



# HISTORIC DEVELOPMENT OF THE BORDER REGION

*Analysis to inform funders, policymakers, and stakeholders on history of the U.S.-Mexico Border region and how it has evolved over the centuries.*

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U.S. • MEXICO  
BORDER PHILANTHROPY PARTNERSHIP  
ALIANZA FRONTERIZA DE FILANTROPIA  
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*The U.S.-Mexico Border  
Philanthropy Partnership serves as  
the leading binational organization  
focused on building prosperity  
along the U.S.-Mexico Border region  
through leadership, collaboration,  
and philanthropy.*

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# U.S.-MEXICO BORDER PHILANTHROPY PARTNERSHIP



## SECTION ONE INTRODUCTION

We believe that the challenges and opportunities across the Border region demand informed civic participation, strong leadership and cross-border understanding, and collaboration.

For generations, the Border region between Mexico and the United States has been transformed from a lightly populated geographic area to a dynamic enterprise zone with a booming economy and population. Today, substantial numbers of residents on both sides of the Border interact on a daily basis, producing a society and geographic territory that is different from the rest of the United States and Mexico.

However, the Border contrasts a highly-developed, wealthy nation with a developing country and the issues are well known but persistent. Research indicates that if the region comprising the Border across the 10 states – Mexican and American – were America's 51st state, it would rank at or near the bottom in nearly all measures of prosperity, community health, educational opportunity, and quality of life. Further, negative stereotypes about the Border region are widely held throughout the United States and Mexico, and they frustrate possible solutions for many Border issues and justify imposition of federal and state Border policies and programs, often without adequate input from local stakeholders and often accompanied by unintended consequences.

This Border Brief, which is one in a series, highlights issues and offers critical insight to drive new solutions. It is our desire that this information will help foster greater philanthropic and corporate support, as well as our nonprofit partners to carry them out to address the need for coordinated philanthropic leadership, cross-cultural understanding, and public policy advocacy. The Border Briefs provide current and accurate information about health, environment, education, migration, philanthropy, and general Border dynamics.



SECTION TWO

# UNDERSTANDING THE BORDER

The two-thousand-mile international boundary between Mexico and the United States gives shape to a unique economic, social, and cultural region. The binational Border region, which is also known as the transborder region, is the only place in the world where a highly developed country and a developing nation interface. Most issues and opportunities of the bilateral relationship surface here. But the binational Border region is not well understood in the center of power of either country. Negative stereotypes, flawed analysis, and political demagoguery regarding Border control, migration, drugs, violence, and other issues abound. These stereotypes frustrate possible solutions for many issues and are used to justify imposition of federal and state Border policies and programs, often without adequate input from local Border stakeholders and often accompanied by unintended consequences. Meanwhile, important positive qualities of the Border—economic centrality, cultural creativity, and collaboration in the face

when the relatively Whiter counties of San Diego (CA) and Pima (AZ), are discounted, the region is 84% Hispanic. A heavily Hispanic part of the Border, Cameron County in Texas is 89.8% Hispanic, 8.5% White, and about one percent Black and one percent Asian. More than 390,000 Native Americans live in the U.S. Border area, including Apache, Cocopah, Kickapoo, Kumeyaay, O’odham, Pai, and Yaqui peoples separated from relatives and ancestral lands in Mexico by U.S. Border security infrastructure and policies. Black and Asian populations reside in El Paso (4.4%, 1.5%), Pima (4.5%, 3.4%), and San Diego (5.6%, 13.1%) counties.<sup>1</sup>

The binational Border region is not a monolithic space. Rather, it consists of four transborder subregions that include the California-Baja California borderlands, the Arizona-Sonora borderlands, the New Mexico-Texas-Chihuahua borderlands, and the Southern Texas-

150 million

Most U.S.-Mexican bilateral trade crosses the land border. In 2022, there were about 150 million northbound crossings of individuals through the border ports of entry.

of divisions—remain ignored and underutilized. There is an unrecognized but vital base to build on.

The core of the Border region includes U.S. counties and Mexican municipalities that are fully or partly within the 200 km (about 120 miles) zone bisected by the international boundary. More than 90% of the region’s 15 million inhabitants live in sister cities and transborder metropolitan regions scattered along this boundary. The Border region’s population growth rates have outpaced those of Mexico and the United States from the 1950s on, when Mexican Border cities mushroomed at more than 10% per year and U.S. Border cities at about half that. Waves of migration from the United States and Mexico have fueled the dynamic demographics, although in recent decades migrants from the Caribbean, Central America, Latin America, and elsewhere have started to arrive. Hispanics are 57 percent of the U.S. Border population, although

Northeastern Mexico borderlands.<sup>2</sup> These regional variations are the result of climate, natural resources, historic settlement and development patterns, regional cultural characteristics, migration flows, transportation infrastructure, economic flows, isolation from the national capitals, and other elements.

Most U.S.-Mexican bilateral trade crosses the land Border. This integrates the neighboring economies and brings their people together in a shared North American venture. Border ports of entry are overwhelmed by the massive volume of commercial and non-commercial crossings. Border residents frequently cross in both directions to shop, visit relatives, obtain health care, attend schools, recreate, or work. In 2022, there were about 150 million northbound crossings of individuals through the Border ports of entry.<sup>3</sup>



The two San Diego ports of San Ysidro and Otay Mesa in that same year averaged 120,000 individuals entering the United States each day. In 2022, some 4.6 million loaded truck containers passed northward through the Border ports of entry. Laredo, the busiest commercial port of entry that connects the important industrial centers of Mexico City and Monterrey with the United States, averaged 5,700 northbound loaded truck and rail containers each day in 2022. It is worth noting that this legal movement is orders of magnitude greater than widely publicized asylum seeking or unauthorized migrating. Despite the enormous wealth that flows across the Border in both directions, the U.S. Border region is among the poorest in the nation, with high rates

of poverty and unacceptable social, health, education, and economic indicators. Although the Mexican northern Border is among the wealthiest regions of the country it also has high rates of poverty and inequality. Economic asymmetry across the Border of Mexico and the United States is notable and has increased since the implementation of the North American Free Trade Agreement in 1994, despite expanding trade and a growing manufacturing sector in Mexico. The Border contrasts a highly developed powerful and wealthy nation with a developing country. Both face problems of inequality of income distribution and many quality-of-life concerns, especially for low-income Border residents. But they are not backward, stagnant regions; they benefit from







# SECTION THREE

## BORDER GEOGRAPHY

The 1,954-mile (3,145 km) boundary traverses’ diverse topography and ecosystems. From the coastal foothills and mountains of California and Baja California it extends across the Sonoran Desert to El Paso and Ciudad Juárez on the northern part of the Mexican Plateau at the foot of the Franklin Mountains. From there, the boundary follows the center of the Rio Grande River (Río Bravo in Mexico) as it cuts through the basin and range province and the Chisos Mountains at Big Bend National Park and the Sierra del Carmen in Coahuila before it spills out across the southern part of the Great Plains and onto the Gulf Coastal Plains and the Lower Rio Grande Valley, and then to the Gulf of Mexico near Brownsville-Matamoros.

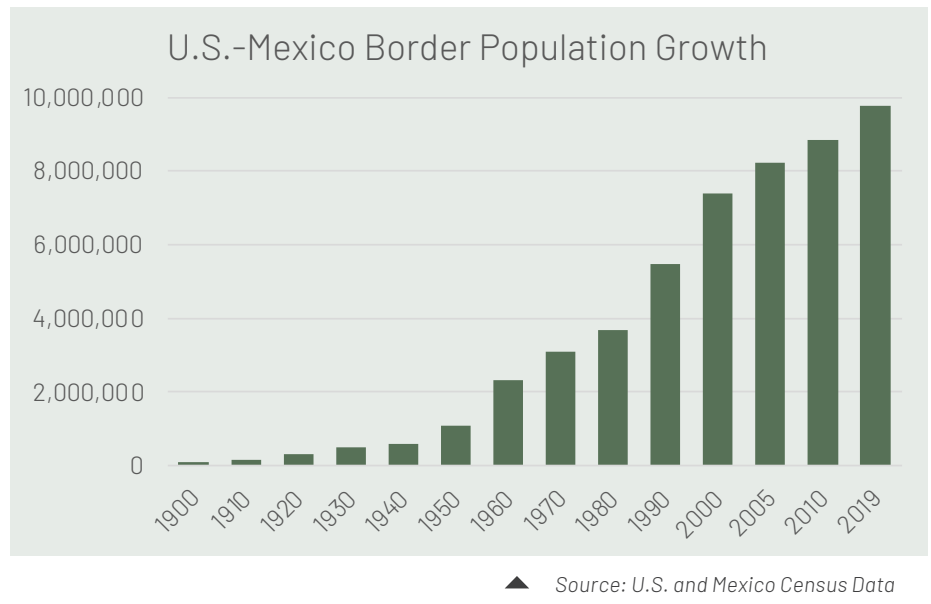
Aridity has shaped human settlement in the Border region, with most population concentrated in the binational twin cities located along the boundary where adequate water supplies are available. Intensive agriculture is made possible by large government-built irrigation works that supply water from the Colorado and Rio Grande rivers and their tributaries to areas such as the Imperial-Mexicali valleys on the California-Baja California Border, the Yuma Valley and adjacent areas in Arizona, and the Lower Rio Grande Valley of Texas and adjacent Mexican states. The Border’s aridity is exacerbated by increasing demand for urban, agricultural, and industrial uses, the impact of climate change on rivers, and depletion of groundwater as it is used as a replacement for those declining rivers. Competition for existing water supplies is intense and contentious and will become more so in the future. There is competition between sectors, within the two countries, and between the two countries, though there has been some agreement and cooperation on water also.

The Border has great biodiversity shaped by climate and topography that has been heavily impacted by centuries of human activities. While many important Border ecosystems are in U.S. and Mexican protected areas, mitigation of past damage and addressing new threats brought by climate change, unsustainable urban and economic expansion, or impacts of Border fence construction are ongoing concerns. The installation of approximately 700 miles of barriers and associated infrastructure along the boundary has fragmented habitat and closed migration corridors for emblematic species such as the jaguar, jaguarundi, brown bear, ocelot, and Peninsular bighorn sheep. Barrier construction has also irreparably damaged Native American cultural sites. Mitigation efforts for these impacts promised by U.S. Customs and Border Protection have not materialized.<sup>6</sup>



national divide. The Border has been of enormous benefit to both countries. The flow of labor north from Mexico to the Border and into the United States supported the economic development of the Southwest beginning in the late 19th century. Crossborder labor flows are still a key component of the economies of the cities of U.S. Border as well as the rest of the nation. Migration also benefitted Mexico by providing U.S. jobs and remittances sent back to home regions in Mexico. These totaled more than \$60 billion dollars in 2021 and financed food, clothing, health, education, housing, and businesses for people throughout Mexico.<sup>4</sup>

The Mexican side of the Border is today one of the most important industrial regions in the world. Furthermore, the huge flow of bilateral trade across the Border benefits communities throughout the United States and Mexico, generating manufacturing and trade jobs and enhancing corporate competitiveness and profits. Mexico in 2023 became the largest trading partner of the United States.<sup>5</sup> However, job creation in the Border region has produced mainly low wage employment and Border communities have suffered the environmental consequences of congested traffic at ports of entry and on city streets, uncontrolled urbanization that has outpaced local government capacity to provide basic services and planning, and increases of industrial waste and air pollution. There is real potential to have an impact on these concerns through coordinated transborder public policy and programs.



### U.S.-MEXICO BORDER PHILANTHROPY PARTNERSHIP

The U.S.-Mexico Border Philanthropy Partnership is made up of more than 400 members from academia, business and corporate entities, government, philanthropy, and nonprofit organizations spanning all regions of the U.S. and Mexico. Together, we share a common vision and commitment for a thriving Border region.



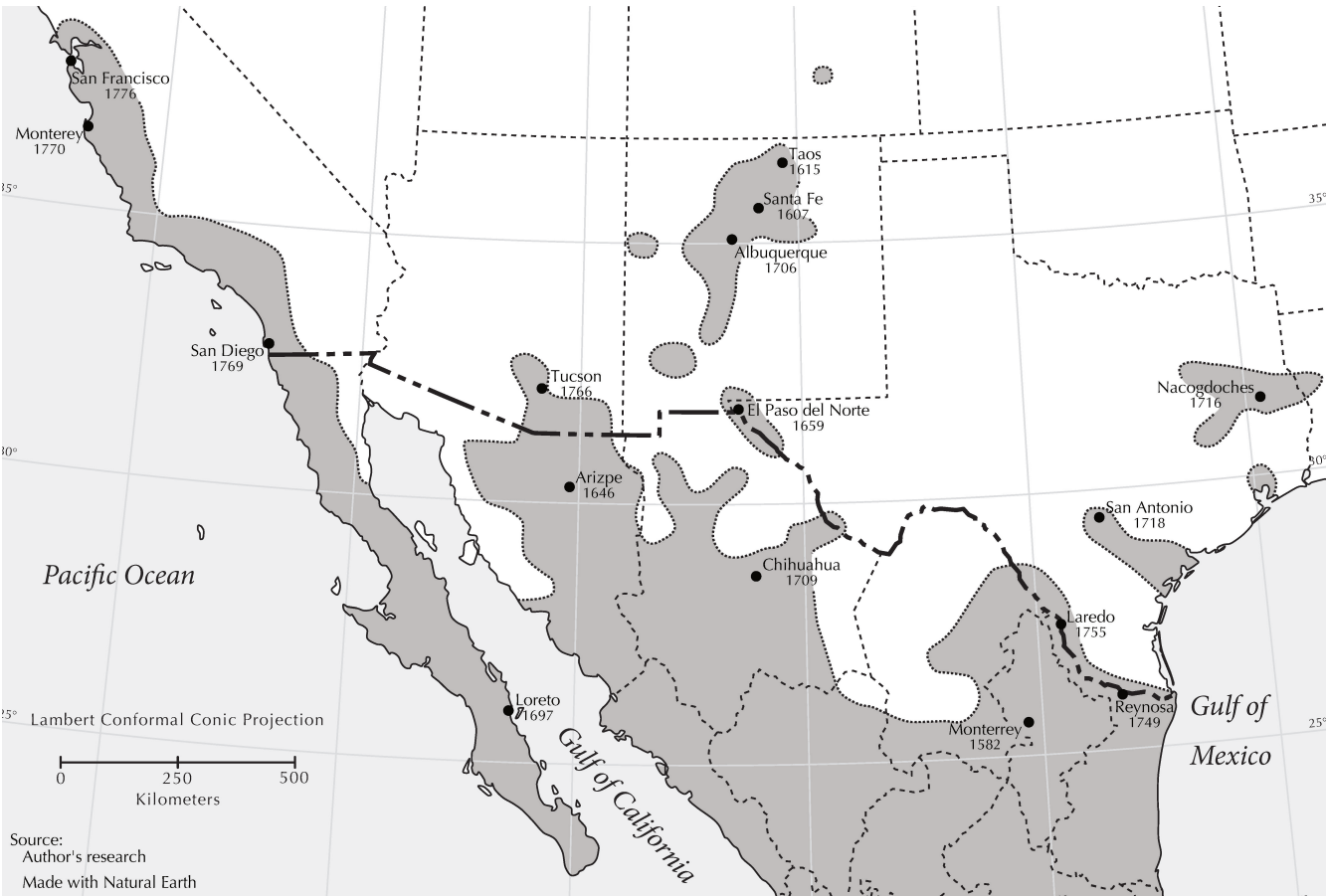
SECTION FOUR

# INDIGENOUS, SPANISH, MEXICAN, AND U.S.-MEXICAN BORDERLANDS

The human history of the Border region stretches back more than twelve thousand years. Native Americans formed a complex mosaic of cultures that included nomadic hunters and gatherers as well as sedentary peoples with complex political organization and impressive towns occupied for many centuries, sophisticated irrigation systems, artistic and cultural achievements, and long-distance trade that reached into Central America. About one million indigenous people lived in what are now the U.S. and Mexican Border states when Europeans first arrived in large numbers in the sixteenth century. Remarkably, representatives of three-quarters of the different tribal groups survived Spanish, Mexican, and American colonial regimes to maintain their identities along the way, redefining their roles in contemporary Borderlands and U.S. society.<sup>7</sup>

Spanish sea and land expeditions had explored the present-day Borderlands by the 1540s and found little wealth to merit immediate settlement. Eventually, arable land with substantial indigenous populations and silver discoveries in the north brought settlers

from central Mexico to establish mines, farms, ranches, artisan enterprises, and lucrative trade that extended the Spanish empire northward through routes such as the Camino Real de Tierra Adentro connecting Mexico City with Santa Fe. The settlements were consolidated over the next century and a half as New Mexico, Texas, Sonora, and Baja California, sometimes in response to growing interest of other Europeans in areas claimed by Spain. Spaniards encountered stiff resistance by Native Americans everywhere and faced periodic rebellions such as the Pueblo Revolt of 1680. Spanish authorities relied on the dual system of missions and presidios (forts) to control indigenous people through military dominance, forced cultural and religious change, and confinement in settlements—all mechanisms to make land and indigenous labor resources available to civilian colonists. By the end of the eighteenth century a borderlands frontier society had emerged with varied and mixed ethnicities dominated by Spanish immigrants and their Mexican descendants, but including Native Americans from all over north and central Mexico as well as African Americans. The northern frontier forged a different



▲ Land occupied by New Spain in 1810

version of Spanish colonial society, one that was more fluid and self-reliant, less concerned about race and class, and that differed markedly from the social and personal norms of central Mexico. Fronterizos and borderlanders today retain a regional identity that sets them apart from dominant United States and Mexican culture and society.

Mexico declared its independence from Spain in 1821 but political instability led to neglect of the far north that enabled a flood of traders and settlers from the United States. Colonists in Texas declared independence in 1836 and the area was annexed by the United States in 1845. The rhetoric of Manifest Destiny was used to justify U.S. expansion across the continent and the invasion and defeat of Mexico in 1846-1848. The treaty of Guadalupe Hidalgo ended the war and along with the subsequent

Gadsden Purchase in 1854 transferred half of Mexico's claimed territory to the United States, establishing the current international boundary. The end of the war triggered the relocation of many Mexicans to the south of the new boundary, creating new settlements and economic enterprises. The end of the war also initiated the forced transfer of land and other resources from Mexican owners to Anglo immigrants, often in violation of the treaty and U.S. law. Finally, north of the new boundary, Native Americans went from the Mexican colonizing regime to a colonial authority of the expanding United States that was especially rapacious and brutal. Indians were victims of systematic oppression and even genocide campaigns by Anglo settlers and governments in the U.S. Border region.<sup>8</sup>



“ Successive Spanish, Mexican, and U.S. colonial regimes sequentially influenced border development. Remarkably, numerous Native American borderlands cultures survived this combined onslaught and are redefining their roles in contemporary borderlands society.

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## SECTION FIVE

# ECONOMIC CYCLES AND BORDER DEVELOPMENT

The Border underwent a succession of economic boom and bust cycles that began in 1848 and continued into the 21st century. These economic cycles created the modern Border that is one of the most economically and demographically dynamic regions of the world. Each boom attracted a flood of migrants from elsewhere in United States and from the dense populations of central and southern Mexico. Mexican migrants populated the northern Mexican Border towns and crossed the Border to work and live in the expanding Border and western U.S. economy.

### The Gold Rush

The California gold rush of 1848-1855 radically transformed the American west and the Border region. Some 300,000 people flocked to California, most from the United States, but many from northwest Mexico, Latin America, and elsewhere. This migration opened land transportation routes across the borderlands and sea routes from the eastern United States and the west coast of Mexico. The wealth enabled California to move rapidly to statehood in 1850 and the influx of gold stimulated the national economy. The gold rush, however, had tragic consequences for indigenous peoples who were expelled from their lands and attacked by miners and settler farmers and ranchers, actions enabled by the new California government.<sup>9</sup> The Gold Rush and statehood also set in motion the political and economic decline of Mexican Californios who had controlled California.<sup>10</sup>

## 1848 - 1855

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### U.S. Industrialization and the Age of Order and Progress

Porfirio Díaz dominated Mexican politics from 1876 to 1910 and imposed a harsh but stable regime of law and order that opened Mexico to foreign investment. Especially important was construction of a Mexican railroad network that connected to the U.S. system and transformed the Border economy. El Paso emerged as a hub connecting the two systems. It became an important stop for conventioners and tourists, eager to visit Old Mexico across the river in Ciudad Juárez. The city was renowned for its burgeoning industry of bars, cabarets, restaurants, curio shops, and other attractions. This initiated a thriving crossborder tourism industry that continues today in all Border towns as an important part of local economic activity.

The appetite of U.S. industrialization for metals and Mexico's Porfirian Pax of Order and Progress had a substantial impact in the Border region through investment in mining, railroads, and irrigation projects that made the Border a magnet for people and investment. The Border regional economy in the first decades of the 20th century continued to develop its traditional sectors of mining, raising livestock on the vast and arid plains, small-time agriculture, and some manufacturing and petroleum production in the eastern borderlands. The Mexican Revolution restrained progress of the Mexican Border areas for the 1910-1920 decade, while the U.S. Southwest, including the Border zone, continued rapid growth. Continued U.S. Border economic expansion stimulated northward migration from central Mexico for jobs in the north and to provide labor for U.S. southwest mines, farms, and urban development. The new railroad network stimulated and facilitated northbound migration. Migration during the Mexican Revolution was qualitatively different for in addition to laborers, it included middle class families and entrepreneurs fleeing the war's chaos to put down roots in U.S. Border communities.



### Prohibition and the Border

After the post WWI Depression of 1920-1921, economic expansion resumed and the Border region benefited from prosperity in the United States during the 'Roaring 20s.' U.S. prohibition of alcoholic beverages from 1920-1933 had an enormous impact on the binational Border region. It was a bonanza for Mexican Border towns as investment flowed in from north of the Border, entertainment seekers arrived in droves, and the prosperity enabled towns to build infrastructure and add civic improvements. The new wealth consolidated powerful groups of entrepreneurs and political allies in Mexico's northern Border towns.

### The Great Depression and World War II

The depression caused businesses failures and bank closures on both sides of the Border. Unemployment levels exceeded 20 percent some years and there was widespread homelessness. Some U.S. local governments responded to unemployment by forced repatriation of Mexican laborers and their families, at times deporting U.S. citizens. Many repatriados settled in Mexican Border cities in neighborhoods such as Tijuana's Colonia Libertad. The Mexican federal government recognized the skills that repatriados brought with them and established programs to support these returnees.

The New Deal of President Roosevelt promoted economic recovery and social reform and massive investment in infrastructure that benefited the Southwest and Border. Wartime expenditures accelerated the region's shift from an economy based primarily on extractive industries to a diversified economy with strong manufacturing and service industries as well as irrigated agriculture.

The Cárdenas administration (1934-1940) touched off an impressive economic consolidation in Mexico, one that had far-reaching implications for the development

of Mexican Border states and Border towns. Federal investment in irrigation projects and other public works along with large-scale land reform benefitted the northern Border region. Mexican policies helped transform that country's north into an area of large industries, irrigated agriculture, and growing cities in the 1940s and 1950s

The wartime flow of Mexican labor northward marked the beginning of the massive influx of Mexicans to Mexican and U.S. Border states. The World War II bracero agreements between the two countries facilitated temporary work for hundreds of thousands of Mexican workers in the United States, a program that continued until 1964. Many braceros stayed permanently in the United States and then brought their extended families north. Employers of braceros often sponsored selected workers for permanent residency. In addition, U.S. citizens who had been sent to Mexico during the 1930s repatriation often returned to the United States. Indelible migration patterns and networks were established that continue today.<sup>11</sup>

### Post World War II Economic Boom in the Border

The economic significance of the Border region for both the United States and Mexico increased after 1950 and accelerated during the last two decades of the twentieth century and initial decades of the twenty-first, despite recessions in 1990-1991, 2001, 2008, and 2020. After WW II, the economy on both sides of the Border settled into a prolonged period of sustained growth. The federal governments in both Mexico and the United States continued to stimulate Border economic development by investing in infrastructure. Especially important for the economies of some areas of the U.S. Border was government investment in military bases and the defense industry during the Cold War and wars in the Persian Gulf, Afghanistan, and Iraq. After the September 11, 2001, some



of this investment pivoted to massive budget increases for Border security to the detriment for other needs such as the environment and Border urban infrastructure.

By the end of the century, the region became caught up in the world economy's globalization and shift from an Atlantic to a Pacific axis. However, by the second decade of the 21st century, as the United States began to adjust Pacific economic linkages, the movement of some manufacturing facilities trended back to North America. The process is known as 'nearshoring' and is underway in Mexico and its northern Border. While data on recent nearshoring is thin and evidence largely anecdotal, it should lead to more bilateral manufacturing, enhancing the economic competitiveness of both Mexico and the United States.<sup>12</sup> The Border ports of entry also play an important role in the increasingly large and sophisticated agricultural trade between the two countries. The Border economy remains an important policy consideration in both Mexico and the United States.

**Maquiladoras**

The Mexican government initiated a Border Industrialization Program (BIP) in 1965 that authorized establishment of maquiladoras, or assembly plants that imported components and raw materials from the United States and elsewhere and assembled them into finished products for export, mainly to the insatiable U.S. consumer market. Globalization and Mexico moving away from import substitution industrialization-based development toward a more open export-driven economy were important forces behind this economic change. The plants were initially concentrated in Ciudad Juárez and Tijuana, but soon spread everywhere along the border and then throughout Mexico, although more than 60 percent of maquila employment remained in Mexico's Border states. By June 2023, there were 2.9 million employees in the industry, with 325,000 in Juárez, 133,000 in Reynosa, and 262,000 in Tijuana.<sup>13</sup> Some maquilas evolved from simple assembly operations of imported components to

advanced manufacturing for auto parts and automobiles, the aerospace industry, medical devices, electronics, and other sophisticated operations. Some plants include research and product development. However, most factories remained as simple assembly operations. The long-term trend has been a slow shift from low-skill, low wage production toward high wage, high productivity operations. In 2021, maquiladoras accounted for 58 percent of Mexico's manufacturing GDP, 19 percent of overall GDP, and 48 percent of industrial employment.<sup>14</sup>

The concentration of manufacturing in Mexico's Border cities created strong economic linkages and synergistic relationships with sister cities in the United States where management, research and development, and warehousing facilities are often located. Frequently, executives of the international corporations that own maquiladoras live north of the Border and commute daily to work in Mexico.

Maquiladoras successfully created some three million jobs in Mexico and its Border region. However, the industry has been critiqued on several fronts. Mexican entrepreneurs have not developed industries for large scale supply of inputs for final maquiladora products, the path that led the 'Asian Tigers' of Hong Kong, Taiwan, Singapore, and South Korea to rapid industrialization and prosperity. Thus, the domestic content of final maquila products remains low.<sup>15</sup> The maquiladora industry still faces concerns about environmental impacts, gender wage gap and equity, and labor abuses. And the cities that house maquiladora workers received little infrastructural investment to cope with factory-driven growth, in substantial part because the plants and industrial parks that contain them pay little in taxes.

**NAFTA and USMCA**

The North American Free Trade Agreement (NAFTA) was implemented beginning in 1994 to facilitate trade and investment flows among the United States, Mexico,

and Canada, recognizing economic integration that had been taking place since the 1980s. Public debate over the agreement led to creation of the trilateral Commission for Environmental Cooperation and side agreements between Mexico and the United States for a Border environmental program and creation of the North American Development Bank to address shortfalls of environmental infrastructure in Border communities. NAFTA also included a labor accord that has been largely ineffective at improving wages and working conditions. The United States-Mexico-Canada Agreement (USMCA) replaced NAFTA in July 2020. It does not introduce significant changes in how the regional economy will function, nor in the U.S.-Mexican national economic interactions. NAFTA and its successor USMCA have succeeded at facilitating the movement of investments and final products, but have not addressed human movement.

growth of jobs in manufacturing. NAFTA and now USMCA have not contributed significantly to improvement of real wages in the Border region, nor has the disparity in incomes within each country and across the Border been reduced by these trade and investment agreements.

The local informal transborder economies of twin cities are not clearly depicted by international trade data or by state and local economic data. Remittances and investments move informally across the Border as cash carried by Border crossers. Cash flows associated with illegal activities such as drug trafficking or firearms sales are substantial and unrecorded. Some commuter workers live in the United States and commute to work in the Mexican sister city. Most commuter workers live in Mexican Border cities and work in the United States, some informally employed in service industries, construction,

80%

Some 80 percent of the U.S.-Mexico bilateral trade in goods moves across the border in trucks, railroad cars, and in pipelines.

By 2021, Mexico was the second most important trading partner of the United States with two-way trade in goods and services of USD 725.7 billion. During the first four months of 2023, Mexico was the most important trading partner of the United States, supplanting China for that period.<sup>16</sup>

Some 80 percent of the U.S.-Mexico bilateral trade in goods moves across the Border in trucks, railroad cars, and in pipelines. Most trade-related jobs in the U.S. Border communities are low wage and related to transportation, warehousing, and other services. Mexican Border communities saw similar trends, but also continued

and elsewhere. These workers shop for goods and services north of the Border, but also spend their wages living in Mexico. In some Border communities such as Tijuana-San Diego the total wages for the 50,000 daily commuter workers likely are equal to the total wages of the approximately 270,000 maquiladora workers. Many Border residents regularly purchase a wide variety of goods and services on the other side of the Border. When the Border was partially shut down during the Covid-19 pandemic that began early in 2020 disastrous declines in sales hit merchants who depend on crossborder customers. Tourism on both sides of the Border also plummeted.

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A succession of economic booms from the mid-19th century on created the present-day borderlands. All brought flows of investment and migrants to the region, creating a dynamic economy, rapid population growth, and the emergence of densely populated binational metropolises.

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## SECTION SIX

# THE BORDER TODAY

Key features of the contemporary U.S.-Mexican Border region are explored in the BPP Border Briefs through studies on environment, education, health, migration, and philanthropy. Below, two additional topics important to the Border are discussed briefly—ports of entry and Border cooperation and governance.

### Ports of Entry

Ports of entry facilitate the legitimate movement of goods and people across the international boundary and are essential for the economy, culture, society, quality of life, and governance of U.S. and Mexican Border communities. However, legitimate flows of commerce and people encounter many barriers and costs of all sorts, often referred to as transaction costs. Long waiting times and uncertainty about delays for entering the United States are the most significant factors that increase transaction costs for commerce and for society. Delays increase costs for Mexican manufacturing since supply chains are slowed, but often these costs can be added to the final price when the finished products are sold to consumers. Trusted Traveler Programs of SENTRI and Global Entry of the Department of Homeland Security enable enrollees to cross into the United States using dedicated lanes for passenger vehicles and for pedestrians where waiting times are usually less than 20 minutes. While this system helps professionals and others able to pay for enrollment and pass the security requirements, most crossers must bear the dual burden of uncertainty and long waits. Commuter workers in low paying jobs in U.S. Border communities often spend one or two hours in the morning waiting to cross. Students who commute to school, people who visit family and friends, and community members who cross for healthcare, recreation, and tourism also encounter excessive waits that disrupt their lives. The poor performance of the ports of entry of the U.S.-Mexican Border places undue hardships on all who cross, but particularly on lower income people who cannot afford private vehicles or expedited crossing permits. Even when infrastructure at ports of entry has been upgraded, the increased physical capacity has not resolved the wait problems due to administrative failures and funding shortages.

The inefficiency of the ports of entry has significant economic impact in communities all along the Border. A study for the California-Baja California Border region

shows that for 2016, just the delays of personal trips caused by excessive wait times produced economic output loss of \$1.806 billion for California and \$.365 billion for Baja California; \$720 million lost labor income for California and \$59 million for Baja California; and loss of 15,371 jobs for California and 18,167 for Baja California.<sup>17</sup> For 2016, delays in freight movement cost California and Baja California \$893 million in lost output, loss of \$196 million in wages, and loss of 35,510 jobs. Recent research on El Paso and elsewhere documents the enormous cost of Border crossing delays for the Border region and for the two nations; even a 10-minute improvement would have a positive improvement on communities and economies on both sides of the Border.<sup>18</sup> Moreover, the excess air pollution caused by delays negatively impacts the health of people working at or crossing the Border as well as residents near the ports of entry.<sup>19</sup>

### Border Governance and Border Cooperation

The Border region bridges two legal systems and two governance systems, which makes transboundary collaboration for resolution of problems difficult. Different levels of economic development and resources available to solve Border issues, linguistic and cultural differences, bureaucratic inertia and the silo approach of agencies, and elected officials with constituents only on one side of the Border all are barriers to effective binational problem resolution. The history of the two countries at times impedes collaboration. Many in the United States, knowingly or not, subscribe to aspects of American exceptionalism. That is the belief that the way things are done domestically in the United States is superior and should be applied across the Border, or even everywhere internationally. Many Mexicans with a strong sense of nationalism and suspicion of U.S. unilateralism, push back against suggestions and advocate for their own approaches. Former U.S. ambassador to Mexico Jeffrey Davidow characterized the relationship through the story of the bear (the U.S. arrogant attitude) and the porcupine (Mexico's prickly attitude toward the United States) that resulted in missed opportunities to improve relations.<sup>20</sup> The reality is, however, that each side has something to offer the other, but getting to the point where they can do so is not often easy.

Mexico and the United States are both federal republics, but significant differences are apparent at the Border



where the two systems are challenged to manage the binational region. The Mexican political system is more highly centralized with power and resources controlled by the federal government in Mexico City. The U.S. federal system has devolved more power and financial resources to the states and local governments. This means that the structure and function of political and administrative systems is distinct on each side of the boundary. Local, state, and federal agencies often do not have direct counterparts on the other side of the Border, which frustrates cooperation. Since formal transborder cooperation is relegated to the federal governments, state and local governments are limited to informal and ad hoc arrangements and encounter great difficulties in using public funds for transborder actions. Federal agencies that legally span the boundary include the foreign relations departments and the U.S. and Mexican sections of the International Boundary and Water Commission. The U.S. Environmental Protection Agency and Department of Interior, among others, have agreements that enable them to deal directly with Mexican counterparts.

Increased authority for international actions by U.S. and Mexican Border states and local governments would improve state and local abilities to address some regional transborder problems such as air pollution, sewage, Border infrastructure, transportation, public health cooperation, education cooperation, and so forth. However, some areas such as trade policy or immigration or other concerns of the culture wars in the United States would not be well served by larger roles for Border states and local governments and would complicate bilateral relations at the Border.

Frequent turnover of elected officials at the local and state levels and vast differences in resources available further handicap crossborder cooperation. While there are examples of proactive government cooperation across

the Border on transportation planning, environment, ecosystems management, and public health, these are the exception. Government response to Border issues is usually reactive and cumbersome; governments are not able to resolve Border crises in a timely fashion. For example, it took more than a decade for U.S. and Mexican federal agencies to get funding in place to address the problem of sewage flows from Tijuana into the United States.<sup>21</sup> The failed response of both federal governments to the COVID-19 pandemic in transborder communities was likewise reactive, even when public health officials and scientists had long predicted that a major pandemic would impact the Border region and the two countries had cooperated effectively at the Border for the 2009 swine flu pandemic.

The realities and complexities of the dynamic Border region have advanced well beyond the capacities of its communities, governments at all three levels, and governance mechanisms to anticipate and respond to large and small contingencies and to move in a timely fashion to take advantage of opportunities. The Border has simply outgrown the existing institutional structure for transborder cooperation. Border problems and opportunities of the 21st century require more effective Border institutions.

With all the complex challenges faced by the Border, the region is large, dynamic, and has many positive assets to work with. The rich and diverse human capital of the region as well as the synergies of the Mexican and U.S. Border regions constitute important resources. Improved public policy in both countries in combination with efforts of the private sector and community-based organizations can address the needs of the region. Improving prosperity for Border communities will contribute to a more prosperous United States and Mexico and a more competitive North American venture.



SECTION SEVEN

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Dr. Paul Ganster is director of the Institute for Regional Studies of the Californias at San Diego State University. In 2022, he was honored with the Ohtli award, the highest recognition granted by the Government of Mexico to individuals who have opened pathways to Mexicans abroad, particularly in the United States of America.

Dr. Ganster is the author of numerous articles, chapters of books, and edited works related to Border regions. Recent publications include The U.S.–Mexican Border Today: Conflict and Cooperation in Historical Perspective (Lanham, MD: Rowman and Littlefield, 2016) and with Kimberly Collins, “Binational Cooperation and Twinning: A View from the US–Mexican Border, San Diego, California, and Tijuana, Baja California” (Journal of Borderlands Studies, 32:4, 2017). His ongoing research is on management of the binational Tijuana River Watershed, air quality at Border crossings, crossborder collaboration, the binational problem of used tires, and sustainable tourism in the peninsula of Baja California. He has been a Fulbright professor in Costa Rica and a visiting professor at the Autonomous University of Baja California in Tijuana. He received his bachelor’s degree from Yale University and his doctorate from the University of California, Los Angeles. Ganster is chair of the Good Neighbor Environmental Board, a federal panel that advises the president and congress on the Border environment. He is also chair of the Committee on Binational Regional Opportunities (COBRO) of the San Diego Association of Governments (SANDAG). In 2016, he was recognized with the Association for Borderlands Studies (ABS) Lifetime Achievement Award. In 2017, the Autonomous University of Baja California awarded him the honorary degree of Doctor Honoris Causa for his scholarly work in the binational region and for his work linking UABC and SDSU. Also in 2017, Tijuana Innovadora recognized him in the induction ceremony to the Paseo de la Fama / Walk of Fame at the Palacio Municipal of Tijuana for his binational leadership.

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