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Insecurity chokes Mexico's migrant dollars

By Richard Lapper in Atlanta

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For the best part of a decade Isaac Vergara had been regularly sending a few hundred dollars to his mother in the Mexican state of Veracruz from the money he makes from casual work in construction sites, garages and kitchens in Atlanta.

But two years ago Mr Vergara stopped visiting his local branch of Western Union, the remittance company. Work has become harder to find for the 42-year-old, who crossed the border illegally and trekked across the Texan desert for three days to evade capture.

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The US economy slowed. Food and fuel bills and payments on a \$130,000 (€84,000, £66,000) mortgage became more expensive. Mr Vergara also found potential employers became more concerned about his status. "There is less work and they ask for papers all the time," he says.

Cobb County, Georgia, where he lives, has introduced laws allowing police to act as migration agents, leaving him less secure and making it even less likely that cash will be sent home.

The problems were underlined when Mr Vergara's younger sister, Columba, was picked up by police for a minor traffic offence. She is being held in a detention centre and to free her – even temporarily – Mr Vergara might have to find \$10,000 for an immigration bond.

Mr Vergara is by no means unique: after nearly a decade of double-digit increases, remittances into Mexico have begun to decline. In the first four months of this year the remittances reported to the Bank of Mexico slipped to \$7.3bn, 2.4 per cent less than in the same period in 2007, according to figures published this week.

The decline could be part of a broader regional trend. Research sponsored by the Inter-American Development Bank found only half of Latin American migrants were sending money home, compared with nearly three-quarters in 2006.

The woes of the US housing market and the related slowdown in the construction industry, where 22 per cent of Mexican migrants and many other Latin Americans have found work, are part of the reason. Unemployment among US-based Mexicans has risen from 5.4 per cent in the first quarter of 2007 to 8.2 per cent in the same period this year, according to Bank of Mexico figures released this week.

It also appears that laws to crack down on illegal workers are having an impact.

In the IADB survey, half of the respondents believed discrimination was making it harder to send money home.

The trend is certainly visible in Georgia, a state to which thousands of Mexicans and Guatemalans were attracted by jobs in poultry plants or on farms.

"People just don't come out any more. They have lost confidence," says Edilberto Montenegro, manager of the Kermes, a Mexican restaurant in the Atlanta suburbs that is popular with migrants. Over the past year takings have plunged by nearly 50 per cent, he says.

Adelina Nicholls, director of the Georgia Latino Alliance for Human Rights, an NGO, says the crackdown on migration is creating a mood of fear: 1,600 illegal immigrants have been imprisoned in Cobb County in the last few months, mostly for minor traffic offences.

With other Georgia counties considering similar legislation, Ms Nicholls is telling illegal immigrants to save money in case they have to pay fines or post immigration bonds.

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Mr Vergara says he would return to Mexico, were he not caught up in the US housing market. Four years ago he bought a \$150,000 house which he now thinks is worth \$188,000. But it is proving difficult to find a buyer. "I would sell it if I could. This country is not worth it any more. With the situation like this, I want to go back."

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