

## TWENTY-SEVENTH NEW MEXICO FIRST TOWN HALL

### **NEW MEXICO'S BORDER WITH MEXICO: CREATING A VIABLE AGENDA FOR GROWTH**

Las Cruces, New Mexico, November 1-4, 2001

#### **EXECUTIVE SUMMARY**

After citing numerous challenges, opportunities, and resources for development on both sides of the New Mexico-Mexico border, the Town Hall expressed a need to achieve a shared vision that investing in the border is good for the entire state of New Mexico.

The Town Hall agreed that while there are multiple issues that need to be addressed simultaneously, these are the most critical issues to New Mexico's border development:

- job creation
- job training
- education
- infrastructure
- value-added economic targets
- total NAFTA implementation
- business-friendly environment
- water resource issues
- access to services
- housing
- transportation
- environmental issues

#### Recommendations

The Town Hall made one primary action recommendation: In order to provide a clearly articulated vision and goals, a task force should be formed by the Economic Development Commission and the New Mexico Border Authority, representing all stakeholders and including a majority of private-sector members, charged with producing a comprehensive, strategic, community-based plan with action items and measurable outcomes within one year. Outcomes must provide positive benefits for New Mexico, the environment, and citizens of the border communities.

Thirty-six other recommendations, many advocating government action and public-private collaboration, also were made by the Town Hall. At least eleven recommendations addressed border trade issues, including enhancing workforce development and maximizing benefits of NAFTA, ports of entry, and border crossings. The Santa Teresa crossing was said to be an ideal test bed for innovative planning processes, technology, and management that can be applied to other present and planned border crossings. There was consensus that New Mexico should strive for "value-added" economic activity along the border and that actions should be taken to integrate New Mexico's technology with Chihuahua's production capability to produce new security techniques.

Five other Town Hall recommendations involved education. Transportation and energy/environment were each addressed by four recommendations, and tourism was the subject of three recommendations. The group also charged the upcoming Town Hall to examine border region water issues.

There was consensus that New Mexico should follow the examples of Arizona, California, and Texas and have dedicated private-sector taskforces working with government to sustain economic development. The state was urged to create an office of intergovernmental affairs to establish an alliance with Mexico.

#### Opportunities

As the border offers a unique opportunity to improve the economies of New Mexico and Mexico, the Town Hall concluded that New Mexico should plan to develop financing, transportation, technology, water resources, and infrastructure for growth. To achieve this end, New Mexico businesses need to cultivate distribution centers, direct marketing, and intellectual commerce and to develop tax incentives, bilingual/bicultural workforces, tourism, road and water infrastructures, and health care and education services.

New Mexico must base its efforts on developing industry in the border region by building on local businesses, encouraging relocation of industry from other parts of the country, and supporting *maquiladoras*. We can also expand financial and related services to Mexican businesses and take a role in developing commerce for Mexican citizens. Other opportunities include trading with Jalisco, taking advantage of the history of Juarez's growth to help us avoid the same problems, improving our infrastructure to plan for 21<sup>st</sup>-century commerce, and attracting initiatives, such as the proposed Sandia Labs Bi-national Sustainability Laboratory. NAFTA can also create a boom in commerce by allowing different ports of entry and reducing taxes. One of New Mexico's unique opportunities is its technology expertise and the highest percentage of any state of Spanish-speaking persons with high-tech backgrounds.

## Challenges

New Mexico is one of only four states bordering Mexico, but it has no major 24-hour border crossing.

The large economic disparities and high level of poverty that exist at New Mexico's border with Mexico also pose several challenges, including lack of education, cultural differences, unskilled workforces, a lack of infrastructure development, lack of private sector involvement, inadequate funding of border development, and a lack of understanding of the potential of the border and the economic benefits of trade with Mexico.

There are also various political challenges. One is finding appropriate vehicles to develop comprehensive plans on border issues. Similarly, no coordination exists between countries or among groups addressing these issues. Involvement of governments on both sides of the border and cooperation between branches of government are needed to deal with border issues, such as multiple jurisdictions, significant turnover of trade officials, and the lack of understanding of the border's potential.

The Town Hall also observed that other challenges include lack of financial capital and skilled workforces on both sides of the border, illegal immigration, security issues, population concerns, crime, and the need to keep New Mexico's agricultural products competitive. The border's fragile ecosystem, especially air quality and water resources, presents a challenge. Problems also may arise, as land use changes from agrarian to urban. *Colonias* also present challenges in land use regulation, public health, and environmental concerns. Finally, other challenges facing New Mexico include a lack of literacy, particularly in immigrant populations, emergency services, hazardous materials, and waste management.

## Resources

In light of New Mexico's strengths in research and technology, and its large, low-cost, productive workforce, New Mexico is uniquely situated to develop its border with Mexico. The Town Hall listed many resources available to promote this development, including the Border Authority, and called for additional resources, such as advocacy by the New Mexico Legislature for resolution of border trade issues, a tax equalization formula to address the inequities in health care, environmental, and education arenas in border communities, and provision of resources for resolving water issues in the border region. To assist local communities, there should be a clearinghouse of resources developed and managed by a public/private entity to combine present resources, provide technical assistance, and coordinate strategic planning. Existing resources should be streamlined and coordinated to focus on strategic planning with an emphasis on networking resources at local, state, federal, and international levels.

## Demographic Pressures and Mexican Laborers in the U.S.

Demographic pressures can decrease living standards and increase the demands on public and private services. However, these demographic pressures may also present great potential for the border area because growing populations require services that can provide business opportunities. The demographic pressures also present a unique labor force opportunity needed to attract industry and improve a "value-added" tax base. The Town Hall recognized that whatever happens in southern New Mexico has an impact statewide and places pressures on such things as education, immigration, health care, child care, environment, water, and crime. Population growth in southern New Mexico offers an opportunity to improve the quality of life in the state, a ripple effect of success in the region. Added focus should be placed on finding a method to accomplish these goals; one tool is research into federal and other funding sources. The labor force will require both training and retraining. These workers will also require housing, transportation, educational facilities, health care, and other support services. Jobs and industry attracted to the region will increase the local and state tax base to support the necessary infrastructure for *colonias* and other border area communities impacted by the population growth.

The Mexican workers in the U.S. are owed decent, humane treatment and legal access to jobs. Employers have a responsibility for fair and safe labor practices. Mexican laborers also have a right to basic human benefits, including wage parity, shelter, education, health care, and the right to travel freely. A long-term approach to the labor issue is to reduce the economic disparity between the U.S. and Mexico by helping to grow the Mexican economy.

Suggestions related to demographics and labor included:

- development of a private-sector bi-national health care complex;
- an effective environmental regulation process, addressing both pollution prevention and resource conservation;
- ensuring maximum efficiency of water utilization
- addressing worker rights (granting amnesty to Mexican laborers, considering the reinstatement of a guest worker program, appointing advocates to assist the Mexican laborer) and channeling revenues from taxes paid by Mexican laborers to the entities that provide them services; and
- reform of current immigration laws, to encourage legal immigration and afford the documented workers and their families dignity and the appropriate rights, privileges, and responsibilities granted under the law.

*For a complete Town Hall Report or a presentation by the Town Hall Implementation Team please call the New Mexico First office at 505-241-4813 or in-state toll free 888-663-0001*