Seeing the promise in Mexico

by Linda Valdez - Feb. 26, 2010 05:44 PM
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When you hear someone speaking Spanish at the mall, do you think of a cash register ringing?
Probably not.

When you think of the Arizona-Mexico border, do you think of vast economic opportunity?
Probably not.

Arizonaans tend to see Mexico as the source of problems, not possibilities. That attitude limits our economic horizons.

The problems created by illegal immigration, criminal smugglers and drug cartels are serious. They demand solutions.

But it is in Arizona's best economic interest to take a wider view of Mexico and consider the advantages geography offers.

Arizona shares a border with a nation that has a young and increasingly middle-class population, a fondness for American products and plans to develop an ocean port that will rival the best California has to offer. That represents old-fashioned, free-enterprise opportunity.

Other states see it.

Mexicans who cross the border legally into Arizona spent $2.69 billion here from July 2007 through June 2008, according to research by the University of Arizona's Eller College of Management. Mexican shoppers are wealthier today, and they have choices.

While Arizona has been building a reputation south of the border for its strident anti-immigrant approach, the Las Vegas Convention and Visitors Authority has been actively courting Mexican tourists.

Mexico is Arizona's largest trading partner, with $5.9 billion in exports in 2008. Yet, experts say, Arizona has done far less than other border states to build on this.

California, with $20.5 billion in exports to Mexico in 2008, and Texas, with $62 billion in exports that year, are the border powerhouses. A recent conference in Texas on global markets discussed ways to "leverage" proximity to Mexico for increased regional competitiveness.

When was the last time you heard somebody talk like that in Arizona?

New Mexico, long the baby sister in the international-trade arena, has increased trade with Mexico by 250 percent since 2001. Fred Mondragón, New Mexico's economic-developments secretary, talks about "capitalizing on our state's shared culture and language with Mexico."
Talk like that isn’t cheap. It’s priceless. You don’t hear it in Arizona.

Both California and New Mexico will vie with Arizona to carry the rail lines that will run from a huge port that Mexico plans to build on the Pacific coast south of Tijuana.

There are more than 240 maquiladoras, or foreign-owned factories, in Sonora alone. They buy supplies of everything from paper products to machine tools. Yet Wendy Vittori, president of the Arizona Sonora Manufacturing Initiative, says there is little interest by Arizona businesses in meeting those needs.

Her group is launching a pilot program aimed at helping Arizona businesses learn more about opportunities in Mexico.

Arizona has a wealth of organizations from which to build enhanced economic ties with Mexico. These include the 51-year-old Arizona-Mexico Commission, the Border Governor’s Conference and the Border Legislative Conference. There are close ties between Arizona’s universities and universities in Mexico.

The foundation is in place. The potential is limited only by Arizona’s attitude.

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