country but during times of war.

Anne Vigna's account of life in the maquiladora sector represents a rather important contribution to expose the truth about Mexico and denounce it. Far from being a democracy, the real Mexico can only be regarded as a devastated “protectorate” of global Darwinian capitalism, imposed jointly by the Mexican oligarchic mafias and their tutors in the global centres of economic power.

◆ Foreword

“Crisis? What crisis? You’re sure there’s a new crisis? Here in Tijuana we’re always in crisis”, says Jaime Cota with a smile. In spite of all the misery that trudges through his office, Cota manages to retain his sense of humour. Without a doubt, he’s the person who best knows what conditions are really like in the maquiladoras, the assembly-line factories built in Mexico since the 1960s along the 3,000 km frontier with the United States. They came to Mexico because of cheap labour, almost nonexistent taxes and very lax authorities, all alongside the world’s leading economy⁴. Successive governors of the state of Baja California have been able to repeat over the years that, thanks to the maquiladoras, they enjoy full employment.

Cota started out as a worker, then became a researcher. Now he’s a lawyer. His Information Centre for Working Women and Men (Cittac)⁵ is the only organisation to support those thrown out of the factories over the past 20 years. Sacked workers, people who’ve had work accidents, temporary workers without rights or contracts, all bring stories of flagrant abuse. He advises them and sometimes suggests taking legal action. So it’s here that you come to take the social temperature of this frontier town with 1,5 million inhabitants.



Today, three workers are waiting to see him. One was suspended for two days because of one badly made component out of the 700 she produced in her 10-hour shift. “They want to sack me. They’re always watching me and they make up anything that suits them”, she says with lowered eyes. The piece of paper she hands Cota claims that she “intentionally brought harm to the business”. She adds that in this maquiladora “technical shutdowns” happen each week. That means one day without pay, further reducing an already pathetic wage (755 pesos a week, barely \$58).

“Technical shutdowns” are one of the latest brainwaves of the factory bosses. Felipe Calderón, the Mexican president, has promoted them to prevent massive redundancies. The federal government pays one third of salaries, the maquiladora another third, and the employee loses the final third through days not worked. In return, factories undertake only to sack the number of employees proportional to – not higher than – the fall in production or in sales. But as Magnolia Pineda, president of the Tijuana Association of Maquiladora Industry⁶, explained, “few businesses have agreed to accept this programme because it’s impossible for them not to have the right to sack workers. It’s an unacceptable restriction”. So they carry out “technical shutdowns” but without paying the wage, quite illegally. In any case, she added, “employees fully understand the situation. There has never been a strike”.

◆ ‘Don’t talk to me’

True, workers’ action has not been an issue at these subcontracting factories, which re-export their products to the US as soon as they are assembled. The most complete study of the sector established that 82% of Tijuana factories do not allow trades unions⁷ (4). The remaining 18% are blessed with organisations that the workers call “ghost unions”, not the phrase that Pineda would use. She thought hard and said that in 50 years of maquiladoras there hadn’t been unrest. However, it’s not the workers’ “understanding” but their fear of reprisals that keeps the peace in this border city. You only have to visit the industrial estates early in the morning to see why.

⁴ See Janette Habel, “[The line that divides Mexico and the US](#)”, December 1999, and “[Latin America breaks free of the US](#)”, January 2008, both in *Le Monde diplomatique*, English edition.

⁵ [el Cittac](#) sur mspace

⁶ [Asociación de la Industria Maquiladora y de Exportación de Tijuana A.C.](#)

⁷ Jorge Carrillo and Redi Gomis, *La maquiladora en datos: Resultados de una encuesta sobre tecnología y aprendizaje*, Tijuana North Border College, 2004.

For several months now, queues of unemployed people have formed in the hope of finding a day's work. At 5am, though there's no sign of factory recruiters, people are too terrified to speak. "Don't talk to me, don't come near me", one murmured. "I can't say anything to you, I'm not allowed to." Another told me: "You shouldn't be here, it's forbidden. Yes, we're in the street here, but we're in front of the factory so this street's also 'theirs'." By 7am nobody had been hired. The hopefuls, warming themselves over bad coffee 500m from the factory, were still afraid to talk: "They have cameras and you have a pen. It's too dangerous." Just one woman agreed to tell me how she'd been looking for work for several months and "there is nothing". She wouldn't give me her name, her age or her place of birth.

"I've tried every means possible for several years but they've never let me into their factories, even though they invite us all the time to press conferences in city-centre hotels", explained a local business journalist⁸. The maquiladoras have always had their ways of gagging information. So one needs to go back to Cittac's premises to learn a bit more about this secret world. Here, those who one day decided to push open the door and discover their rights are no longer afraid to speak.

◆ Shattering work-pace

It has been the same story for years: working in the maquiladoras is hell. But the crisis has brought a new vicious circle, with shop-floor conditions getting even worse. Rogelio is in his 40s. He started work at 21 and has been employed by



several companies. His experiences are inexhaustible: "I'm from Michoacan. When I first arrived, I worked for Takubi, a Japanese company, assembling speaker boxes; then at Tabushi, another Japanese company, making cables for Canon; and then at an American company, Sohnen, the worst of all, where we repaired electrical equipment." At Sohnen, Rogelio took courses to train as a technician – two hours each evening after 10 hours' work. He was promoted, and his weekly wage became almost respectable (1,700 pesos, \$130). But the work-pace was shattering. "We were given 20 minutes to repair an item. If you didn't finish you had to complete it that evening, without extra pay."

According to his foreman, Rogelio wasn't quick enough. Actually, he had started to organise a union with fellow workers.

They met several times in a park and handed out leaflets at the factory gate. The supervisors asked other workers whether or not Rogelio had started it. Labelled as the chief troublemaker, he was fired. He refused to accept the derisory compensation cheque he was offered after several years with the business. After a legal battle that Cittac fought for him, he managed to get better compensation but went straight on the blacklist⁹.

Sharp employed him for a few weeks before realising who he was and firing him on the spot. Work in electronics anywhere in Baja California was closed to him, so in 2007, he found a job at Unisolar Ovonic, an American maquiladora that assembles solar panels. "Work is not easy there. There are 16 ovens and no air extractors: the heat is stifling. The cutting zone is the most dangerous place. All day long you inhale glass fibre dust, which also sticks to the skin. By the end of the day, your whole body is covered." Workers' complaints changed nothing. "They simply repeated to us that we were lucky to have a job at this time of crisis."

Threats of being fired became more serious as the year went on. Together with Manuel, a Honduran immigrant, Rogelio did some research on the company to put together a leaflet, which they distributed to workers. They found out that Unisolar Ovonic's new chairman, Mark Morelli, had recently congratulated himself for the group's good results in 2008

⁸ The only film showing the inside of Tijuana factories was shot by female workers there for the documentary *Maquilapolis* (Vicky Funari and Sergio De La Torre, 2006). Despite the risks involved, they successfully captured several scenes with small hidden cameras. The documentary (68 minutes, in Spanish with English subtitles) can be bought at California.newsreal.

⁹ Several workers, backed by Cittac, insist that the lists have always existed (which the employers' organisation denies); the Mexican Social Security Institute is suspected of informing maquiladoras about actions taken by some workers.

“profits were up by 16%”, said Manuel) before announcing sunny prospects for solar panels – thanks to “green awareness”. “Their order book was full until 2012, if you believe the chairman, so why threaten us constantly with the sack?” Rogelio fumed. “Of course, the crisis exists,” Cota added, “but it’s also a pretext to keep employees quiet and forget about any wage increase.”

◆ ‘Southern end of silicon valley’

From the point of view of employers’ organisations, this type of claim would in any case be judged out of place “in these difficult times for us all”. But that’s not the most important issue. According to Claudio Arriola, president of the Tijuana chamber of the National Electronics Association (Canieti), although there still are difficult months ahead, the economy is set to take off again. President Calderón had made the same remarks the day before, claiming that “the signs of growth are multiplying”. At this moment in time, Arriola echoed, “we must move forward. The electronics business as we know it is finished here, but we hold all the trumps, particularly in our closeness to the US”.

If their optimism is not reflected in the international press, that’s a major confession. Electronics, still the principal employer in the city, is hardly the flavour of the month. Ten years ago, the same bosses talked of Tijuana as “the southern end of California’s Silicon Valley”; it was “the world capital of TV manufacturing”, a city of “full-employment”. Maquiladora developers eulogised over a model that attracted millions of dollars in inward investment, to the point where seven in 10 TV sets sold in the US were assembled in Tijuana.

From 1994, the year the North American Free Trade Agreement was signed, until 2001, there was enormous expansion. The workers’ small, agile hands were particularly suited to the sector and the authorities didn’t bother about the presence of polluting materials like lead.

On California’s doorstep, the maquiladoras recruited migrant labour to satisfy a seemingly unquenchable thirst for electronic gadgets. “From 1994 to 2000 we had full employment in Tijuana, with unemployment levels scarcely reaching 1%,” said Cuauhtémoc Calderón, economics researcher at Tijuana’s North Border College. “All along the frontier, the maquiladora became a sort of immigration barrier. But this enterprise model was completely separated from the rest of the economy. It had no positive effect on the other sectors. Products were imported, assembled, then exported. So the maquiladoras could not absorb the huge number of migrants who arrived. Brutal deregulation of our economy brought the displacement of 500,000 Mexicans a year, something a country usually only suffers in wartime.”

With the millennium came the model’s first failures. The US recession of 2001 caused 200,000 job losses in the maquiladoras along the frontier. In 2002, the electronics sector shed 31% of its labour force – 27% of it in Tijuana alone. As Leticia Hernandez, a specialist in investment issues, explained: “We are totally dependent here on the US. Even in 2008, 78% of the inward investment in the frontier zone was American. It’s not surprising that the crisis on their side of the frontier has created huge unemployment here.”



This autumn, the official unemployment level in Tijuana stood at 7%, higher than the national level of 5%. And as in the rest of the country, the informal economy still involves half of the active population. It’s a bitter dream. “There has been no technology transfer and in four decades the number of posts for engineers or technicians has been very disappointing”, said the sociologist Cirila Quintero, a maquiladora specialist at Matamoros North Border College. In Tijuana, 13% of companies have no staff engineers while 65% employ 10 or less. Similarly, 73% of the electronics maquiladoras have no R&D facility. Half of the companies assemble just one product; only 13% of them assemble three

products. "By itself," said Quintero, "the maquiladora does not encourage development, only unbalanced growth and therefore precarious, poorly paid employment."

◆ 'People say nothing'

The export-led economy, entirely dependent on the big neighbour to the north, was already slowing down before the crisis. China's 2001 entry into the World Trade Organisation effectively changed the game. "For 10 years now we've been watching bigger and bigger abuses, more and more sackings without compensation," said Cota. "The factories are loath to pay whatever they have to, including protection against dangerous materials. But, since there's no other work, people say nothing."

One maquiladora, Power-Sonic, which makes batteries for electronic equipment, is a particular cause for concern. "Before, nobody would sign up there because you have to work with lead the whole day," said Rogelio. "Now, a queue of people line up outside the factory each morning." Netzahualcoyotl, 36, with two children and mortgage payments to keep up, said he had "little choice" when he lost his job at Sohnen. He would like to believe his protective clothing is effective. "Our bosses tell us that those who don't use it will fall ill." He himself is still all right – according to the criteria used by the business, which conducts tests on workers every month. "They don't give us the results, but if levels of lead in our blood get too high they move us somewhere else. That's how we know when we're ill."

As the essential element in all electronic products, lead is everywhere: in peoples' fears, in discussions, in the rivers. For the past 10 years, the district of Chilpancingo, which lies below the industrial estates, has fought against lead waste dumped into the wild. Thanks to help from the San Diego NGO Environmental Health Coalition, 3,000 tonnes of polluted earth were sent to the US in 2008 to be cleaned, while 8,000 tonnes have been encased in concrete. The two countries' governments paid for that, not the companies.

"They all congratulated themselves in the press", said Yesina Palomares, long-time Chilpancingo residents' leader. "But over the years we have wept unnoticed when children were born without a brain and died straight away. Unfortunately, nothing has changed. There is still no proper inspection of the waste dumped by companies, or of employee health." Carmen, who worked for Panasonic, told me her own experience: "I put lead seals on electronics sheets and I knew that I breathed the smoke at each operation." After six months, stains appeared on her face, she felt constantly tired and had kidney pains. "Panasonic's doctor assured me it was nothing, but then a community doctor examined me and said 'if you don't stop now you'll develop leukaemia'."

Carmen took that advice because, at the time, you could easily change maquiladora. Today, she said, it's different. "We are less careful." In her district, the numbers of unemployed have grown since the Sony factory closed. Some neighbours even went back to their home states. "I came from Chiapas at 13. I've never seen so many people head south again in 30 years." Before, migrants would work a few years in border towns to save enough to pay a trafficker, then would try their luck in the US. Now that's too dangerous, with the uncertainties north of the border. "In the US, Mexican migrants normally work in the construction industry. But there's not much possibility there just now," they told me at the migrant hostel in Tijuana, run by Catholic priests, which for the first time was quite empty.

Would-be migrants are well aware of the situation. Just a few metres south of the border they knock on doors to offer their services as plumbers, gardeners or electricians. "The maquiladoras are not hiring, contrary to what we were told," one of them said. Some migrants give up, others persevere, all are struggling with the crisis long before they reach American soil. They tighten their belts so as not to spend the money they need to give the trafficker.

◆ Worst of all for the over-50s

In Tijuana, the over-50s suffer most. As ever, the maquiladoras hire the young. Most job ads state "under 35". When they get to the fateful 50th birthday, people begin fighting to hold onto their jobs. "People reaching 50 have a real struggle," said Netzahualcoyotl; "they work like mad so that they can't be told 'you're not keeping up'. They are the most productive people in the company but they are too costly. They slave away in vain; it doesn't change anything, they're fired."

Which is what happened to Delfina, barely 53. “I remember that at the end I was doing the work of three people. I had headaches, my nose bled, but the supervisor behind me told me to speed up. They decided to make us work standing up because we were less efficient sitting down. You were not allowed to speak, go to the toilet or even chew gum.”

Delfina was fired without any stated reason in November 2008. They didn’t even give her her weekly wage, or any compensation for losing her job. She complained and is now waiting for the conciliation council, a sort of industrial tribunal, to pronounce on her case. She survives on 200 pesos (\$13) a week sent by one of her daughters who runs a grocery store. Three people have to live on that money. “We only have two meals a day,” she said, clearly embarrassed, when I asked how she manages on so little. After 25 years working in the maquiladoras, Delfina has no pension and no savings, after bringing up seven children as a single mother. Like many in her position, she worked nights over the years.

At Mattel, the toy maker, you had to fight for your rights. “When Mattel bought the business where I worked, they wanted to fire me without compensation. I refused, so they locked me up.” She spent a whole night confined to an office with a guard. She was told she had to accept a cheque for 2.000 pesos (\$150) before she’d be allowed to leave early the next morning. “You understand, my children were waiting for me.” Helped by Cittac, she went on radio and television to denounce this practice. Mattel didn’t want to know about it. And the courts ruled that it wasn’t kidnapping because nobody had demanded a ransom.

Delfina realises she will never again be offered employment at a maquiladora. “It’s impossible at my age, and now they’re not even taking young people,” she said, pushing forward her son-in-law, 20 and unemployed. “Plenty of people are selling bits and pieces, but we’re all poor here so we don’t buy much.” The area where she lives is similar to a lot of Tijuana, illegally built, but then allowed to stand. However, the authorities never built any roads; and residents had to make their own arrangements for water and electricity. When her son’s house burnt down, the firemen didn’t come. “It’s just not right,” she said, angry, “but where can we complain?” Her son’s family lost everything. “The maquiladora where he’s employed gave him nothing. It was left to his workmates to help out. The only thing here that still works is solidarity.”

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