

# **New Mexico Legislative Finance Committee Hearing on Border Economic Development**

May 19, 2021

Stan Fulton Center, New Mexico State University

Remarks by:

**Lucinda Vargas**

**Center for Border Economic Development**

New Mexico State University

# **The U.S.-Mexico Border:** **Introductory Remarks**

# Center for Border Economic Development (C-BED)

## ■ **Background**

- Launched in 2021
- Main Source of Funding: Carruthers Chair in Economic Development, NMSU College of Business (2 yrs.)

## ■ **Purpose:**

- Marshal resources from across NMSU to promote business expansion and economic development in the New Mexico border region.

## ■ **Approach:**

- Work closely with businesses, governments, NGOs, and other border stakeholders to identify economic development opportunities as well as impediments to economic development and to propose solutions to help tap into opportunities and overcome impediments.
- Complement existing development efforts by providing services unique to NMSU
- Work with NMSU personnel from the Colleges of Business, Engineering, Arts and Sciences, Arrowhead Center, ...

## ■ **Key gap:**

- There is a need for data, independent analysis, and other relevant information to support economic development along the New Mexico border, as current data are either fragmented or held for proprietary use.

# Center for Border Economic Development (C-BED)

## ■ C-BED team

- Director:

Chris Erickson, Carruthers Chair in Economic Development

- Postdoctoral Research Fellow:

Lucinda Vargas

- Research assistance support:

NMSU students; GA's from the Doctor of Economic Development (DED) program

# Center for Border Economic Development (C-BED)

## ■ **First-Year Agenda:**

- *Extensive consultation* with members of the border community, including businesses, NGOs, and government agencies, to determine data and other needs that can be met by NMSU.
- **Border Data Infrastructure / Intelligence**
  - *Binational data* on key indicators: both sides of the border; U.S. and Mexico
  - *Border community profiles*
  - *Collaborative effort* with other NMSU entities and border stakeholders
- **Webpage / Dashboard**
  - *Resources and data available to the public free of charge*

# Center for Border Economic Development (C-BED)

## ■ **Discussions / Upcoming Meetings**

- Border Industrial Association
- New Mexico Border Authority
- City of Sunland Park, Economic Development Department
- North American Development Bank (NADBank)
- FEMA, Region VI
- Luna County planning consultants
- Sen. Martin Heinrich's office
- U.S.-Mexico Chamber of Commerce
- El Colegio de la Frontera Norte

# Center for Border Economic Development (C-BED)

## ■ Current Projects / Work in Progress:

### – Santa Teresa Economic Impact Study

- *Through consultation and collaboration with the **Border Industrial Association***
- *In collaboration with NMSU's **Arrowhead Center***

### – Covid-19 and the U.S.-Mexico Border:

#### – **Assessment of the Impact on Transborder Trade Flows**

- *Paper presented at the 2021 Association of Borderland Studies Conference (April)*

#### – **Assessment of the Impact on Northbound Border Crossers**

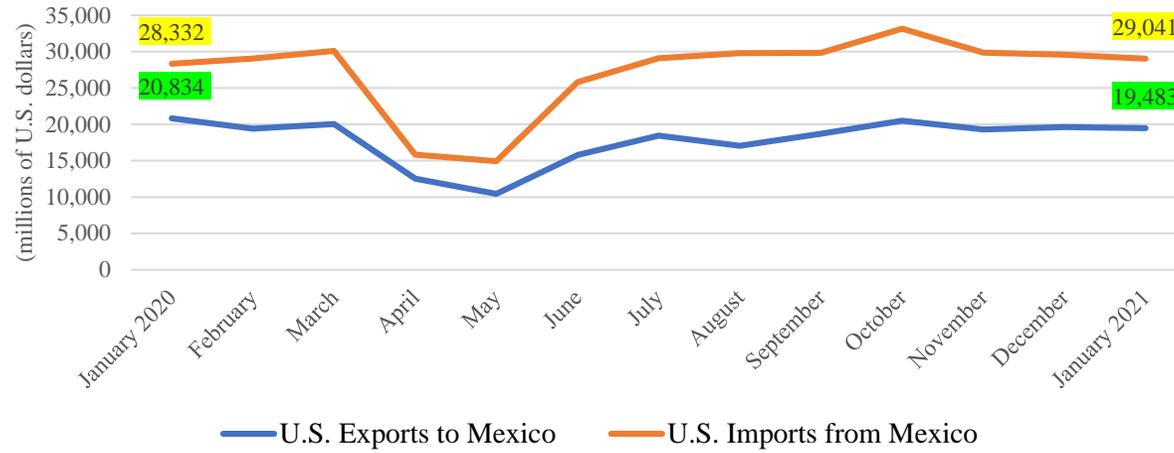
- *Paper to be presented at the 5<sup>th</sup> Annual 2021 International Conference on Border Studies (Oct.)*

# **Heterogeneity of the U.S.-Mexico Border**

*Not all border counties are created equal*

## United States-Mexico Trade

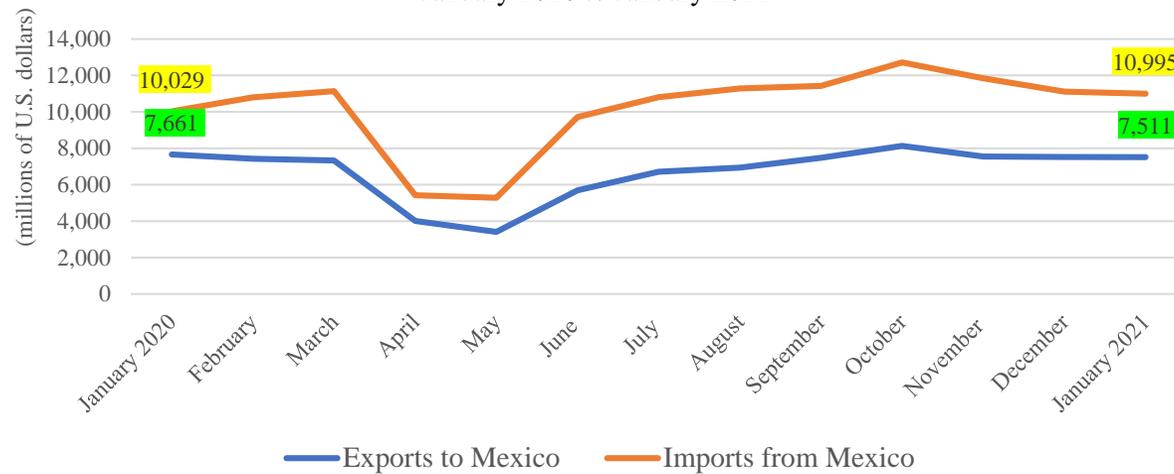
January 2020 to January 2021



## Transborder Trade Flows

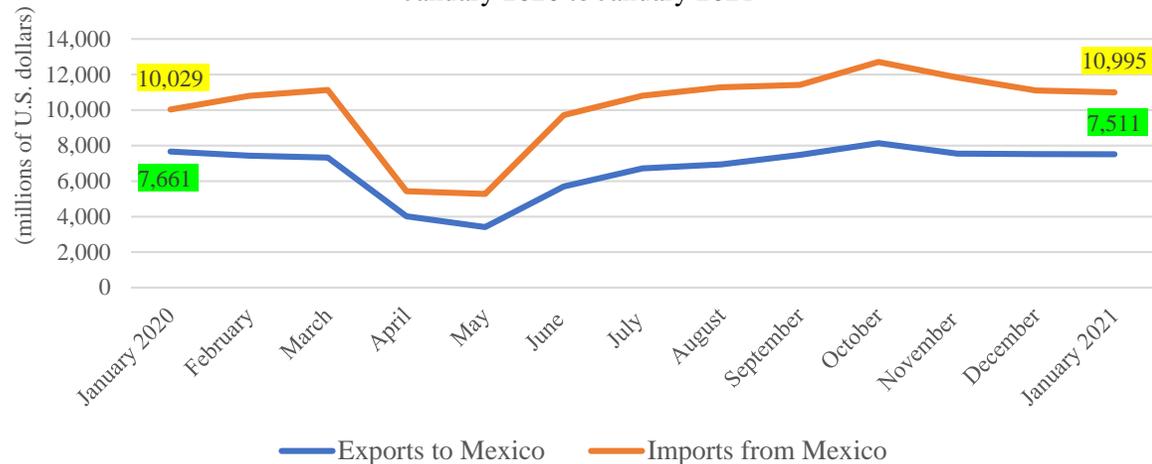
Laredo Port of Entry, Texas

January 2020 to January 2021

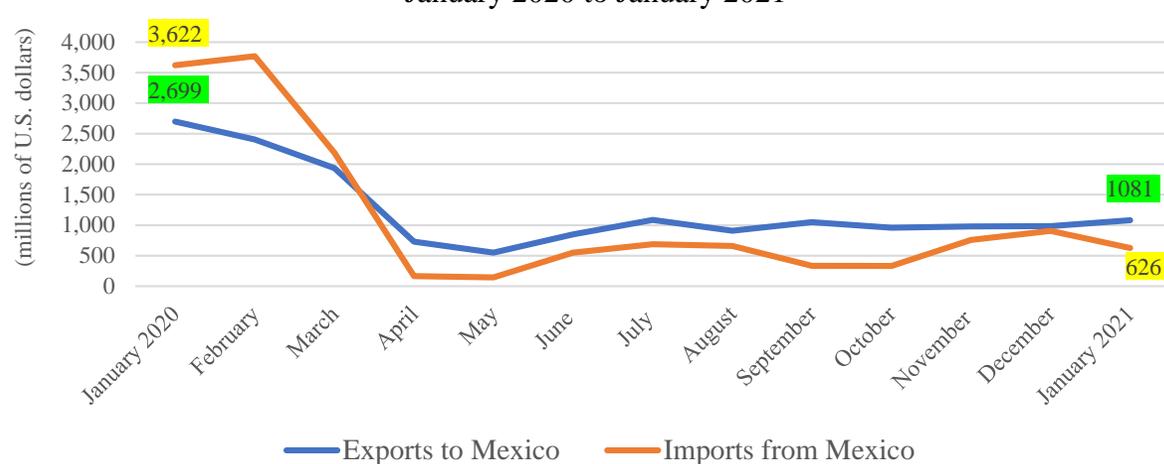




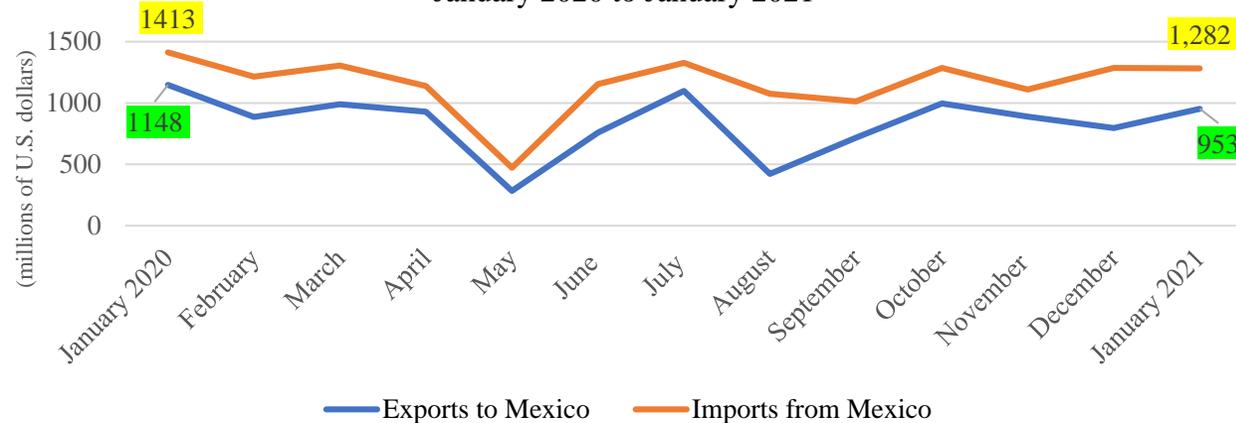
### Transborder Trade Flows Laredo Port of Entry, Texas January 2020 to January 2021



### Transborder Trade Flows El Paso Port of Entry, Texas January 2020 to January 2021



### Transborder Trade Flows Santa Teresa Port of Entry, New Mexico January 2020 to January 2021



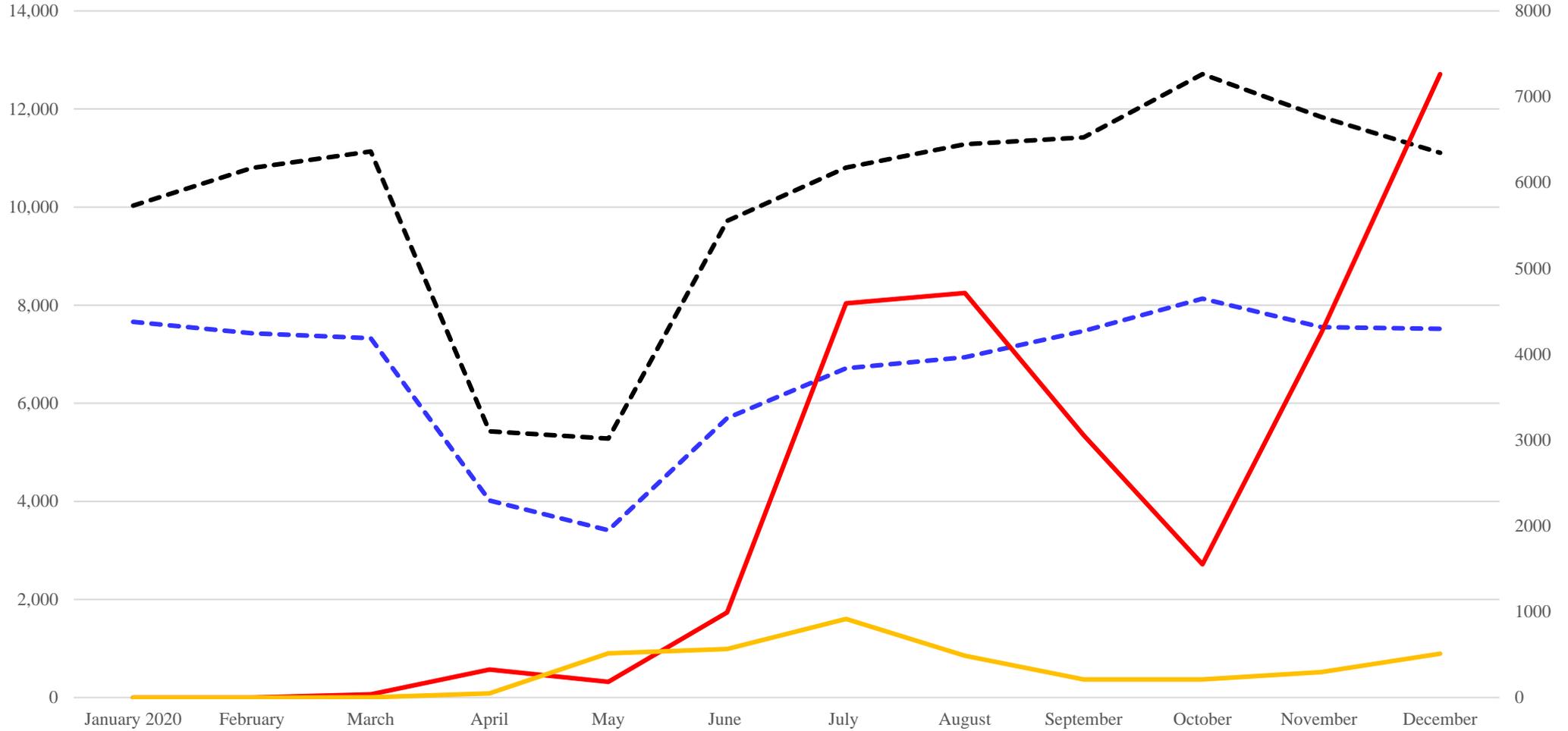
# Covid-19 and Transborder Trade Flows

## Laredo Port of Entry, Texas

January-December 2020

U.S.-Mexico Trade  
(million US dollars)

Number of Covid Cases



--- Exports to Mexico

--- Imports from Mexico

— US Covid Cases Webb County

— MX Covid Cases Nuevo Laredo

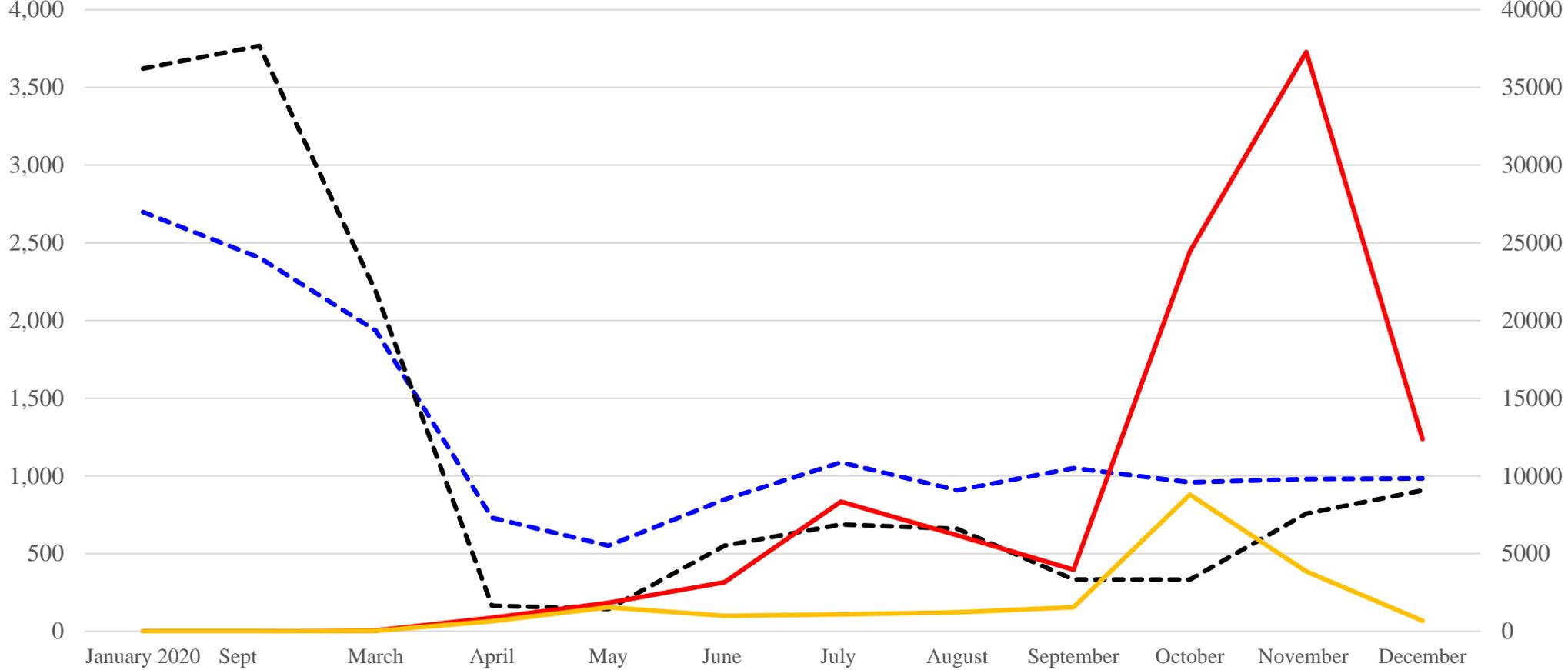
# Covid-19 and Transborder Trade Flows

## El Paso Port of Entry, Texas

January-December 2020

U.S.-Mexico Trade  
(million U.S. dollars)

Number of Covid Cases



--- Exports to Mexico    --- Imports from Mexico    — US El Paso County Covid Cases    — MX Juarez Covid Cases

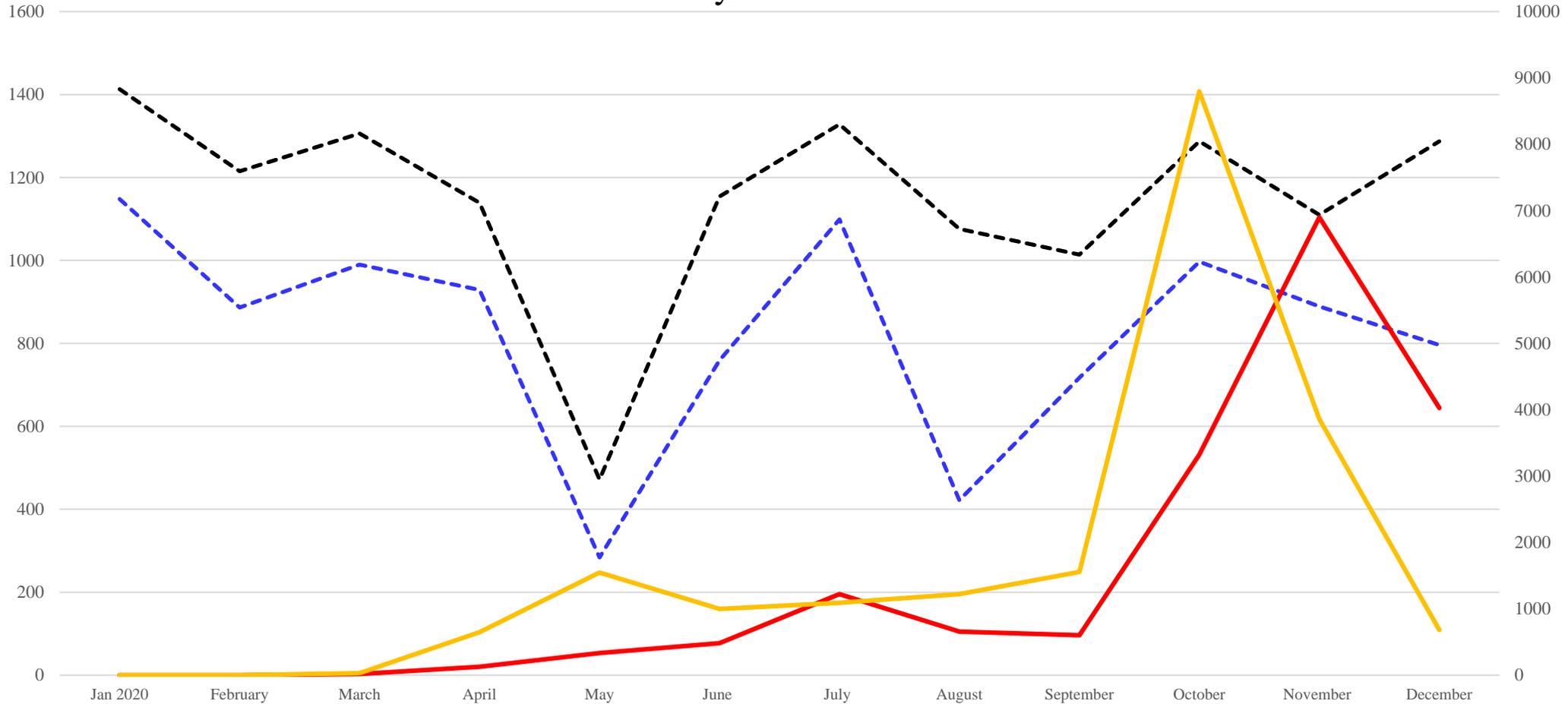
# Covid-19 and Transborder Trade Flows

## Santa Teresa Port of Entry, New Mexico

January-December 2020

**U.S.-Mexico Trade**  
(million U.S. Dollars)

**Number of Covid Cases**

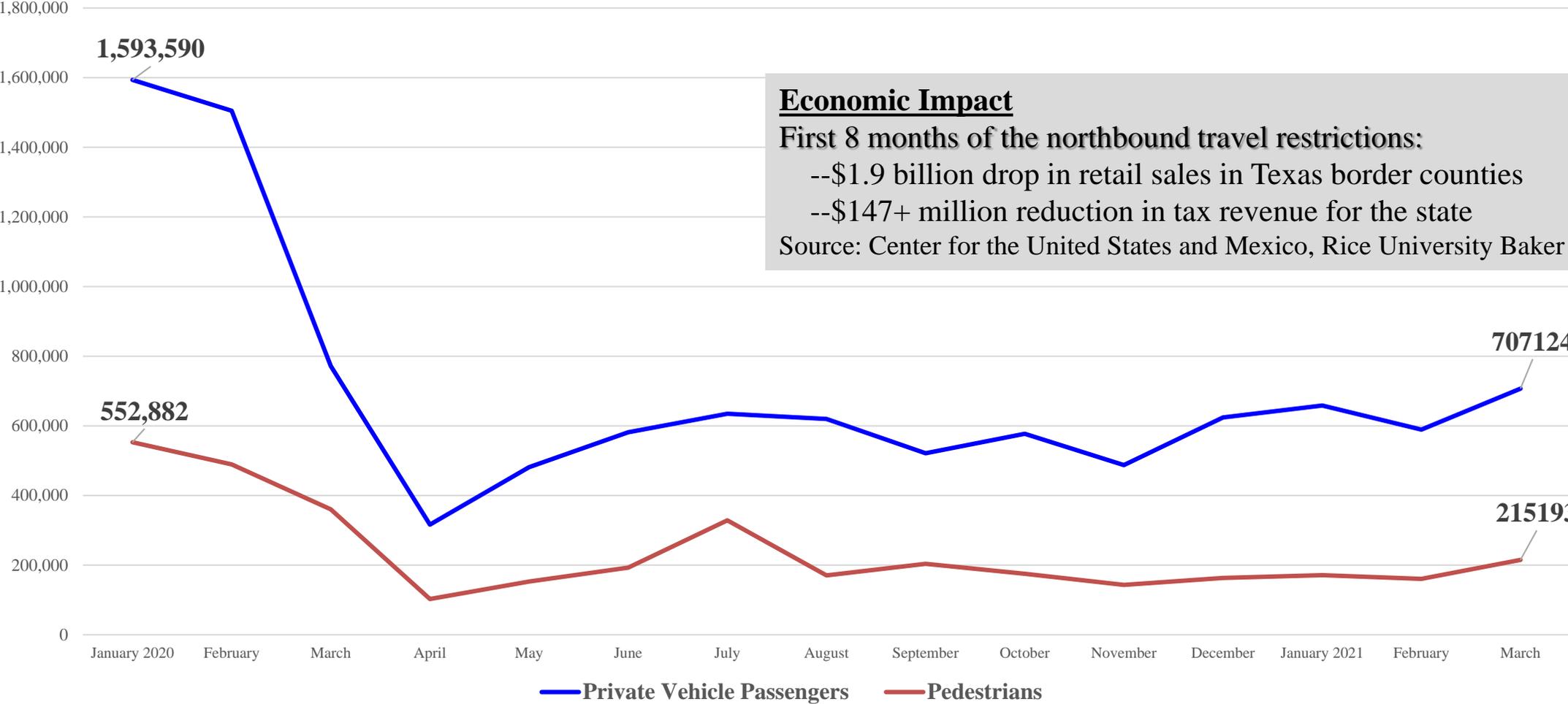


- - - Exports to Mexico    
 - - - Imports from Mexico    
 — Covid Cases, Doña Ana County    
 — Covid Cases, Municipio de Juárez

# Northbound Border Crossers

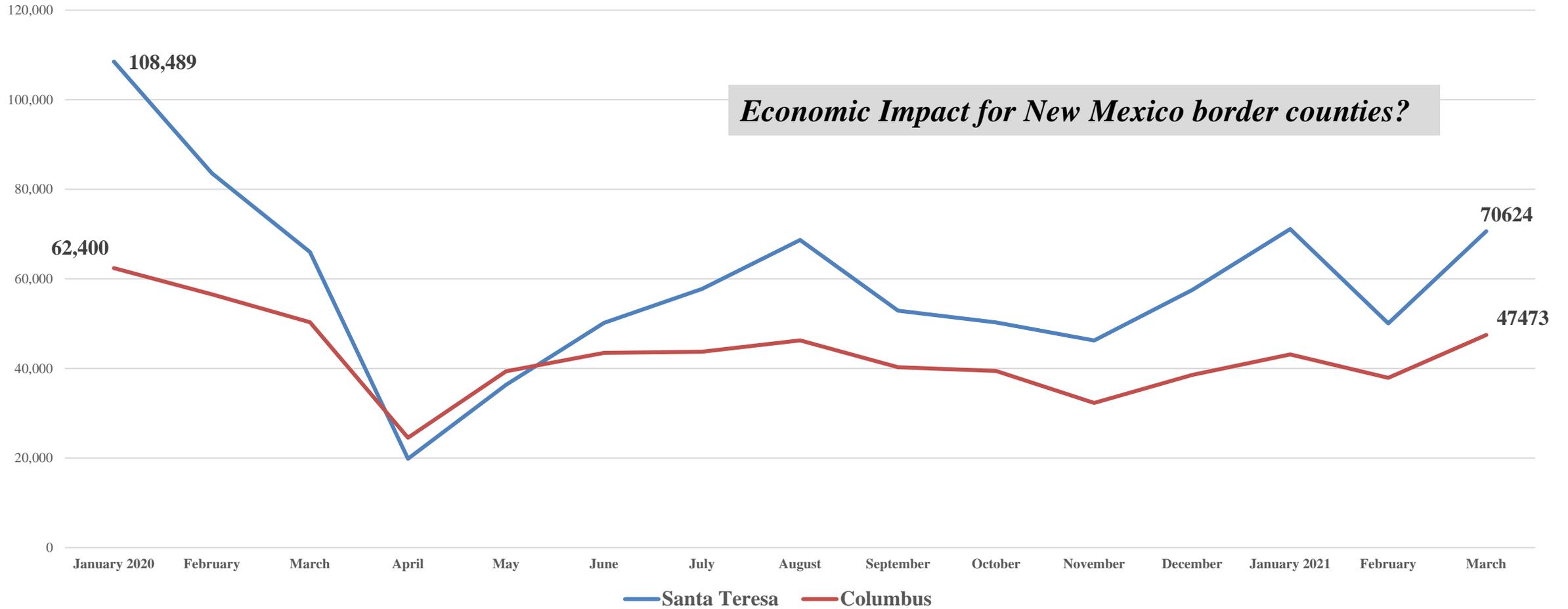
## El Paso Port of Entry

### Texas



**Economic Impact**  
First 8 months of the northbound travel restrictions:  
--\$1.9 billion drop in retail sales in Texas border counties  
--\$147+ million reduction in tax revenue for the state  
Source: Center for the United States and Mexico, Rice University Baker Institute

# Northbound Border Crossers: Private Vehicle Passengers Santa Teresa and Columbus Ports of Entry New Mexico



# **Concluding Remarks**

# Thank You

Lucinda Vargas

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