

**STATEMENT OF HON. BILL RICHARDSON, FORMER GOVERNOR
OF NEW MEXICO, SANTA FE, NEW MEXICO**

AMBASSADOR RICHARDSON. Thank you, Mr. Chairman and members of the subcommittee. I am not going to enunciate the friendship I have had with those outstanding three members of the minority. And, Mr. Chairman, I have always respected you and your knowledge of Latin America and your excellent Spanish, which I hope you try to match Senator Menendez. Mr. Chairman, this is a very important hearing, and I am glad you are focusing on the U.S.-Mexico relationship. I have been involved with this issue as a governor, as somebody who grew up part of my life in Mexico, as a Congressman, as Energy Secretary. I have never seen the relationship in such bad shape as it is today. It is in tatters, and steps need to be taken to better it. One of the most important relationships we have I think among the top three countries that the United States has, I will not name the others, but it is obvious, I think Mexico is one of those. And I am extremely concerned that we are heading into a period where the issue of paying for the wall, the building of the wall, the NAFTA negotiation, the threat of an import tax, the deportation, and I commend Senator Menendez. I know you did an event a couple of days ago on that issue. 11 million potential deportations.

The government-to-government relationship is shaky, but I worry about the relationship between the American people and the Mexican people. There is resentment. The Mexican people feel insulted. I spend quite a bit of time there. My sister lives there. And I am concerned. And I think it is important that in the course of the hearing, Ambassador Noriega and I might have some suggestions on what to do about it.

My worry is that we have a Mexican election coming up. And I think it is in 16 months. But the election really starts in 5 months with state elections. And what we want to do is find ways to deal with the problem issues that affect the relationship. On the wall, my hope is that other alternatives are looked at. I know in the Senate and the House, there is great concern about funding the wall. I hope that is abandoned. I hope the import tax discussion ends. The NAFTA negotiations. Yes, I think the U.S. NAFTA relationship needs to be modernized, but I think an acceleration of those negotiations needs to take place. Otherwise, they are going to head into these negotiations into the Mexican election period.

I would also add that, echoing the views of all of you, we have transnational issues affecting the relationship. Mexico and the United States need each other. This is the best way to deal with transnational threats, whether it is health, whether it is terrorism, whether it is immigration, or whether it is crime is together. I see us heading into a situation where the government-to-government relations needs to be revitalized very, very soon.

I think the statistics are very strong. You asked me to focus on some of the issues relating to security and strategic issues. There is an extraordinary level of collaboration between the U.S. and Mexico to address terror threats and capture dangerous criminals. You mentioned El Chapo. Every airline passenger who arrives in Mexico is vetted against the U.S. criminal and national security database. Heroin addiction is epidemic in the United States, and we rely on Mexico's cooperation in allowing DEA agents to operate on the ground.

I think as Senator Menendez mentioned, on immigration, net migration to the U.S. is negative. Not a single terrorist act has been committed in the United States by anyone that entered via the Mexican border. Mexico has cooperated with the U.S. by deporting hundreds of thousands of Central American migrants bound for the U.S. I have some views on that. I think we have got to be careful, especially with families and children.

But across the board, on the economic front, we trade approximately five times as much with Mexico as we do with Great Britain. Five times as much. Mexico is our third largest trading partner. Mexico is our second largest export market. And Mexicans buy more American goods than Japan, Germany, South Korea, and Great Britain combined. Additionally, the two NAFTA countries, Canada and Mexico, represent 30 percent of all U.S. trade, 35 percent of our total exports. So on the domestic side, 23 States in the United States count Mexico as their number one or number two export market. In 2015, foreign direct investment from Mexico in the U.S. was \$52.5 billion.

I think those most concerned with the NAFTA negotiations and with the breakdown in trade are agricultural people. I know there are issues in Florida, but if you look at Midwest corn, \$2.5 billion in exports could be jeopardized. Auto plants, food, across the board.

I will cite one statistic. 6 million American jobs depend on U.S. trade with Mexico according to the U.S. Chamber of Commerce. But most importantly, and to put our trade deficit with Mexico into perspective, 40 cents of every dollar's worth of goods imported from Mexico is made in the United States.

So in conclusion, and I am sticking to my 5 minutes here. I see this thing glaring at me, and I will observe it because I think the best questions can come in a dialogue.

When I was Governor of New Mexico, the State of Chihuahua was our partner. And Senator Udall knows these issues well. NAFTA created a lot of jobs along our border, good jobs, high paying jobs. But the cooperation that I had with the Governor of Chihuahua on issues relating to crime, on issues relating to heroin addiction, issues relating to immigration was exceptional. There are 12 border States, we are talking about four on the U.S. side and eight on the Mexican side. I worry because currently we have tremendous cooperative relationships on security, on trade, on drug interdiction, on extradition that would be jeopardized.

So my hope is that in the next few months, the sooner the better, I think this subcommittee can play an important role because I see right now the executive branch is not necessarily coordinating the best they should on the relationship. I think this subcommittee can play an important role in bringing an institutional framework of the U.S.-Mexico relationship where the State Department and the Commerce Department take the lead in the relationship, perhaps with your intervention, and not the White House. I think this is a relationship that is too valuable to let drift away into domestic politics.

So I thank you, Mr. Chairman. I thank members of the subcommittee. And I appreciate your time.