

Welcome to New Laredo, Mexico, where the population is 500,000. You are on the doorstep of the United States. Just across the river lies Laredo, Texas, the greatest port of entry for freight on the U.S.-Mexican border. After NAFTA began, thousands of Mexicans arrived every week looking for work in the *maquilas* (export assembly plants, often foreign-owned). Employment reached about 22,500 people in 2000. The recession hit hard with at least 2000 layoffs and some plant closings. Despite recovery, unemployment is high. There are now 25,500 (in 2005) maquila workers, about one-fifth of the workforce.

People come here because they can no longer make a living on the land, or in cities farther south, and the jobs here pay more than in the interior—but prices are also higher. If you can't find work here, you can always run the gauntlet of gangs, vigilantes and the US Border Patrol across the Rio Grande.

There's a severe shortage of affordable housing, so you and your family joined an *invasion* to take vacant land and construct a "house" with any materials you could find. You live in a *colonia* (neighborhood) on the outskirts of town. The government doesn't recognize many colonias and provides no services. In your colonia, the residents scraped together enough money to get electricity hooked up, but you still have no sewage or running water. Instead, you get some water free and pay for some from trucks that fill 55-gallon drums that you have outside your house.

Shop 'Til You Drop on a Maquila Wage

Today you will take go on a virtual shopping trip...

We will put together groups to act as a family. The families will need to discuss together how they will decide to spend their money for the month. The groups will be asked to share with the larger group, how and what they chose to spend their money on.

Your family's budget for the week

Using the price sheets attached, budget for the needs of your family according to your profile. (All food and household item prices are for a family of four, so if your family is larger or smaller, figure accordingly. We have not included costs of building, fixing or expanding your house.)

All prices are in pesos and are noted with a p. Take no more than 15 minutes to prepare your budget.

ITEM	COST (IN PESOS)
Family weekly income	
Expenses	
Food and household items	
Housing costs	
Utilities (gas, electricity, water)	
Transportation	
School	
Miscellaneous (clothing, shoes, entertainment, medical care, etc.)	
Total Expenses	
Net for Savings or Emergencies	

1. List important necessities your family will have to do without.

(Discussion questions continued on page 6)

Non-Food Basic Expenses (in pesos)

All prices are weekly

- **Land/terreno** **177p** (In the colonias, most people are buying the land they've built their houses on. They buy or find materials where they can.)
- **Electricity/luz** **52p** for electrical usage
- **Water/agua** **28p**---about 9.33p per 55 gallon drum (Many colonias have no running water. Figure 3 drums per week. Sometimes it's free, some times you pay.)
- **Butane/gas** **31p** for 10 kilos for cooking
- **Gas/petroleo** **6.50p** per liter
- **Used tires/llantas** **200p** per tire
- **Bus/trasporte** **92p** (This includes cost of transportation only to and from work and to make purchases.)
- **Clothing/ropa** **29.38p** (This includes pro-rated cost of two sets of clothing per year for each adult and four sets for children, plus one pair of shoes per year for each family member.)
- **Primary school/escuela primaria** **31.50p** (includes school supplies, books, raffle tickets, subscription book, gym equipment and clothes)
- **Secondary school/escuela secundaria** **39p** (same costs as primary school)
- **High school/preparatoria** **50p** (uniform, tuition, books, supplies)
- **Medical care** **50p** (If you have a regular job, you have health insurance at the declining social security hospital. A private doctor visit costs 50p.)
- **Movies/cine** **38p** per person
- **Non-consumables** **36p** (This includes pro-rated cost of bedding, one towel and washcloth each, basic cooking and eating utensils, laundry and house cleaning supplies, basic tools and building supplies, including meager savings—18p/wk—toward the future purchase of bigger items like furniture or a refrigerator)

Minimum wage in Nuevo Laredo in 2000:

37.90 p per day or 265.30 p per week or U.S. \$28.09

Prices and minimum wage are 2000 figures, from source cited on pages 4-5.

Nuevo Laredo Food & Household Items Prices For Family of Four

Prices from *Making the Invisible Visible: A Study of the Purchasing Power of Maquila Workers in Mexico, 2000*, short version, by Ruth Rosenbaum. Sponsored by Center for Reflection, Education and Action; The Coalition for Justice in the Maquiladoras, and The Interfaith Center for Corporate Responsibility.

Exchange rate (year 2000): \$1.00 U.S. = 9.46 pesos

** Items in basic food basket*

Item	Size	Price in pesos	Amount needed per week for family of four	Cost/week
Bath soap/jabon	1 bar	5.52	2	11.04
Beans/frijoles*	1 kg	11.31	4	45.24
Beef/carne de res	1 kg	31.81	1	31.81
Chicken/pollo	1 kg	21.20	2	42.40
Chiles/chile	1 kg	14.51	2	29.02
Coffee/café	50 g	3.95	2	7.9
Cooking Oil/aceite de cocina*	1 liter	10.42	2	20.84
Corn Flakes/cereal	120 g box	14.29	2	29.58
Diapers/pañales	40	34.69	1	34.69
Dish detergent/detergente liquido	1 kg	16.16	1	16.16
Eggs/huevos*	1½ dozen	10.80	3	32.40
Ground beef/carne molido	1 kg	29.04	1	29.04
Laundry detergent/detergente de ropa	1 kg	16.16	1	16.16
Milk/leche*	1/2 gallon	18.90	4	75.60
Onions/cebollas	1 kg	5.46	2	10.92
Pasta for soup/pasta de sopa*	200 g	2.26	6	13.56
Potatoes/papas	1 kg	7.87	4	31.48
Rice/arroz*	1 kg	6.69	2	13.38
Sugar/azucar	1 kg	6.28	2	12.56
Toilet paper/papel del baño	4 rolls	8.39	1	8.39
Tomatoes/tomates	1 kg	5.17	3	15.51
Tooth paste/pasta dental	150 ml tube	15.09	1	15.09
Tortillas*	1 kg	4.53	3	13.59
Total cost of all these items for one week for family of four				559.36

See next page for additional items.

Other food and household items

(prices from source cited on pages 4-)

Item	Measure	Price
Banana/plátano	1 kg	6.76
Bouillon/consume	225 g	9.79
Coke/refresco	2 liters	11.11
Flour/harina	1 kg	5.26
Ham/jamón	1 kg	36.60
Mayonaise/mayonesa	220 g	11.02
Salt/sal	1 kg	4.54
Hot dogs/salchicha	1 kg	19.61
Tuna/atún	174 g	6.12

Discussion questions continued from page 2

Appoint a note taker who will report your responses to the rest of us.

2. Talk to the other members of your colonia. Find out if there are ways you can help each other to meet needs that your family can't meet on its own.

3. How would you assess your nutritional level on the budget you created for your family?

Healthy
 Subsistence
 Malnutrition

4. Why are you in this situation?

5. What alternatives do you have to living like this?

6. What could be done by organizations, governments, people in the United States, or others to change the things which cause your families' problems?

Nuevo Laredo Top Ten Employers (by number of employees) (2005)

Company	Product	Employees in 7/05
Delphi Alambrados Automotrices, S.A. de C.V. (3)	Auto wire harnesses	4,185
Tele Flex Automotive de México, S. A. de C. V. (2)	Auto wire harnesses	1,800
Sony Magnéticos de México, S.A. de C.V. (2)	Video cassettes, floppy disks	1,457
Wiegand, S.A. de C.V. (Emerson)	Heating elements	1,200
Industrias Rheem, S.A. de C.V.	Electronic and gas boilers	1,159
Industrias Tri-Con de México, S.A. de C.V.	Auto seat covers	1,064
Springfield Wire de México, S.A. de C.V.	Resistors	1,025
Controles Temex, S, de R.L. de C.V.	Time controls	1,010
P.B.B. & R, S.A. de C.V.	Plastic ring binders	932
Converca del Noreste, S de R L de C V (Visteon-Lamosa) (2)	Auto catalytic converters	815



A house in colonia Lazaro Cardenas. Photo by Laszlo Toth



One of two Delphi plants in Nuevo Laredo Makes wire harnesses for G.M. Some end up at the Fairfax plant in KCK.

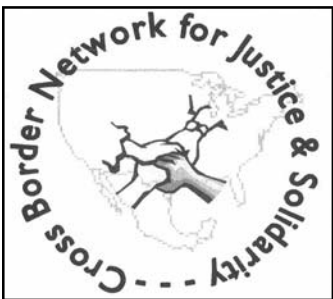
How do these wages relate to sweatshop wages around the world?*

Salary per hour in U.S. dollars

El Salvador	\$0.75
Nicaragua	\$0.47
Haiti	\$0.22
Kenya	\$0.42
India	\$0.23
China	\$0.34

In Guatemala, the industry minimum wage is \$3.70 (Q29) per day plus a variety of production bonuses arbitrarily calculated and inconsistently awarded by the owners of the maquila. With production bonuses and overtime, a good machine operator in a large maquila earns about \$170 (Q1300) per month. Minimum living expenses for an average family (5.38 members) calculated by the national institute of statistics for April 2000 was \$284 (Q2185) per month. According to the UN Mission for Guatemala, the majority of Guatemalan workers would need a 140% salary increase to reach a decent standard of living.

*Statistics taken from United Students Against Sweatshops, <http://www.studentsagainstsweatshops.org>



The Cross Border Network for Justice and Solidarity is a non-profit organization dedicated to building international bridges of solidarity and mutual aid between workers and communities of working people, in order to educate and organize for social and economic justice in the wake of runaway profi-

This exercise was created by the Cross Border Network and adapted by STITCH.

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