



Bulletin

February 5, 2021

With signaling from the new White House and the AMLO administration moving into concrete discussions about cooperation on health, migration, infrastructure, security, and competitiveness, it is almost time to “kiss and make up.”

From November through January, AMLO seemed to be trying to raise points of contention with the United States to burnish his credentials within Mexico. We now anticipate that AMLO will have an incentive to establish a working, synergistic relationship with Joe Biden.

Our border region will be in play now more than ever. This is a “threshold moment.” Once again, border voice needs to be heard, and who better than our binational Stakeholders! I sincerely encourage our Stakeholders to reflect on their potential to influence perceptions and aspirations regarding the border constructively. I am available for any kind of initiative Stakeholders would like to discuss.

Public health at land ports will become an important policy topic in the weeks and months to come.

On the U.S. side, the Secretary of State, in consultation with the secretaries of Health and Human Services, Transportation, and Homeland Security alongside the Director of the Centers for Disease Control and Prevention (CDC), has started diplomatic outreach to the governments of Canada and Mexico regarding **public health protocols for land ports of entry**.

Based on this diplomatic engagement, the **Secretary of HHS (Health and Human Services)**, the **Secretary of Transportation**, and the **Secretary of Homeland Security** will submit to **President Biden** a plan to implement appropriate public health measures at land ports of entry.

The plan should implement CDC guidelines, consistent with applicable law, and take into account the operational considerations relevant to the different populations who enter the United States by land.

John McNeece, Senior Fellow for Energy and Trade at the **Center for U.S.-Mexican Studies** and renowned attorney, spoke about the State of Baja California's **2020 bid tender for a solar energy project**. Originally, the state needed a less expensive power source to pump **Colorado River** water from Mexicali to Tijuana, but it turns out that the power need goes well beyond this.

The state did this in the face of Mexican federal government resistance, and though the contract was awarded last October for delivery of 929,290 Megawatts/hour per year, 20-30% cheaper than the federal electricity commission (CFE), the federal government has so far declined to grant the necessary permits for the project. The contract cannot be implemented without those permits.

The conflict over Baja's planned solar project opens another crack in the deteriorating relationship between **AMLO and Governor Bonilla**.

Ev Meade is leading a team from the **Joan B. Kroc School of Peace Studies** at the University of San Diego documenting case studies of **social innovation on the border** and interviewed our co-chair Pepe Larroque and me about the Smart Border Coalition's role in this. Ev and his students showed great curiosity about our organization. We can't wait to hear about other cases in our region!

With **Covid vaccination** in full swing in San Diego and just starting in Baja California, it is clear that the process in Mexico will take much longer to reach

herd immunity. Vaccines are not arriving in Mexico fast enough. Many in Tijuana are wondering whether they will get their first shot before the summer.

We are seeing many Mexican nationals flying to California airports for the sole purpose of getting injected. Many more will come. The question that U.S. taxpayers are asking is whether foreigners should get the vaccine. There is a question of fairness and legality in some people's minds. In Mexico, there is an equity aspect to this, highlighting great income disparity: the rich can travel to get vaccinated, the poor stay put and must wait.

Public health officials take the position that everyone needs to get vaccinated regardless of immigration status if the city, county, or country will have a chance at stopping or slowing the virus spread. Herd immunity is agnostic as to whether people have travel documents.

President Biden has taken bold moves on immigration to start his administration.

His **three-part plan** for safe, lawful, and orderly migration in the region starts with addressing the **underlying causes of migration** through a strategy to confront the instability, violence, and economic insecurity that currently drive migrants from their homes.

Second, the Administration will collaborate with regional partners, including foreign governments, international organizations, and nonprofits to **shore up other countries' capacity to provide protection and opportunities to asylum seekers and migrants** closer to home.

Finally, the Administration will **ensure that Central American refugees and asylum seekers have access to legal avenues to the United States**. The U.S. Secretary of Homeland Security is also directed to review the Migrant Protection Protocols (MPP) program (<https://Bit.ly/2MqSq3T>).

The President sent to Congress legislation that creates a pathway to citizenship for the nearly 11 million undocumented immigrants living in and contributing to the U.S. He has outlined steps to preserve and fortify protections for Dreamers, end the Muslim and Africa ban, and halt border wall construction.

He has made clear that reversing the Trump Administration's immigration policies that separated thousands of families at the border is a top priority. He wants to develop a strategy to **address irregular migration across the southern border** and create a humane asylum system.

In a recent **Center for US-Mexican Studies** conference on the AMLO and Biden relationship, **Celina Realuyo**, Professor of Practice at the William J. Perry Center for Hemispheric Defense Studies at National Defense University, made important comments about the **bilateral relationship**.

Cooperation will be complicated. We are seeing the growth of organized crime in Mexico, where 7 out of 10 homicides are committed with weapons illegally imported from the U.S. Vaccination efforts are activating drug cartels more than ever. There will be vaccine and covid test contraband into Mexico.

Other aspects clouding the relationship have been the return of former defense secretary **General Salvador Cienfuegos** to Mexico after being arrested for drug trafficking activity in the U.S. and his subsequent exoneration; and the new **security law** establishing restrictions to foreign agents doing work in Mexico (DEA, FBI). And let's not forget **caravans** surfacing once again, requiring both countries to work on policies to bring security to the border.

Geronimo Gutierrez, former North American Development Bank Director and former Mexican ambassador to the United States, has been very active in networking circles. He is a managing partner for Beel Infrastructure Partners (www.beelinfra.com).

I find him to be open and direct and agree with many of his opinions. He looks at the border in terms of a **management challenge** in the areas of **economy/competitiveness, security and migration**.

He supports the notion of depoliticizing migration so that our countries seriously consider a regional mechanism to address deep-rooted problems. He believes that **climate change** is producing water shortages and that we should

bilaterally approach this large issue head-on, consistently, not as an on-and-off topic.

Competitiveness calls for a real joint plan for trade corridors and ports of entry. I realize we have our regional border master plan, but we should add a much more tactical, operational focus to it.

It was good to speak with **Julie Coker, CEO of the San Diego Tourism Authority (SDTA)**, last week. As a recent arrival to San Diego from Philadelphia, Julie led that city's **Convention and Visitors Bureau** and made her mark at **Hyatt Hotels** for more than 21 years. Though tourism has taken an enormous hit, Julie is optimistic about a strong rebound later this year. The SDTA is funded from a 2% occupancy tax on all hotel stays.

I have looked at data from the SDTA and believe it gives us some pointers about how we could find better data for cross-border spending patterns. A key source for their data is the Visa View program that allows companies to find out spending activity using Visa cards in a particular commercial establishment. This is useful in tracking the use of cards not from zip codes in our area. Given a healthy budget for it, we could have a similar way of capturing spend activity on the border.

The **Baja California local development councils** are exploring ways to get additional vaccines much faster to state's cities through a private enterprise-government plan. This is an effort that will require a great deal of coordination on both sides of the border. It could be a truly historic binational project!

As our coalition starts uncovering new ways of harnessing data to give the binational community better information about their travel preferences, we have begun to discover creative, resourceful, and successful companies that perform both software development and user experience work.

Two of these companies are **Everest Software Solutions** (<https://www.everest.ws/everest/>), and **Bajalogics** (www.bajalogics.com).

Everest has developed solutions for several industry verticals like medical, and Bajalogics prides itself on custom solutions for small- and medium-sized businesses.

Both are part of a pioneering group of companies on the border with talented and highly educated personnel as well as the burgeoning information technology service economy in Tijuana.

Not long ago, software development in Tijuana was concentrated at the plant level, with plants having all development in-house. However, we are seeing a shift to independent developers and a potential surge in software R&D centers.

I was pleased to open a conversation with **Gaby Lagarda**, executive director of **ARHITAC** (<http://arhitac.org/>), the Association of Industry Human Resources in Tijuana. It was founded in 1984 with the objective to deliver continuous improvement to companies in the area. They have 275 members, with mostly HR department managers representing members at association meetings. 80%-85% of members are manufacturing plants and 15%-20% are vendors to the *maquila* industry. With the **future of workforce development** becoming a huge binational topic, organizations such as ARHITAC must be at the discussion table.

UCSD's Emerging Stronger Together session in late January featured binational education, and one topic that caught my attention was the **"Transnational/Undocumented Students Support Team" (TrUSST)**, designed to support migrant students during the COVID-19 crisis.

It turns out there are 49,760 U.S.-born students in Baja California public schools, with over half of them in the elementary school system.

Because of this, there is a recommendation to create a **bilingual-binational San Diego County Office of Education distance/hybrid learning secondary school** to allow a "bi-literacy" certification on both sides of the border.

Kudos for **Consuls General Saarnio and González** for organizing the **Cali-Baja Dialogues** since last year. They have proven to be great forums and a testament to the collaborative power of our top diplomats.

We recently joined a meeting on the topic of **economic development**, where Mexicali, Tijuana, and San Diego city government representatives presented reactivation plans and some numbers on what the virus impact has been.

For example, Tijuana crossings into the U.S. since March are down, on average, 36%. Airport traffic, bus travelers into the city and travelers from Tijuana to Ensenada are all down 29, 45, and 55%, respectively. Medical tourism has decreased between 50% and 60%. Between 20% and 30% of all businesses have closed temporarily.

However, Tijuana picked up 23,000 new jobs. There is NO other Mexican city that reflected this large a job increase. The city also got \$190 million in foreign and domestic private capital investment last year, a greater sum than in 2019.

Melissa Floca recently became program officer for cross-border initiatives at the **Kroc Institute for Peace and Justice** at USD. She has been leading a new program called **“Border Fellows.”** It is designed for people whose work contributes to making the border region more peaceful and inclusive. The non-residential board fellows will receive an \$850/month fellowship and a \$5,000 grant to support their work. The information session is February 11, and the application deadline is February 22. <https://bit.ly/3corDFK>

The Tuesday, February 2 meeting of the **South County EDC** board focused on health. It was wonderful to see how **Chula Vista’s Vaccine Super Center** has got rave reviews thanks to the cooperation of **Mayor Mary Salas** and her team with **Sharp Chula Vista Hospital. Brookfield Properties** offered space for the location in the old Sears building, so a perfect example of government, business, and civil society working together to make incredible things happen.

Eduardo Cabrera of KIN Engineering Services continues to promote a game-changing process to rid the border of long wait times. His “**Smart Border System**” to book drivers before they make their way to the ports has been gaining traction with different groups in San Diego and Tijuana. Based on the many geographic and financial constraints of current ports of entry, projects like this one are the future of more efficient border crossings.

This week Tijuana Mayor **Arturo González Cruz** announced he will be taking a leave of absence (*licencia*) for a second time in less than 2 years. His Economic Development Secretary **Arturo Pérez-Behr** resigned. This sends a clear message about the destructive nature of electoral politics when the Governor and city mayors do not see eye to eye, even though they’re in the same political party.

We often talk about how lack of public administration continuity affects the binational relationship. We lost the top two people in the city in a couple of days. What next? We trust that interim **Mayor Karla Ruiz MacFarland** can fill the void once again.

The North American Strategy for Competitiveness group (nasconetwork.com/) had its **COVID Working Group** meeting on February 3, with **Kristie B. McKinney**, International Relations Specialist at U.S. Customs and Border Protection and **Deborah Meyers**, Director, Canadian Affairs and Senior Advisor on North America at the U.S. Department of Homeland Security. When pressed on the lifting of restrictions to non-essential travel at the land ports, their responses left much to be desired.

There is an “**ongoing dialogue**” between U.S. and Mexican authorities on this, but no conclusions yet. How long will this “dialogue” go? Nothing is off the table, including covid testing for cargo drivers and for people crossing into the U.S.

Imagine the chaos that we would have on our hands if there was mandatory testing each time one wanted to cross the border. We currently have NO

screening system, NO ability to test on site, and NO pre-crossing advanced notifications. So we are in the worst of all worlds.

My thought is that we must approach motivated organizations such as **The Commons Project** (thecommonsproject.org/commonpass) which aims to create common standard proving a traveller is Covid-free or vaccinated, and companies such as **Health** (the people's passport), **Clear** (clearme.com/), **AOK Pass** (aokpass.com/) and others to have them work on a practical solution to add the covid test to travelers' data when they arrive at the booths. These companies have worked on air travel, so why not have them pivot to land travel before we suffer through a new set of border restrictions?

We have launched the ***El Tercer País*** campaign with a first round of hardcover books to government officials and San Diego business people. We have sent ebooks to media in Mexico and the United States. Upcoming rounds will focus on business, academia and non-profits on both sides of the border. We plan on distributing close to 1,000 books. I want to thank both Vincent Blocker and Miguel Gama for spending many hours on this effort.

Our next online **Stakeholders Working Committee** meeting will convene on Zoom on **March 4th** from 9:00 to 11:00 a.m. The coalition warmly welcomes broad, open participation by all U.S. and Mexican (and all other) parties interested in port of entry operations from any perspective. It will be the first meeting of 2021. Please register in advance at:

<https://us02web.zoom.us/meeting/register/tZwpf-CppzgrH9XMRRpHOQ5mDCNayoJ9XYHa>

After registering, you will receive a confirmation email containing information about joining the meeting.

It will be excellent to see all of you!

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