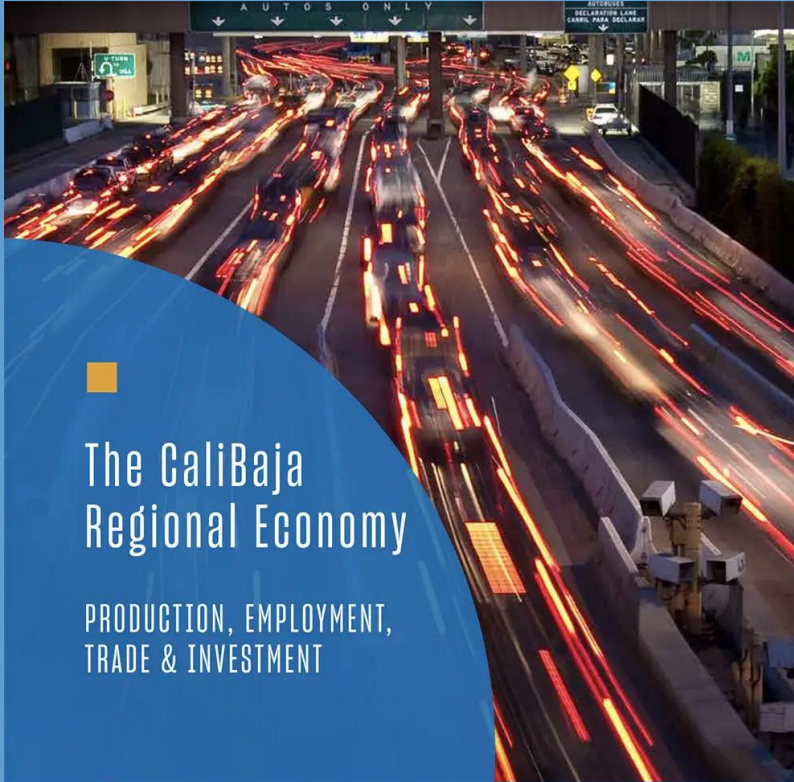


THE CALIBAJA REGIONAL ECONOMY PRODUCTION, EMPLOYMENT, TRADE & INVESTMENT





The CaliBaja Regional Economy

PRODUCTION, EMPLOYMENT,
TRADE & INVESTMENT



THE AHLERS CENTER FOR INTERNATIONAL BUSINESS

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DATA SOURCES & METHODS

- Compiled U.S. and Mexican data by industry sector using North American Industry Classification System (NAICS) codes
- Data sources include BLS, EMSI, INEGI, Mexican Ministry of Economy, 2018 unless otherwise noted

KEY CROSS- BORDER INDUSTRIES

Manufacturing Industry	LQ	Jobs	Value-Add USD MM
Medical equipment and supplies	10.1x	74,331	\$2,534
Semiconductor and electronic components	5.6x	47,918	\$1,821
Audio and video equipment	24.1x	28,721	\$510
Aerospace	3.1x	25,256	\$3,542
Other misc (includes sporting goods)	4x	24,510	\$904
Electronic instruments	2.7x	17,360	\$5,234
Communications equipment	4.4x	9,053	\$2,395
Commercial & service industry machinery	1.5X	2,307	\$185
		229,456	\$17,125

KEY TAKEAWAYS

These industries have important employment concentrations on both sides of the border, with ~52,000 jobs in San Diego & Imperial and ~177,500 jobs in Baja

\$14.9 billion in value-added generated in San Diego (~\$287,500/worker)

\$2.2 billion in value-added generated in Baja California (~\$12,250/worker)

Supported by 162,000 professional, scientific, and technical service workers

Connected to an additional 286,000 manufacturing workers

Supported by 50k college graduates each year, 16k STEM

ADDITIONAL KEY MANUFACTURING INDUSTRIES IN TIJUANA

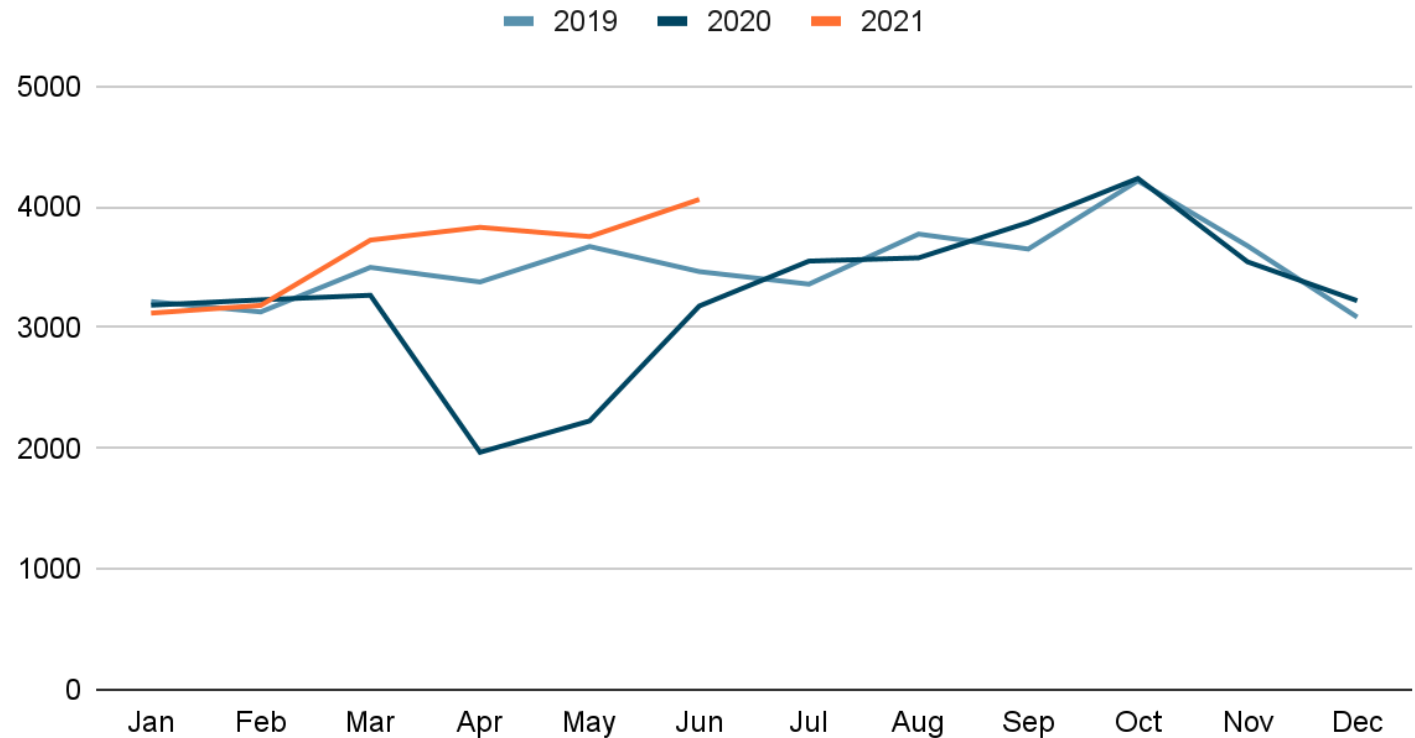
Manufacturing Industry	LQ	Jobs	Value-Add USD MM
Coating, Engraving, Heat Treating	9.1x	6,198	\$78
Other Fabricated Metal Products	6.5x	9,045	\$147
Other Electrical Equipment/Components	6.4x	10,721	\$104
Motor Vehicle Body and Trailers	6.1x	4,059	\$152
Office Furniture (including Fixtures)	4.2x	2,647	\$30
Household and Institutional Furniture	4.2x	11,538	\$114
Converted Paper Products	3.2x	7,798	\$324
Plastics Products	3.1x	20,094	\$268
		72,100	\$1,217

ADDITIONAL KEY MANUFACTURING INDUSTRIES IN SAN DIEGO

Manufacturing Industry	LQ	Jobs	Value-Add USD MM
Ship and Boat Building	5.1x	6,945	\$736
Pharmaceuticals	2.5x	7,346	\$3,588
		14,291	\$4,324

CROSS-BORDER TRADE *IMPORTS*

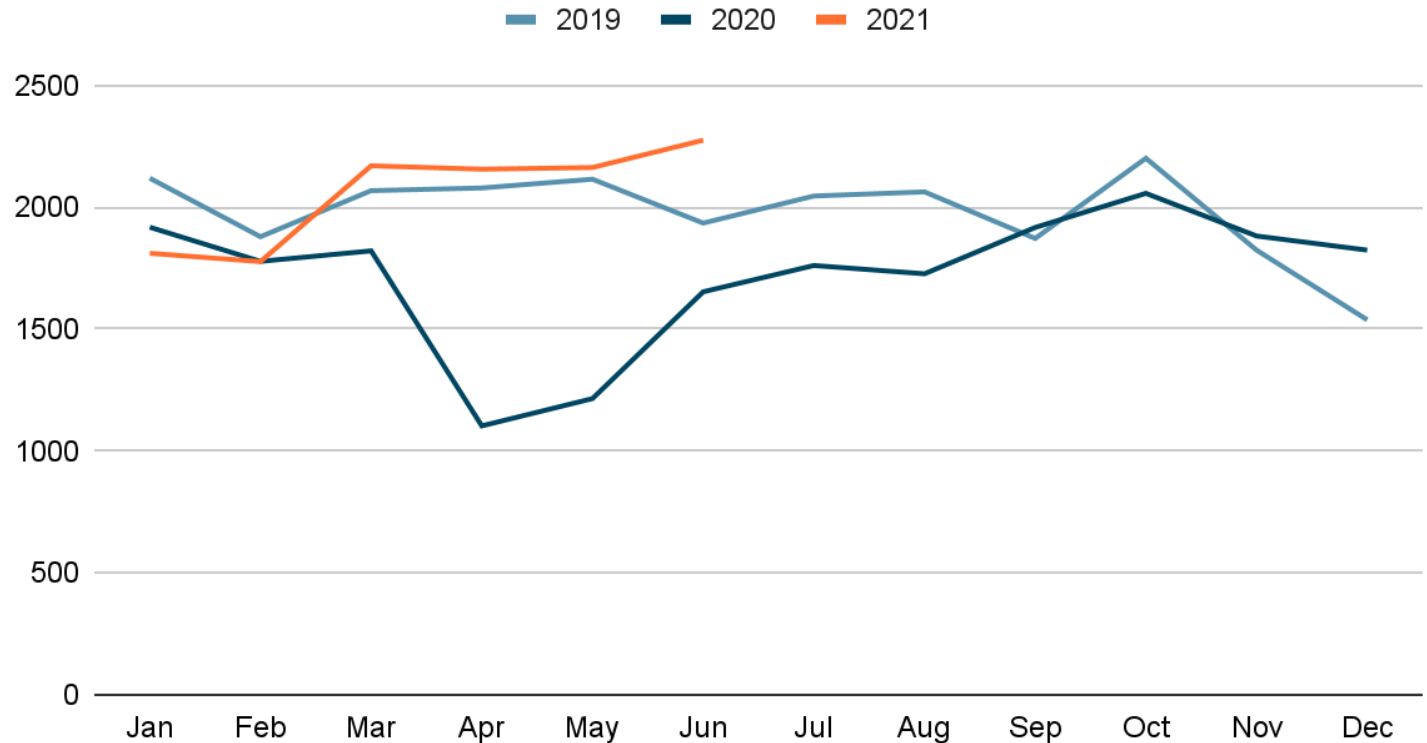
Imports by Truck Via California Land Ports with Mexico, \$Millions



- In 2019, \$44.1 billion was imported from Mexico via truck at the land ports in California.
- By July of 2020, trade was back to pre-pandemic levels, with a strong recovery in 2021.

CROSS-BORDER TRADE EXPORTS

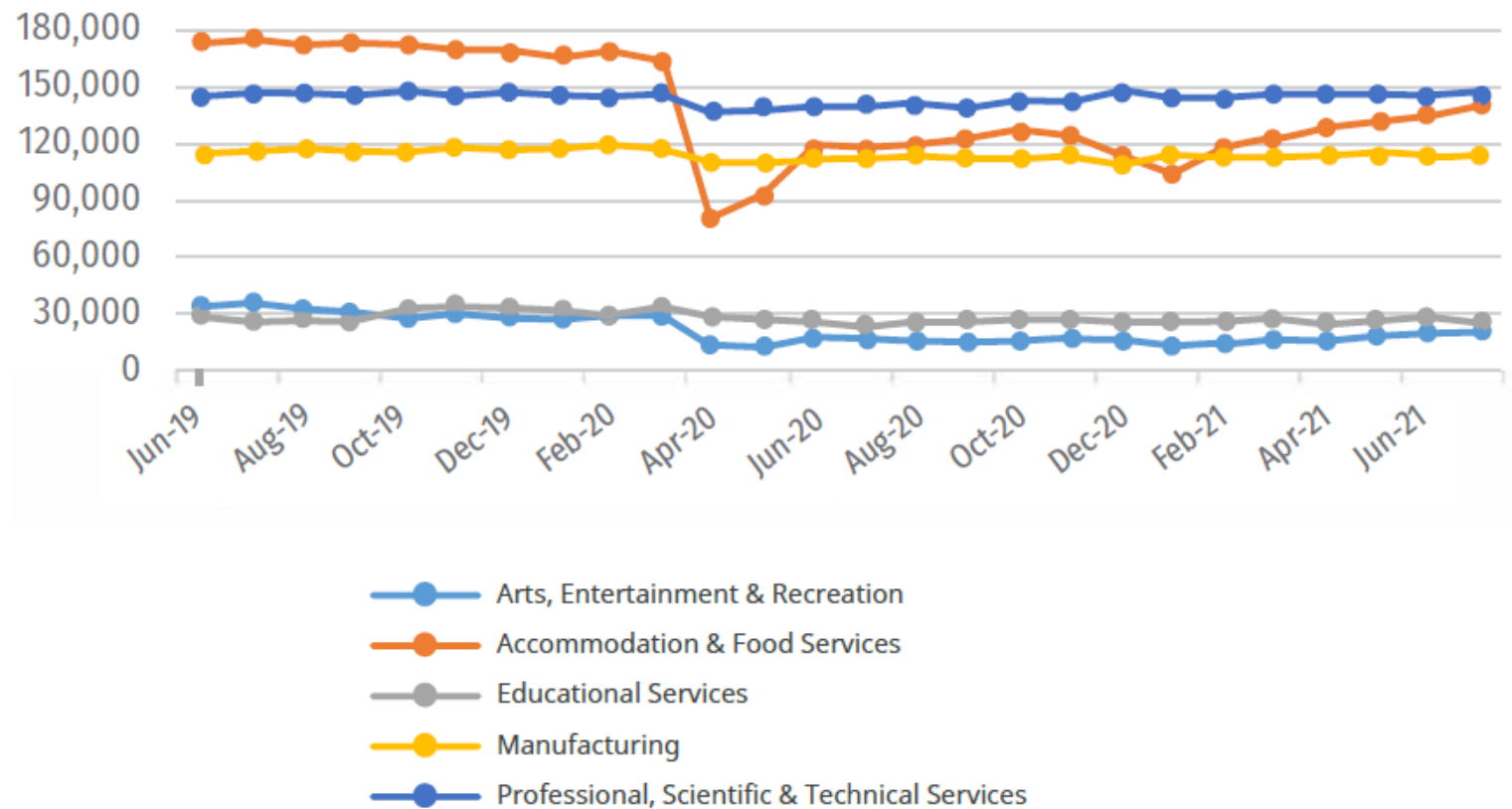
Exports by Truck Via California Land Ports with Mexico, \$Millions



- In 2019, a total of \$25.8 billion was exported to Mexico.
- Total trade fell by a little over \$6 billion in 2020 with a large dip in the movement of goods in April, May and June.
- On average, almost \$200 million in goods is moving between California and Mexico each day.

SAN DIEGO EMPLOYMENT & COVID-19

FIGURE 5 Total Employment In San Diego County By Month and Industry, 2019-21



- In San Diego, employment hit bottom in April 2020
- The industries suffering the biggest job losses were Accommodation and Food Services (-86,700) and Retail Trade (-30,500).
- In contrast, the industries with strong cross-border ties limited percentage job losses to the single with Manufacturing down 7%

CROSS-BORDER STUDENTS & WORKERS

TABLE 4 Cross-Border Workers and Students in the Calibaja Region, 2020⁸

Place of Residence	Cross-Border Workers	Cross-Border Students
San Diego	2,806	—
Imperial	1,923	—
Tijuana	34,817	6,986
Mexicali	13,196	3,937

Source: Mexican Ministry of Economy

CONCLUDING THOUGHTS

- ***Improving Cross-Border Infrastructure***
- ***More and Better Data:*** Clear cross-border industry specializations but data has limits
- ***Regional Stability:*** Stability over the last decade but growth across manufacturing and related industries is both an opportunity and a risk as global manufacturing changes
- ***Reskilling for Industry 4.0:*** Need for inclusive economic development strategies that prioritize moving up the value chain for both firms and workers

Full report available at:

<https://www.sandiego.edu/business/centers-and-institutes/ahlers-international-business/>