

**A DESCRIPTION OF EACH STATE,  
COUNTY AND MUNICIPIO  
IN THE UNITED STATES-MÉXICO BORDER AREA**

**VOLUME V IN THE UNITED STATES-MÉXICO SERIES  
OF BACKGROUND REPORTS**

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## INTRODUCTION

As part of Arizona State University's United States-México Initiative, the L. William Seidman Research Institute, in conjunction with ASU's McCain Institute for International Leadership Policy Analysis, has undertaken a project to analyze potential bi-national, national and regional policies in order to facilitate decision making. A web-based decision-making tool — the United States-México Policy Analysis Tool (USMexPAT) — is under development to quantify the impacts of potential policies. This tool also will be designed to operate at Arizona State University's Decision Theaters in Tempe, Arizona and Washington, D.C. For more information on this project, see the website USMexPAT.com.

A five-volume series of reports provides background information on the demography and economy of the United States and México, with a focus on the border area — the portion of each country near their international border. A summary of the five volumes also is available.

### Background Reports

While numbered sequentially, the reports need not be read in order. However, most users will want to refer to the first part of Volume I in order to understand the geography of the border area. In order to fully understand Volume V, Volumes II through IV may need to be consulted.

A short description of each of the five volumes follows:

#### **Volume I: The Geography and History of the United States and México, With a Focus on the Border Area**

This introductory report presents two definitions of the U.S.-México border area — border states and border region — and also identifies urban areas along the international border. A brief history of the two nations and the border area is included.

#### **Volume II: Demographic and Socioeconomic Profile of the United States and México, With a Focus on the Border Area**

Most of this report presents the demographic and socioeconomic data collected from the 2010 decennial census of each country and from the American Community Survey. The historical and projected population of the two nations and of the geographies of the border area also are examined in this report.

#### **Volume III: Economic Profile of the United States and México, Including an Economic Base Study of the Border Area**

Economic data from a variety of sources other than the 2010 decennial census of each country and the American Community Survey are presented in this report. Economic base studies for the border states and the border region counties and municipios are reviewed in this report.

#### **Volume IV: Trade Between the United States and México, With a Focus on the Border Area**

U.S. international trade, trade between the United States and México, and the traffic crossing the international border between the two countries are examined in this report. Information is presented for various geographies: national, state, metropolitan area, customs district, and port.

#### **Volume V: A Description of Each State, County and Municipio in the United States-México Border Area**

Information from each of the prior volumes is incorporated in this report, which is organized by geographic area rather than by topic as in the other volumes. A summary of the geography, history, population, trade, and economy of each state, county and municipio in the border area is presented.



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## **BORDER CROSSINGS AND TRADE VALUES BETWEEN THE UNITED STATES AND MÉXICO**

There are 47 places at which pedestrians, passenger vehicles, buses, and/or commercial trucks may cross the international border between the United States and México. These 47 crossings are organized into 25 United States ports of entry. Data are produced on the number of crossings and the value of goods shipped across the border for each of these ports, but are not available for the individual crossings. The seven active rail crossings are included in the statistics for seven of these ports.

In this paper, the focus is border states and border region counties. Thus, the port data have been converted into data by county and state. Twenty-two of the border region counties share a border with México, but not all of these counties have a border crossing. In contrast, other counties have multiple crossings, and even multiple ports. In two cases, border crossings within a particular port are in more than one county. These counties have to be combined in order to use the port data. The result is border crossing data for 16 sets of counties: 14 individual counties and two groupings of two counties.

The data on the number of border crossings are limited to those entering the United States. These U.S. port data have been converted to correspond to border region municipios and border states in México. Thus, they represent the number of people traveling from México to the United States. The U.S. port data have been organized into data for 21 sets of municipios: 16 individual municipios and five groupings of two municipios. Only one border crossing is present in the state of Nuevo León; it is part of the Nuevo Laredo port that is dominated by traffic crossing from Tamaulipas to Texas. Thus, the states of Nuevo León and Tamaulipas have been combined in presenting state data, with the combined border region population of the two states used to calculate the per capita figures. The combination is referred to simply as Tamaulipas due to its having nearly all of the activity.

The latest annual data on the number of border crossings are for 2012. In that year, 5.1 million commercial trucks crossed into the United States from México. A significant number of these trucks — 1.6 million — were not carrying cargo. The number of trains entering the United States from México in 2012 was 8,957. These trains included 399,813 loaded rail cars and 427,950 empty cars. The number of individuals crossing into the United States, including those traveling by foot and as passengers in buses, trains, and personal vehicles, totaled 159.1 million.

In addition to these 25 ports, goods are shipped between the United States and México through many other ports. Two of these other ports — San Diego and Tucson — are within the border region and have been included in the county data on the value of goods transported between the two countries. Data on value are available for both imports to the United States and exports from the United States.

Data on trade values are available through 2013. The trade values of goods shipped between México and the United States through the 27 ports in the border region totaled \$183.6 billion for exports from the United States and \$228.0 billion for imports to the United States. Thus, the United States had a negative trade balance on this portion of international trade of \$44.5 billion. The ratio of exports to imports was 0.81.

Complete data on border crossings extend back to 1997. In addition to calculating the percent change in the number of border crossings between 1997 and 2012, the time period has been broken into three parts: 1997 to 2001, 2001 to 2007, and 2007 through 2012, with the economic cycle in each country peaking in 2001 and 2007.

Consistent data on trade values only go back to 2004. The inflation-adjusted percent change in trade values between 2004 and 2013 have been calculated using the U.S. GDP implicit price deflator.

In order to compare cross-border traffic flows and trade values in counties and municipios of highly unequal population size, per capita figures have been calculated. For U.S. counties, the annual population estimates produced by the U.S. Census Bureau are used to provide per capita figures by year for 1997 through 2013. For Mexican municipios, annual population estimates are not available. Instead, the 2000 census count and annual projections produced by CONAPO (Consejo Nacional de Población) for 2010 through 2013 have been used. The per capita figures for the border states were calculated using the population of the border region of each state.

The annual average percent changes in the number of border crossings for the entire border region are shown in Table 1, on both an unadjusted and per capita basis. The increase in the number of trucks crossing the border has slowed over time, with the per capita number dropping between 2007 and 2012. The number of loaded trucks has increased while the number of empty trucks has decreased since 2001. Percent changes in the number of trains and the number of rail cars crossing the border have fluctuated over time. Increases in the number of rail containers, both loaded and empty, have been much larger than in the number of trains. The number of individuals crossing the border increased slightly from 1997 to 2001 (though there was a decrease on a per capita basis). Since then, the number crossing has decreased, at a quickening pace.

The inflation-adjusted value of imports to the United States from México through the ports in the border region increased 53 percent between 2004 and 2013. Exports from the United States rose more at 64 percent. On a per capita basis, the real increase was 46 percent for exports and 36 percent for imports.

**TABLE 1**  
**ANNUAL AVERAGE PERCENT CHANGE IN THE NUMBER OF BORDER**  
**CROSSINGS BETWEEN THE UNITED STATES AND MÉXICO**

	<b>Unadjusted</b>	<b>Per Capita</b>	<b>Unadjusted</b>	<b>Per Capita</b>
	<b>Trucks</b>		<b>Trains</b>	
Number				
1997-2012	2.2%	0.7%	1.0%	-0.5%
1997-2001	3.9	2.2	-0.7	-2.4
2001-2007	2.1	0.7	6.1	4.6
2007-2012	0.9	-0.5	-3.4	-4.8
Loaded				
1997-2012	4.7	3.2	6.5	4.9
1997-2001	8.0	6.2	14.3	12.4
2001-2007	4.4	2.9	5.4	4.0
2007-2012	2.4	1.0	1.8	0.4
Unloaded				
1997-2012	0.3	-1.2	6.2	4.7
1997-2001	5.2	3.5	16.1	14.2
2001-2007	-1.2	-2.5	6.0	4.5
2007-2012	-1.9	-3.3	-0.9	-2.3
	<b>Individuals</b>			
Number				
1997-2012	-3.2	-4.7		
1997-2001	0.3	-1.4		
2001-2007	-3.2	-4.5		
2007-2012	-6.1	-7.4		

Source: U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics (border crossings). The border region population is from the U.S. Department of Commerce, Census Bureau.

## CALIFORNIA

The southern border of California is shared with México, entirely with Baja California. California has 58 counties. Only two counties — San Diego and Imperial — are in the border region; each shares the international border.

With a land area of 403,466 square kilometers, California is the second largest of the four border states, accounting for 24 percent of the border states' land area and 4 percent of the national total. The border region of California consists of a coastal plain near the Pacific Ocean, a substantial mountainous area (part of the coast ranges) to the east of the coastal plain, and the large and very low elevation Imperial Valley. The valley is part of the Sonoran Desert and is sparsely vegetated. It is bounded in the northeastern portion by low mountains and to the east by the Colorado River, from which the valley is irrigated.

Early explorers thought the Baja Peninsula was an island. They gave it the name of California, from an early 16th-century Spanish novel that was based on a Greek story of a mythical island. The name was extended to Alta (Upper) California, the present state of California.

The first exploration of California by the Spanish occurred by ship in 1542, led by Juan Cabrillo. Another major expedition by Sebastián Vizcaíno occurred in 1602. The area was not deemed to be of great interest due to the reports of the explorers, who indicated the Native Americans were hunter-gatherers without any domesticated animals or other assets and that the land needed to be irrigated in order to grow crops.

Interest in California increased after the French and Indian War ended in 1763, with Britain gaining extensive land areas from the French. Fearful that the British would try to claim areas along the Pacific Coast, and with a few Russian settlements already along the Pacific Coast, Spain decided to establish a series of missions in California. The first settlement, in San Diego, was made by Gaspar de Portola in 1769. A land route from Sonora to California had been pioneered in the late 1600s by Father Eusebio Kino. The route was re-established by Juan Bautista de Anza in two expeditions in the mid-1770s. However, at the crossing of the Colorado River, the land route was closed to the Spanish by Native Americans in 1781.

Twenty-one missions were established between San Diego and San Francisco, mostly between 1769 and 1798 and mostly near the ocean. A few presidios (military forts) also were established, followed by a few pueblos (towns) and some ranchos. The latter were based on land grants. California was the last colonization effort by the Spanish, who were overextended by trying to settle and govern most of the Americas. Unlike earlier missionary efforts, the California missions were established with little cost — being staffed by a limited number of missionaries and soldiers — and were largely unsuccessful in converting the Native Americans. The sole reliance on the sea as a means to reach the missions, presidios, pueblos, and ranchos after 1781 hampered their growth.

The mission system was in decline when California fell under the jurisdiction of México in 1821. In the mid-1830s, México secularized the missions, with the settlement emphasis shifting to the ranchos and pueblos. By the time of the Mexican-American War in 1846, only 1,500 Spanish or mestizos were estimated to be living in California, mostly in the southwestern part of the state.



About 1,800 American and European immigrants also had settled in California, mostly in the central and northern parts. Coinciding with the end of the war, the Gold Rush began in 1848, bringing many settlers to the nonborder region of California.

### Population of California

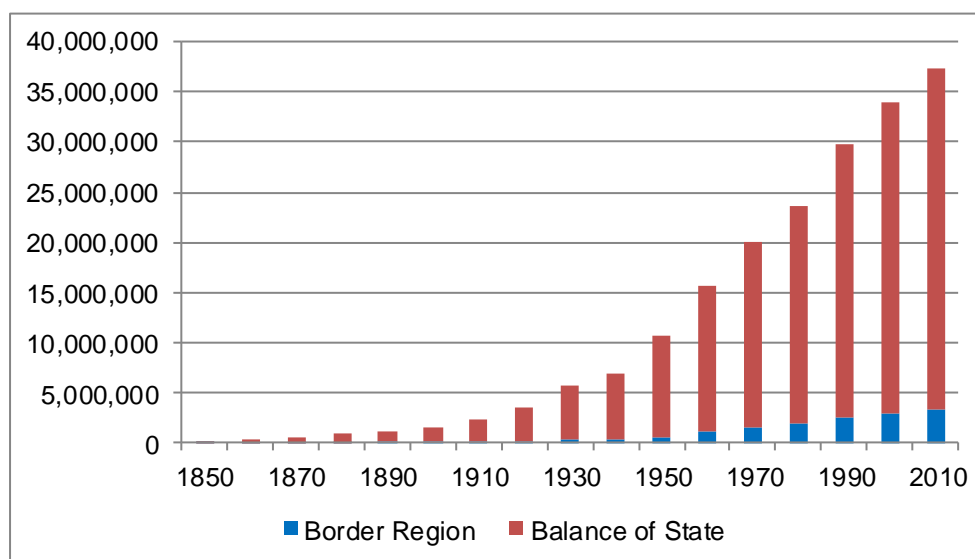
In 1850, when California became a state, its population was 92,597, with only 1 percent living in the border region. The San Diego area was home to a mission, a presidio, and a pueblo. The inland portion of the border region of California was largely uninhabited except by Native Americans until the early 1900s.

The population of California reached 1.5 million in 1900. The state's population gain per decade first topped 1 million during the 1910s. The greatest gains were 5.1 million during the 1950s and 6.1 million during the 1980s. The increase slipped to 3.4 million during the 2000s. The growth of the population California is shown in Chart 1; its 2010 population was 37.3 million.

In 1850, California had less than half the number of residents as Texas. California added less population in each decade of the 19th century than Texas. In contrast, in each decade of the 20th century, California added more residents than Texas. It became more populous than Texas in the 1930s and its number of residents was more than 50 percent higher than in Texas in 2000.

California experienced strong net in-migration from the 1940s through the 1980s, particularly in the 1950s and 1980s, when the decadal figures exceeded 3 million. During this period, net migration accounted for more than half of the total population gain. Net migration plummeted in the 1990s and was barely positive. Only a small rebound to less than 400,000 occurred in the 2000s. Net domestic out-migration continued between 2000 and 2010, but was more than offset by immigration.

**CHART 1**  
**NUMBER OF RESIDENTS OF CALIFORNIA**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

California's net migration during the 1950-to-2010 period was concentrated among young adults (age 18 to 34). While down from the peak, net in-migration in this age group has remained strong, while net out-migration occurred in other age groups in the 1990s and 2000s.

The percent decline of the state's residents living in the border region increased gradually from about 1 percent during the 1850-to-1880 period to nearly 9 percent in 1990. The percent decline has held steady since then (see Chart 2).

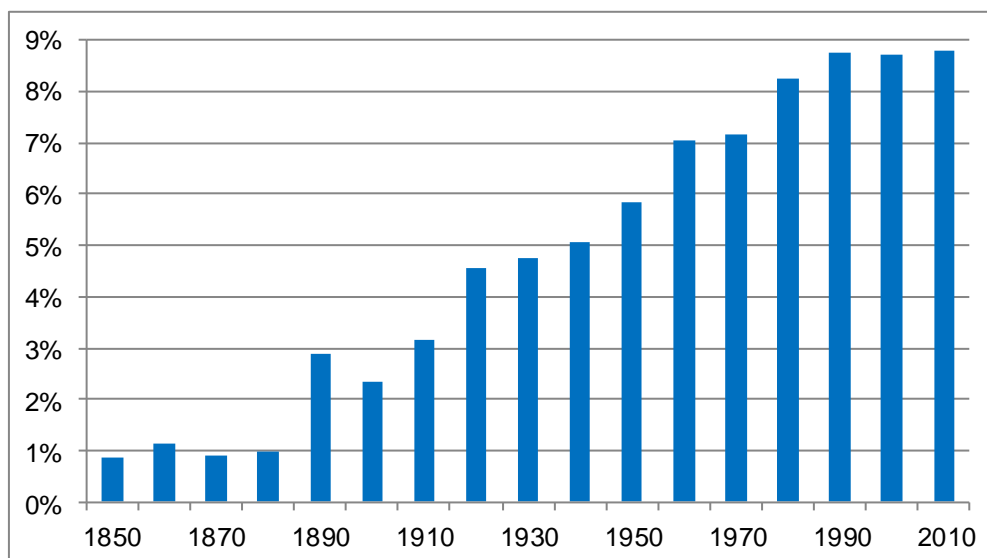
Two metropolitan areas are located in the border region. The San Diego-Carlsbad metro area, consisting of San Diego County, is coincident with the U.S. portion of the San Diego-Tijuana urban area defined for this study. It had 3,095,313 residents in 2010. The El Centro metro area, consisting of Imperial County, is coincident with the U.S. portion of the Calexico-Mexicali urban area defined for this study. It had 174,528 residents in 2010.

Twenty-four metropolitan areas in California are located outside of the border region, including three that are more populous than San Diego: Los Angeles-Long Beach-Anaheim (12.8 million residents), San Francisco-Oakland-Hayward (4.3 million), and Riverside-San Bernardino-Ontario (4.2 million). San Francisco and several other metro areas are a considerable distance from the border region.

#### **Transportation and Trade in the Border Region of California**

The border region of California is served by Interstate 8, which travels east from San Diego through the border region into central Arizona, where it connects to I-10, a transcontinental route. The San Diego area has a network of freeways, including Interstates 5 and 15 that head north to the Los Angeles area and beyond. I-5 serves the San Ysidro border crossing and another

**CHART 2**  
**BORDER REGION SHARE OF THE POPULATION OF CALIFORNIA**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

freeway travels to the Otay Mesa crossing. A number of two- and four-lane state highways also serve the border region.

The major airport in the border region of California is San Diego International, located within the city of San Diego. It is designated as a large-hub primary airport that also carries considerable cargo. A nonprimary airport is in Imperial County.

A short-line railroad in each country meets at the border between San Diego and Tijuana, and a rail line runs north from San Diego to the Los Angeles area. The Union Pacific Railroad's Sunset Route, which connects Los Angeles to New Orleans, passes through Imperial County, with a spur line extending south through El Centro to the border at Calexico, where it meets a Ferromex line in Mexicali. Thus, two of the seven active international rail crossings are in California.

California has six international border crossings for motor vehicles and pedestrians, three in San Diego County and three in Imperial County. The rail, road, and pedestrian crossings are organized into six U.S. ports of entry. Combining the data for the six ports in California and comparing those totals to those of the other border states, cross-border commercial truck traffic into California ranked a distant second to Texas in 2012; cross-border train traffic ranked third, considerably behind Arizona and a fraction of the activity in Texas; and cross-border crossings of individuals ranked second behind Texas. The differentials between California and Texas were greater on a per capita basis, using the population of the border region of each state.

Based on the value of traded goods crossing the border in 2013, California again ranked a distant second to Texas on both imports and exports. On a per capita basis, California was last among the four border states on the value of both imports and exports. The location of California and Baja California at the western edge of each country limits the amount of goods crossing the border of these states, as production and consumption are much more substantial in the eastern portion of each country.

The ratio of the export-to-import value was only 0.64 in 2013, the same as in Arizona but less than the 0.84-to-0.85 figures of New Mexico and Texas. The net export value was negative, the second-largest figure to Texas, but the per capita net figure was the smallest of the four border states.

Between 2004 and 2013, the value of imports and exports crossing the border in California rose less than in each of the other border states, on both unadjusted and per capita bases. Between 1997 and 2012, the percent change in the per capita number of trucks crossing the border into California was about equal to the border region total. In contrast, the use of rail declined in California relative to the per capita border region total, with a large decline between 2007 and 2012; the number of loaded rail cars fell over the 15 years. The per capita number of individuals crossing the border did not drop as much as the border region total, particularly between 2007 and 2012.

The volumes of individual and commercial traffic and the value of goods crossing the international border between California and Baja California vary considerably by port. The value of goods is by far the highest through the Otay Mesa port. The number of individuals crossing

the border is highest at the San Ysidro port. Both ports are in the San Diego area. Rail traffic is highest through Calexico.

### **Economy of California**

California accounts for more than half of the gross domestic product of the four border states. California's overall location quotient is a little more than 1 based on GDP but a little less than 1 based on both employment datasets. Each figure is slightly less than in Texas. The location quotients by sector are shown in Table 2. A summary by sector follows.

- Agriculture. The location quotient is slightly greater than 1 based on BEA employment and 1.4 based on GDP. The excesses are of moderate size.
- Mining. The LQ is less than 0.6 based on all three datasets.
- Utilities. The LQ is between 0.8 and 0.9 based on all three measures. However, the Business Patterns dataset indicates that natural gas distribution has a LQ above 1.
- Construction. The LQ is between 0.8 and 0.9 based on all three measures.
- Manufacturing. The LQ is about 0.9 based on each dataset. However, some of the subsectors have a LQ of more than 1, based on both GDP and Business Patterns employment. The greatest excess occurs in the computers and electronic products subsector, with Business Patterns employment indicating an excess in six of its industry groups. The largest is in semiconductors and electronic components and in communications equipment, with a moderate amount in instruments. Excesses are moderate in the apparel subsector and in the miscellaneous subsector — in the medical products group. In the transportation equipment subsector, aerospace — mostly aircraft parts but also space vehicles — provides a sizable excess. Business Patterns employment indicates a moderate level of excess employment in beverages (in the wineries industry) and pharmaceuticals. According to GDP, an excess is present in the petroleum and coal products subsector.
- Wholesale trade. The LQ is between 1.0 and 1.2 on each of the three datasets. The excess is large based on Business Patterns employment but small based on the other two datasets. The Business Patterns dataset indicates a large excess in the electronics equipment subsector, moderate excesses in the professional and commercial equipment, and apparel subsectors, and a smaller excess in several other subsectors.
- Retail trade. The LQ is slightly more than 1 based on GDP but is less than 0.9 based on the two employment datasets. The Business Patterns dataset indicates small excesses are present in the clothing and electronics subsectors.
- Transportation and warehousing. The LQ is slightly less than 0.9 on all three measures. The transportation support subsector provides a moderate excess, in its freight arrangement and marine cargo handling industries.
- Information. The LQ is 1.3 based on the two employment datasets and 1.7 based on GDP. Excesses are present in most of the subsectors, with a large figure in the motion picture and sound recording subsector. Moderate excesses are present in information services (largely related to the Internet) and in software publishing.
- Finance and insurance. The LQ is near 0.8 based on each of the three datasets.
- Real estate and rental. The LQ ranges from 1.1 to 1.3 based on the three datasets. The excess in real estate is large, particularly in property management. A small excess exists in the rental and leasing subsector.

**TABLE 2**  
**LOCATION QUOTIENTS BY SECTOR, CALIFORNIA, 2011**

	<b>GDP*</b>	<b>State Employ**</b>	<b>Employ***</b>	<b>Border Region</b>		<b>Balance of State</b>	
				<b>Employ**</b>	<b>Employ***</b>	<b>Employ**</b>	<b>Employ***</b>
TOTAL	1.06	0.94	0.93	1.02	0.96	0.93	0.92
Agriculture	1.49	1.07					
Mining	0.55	0.39	0.29		0.10		0.30
Utilities	0.87	0.86	0.80	1.31	0.90	0.82	0.79
Construction	0.90	0.82	0.88	0.89	1.07	0.81	0.87
Manufacturing	0.93	0.89	0.85	0.80	0.84	0.90	0.86
Wholesale Trade	1.04	1.00	1.16	0.85	1.04	1.02	1.17
Retail Trade	1.07	0.89	0.85	0.93	0.93	0.88	0.85
Transportation and Warehousing	0.88	0.85	0.86	0.52	0.52	0.88	0.89
Information	1.69	1.32	1.32	0.92	1.11	1.36	1.34
Finance and Insurance	0.75	0.86	0.80	0.87	0.84	0.86	0.80
Real Estate and Rental	1.31	1.11	1.17	1.25	1.38	1.10	1.15
Professional, Scientific & Technical Services	1.30	1.20	1.26	1.51	1.45	1.17	1.25
Management of Companies	0.84	0.85	0.77	0.85	0.72	0.85	0.77
Administrative Support	1.08	0.98	0.96	1.02	0.91	0.98	0.96
Educational Services	0.98	0.89	0.90	0.96	0.80	0.89	0.91
Health Care & Social Assistance	0.92	0.81	0.78	0.77	0.78	0.81	0.79
Arts, Entertainment and Recreation	1.48	1.18	1.20	1.14	1.46	1.18	1.17
Accommodation and Food Services	0.99	0.95	0.96	1.12	1.18	0.93	0.94
Other Services	1.07	1.00	0.86	1.04	1.00	0.99	0.85
Government	0.97	0.89		1.36		0.85	

Note: a blank indicates that the data are not available

\* Gross Domestic Product, 2011

\*\* Employment, 2011 BEA

\*\*\* Employment, 2011 Business Patterns

Source: U.S. Department of Commerce. Gross domestic product and BEA employment are from the Bureau of Economic Analysis; Business Patterns employment is from the Census Bureau.

- Professional, scientific and technical services. The LQ ranges from 1.2 to 1.3 based on the three datasets. The excess is very large. Business Patterns employment indicates an excess is present in seven of the nine subsectors, including a very large excess in accounting, tax preparation, bookkeeping, and payroll services (mostly in payroll services) and large excesses in scientific research and development and in computer systems design.
- Management of companies. The LQ is about 0.8 on all three measures.
- Administrative support and waste services. The LQ is a little above 1 based on GDP and slightly less than 1 based on the two employment datasets. The only industry group with an excess is investigation and security services.
- Educational services. The LQ is about 0.9 based on the employment measures and near 1 based on GDP. Small excesses are present in some subsectors.
- Health care and social assistance. The LQ is near 0.9 based on GDP and is 0.8 based on the two employment datasets.
- Arts, entertainment and recreation. The LQ is 1.2 based on the employment measures and 1.5 based on GDP. A moderate excess is present in the amusement, gambling and recreation subsector due to gambling activities and theme parks. Smaller excesses exist in the independent artists, writers and performers industry and in the agents and managers for artists, athletes, entertainers, and other public figures industry.
- Accommodation and food services. The LQ is slightly less than 1 based on all three datasets.
- Other services. The LQ ranges from less than 0.9 based on Business Patterns employment to more than 1 based on GDP.
- Government. The overall LQ is about 0.9. The federal civilian LQ is 0.7 and the military LQ is 0.9. The GDP dataset indicates a figure of a little more than 1 for state and local government, but both of these governments have a LQ less than 1 based on BEA employment.

The industries with the largest excess employment are displayed in Table 3.

Based on the excesses in tradable activities, motion picture production and sound recording, manufacturing and wholesale trade related to electronics, and scientific research and development play large roles in the California economy. Other important contributors are aerospace manufacturing, manufacturing and wholesale trade of apparel, medical equipment and supplies manufacturing, software publishing, Internet services, computer systems design services, wineries, agriculture, and tourism.

### **Economy of the Border Region of California**

While some noticeable differences exist in the economies of the border region and the balance of the state, on the whole the two are similar. The overall location quotient is slightly higher in the border region, which has much higher LQs for the federal government, in the civilian and especially military industry groups; these LQs are far above 1. Tourism is more important to the border region, with the LQ for accommodation and food services above 1 and a higher LQ than in the rest of the state in arts, entertainment and recreation. The border region also has a higher LQ in professional, scientific and technical services, which particularly reflects the life sciences cluster that developed near the University of California at San Diego. Information, transportation and warehousing, and particularly agriculture are relatively less important in the border region

**TABLE 3**  
**INDUSTRIES WITH THE GREATEST EXCESS EMPLOYMENT, CALIFORNIA, 2011**  
**Excluding the Agriculture and Government Sectors**

<b>NAICS</b>	<b>Industry Title and Tradability*</b>	<b>Location Quotient</b>	<b>Excess Employment</b>
541214	Payroll services	3.65	155,321
512110	<b>Motion picture and video production</b>	5.53	71,575
423690	<b>Other electronic parts and equipment merchant wholesalers</b>	2.53	53,352
511210	<b>Software publishers</b>	1.97	42,559
561612	Security guards and patrol services	1.49	35,911
541712	<b>Research and development in the physical, engineering, and life sciences (except biotechnology)</b>	1.48	31,240
452112	Discount department stores	1.35	31,109
541511	<b>Custom computer programming services</b>	1.40	30,807
519130	<b>Internet publishing and broadcasting and web search portals</b>	2.61	26,463
721110	<b>Hotels (except casino hotels) and motels</b>	1.15	24,910
334220	<b>Broadcast and wireless communications equipment</b>	3.56	24,298
423430	<b>Computer and computer peripheral equipment and software merchant wholesalers</b>	1.79	21,635
312130	<b>Wineries</b>	5.37	19,110
713110	<b>Amusement and theme parks</b>	2.37	18,883
424330	<b>Women's, children's, and infants' clothing and accessories merchant wholesalers</b>	2.88	18,288
315212	<b>Women's, girls', and infants' cut and sew apparel contractors</b>	5.23	17,269
541711	<b>Research and development in biotechnology</b>	2.22	16,279
448140	Family clothing stores	1.19	15,534
621210	Offices of dentists	1.14	14,115
713210	<b>Casinos (except casino hotels)</b>	1.99	14,057

\* **Bold, shaded**: high proportion of tradable activity;  
**Bold, not shaded**: moderate proportion of tradable activity;  
Not bold, not shaded: low proportion of tradable activity

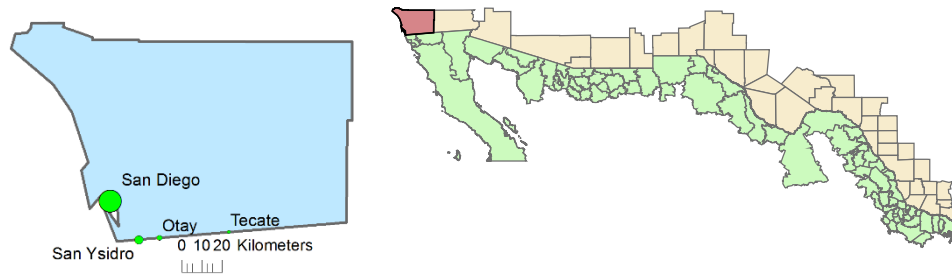
Source: Calculated from U.S. Department of Commerce, Census Bureau, Business Patterns, 2011.

than in the balance of the state. Thus, while structurally somewhat different, the economy in both the border region and the balance of the state is diverse.

Excess employment in the border region of California is greatest in the military subsector, followed by professional, scientific and technical services. Other activities with a significant level of excess employment are federal civilian government, real estate and rental, and the tourism-impacted sectors of accommodation and food services, and arts, entertainment and recreation.

California's border region economy is dominated by the San Diego area; San Diego County, which has a diverse economy, accounts for 96 percent of the state's border region employment and 97 percent of its GDP. The border region economy in California is similar to that of the other border states in having a high concentration of federal government activities, both civilian and military. However, border region in California is considerably different from the other states in having a high overall location quotient and in having a diverse economy.

## San Diego County (San Diego Urban Area)



San Diego County is in the southwestern corner of California (and of the mainland United States), west of Imperial County. Nearly all of the county is within 100 kilometers of the international border. Its southern border is shared with Baja California: the western third with Tijuana Municipio and the remainder with Tecate Municipio.

With a land area of 10,895 square kilometers, San Diego County is the eighth largest of the 37 border region counties. The western part of the county is a coastal strip where nearly all of the population lives. The middle of the county is mountainous and lightly settled, with populated areas mostly at an elevation of 600 to 1,200 meters. Much of the mountainous area consists of the Cleveland National Forest and several small reservations for Native Americans. The eastern portion of San Diego County is a sparsely populated low-elevation desert, largely within the Anza-Borrego Desert State Park.

Juan Cabrillo claimed this area for Spain in 1542. The harbor, which later was to become a major asset, was surveyed in 1602 by Sebastián Vizcaíno, who named the area after St. Didacus, a Spaniard more commonly known as San Diego. Settlement of the area began in 1769 with the founding of Mission San Diego de Alcadé and the San Diego Presidio, the first European settlement in what was to become the state of California. The county was created in 1850 when California became a state, though it lost territory in 1907 when Imperial County was formed.

### Population

San Diego County had a population of 798 in the 1850 census, 35,090 in 1900, and 556,808 in 1950. In 2010, it had 3,095,313 residents, the most populous of the border region counties. Its population growth was strongest during the 1950s (476,000), 1970s (504,000), and 1980s (636,000). During each of these decades, it experienced net migration in excess of 325,000, peaking at 419,000 in the 1980s. Net migration accounted for two-thirds of the population gain during these decades. Net migration dropped sharply after the 1980s; it was slightly negative in the 1990s and marginally positive during the 2000s. Net migration has been strongly concentrated among those 18-to-29 years old. Net inflows continue in this age group, while net out-migration has occurred in most other age groups since 1990.

San Diego County is coincident with the San Diego-Carlsbad metropolitan area and with the U.S. portion of the San Diego-Tijuana urban area defined for this study. The city of San Diego is the county seat; it had a population of 1.3 million in 2010 (42 percent of the county total). The downtown area of the city is located about 20 kilometers north of the international border, but



the city limits extend to the border with Tijuana. The developed area extends north of San Diego through several smaller cities to Camp Pendleton, a Marine Corps Base that occupies the northern-most portion of the county's coastal strip.

Camp Pendleton is just one of several military installations in the county. The Marine Corps has two other installations in the city of San Diego and the U.S. Navy has multiple facilities in the county, mostly in the city of San Diego. Approximately 100,000 active-duty military personnel are stationed in the county. The harbor and the county's location at the southwestern corner of the mainland United States account for the large military presence.

A number of other populous cities are located in San Diego County, to the north or east of the city of San Diego. Chula Vista is the most populous, with 243,916 residents in 2010. Oceanside, Escondido, Carlsbad, El Cajon, Vista, and San Marcos each had at least 80,000 residents.

### **Transportation Infrastructure**

The developed portion of San Diego County has a network of freeways, including Interstates 5 and 15 that head north to the Los Angeles area and beyond. The Interstate 8 freeway runs east from San Diego through Imperial County into Arizona. Several two- and four-lane state highways serve the less developed central and eastern portion of the county.

At the border, the San Diego and Imperial Valley Railroad, which operates short-line tracks in the San Diego area, meets the Baja California Railroad, a short-line operation from Tijuana to Tecate. BNSF Railway operates tracks heading north from San Diego to Long Beach, where it junctions with other lines.

The major airport in the entire border region is San Diego International, designated as a large-hub primary airport, located on San Diego Bay near downtown. It ranked 28th nationally on enplanements and 34th on landed cargo weight in 2012. McClellan-Palomar Airport in Carlsbad is a nonhub primary airport that ranked 271st on enplanements. Four airports are designated as relievers, five are general aviation, and six are other public use facilities. The county also has 39 private airfields.

### **Border Crossings**

San Diego County has three border crossings; each is a separate U.S. port of entry. Two crossings link San Diego County to Tijuana Municipio. The San Ysidro crossing is the most westerly border crossing, linking I-5 and Mexican Route 1, a divided highway running south to Ensenada and beyond. Commercial traffic (trucks) are not allowed at the San Ysidro crossing. The short-line railroad crosses the border in San Ysidro. Among individuals crossing by foot and as passengers, San Ysidro was the most heavily used of the 25 ports with border crossings in 2012. The number of individuals crossing the border between 1997 and 2001 increased more on a percent basis than the border region total; the decrease between 2007 and 2012 was a little smaller than the average port.

The Otay Mesa crossing is several kilometers east of San Ysidro. It has a freeway link to I-5 and I-805 and is only a short distance from Mexican Route 2, a divided highway which runs to the east through Mexicali. Among the 25 ports in 2012, Otay Mesa ranked second on the number of

trucks, and fourth on the number of individuals, crossing the border. It was the only port to experience an increase in the number of individuals crossing the border between 2007 and 2012; the percent changes have been higher since 1997. The number of trucks crossing the border increased at an above-average rate between 1997 and 2001, but rose less than average between 2001 and 2007.

The third crossing is at Tecate, about 45 kilometers east of Otay Mesa. Hardly anyone lives near the crossing in the United States; the city of Tecate in Tecate Municipio is a short distance from the border. The crossing is not heavily used, ranking 12th on the number of trucks, and 15th on the number of individuals, crossing the border among the 25 ports in 2012. It is a short distance from California Route 94, a two-lane mountainous road that travels to I-8 to the east and northwest, and from Mexican Route 2. After experiencing a large decrease in the number of individuals crossing the border between 1997 and 2001, the rate of decrease since then has been less than the border region total. Tecate experienced a decrease between 1997 and 2001, and a significant drop between 2007 and 2012, in the number of trucks crossing the border.

Combining the data for 2012 on the amount of cross-border traffic entering the United States through San Diego County, the number of passengers and pedestrians was the highest by a wide margin among the 16 counties with border crossings. On a per capita basis, however, the number of individuals crossing the border ranked 14th. The per capita number of individuals crossing the border rose more between 1997 and 2001 and decreased less from 2001 to 2012 than the border region total based on percent change; the county ranked among the top five in each of the three time periods between 1997 and 2012.

The number of trucks crossing the border into San Diego County in 2012 ranked second behind Webb County, Texas (Laredo). However, the per capita number of trucks ranked only 14th among the 16 counties. The percent change in the per capita number of trucks entering the United States through San Diego County between 1997 and 2012 was about equal to the figure for the entire border region, with the change close to average in each of the three component time periods, ranking from seventh to ninth.

Of the seven counties with active rail crossings between the United States and México, the amount of traffic was the least through San Diego County; the per capita figure also ranked seventh. No loaded containers entered San Diego County in 2012. Following an increase in the number of trains between 1997 and 2001, cross-border train traffic declined between 2001 and 2012, with the percent change in the county comparing unfavorably to the totals for the border region.

### **Trade Values**

In addition to the three ports physically located on the border, traded goods also pass through the port of San Diego. Its import and export values were extremely low, ranking 24th for exports and 19th for imports among the 27 ports in the border region (the 25 ports along the border plus San Diego and Tucson). Inflation-adjusted values fell between 2004 and 2013, particularly for imports, compared to large gains in the entire border region in the value of trade between México and the United States. In 2013, imports arrived via various modes while exports were predominantly sent by air. Seventy percent of the exports were electrical machinery and

equipment or instruments, while 53 percent of the imports were in the special classifications category.

Hardly any imports entered the United States through the San Ysidro port and the value of exports was only 0.1 percent of the U.S. total in 2013, ranking 17th among the 27 ports. The inflation-adjusted value of exports rose at a below-average rate between 2004 and 2013, while the value of imports dropped to near zero. Virtually all of the traded goods in 2013 were transported by rail. Fuels accounted for 64 percent of the exports; all of the imports were in the special classifications category.

Otay Mesa ranked third among the 27 ports in 2013 on the value of both imports (8.2 percent of the U.S. total) and exports (5.8 percent of the total) with México. The inflation-adjusted value of both imports and exports rose at a below-average rate between 2004 and 2013. Nearly all of the exports and imports were transported by truck in 2013. The exports consisted of many kinds of commodities, while 58 percent of the imports were electrical machinery and equipment, or instruments.

In the Tecate port, the value of both imports and exports was only 0.1 percent of the U.S. total in 2013, ranking in the middle of the 27 ports. The inflation-adjusted value of both imports and exports dropped considerably between 2004 and 2013. In 2013, all of the imports and nearly all of the exports were transported by truck. The exports consisted of many kinds of commodities, while half of the imports were electrical machinery and equipment, or knitted apparel.

The values of imports and exports passing through San Diego County in 2013 each ranked third among the 16 counties with border crossings. The ratio of export-to-import value was only 0.59, third lowest. The net export value was the largest negative among the 16 counties. On a per capita basis, the values of imports and exports each ranked only 12th; the per capita net export value was in the middle of the 16 counties. The 2004-to-2013 inflation-adjusted percent change in export value was less than one-third of the border region total, ranking 12th. The change in import value also was below average, but ranked eighth. The ranks were similar on a per capita basis.

## **Economy**

San Diego County has the largest and most diverse economy in the border region. The overall location quotient is a little more than 1 based on the GDP and BEA employment datasets.

The low per capita volumes of cross-border traffic and below-average per capita trade values do not significantly boost the location quotients of the sectors affected by trade. Retail trade, wholesale trade, and transportation and warehousing all have figures below 1 in San Diego County. A summary by sector follows.

- Agriculture. The location quotient is less than 0.5 based on all three datasets.
- Mining. The LQ is 0.3 or less based on all three datasets.
- Utilities. The LQ is 1.3 based on GDP and BEA employment, but only 0.9 based on Business Patterns employment. However, the latter dataset indicates that natural gas distribution has a LQ of 5.8 and provides moderate excess employment.

- Construction. The LQ is a little above 1 based on GDP and Business Patterns employment but is 0.9 based on BEA employment. According to Business Patterns, moderate excess employment is present in the special trade contractors subsector and a smaller amount exists in the construction of buildings subsector.
- Manufacturing. The LQ is about 0.8 based on each dataset. However, an excess occurs in the electronic equipment and other transportation equipment subsectors based on GDP. Based on Business Patterns employment, a moderate level of excess employment is present in ships, aerospace, and pharmaceuticals, with lesser amounts in turbines, computers, communications equipment, semiconductors and other electronic equipment, instruments, medical equipment, and sporting goods.
- Wholesale trade. The LQ is less than 0.9 based on GDP and BEA employment but is slightly more than 1 based on Business Patterns employment. The latter dataset indicates the LQ exceeds 1 in six of the 19 wholesale trade industry groups, with significant excess employment in electronic equipment and smaller excesses in professional and commercial equipment and in miscellaneous nondurables.
- Retail trade. The LQ is slightly more than 1 based on GDP but is less than 0.95 based on the two employment datasets. Business Patterns indicates small excesses are present in the clothing and electronics subsectors. The adjustment of retail trade employment for the level of per capita personal income had mixed results. Based on Business Patterns employment, retail trade has somewhat more employment than expected, suggesting that Mexican shoppers might have some effect — but the relatively high volume also could be due to American tourists. Based on Bureau of Economic Analysis employment, retail trade employment is marginally less than predicted.
- Transportation and warehousing. The LQ is between 0.4 and 0.5 on all three measures.
- Information. The LQ is less than 1 based on GDP and BEA employment but is more than 1.1 based on Business Patterns employment. The latter indicates that moderate excess employment is present in the software publishers and data processing activities.
- Finance and insurance. The LQ ranges from less than 0.7 based on GDP to about 0.9 based on the two employment datasets.
- Real estate and rental. The LQ ranges from 1.3 based on BEA employment to 1.6 based on GDP. The latter dataset indicates a large excess exists in the real estate subsector, with a slight excess in the rental and leasing subsector. Business Patterns employment also shows a large excess in real estate, but no excess in rental and leasing.
- Professional, scientific and technical services. The LQ is high, ranging from 1.5 based on Business Patterns employment to 1.7 based on GDP. The Business Patterns dataset indicates an excess is present in seven of the nine subsectors, including a very large excess in scientific research and development and a large excess in advertising and public relations. Moderate excesses exist in the architecture and engineering, and legal services subsectors, while the excesses are smaller in computer design services, management consulting, and miscellaneous other.
- Management of companies. The LQ is between 0.8 and 0.9 on all three measures.
- Administrative support and waste management. The LQ is a little above 1 based on GDP and BEA employment but is 0.95 based on Business Patterns employment. The latter indicates a small excess in several administrative support activities.

- Educational services. The LQ is about 1 based on GDP and BEA employment but is only 0.8 based on Business Patterns employment. The latter shows a small excess in technical and trade schools.
- Health care and social assistance. The LQ is near 0.9 based on GDP and is 0.8 based on the two employment datasets.
- Arts, entertainment and recreation. The LQ ranges from 1.2 on based on BEA employment to 1.5 using Business Patterns employment. Based on the latter, a moderate excess is present in gambling activities, with lesser figures in zoos and botanical gardens, theme parks, and fitness centers.
- Accommodation and food services. The LQ ranges from 1.15 to 1.3. Accommodation has a larger excess than food services based on both GDP and Business Patterns employment, but the latter indicates that both subsectors have a large figure.
- Other services. The LQ is slightly above 1 on all three measures. Business Patterns employment indicates that multiple activities have small excesses, with the largest in grant-making organizations.
- Government. The overall LQ is close to 1.7 based on GDP and 1.4 based on BEA employment. The military LQ is 5.1 based on BEA employment and 6.1 based on GDP. The BEA excess is larger than that of any other activity while the GDP excess is slightly less than real estate. The federal civilian government LQ is 1.6 on both measures, with a moderately high excess. The state and local government LQs are less than 1 (despite the presence of two large state universities — the University of California at San Diego and San Diego State University — and a state prison).

Based on the excesses, the federal government, particularly the military, is the most important base activity in San Diego County. High-technology activities play a key role, given the excesses in scientific R&D; manufacturing of pharmaceuticals, medical equipment, instruments, computers, communications equipment, electronics, aerospace, and ship building; wholesaling of electronics and of professional and commercial equipment; and software development, data processing, and computer design services. Tourism is another important base activity, as reflected in the excesses in the accommodation and food services, and arts, entertainment and recreation sectors.

As seen in the following table of selected indicators, San Diego County, which has the most highly educated populace, compares very favorably to other border region counties on socioeconomic measures other than the unemployment rate.

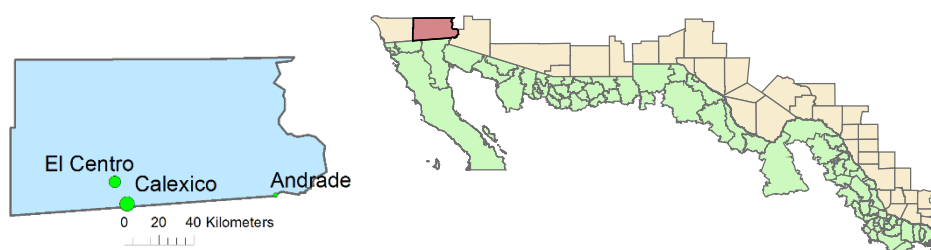
### SAN DIEGO COUNTY INDICATORS

	Value	Rank*
Median Age (years)	34.6	20
Mean Years of Schooling, Age 25 or Older	13.5	1
Labor Force Participation Rate, Age 20 to 64 (%)	78.4	3
Unemployment Rate, Age 20 to 64 (%)	8.5	17
Employment-to-Population Ratio (%)	44.7	7
Poverty Rate (%)	13.9	4
Median Earnings (\$)	36,130	1
Median Household Income (\$)	63,373	1
Per Capita Income (\$)	30,683	1

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Imperial County (Calexico Urban Area)



Imperial County is in the southeastern corner of California, east of San Diego County and west of Yuma County, Arizona. All of the county is within 100 kilometers of the international border. Its southern border is shared with Baja California: the western one-fourth with Tecate Municipio and the balance with Mexicali Municipio.

While Imperial County's land area of 10,817 square kilometers — ninth largest of the 37 border region counties — is almost as large as San Diego County, it has only 6 percent as many residents. The Imperial Valley, in the south-central portion of the county and extending into México, is partially below sea level. It receives very little rain but was turned into an agricultural area through irrigation from the Colorado River, which forms the county's eastern boundary. The rest of the county is a hot desert, dotted with mountain ranges, except for the northwestern portion, which is covered by the Salton Sea. A Native American reservation is located in the southeastern corner of the county.

The area was first visited by Europeans in 1540 but was not settled until the early 19th century, and then only at a small scale. The creation of an irrigation system in the early 1900s spurred growth. The county was created in 1907 out of the eastern part of San Diego County. The county took its name from the Imperial Valley, which in turn was named after the Imperial Land Company.

## **Population and Transportation Infrastructure**

The population of Imperial County was 13,591 in 1910. It reached 62,975 in 1950 and 174,528 in 2010, when its population size ranked ninth of the border region counties. Population growth accelerated after the 1960s, when net out-migration swung to net in-migration. Population gains were strongest in the 1990s and 2000s at about 33,000 in each decade, with net migration around 13,000 in each decade. Net migration is strongest among those 30-to-34 and 10-to-14 years of age; net out-migration occurs among those 20-to-24 and 0-to-4 years old.

Imperial County is coincident with the El Centro metropolitan area and with the U.S. portion of the Calexico-Mexicali urban area defined for this study. El Centro, the county seat, is the most populous of the county's seven cities, with a 2010 count of 42,598. It is located about 15 kilometers north of the international border along the Interstate 8 freeway. Calexico, the second-most populous city with 38,572 residents, is southeast of El Centro. It is located directly on the border across from Mexicali, Baja California. Brawley, north of El Centro via a state highway, has a population of 24,953.

Interstate 8 travels east-west near the international border. Several two- and four-lane state highways also serve the county. State Route 111, a four-lane divided highway, connects the international border at Calexico to El Centro and I-8.

Union Pacific Railroad's Sunset Route passes through Imperial County from northwest to southeast. A spur runs south through El Centro and Calexico, interchanging with Ferromex tracks in Mexicali.

Imperial County Airport, located in Imperial north of El Centro, is designated as a nonprimary commercial service facility. It ranked 470th nationally on enplanements in 2012. General aviation airports are located in Brawley and Calexico. Other public-use airports are located in Calipatria, Holtville, and at the Salton Sea. Six private airfields also are present.

## **Border Crossings**

Imperial County has three border crossings; each is a separate U.S. port of entry. Two border crossings — Calexico and Calexico East — connect the cities of Calexico and Mexicali. Commercial vehicles (trucks) are not allowed at the Calexico crossing, which is heavily used by individuals, ranking fifth in 2012 among the 25 ports with border crossings. The number of individuals crossing the border decreased more than the border region total between 1997 and 2007, but the drop between 2007 and 2012 matched the average.

The Calexico East crossing ranked fifth on the number of trucks crossing the border in 2012; the rank was sixth for loaded trucks and fourth for empty trucks. The number of trucks crossing the border rose substantially between 1997 and 2001 and at an above-average pace between 2001 and 2007. However, the number of crossings did not change between 2007 and 2012, compared to a small gain in the border region as a whole. Calexico East ranked 10th on the number of individuals crossing the border in 2012. Following a large increase in number between 1997 and 2001, the percent decline in individual crossings between 2001 and 2012 was not as large as the border total.

In addition to California Route 111, the two Calexico crossings also are close to California Route 98, a two-lane road that connects to I-8 to the west and east. The crossings are several kilometers from Mexican Routes 2 and 5, each a divided highway. The former travels east-west; the latter travels to the south.

The third crossing is between Andrade, near the eastern edge of the county, and Los Algodones in Mexicali Municipio. Though only a short distance from I-8, the crossing is farther from Mexican Route 2. Among the 25 ports in 2012, it ranked 16th on the number of individuals, and 20th on the number of trucks, crossing the border. Its use by trucks has dropped considerably over time, ranking near the bottom in each of the three time periods between 1997 and 2012. The decrease in individual crossings between 2007 and 2012 also was larger than average.

Combining the data for 2012 on the amount of cross-border traffic entering the United States through Imperial County, the number of passengers and pedestrians ranked third among the 16 counties with border crossings, both in total and per capita. Following a larger-than-average percent decline decline in crossings between 1997 and 2007, ranking 13th, the decrease was a bit less than average between 2007 and 2012, ranking seventh.

The number of trucks crossing the border into Imperial County in 2012 ranked fifth; the rank was fourth on a per capita basis. The percent change in the per capita number of trucks entering the United States through Imperial County between 1997 and 2012 was a little above the figure for the entire border region, but after stronger-than-average growth in the county between 1997 and 2007, a larger-than-average decline occurred between 2007 and 2012, ranking 10th.

The railroad crossing at Calexico East was the sixth-most used of the seven international rail crossings, on both an unadjusted and per capita basis. Following a large percent increase in the number of trains crossing the border between 2001 and 2007, a significant decrease occurred between 2007 and 2012, with the percent change the worst of the seven crossings.

### **Trade Values**

Hardly any imports entered the United States through the port of Calexico and the value of exports was only 0.1 percent of the U.S. total in 2013, ranking 15th among the 27 ports in the border region. Though still modest, the value of exports surged between 2004 and 2013. In 2013, the exports were shipped via truck (81 percent) or rail (19 percent). The exports were varied, with a disproportionately high share consisting of food. All of the imports were machinery and mechanical appliances.

The Calexico East port had a moderately high level of trade in 2013, ranking ninth with about 2.6 percent of the U.S. total of the value of both imports and exports with México. Though the inflation-adjusted value of imports and exports increased between 2004 and 2013, the gains were substantially below average. More than 95 percent of the goods were moved by truck in 2013. Electrical machinery and equipment made up a disproportionately large share of both imports and exports.



No imports and hardly any exports passed through the Andrade port in 2013. The export value dropped substantially between 2004 and 2013. Ninety-three percent of the exports were shipped by truck, with plastics accounting for 66 percent of the value.

The value of exports passing through Imperial County in 2013 ranked ninth among the 16 counties with border crossings; imports ranked eighth. The per capita ranks were one rank higher. The ratio of export-to-import value was 0.82, in the middle of the 16 counties; the net export value also was in the middle, but ranked 12th on a per capita basis. The 2004-to-2013 percent change for both exports and imports was positive, but well below average, each ranking 13th. The ranks were the same on a per capita basis.

### **Economy**

The overall location quotient for Imperial County is very low at 0.7 based on BEA employment and 0.6 based on GDP, but certain activities have high LQs. The LQ for farming is 2.2 based on BEA employment and 8.7 based on GDP. The figure in the federal civilian government subsector is 1.5 based on BEA employment and 1.7 based on GDP. Local government also has a LQ of 1.5. State government has a LQ of slightly more than 1.0 due to the presence of two state prisons in the county. Otherwise, only the utilities sector has a LQ above 1, with a figure between 1.1 and 1.5 from the three datasets.

While per capita levels of cross-border traffic are above average, per capita trade values are only average. Thus, the location quotients of the sectors affected by international trade — retail trade, wholesale trade, and transportation and warehousing — all have figures considerably below 1 in Imperial County. However, truck transportation has a GDP LQ above 1. Based on Business Patterns employment, the freight transportation industry group and three of 19 wholesale trade industry groups, including miscellaneous nondurables and farm supplies, have a location quotient greater than 1. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has more employment than expected, suggesting that Mexican shoppers might have some effect.

Though the sectoral LQs are substantially below 1, two manufacturing subsectors — food and nonmetallic mineral products — have LQs greater than 1 based on GDP. Based on Business Patterns employment, two manufacturing activities — animal slaughtering (within the food subsector) and aircraft manufacturing — have very high LQs. Each of these industries consists primarily of one very large establishment. Other activities with high LQs based on Business Patterns employment include gold mining and electric power generation.

Excess employment and excess GDP in Imperial County is greatest in local government and agriculture. Adjusted retail trade, federal civilian government, aircraft manufacturing, and animal slaughtering industries provide lesser amounts of excess employment. Small amounts of excess employment occur in the wholesaling of miscellaneous nondurables, electric power generation, and gold mining.

Thus, agriculture is the most important part of the economic base, followed by the federal government, two manufacturing industries, and possibly retail sales made to Mexicans.

As seen in the following table of selected indicators, Imperial County does not compare favorably to other border region counties on labor force/employment-related measures.

**IMPERIAL COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	31.8	28
Mean Years of Schooling, Age 25 or Older	11.1	20
Labor Force Participation Rate, Age 20 to 64 (%)	66.6	30
Unemployment Rate, Age 20 to 64 (%)	16.6	36
Employment-to-Population Ratio (%)	33.6	31
Poverty Rate (%)	23.0	16
Median Earnings (\$)	26,831	9
Median Household Income (\$)	41,255	8
Per Capita Income (\$)	16,667	22

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## **ARIZONA**

The southern border of Arizona is shared with México, entirely with Sonora. The far southern portion of Arizona's western border is shared with Baja California. Arizona has 15 counties. Four counties — Yuma, Pima, Santa Cruz, and Cochise — are in the border region; each shares the international border.

With a land area of 294,207 square kilometers, Arizona is the smallest of the four border states, accounting for 17 percent of the border states' land area and 3 percent of the national total. Elevations and precipitation in Arizona's border region rise from west to east. The border region is bounded on the west by the Colorado River, which irrigates the land around Yuma. This part of the state receives as little as 5 centimeters of precipitation and consists of lowlands with widely spaced low mountains. It is part of the Sonoran Desert and sparsely vegetated. In the eastern portion of the border region, mountains are larger and closer together, separated by mid-elevation valleys. The Santa Cruz and San Pedro rivers flow north through two of these valleys.

Spanish explorers reached Arizona as early as 1539, when Marcos de Niza visited the southern part of the state. Melchor Díaz quickly followed to verify the claims made by de Niza of fantastic riches; Díaz reached the state by land and crossed the Colorado River at what became the city of Yuma. The extensive exploration by Francisco Vázquez de Coronado that began in 1540 had a land portion that passed through eastern Arizona and a sea portion that proceeded up the Colorado River as far as the Gila River. In 1604-05, Juan de Oñate traveled from northern New Mexico across northern Arizona to the Colorado River, which he followed south.

The next significant explorations were led by Father Eusebio Kino as part of his efforts to settle the "Alta Pimeria" area of western Sonora that extended into Arizona. As well as establishing a land route to California, crossing the Colorado River, he founded several missions in the border region, including two in Arizona along the Santa Cruz River: Tumacacori in 1691 and San Xavier del Bac in 1692. Presidios also were built in these areas. Settlement was hampered by the remote nature of the area and by attacks by Native Americans, particularly the Apache, who lived in the southeastern part of what was to become Arizona. As a result, very few Spanish or mestizos settled in Arizona. The origin of the state's name is uncertain, but likely is the Spanish version of a Native American term.

Following the end of the Mexican-American War in 1848, Arizona was combined with New Mexico into one U.S. territory. Arizona's land area increased considerably with the Gadsden Purchase in 1853, which shifted the international border from the Gila River to its current position. Nearly all of the state's border region consists of land that was part of the Gadsden Purchase.

### **Population of Arizona**

The population of the Arizona portion of the territory was 6,482 in 1860. The New Mexico-Arizona territory was split in 1863. In 1870, the population of Arizona was 9,658, of whom three-fourths resided in the border region.

The population of Arizona began to increase more rapidly in the 1870s, as raids by Native Americans became less common due to the presence of the U.S. military. The southeastern part

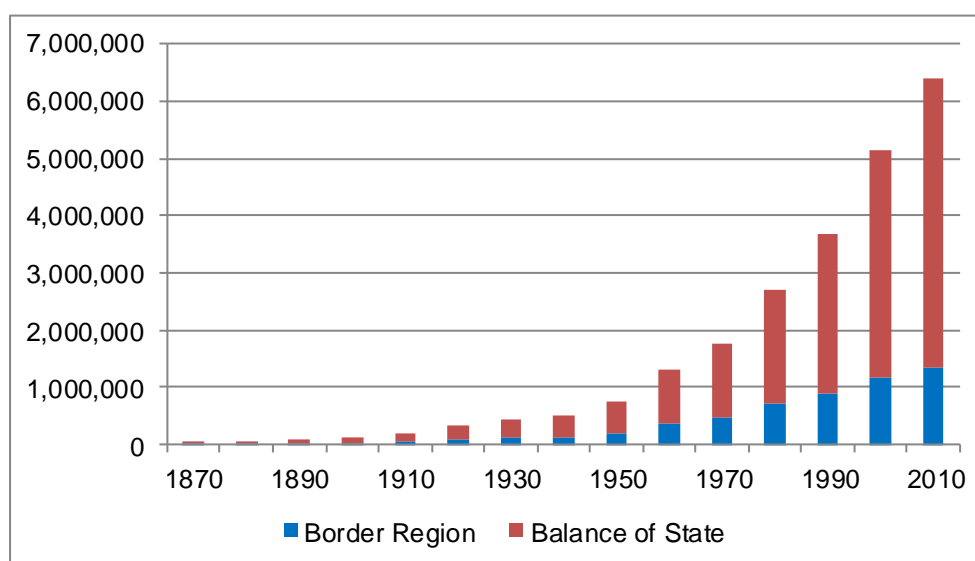
of the state was a major ranching area from 1873 until 1891, when drought and overgrazing decimated the herds. Numerous mining claims also brought settlers. The arrival of the railroad in 1880 was another growth stimulus. Population centers outside of the border region, particularly around Phoenix, began to grow rapidly. By 1900, the state's population was 122,931. Arizona did not become a state until 1912, when its population exceeded 200,000. By 1950, the state had 749,587 residents, a figure that swelled to 6.4 million in 2010. The population change was close to 1 million in the 1970s and 1980s. It increased to nearly 1.5 million during the 1990s but was 200,000 lower during the 2000s. The history of the population of Arizona is shown in Chart 3. In the 1940s, the population had not been greater than in New Mexico but by 2010 it was three times as much.

Net migration accounted for more than 60 percent of Arizona's population change between 1950 and 2010. During the 1990s, net migration exceeded 1 million, but the figure fell back to less than 800,000 during the 2000s. Numerically, net migration has been highest among those 18-to-34 years old. In addition, a substantial number of people move to the state at retirement age; the migration rate has been highest among those between the ages of 60 and the low 70s.

The border region's high share of the state's population in 1870 quickly dropped to one-fourth by 1890, then held at about that level for a century before declining to 21 percent in 2010 (see Chart 4). The settlement of the border region of the state prior to the settlement of the balance of the state, and the declining share of the population living in the border region, is contrary to the pattern in the other three U.S. border states.

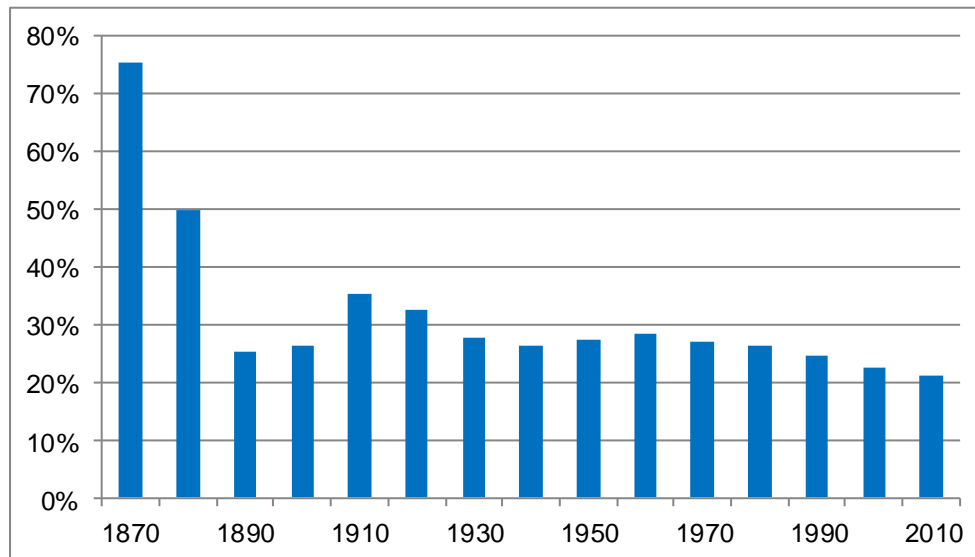
Three metropolitan areas are located in the border region. The Tucson metro area, consisting of Pima County, had 980,263 residents in 2010. The Tucson metro area is the larger part of the Tucson-Nogales consolidated area, which includes Santa Cruz County; the consolidated area is

**CHART 3  
NUMBER OF RESIDENTS OF ARIZONA**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

**CHART 4**  
**BORDER REGION SHARE OF THE POPULATION OF ARIZONA**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

coincident with the U.S. portion of the Tucson-Nogales urban area defined for this study. The Yuma metro area consists of Yuma County and is coincident with the U.S. portion of the Yuma-San Luis Río Colorado urban area defined for this study. It had 195,751 residents in 2010. The newly defined Sierra Vista-Douglas metro area, with 131,346 residents in 2010, consists of Cochise County and is coincident with the U.S. portion of the Douglas-Agua Prieta urban area defined for this study.

The largest population center in Arizona is the Phoenix metropolitan area, with 4.2 million residents; it is located in the central part of the state, outside of the border region. Three metro areas, each with less than 225,000 residents, are in the northern part of the state: Flagstaff, Lake Havasu City-Kingman, and Prescott.

#### **Transportation and Trade in the Border Region of Arizona**

Interstate 8 enters Arizona in the border region at Yuma but otherwise is north of the border region on its way to the junction with I-10, which runs through the northern portion of the border region between Tucson and New Mexico. I-19 branches off from I-10 in Tucson and travels south to the border at Nogales. Otherwise, the border region largely is served by two-lane state and federal highways.

The Union Pacific Railroad's Sunset Route, which connects Los Angeles to New Orleans, generally runs parallel to Interstates 8 and 10. A Union Pacific rail line extends south from Tucson to the border at Nogales, where it meets a Ferromex line. The Ferromex rail line follows a route similar to Mexican Route 15, which extends into the central part of the country. Thus, one of the seven active international rail crossings is in Arizona.

The major airport in the border region of Arizona is Tucson International, located within the city of Tucson. It is designated as a small-hub primary airport that also provides cargo services. Yuma International Airport is a nonhub primary airport served by commercial airlines.

Arizona has nine international border crossings for motor vehicles and pedestrians, at least two in each of the four counties that share a border with México. The two crossings in San Luis are combined into one U.S. port of entry, as are the three crossings in Nogales. The other four crossings are separate U.S. ports. Combining the data for the six ports in Arizona and comparing those totals to those of the other border states, cross-border commercial truck traffic into Arizona in 2012 ranked third among the four border states. The per capita number ranked fourth, though the per capita number of loaded containers ranked third. Cross-border train traffic ranked a distant second to Texas, and the number of individuals crossing the border ranked third, on both an unadjusted and per capita basis.

Based on the value of traded goods crossing the border in 2013, Arizona again ranked third: on both imports and exports on both an unadjusted and per capita basis. The ratio of the export-to-import value was only 0.64 in 2013, the same as in California but less than the 0.84-to-0.85 figures of New Mexico and Texas. The net export value was second highest on both an unadjusted and per capita basis.

Between 2004 and 2013, the percent change in the values of both imports and exports crossing the border in Arizona ranked second to New Mexico, on both unadjusted and per capita bases. Between 1997 and 2012, the per capita number of trucks crossing the border decreased, with the percent change the worst of the four states. However, the decline between 2007 and 2012 was average. The per capita percent change in train traffic between 1997 and 2012 was near average. The per capita number of individuals crossing the border did not decline as much as average between 1997 and 2007, but the drop from 2007 to 2012 was a little larger than average.

With the exception of the Nogales port, the volume of traffic crossing the border through Arizona's ports is not substantial. Based on the value of traded goods, the Nogales port ranks fourth among the 25 ports along the U.S.-México border. Nogales is an important international border crossing given its favorable transportation infrastructure of major highways and rail lines meeting at the border.

### **Economy of Arizona**

Arizona's economy is small compared to California and Texas, but is considerably larger than New Mexico. Arizona's overall location quotient ranges between 0.8 and 0.9 based on the three datasets, ranking third or fourth among the four border states. The location quotients by sector are shown in Table 4. A summary by sector follows.

- Agriculture. The location quotient is about 0.6.
- Mining. The LQ ranges from 0.7 to 0.9 across the three datasets. The LQ is very high in metal mining, mostly in copper mining, with a moderate excess.
- Utilities. The LQ is 0.9 based on Business Patterns employment but is slightly more than 1 based on the other measures. The excess is small.

**TABLE 4**  
**LOCATION QUOTIENTS BY SECTOR, ARIZONA, 2011**

	<b>GDP*</b>	<b>State Employ**</b>	<b>Employ***</b>	<b>Border Region</b>		<b>Balance of State</b>	
				<b>Employ**</b>	<b>Employ***</b>	<b>Employ**</b>	<b>Employ***</b>
TOTAL	0.82	0.88	0.90	0.82	0.76	0.90	0.93
Agriculture	0.66	0.58					
Mining	0.88	0.66	0.83		0.87		0.81
Utilities	1.01	1.03	0.94		0.92		0.95
Construction	1.08	0.88	1.09	0.73	0.90	0.92	1.14
Manufacturing	0.56	0.63	0.60		0.60		0.60
Wholesale Trade	0.80	0.86	0.78	0.50	0.47	0.95	0.86
Retail Trade	1.03	0.96	1.01	0.88	0.97	0.99	1.02
Transportation and Warehousing	0.83	0.78	0.88		0.59		0.96
Information	0.49	0.71	0.78	0.53	0.50	0.76	0.85
Finance and Insurance	0.89	1.03	1.06	0.65	0.54	1.13	1.20
Real Estate and Rental	0.92	1.20	0.98		0.84		1.02
Professional, Scientific & Technical Services	0.66	0.84	0.78	0.81	0.67	0.84	0.81
Management of Companies	0.47	0.69	0.68	0.38	0.34	0.77	0.77
Administrative Support	1.14	1.14	1.07	0.91	0.74	1.20	1.16
Educational Services	0.84	0.80	1.07	0.51	0.52	0.87	1.22
Health Care & Social Assistance	0.92	0.87	0.84	0.90	0.88	0.86	0.83
Arts, Entertainment and Recreation	0.80	0.85	0.97	0.75	0.93	0.87	0.98
Accommodation and Food Services	0.98	0.95	1.03	0.88	1.02	0.97	1.03
Other Services	0.77	0.79	0.76	0.77	0.76	0.79	0.75
Government	0.86	0.87		1.17		0.79	

Note: a blank indicates that the data are not available

\* Gross Domestic Product, 2011

\*\* Employment, 2011 BEA

\*\*\* Employment, 2011 Business Patterns

Source: U.S. Department of Commerce. Gross domestic product and BEA employment are from the Bureau of Economic Analysis; Business Patterns employment is from the Census Bureau.

- Construction. The LQ is nearly 1.1 based on Business Patterns employment and GDP but is less than 0.9 based on BEA employment. The excess in heavy and civil engineering construction is moderate, mostly in the power and communications lines industry group. A smaller excess is present in the specialty trade contractors subsector.
- Manufacturing. The LQ is only about 0.6 based on each dataset. However, a few of the subsectors have a LQ of more than 1, based on both GDP and Business Patterns employment. In particular, a relatively large excess exists in the computers and electronic products subsector — primarily in the semiconductors and search and detection instruments industries — and in the aerospace industry group (mostly in space vehicles but also in aircraft engines). A small excess is present in the medical equipment and supplies industry group.
- Wholesale trade. The LQ is 0.8 based on each of the three datasets. However, a moderate excess is present in the electronics equipment subsector.
- Retail trade. The LQ is slightly more than 1 based on GDP and Business Patterns employment and a little less than 1 based on BEA employment. The Business Patterns dataset indicates that moderate excesses are present in the supermarkets and warehouse clubs industries, with lesser excesses in some other activities.
- Transportation and warehousing. The LQ is about 0.8 on all three measures. However, the scheduled passenger air transportation industry provides a moderate excess.
- Information. The LQ is about 0.7 based on the two employment datasets but only 0.5 based on GDP.
- Finance and insurance. The LQ is slightly more than 1 based on the two employment datasets but is 0.9 based on GDP. Large excesses are present in two financial activities — real estate credit and financial transactions processing — with a lesser amount in credit card issuing.
- Real estate and rental. The LQ is a little less than 1 based on Business Patterns employment and GDP but is 1.2 based on BEA employment. The rental and leasing subsector has an excess based on GDP and various activities have small excesses based on Business Patterns employment.
- Professional, scientific and technical services. The LQ is 0.8 based on the two employment datasets and less than 0.7 based on GDP.
- Management of companies. The LQ is 0.7 based on the two employment datasets and less than 0.5 based on GDP.
- Administrative support and waste services. The LQ is about 1.1 based on all three datasets. Travel arrangement (mostly in the travel agents industry) and call centers each provide significant excess employment. A small excess is present in collection agencies and in activities that are not basic in nature.
- Educational services. The LQ slightly exceeds 1 based on Business Patterns employment but is only 0.8 based on the other measures. A moderate excess exists in the private colleges and universities industry and a small excess is present in the private technical and trade schools industry according to Business Patterns employment.
- Health care and social assistance. The LQ is between 0.8 and 0.9 based on the three datasets.
- Arts, entertainment and recreation. The LQ is about 0.8 based on the BEA employment and GDP measures but nearly 1 based on Business Patterns employment. Using the latter



dataset, a moderate excess is present in the golf courses industry and a small excess is due to gambling activities.

- Accommodation and food services. The LQ is near 1 based on all three datasets, slightly exceeding 1 based on Business Patterns employment. The excess in the hotels and motels industry is substantial.
- Other services. The LQ is 0.8 based on all measures.
- Government. The overall LQ is less than 0.9. The federal civilian LQ is 0.9 and the military LQ is 0.8. The state and local government figures are 0.9 or less.

The industries with the largest excess employment are displayed in Table 5.

Based on the excesses in tradable activities, high-technology manufacturing, “back-office” operations, and tourism are the most important to the Arizona economy. The high-tech manufacturing is primarily of semiconductors, search and detection instruments, and aerospace; wholesale trade of electronics also is important. “Back-office” operations include call centers, collection agencies, and financial operations — real estate credit, financial transactions

**TABLE 5**  
**INDUSTRIES WITH THE GREATEST EXCESS EMPLOYMENT, ARIZONA, 2011**  
**Excluding the Agriculture and Government Sectors**

<b>NAICS</b>	<b>Industry Title and Tradability*</b>	<b>Location Quotient</b>	<b>Excess Employment</b>
721110	<b>Hotels (except casino hotels) and motels</b>	1.38	11,099
452910	Warehouse clubs and supercenters	1.40	10,859
445110	Supermarkets and other grocery (except convenience) stores	1.20	9,901
336414	<b>Guided missile and space vehicle manufacturing</b>	13.05	9,234
561510	<b>Travel agencies</b>	5.03	8,821
522320	<b>Financial transactions processing, reserve, and clearinghouse activities</b>	4.21	8,319
522292	<b>Real estate credit</b>	2.76	8,108
237130	Power and communication line and related structures construction	2.70	7,114
481111	<b>Scheduled passenger air transportation</b>	1.87	6,886
561422	<b>Telemarketing bureaus and other contact centers</b>	1.94	6,817
212234	<b>Copper ore and nickel ore mining</b>	29.96	6,223
423690	<b>Other electronic parts and equipment merchant wholesalers</b>	1.99	5,923
611310	Colleges, universities, and professional schools	1.15	5,560
561330	Professional employer organizations	1.14	5,329
713910	<b>Golf courses and country clubs</b>	1.85	5,114
334511	<b>Search, detection, navigation, guidance, aeronautical, and nautical system and instrument manufacturing</b>	2.70	5,064
336412	<b>Aircraft engine and engine parts manufacturing</b>	4.27	4,479
561730	Landscaping services	1.37	3,985
334413	<b>Semiconductor and related device manufacturing</b>	2.95	3,982
522210	<b>Credit card issuing</b>	3.85	3,101

\* **Bold, shaded**: high proportion of tradable activity;  
**Bold, not shaded**: moderate proportion of tradable activity;  
Not bold, not shaded: low proportion of tradable activity

Source: Calculated from U.S. Department of Commerce, Census Bureau, Business Patterns, 2011.

processing, and credit card issuing. The impact of tourists and seasonal residents is seen in air transportation, accommodation, travel arrangement, some recreational activities, and some retail industries. Copper mining also is a significant contributor to the economy.

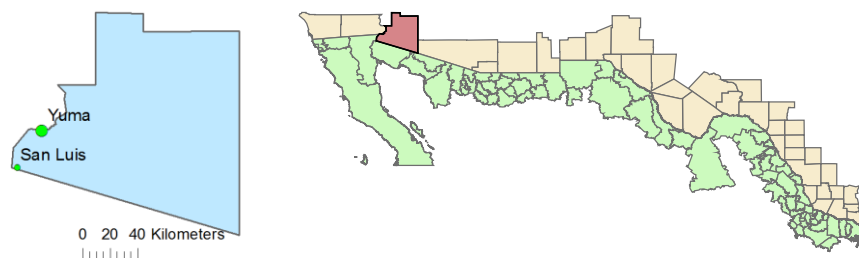
### **Economy of the Border Region of Arizona**

Significant differences in the economic composition are present between the border region and the balance of the state. The border region location quotients are near 2 in the military and federal civilian subsectors, but less than 1 in the balance of the state. In the border region, the LQ for accommodation and food services is near 1, but the figure is below 1 in each of the other sectors. In the balance of the state, the LQs are near or a little above 1 in several sectors. In most sectors, the LQ in the border region is considerably lower than in the balance of the state; the overall LQ is about 0.8 in the border region versus 0.9 in the rest of the state.

Excess employment in the border region of Arizona is greatest in the federal civilian subsector, closely followed by the military subsector. Based on the Business Patterns dataset, accommodation and food services also has excess employment, but of a much lesser amount. Thus, the economy in the border region is highly dependent on the federal government, with a contribution from tourism.

Pima County (the Tucson area) accounts for 75 percent of the border region employment in Arizona. Though still reflecting the federal government's importance, the economy of Pima County is more diverse than that of the other border counties, in which federal civilian government is a primary driving activity. Military installations in Yuma, Sierra Vista, and Tucson, agriculture in Yuma and Cochise counties, and wholesale trade and transportation and warehousing in Santa Cruz County are other important activities.

### **Yuma County (Yuma Urban Area)**



Yuma County is in the southwestern corner of Arizona, east of Imperial County, California and west of Pima County. About 85 percent of the county's land area and virtually all of its population are within 100 kilometers of the international border. The southern portion of the county's western border is with Mexicali Municipio of Baja California. Its southern border is shared with three Sonoran municipios: San Luis Río Colorado (the western 80 percent), Puerto Peñasco, and General Plutarco Elías Calles.

With a land area of 14,281 square kilometers, Yuma County is the fifth largest of the 37 border region counties. Most of Yuma County is a sparsely settled, very arid and hot low-elevation desert with numerous low mountain ranges, largely covered by wildlife refuges, a military proving grounds, and an air force bombing and gunnery range. The Gila River, which runs east to west through the county, allows extensive farming to occur, particularly in the Yuma Valley near the city of Yuma. The western boundary is the Colorado River, which supports agriculture southwest of the city of Yuma.

The area was first visited by Europeans in 1540. The area of the county south of the Gila River did not become part of Arizona until the Gadsden Purchase in 1853. Settlement of the county began about this time, boosted by the best natural crossing of the Colorado River at what became the town of Yuma. Steamboats traversed the river from the 1850s through 1870s and the transcontinental railroad reached the town of Yuma in 1878. The county, named after the Yuma (now known as Quechan) Native Americans, was created in 1864 as one of four original Arizona counties, but it lost territory in 1983 with the creation of La Paz County to the north.

### **Population and Transportation Infrastructure**

The population of Yuma County (including the area that is now La Paz County) was only 1,621 in 1870 and 4,145 in 1900. By 1950, the population reached 28,006. The population of the currently defined Yuma County of 195,751 in 2010 ranked eighth among the border counties. Population growth jumped to 53,100 in the 1990s but dropped back to 35,700 in the 2000s. Net in-migration has been experienced consistently since the 1940s, peaking in the 1990s. Net migration has been strongest among young adults (age 18 to 24) and those at retirement age (60 to 69).

Yuma County is coincident with the Yuma metropolitan area and with the U.S. portion of the Yuma-San Luis Río Colorado urban area defined for this study. The city of Yuma, located just south of where the Gila River flows into the Colorado River, is the county seat and the most populous place in the county with 93,064 residents in 2010, nearly half of the county total. San Luis, the second-most populous city with 25,505 residents in 2010, is about 35 kilometers southwest of Yuma. It is located on the border directly across from San Luis Río Colorado, Sonora.

Interstate 8 travels east-west, passing through the city of Yuma. U.S. Route 95 travels north-south, connecting the city of Yuma to the border at San Luis, but is a two-lane road.

Union Pacific Railroad's Sunset Route passes through Yuma County and the city of Yuma, generally paralleling I-8. Yuma International Airport is classified as a nonhub primary commercial service facility. It ranked 235th nationally on the number of enplanements in 2012. An airport for other public use is located in San Luis. Six private airfields also are present.

### **Border Crossings and Trade Values**

The two border crossings between the Yuma County city of San Luis and the Sonoran city of San Luis Río Colorado are combined into the San Luis U.S. port of entry; commercial trucks are not allowed at one of the crossings. Mexican Route 2 passes through San Luis Río Colorado a short distance from the crossings; it becomes a two-lane road east of the city. With the city of

Yuma being some distance from San Luis, the Andrade border crossing in Imperial County, California is closer.

Of the 25 ports with border crossings, San Luis ranked 13th on the number of trucks, and ninth on the number of individuals, crossing the border in 2012. The rank was 14th for loaded truck containers and 12th for empty containers. The number of trucks crossing the border dropped between 1997 and 2012, with the percent change ranking 16th. The percent change was below average in each of the three time periods between 1997 and 2012. In contrast, the number of individuals crossing the border increased more than average between 1997 and 2001 and dropped less than average between 2007 and 2012.

Among the 16 counties with border crossings, the number of passengers and pedestrians entering through Yuma County ranked eighth and the number of trucks crossing the border ranked 13th. On a per capita basis, the number of trucks ranked 15th and the number of individuals ranked eighth.

Yuma County has experienced a long-term decline in the per capita number of trucks entering the United States, ranking second-to-last on percent change among the 16 counties between 1997 and 2012, with low ranks in each of the three time periods. The percent change in the per capita number of individuals crossing the border was below average between 1997 and 2007, but the decrease between 2007 and 2012 was the smallest of the 16 counties.

The values of both imports and exports moving through the San Luis port in 2013 accounted for 0.3 percent of the U.S. total, each ranking 12th among the 27 ports in the border region. Between 2004 and 2013, the inflation-adjusted value of exports from San Luis rose considerably more than average but the value of imports increased much less than average. Nearly all of the goods were moved by truck in 2013. Electrical machinery and equipment made up a disproportionately large share of both imports and exports. A relatively high share of the imports consisted of foods, especially vegetables.

Import and export values in 2013 each ranked 12th among the 16 counties with border crossings; each ranked 13th on a per capita basis. The ratio of the export-to-import value was 0.73, a little below average. The net export value ranked seventh on both an unadjusted and per capita basis. Exports posted the fourth-highest percent change between 2004 and 2013, but the percent change in the import value ranked 12th. The ranks were the same on a per capita basis.

### **Economy**

The overall location quotient for Yuma County is very low at 0.7 based on BEA employment and 0.6 based on GDP, but the values are quite high for certain activities. The LQ for agriculture is 5.8 based on BEA employment and 8.6 based on GDP; the figure is quite high in the farming and agricultural support subsectors. The LQ is 2.0 in the federal civilian subsector and ranges from 3.2 to 3.6 in the military subsector. The Yuma Marine Corps Air Station and the Army's Yuma Proving Ground are located in Yuma County; approximately 4,000 active-duty military personnel are stationed at these facilities. Local government has a LQ of 1.1. Despite being the location of a large state prison, the state government LQ is extremely low.

No other sector has a LQ above 1, but several industries have a LQ greater than 1. Four of these are in the manufacturing sector: perishable prepared food, yarn texturizing, basic organic chemicals, and air conditioning and heating equipment. Three are in administrative support: facilities support, call centers, and collection agencies.

The low-to-moderate per capita volumes of traffic crossing the border and the below-average per capita trade values do not significantly boost the location quotients of the affected sectors. Retail trade, wholesale trade, and transportation and warehousing all have LQs considerably below 1 in Yuma County. However, the LQ exceeds 1 in five of the 19 wholesale trade industry groups — particularly groceries, farm supplies, and miscellaneous nondurables — but their excess employment is modest. The adjustment of retail trade employment for the level of per capita personal income had mixed results. Based on Business Patterns employment, retail trade has more employment than expected, suggesting that Mexican shoppers might have some effect — though the higher-than-predicted level could be due to the county's seasonal residents. However, based on Bureau of Economic Analysis employment, retail trade employment is somewhat less than predicted.

Excess employment and excess GDP in Yuma County are by far the greatest in the agriculture sector. The two federal government subsectors also contribute significant amounts. Otherwise, only the rental and leasing services subsector provides excess GDP. Based on Business Patterns employment, the various industries noted in the discussion of location quotients each provide relatively small amounts of excess employment.

Thus, agriculture and the federal government are the most important parts of the economic base, with a variety of other activities providing lesser contributions.

As seen in the following table of selected indicators, Yuma County ranks above average among the border region counties on socioeconomic measures, except for the unemployment rate and employment-to-population ratio.

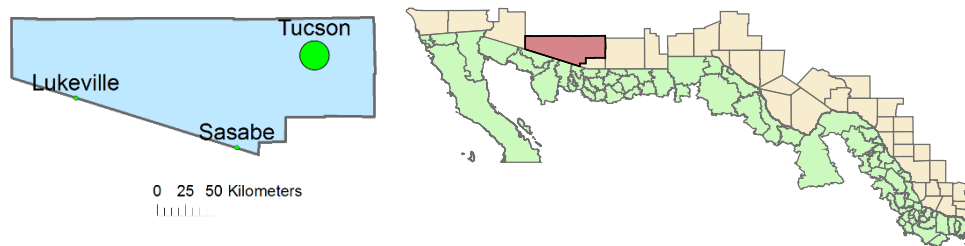
**YUMA COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	33.8	22
Mean Years of Schooling, Age 25 or Older	11.7	12
Labor Force Participation Rate, Age 20 to 64 (%)	71.9	15
Unemployment Rate, Age 20 to 64 (%)	11.6	31
Employment-to-Population Ratio (%)	34.4	30
Poverty Rate (%)	21.4	14
Median Earnings (\$)	25,898	11
Median Household Income (\$)	41,156	9
Per Capita Income (\$)	18,467	12

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Pima County (Tucson Urban Area)



Pima County is in south central Arizona, east of Yuma County and north and west of Santa Cruz County. More than 80 percent of the county's land area is within 100 kilometers of the international border. The southern border is shared with the state of Sonora, with part or all of four municipios: the eastern half is with General Plutarco Elías Calles Municipio; the rest is with Caborca, Altar, and Sáric municipios.

With a land area of 23,794 square kilometers, Pima County is the largest of the 37 border region counties by a considerable margin. Most of Pima County is a sparsely settled desert with numerous low mountain ranges, but the eastern part of the county is at a higher elevation with more extensive and higher mountains that are part of the Coronado National Forest. The Tohono O'odham Indian Reservation in the west-central part of the county accounts for more than 40 percent of the county's land area. While Pima County has an extensive border with México, this portion of the county is sparsely settled, with the land along the border almost entirely consisting of the Tohono O'odham Reservation and public lands, including the Cabeza Prieta National Wildlife Refuge, Organ Pipe National Monument, Buenos Aires National Wildlife Refuge, and Coronado National Forest.

Eusebio Francisco Kino, a Jesuit missionary, visited the Santa Cruz River valley (which extends from México north through Santa Cruz and Pima counties) in the early 1690s. He founded the Mission San Xavier del Bac in 1692 south of present-day Tucson. A military fort, Presidio San Agustín del Tucsón, was constructed north of the mission in 1775. Pima County did not become part of Arizona until the Gadsden Purchase in 1853. The county, named after the Pima (now known as Tohono O'odham) Native Americans, was created as one of the original Arizona counties in 1864, but lost territory in a series of county splits from the 1870s through the 1890s. The transcontinental railroad reached Tucson in 1880.

### Population and Transportation Infrastructure

The population of Pima County was 14,689 in 1900 and 142,216 in 1950. By 2010, its 980,263 residents ranked second among the border region counties. The population gain during the 1970s was 180,000; nearly as many were added during the 1990s. The county has consistently experienced net in-migration since the 1940s, with a peak of 137,000 during the 1970s. Net migration accounted for more than 60 percent of the population increase between 1950 and 2010. Numerically, net migration has been highest among those 18-to-24 years old, in part due to the presence of the University of Arizona. However, a substantial number of people move to the

county at retirement age; the migration rate has been highest among those between the ages of 60 and the low 70s.

Pima County is coincident with the Tucson metropolitan area. It forms the larger part of the Tucson-Nogales combined (which includes Santa Cruz County), which is coincident with the U.S. portion of the Tucson-Nogales urban area defined for this study. The city of Tucson, the county seat and the most populous place in the county with 520,116 residents in 2010, is in the northeastern part of the county at an elevation of about 760 meters, upwards of 100 kilometers from the international border. The county's four other incorporated places are adjacent to Tucson, but many of the residents of the developed area live in unincorporated areas. The name of Tucson derives from the Spanish name of the city, Tucsón, which was borrowed from the Tohono O'odham name meaning "at the base of the black hill."

The Interstate 10 freeway and the Union Pacific Railroad's Sunset Route pass east-west through Tucson. A spur line of the Union Pacific and I-19 run south from Tucson to the international border at Nogales. Two-lane state highways serve the rest of the county.

Tucson International Airport, located in the southern part of Tucson, is the major airport in the border region of Arizona. Classified as a small-hub primary airport, it had the second-highest number of enplanements in 2012 in the border region and ranked 65th nationally. It ranked 94th nationally and fifth in the border region on the landed weight of cargo. Two airports in the Tucson area are designated as relievers; a general aviation facility is in Ajo; and a facility designated for other public use is in Sells. The latter two towns are in the western part of the county. Nineteen private airfields are scattered around the county.

### **Border Crossings**

Located in rural areas, Pima County's two international border crossings are lightly used. Few people on either side of the border live near the two crossings, which are separate U.S. ports of entry. Arizona Route 85 and Mexican Route 8 meet at the Lukeville crossing in the western part of the county, used primarily by Americans traveling to the tourist town of Puerto Peñasco, Sonora. Mexican Route 2, another two-lane road, passes through Sonoyta, General Plutarco Elías Calles Municipio, which is across the border from Lukeville. The Sasabe crossing in the central part of the county is much closer to Tucson, but is not as close as the crossings in Nogales in Santa Cruz County. The crossing at Sasabe connects the two-lane Arizona Route 286 to a secondary road in Sásabe, Sáríc Municipio.

Of the 25 ports with border crossings, Lukeville ranked 23rd and Sasabe last on the number of individuals crossing the border in 2012. Hardly any trucks used these crossings. The number of individuals crossing the border at these ports increased at substantially above-average rates between 1997 and 2007, but dropped considerably between 2007 and 2012, ranking near the bottom of the ports. The number of trucks crossing the border increased between 1997 and 2001 but fell sharply between 2001 and 2012, ranking near the bottom.

Combining the data for 2012 on the amount of cross-border traffic entering the United States in 2012 through Pima County, the number of passengers and pedestrians, and the number of trucks,

was the least of the 16 counties with border crossings. The per capita numbers ranked last by a wide margin.

After an average increase between 1997 and 2001, the per capita number of trucks entering through Pima County between 2001 and 2012 dropped significantly, with the percent change ranking last among the 16 counties. The percent change in the per capita number of individuals crossing the border was above average from 1997 to 2007, ranking fourth, but the decrease between 2007 and 2012 was the largest of the 16 counties.

### **Trade Values**

In addition to the two ports physically located on the border, traded goods also pass through the port of Tucson. Its import and export values were extremely low, ranking 23rd for exports and 22nd for imports among the 27 ports in the border region. Between 2004 and 2013, the inflation-adjusted value of imports and exports from the Tucson port fell sharply, ranking near the bottom of the 27 ports. More than 95 percent of the shipments were by air in 2013. Aircraft and spacecraft accounted for 73 percent of the export value; instruments and works of art were responsible for 79 percent of the import value.

Hardly any imports entered the United States through the Lukeville port and the value of exports also was extremely low. The inflation-adjusted export value fell considerably between 2004 and 2013, ranking 25th. All of the imports and 78 percent of the exports were moved by truck in 2013. Machinery and mechanical appliances accounted for a disproportionate share of the exports. All of the imports were food products.

No imports entered the United States through Sasabe and the value of exports was extremely low. The inflation-adjusted export value fell sharply between 2004 and 2013, ranking 26th. All of the exports were moved by truck in 2013. A disproportionate share of the exports consisted of miscellaneous chemical products or oil seeds.

The values of imports and export passing through Pima County in 2013 each ranked last among the 16 counties with border crossings on both an unadjusted and per capita basis. Given the very small value of imports, the ratio of the export-to-import value was the highest of the 16 counties. The small positive net export value ranked fourth. The values of exports and imports each fell the most among the 16 counties between 2004 and 2013, on both an unadjusted and per capita basis.

### **Economy**

The overall location quotient for Pima County is low at 0.9 based on BEA employment and 0.7 based on GDP, but the LQ exceeds 1 in certain activities. The LQ is between 1.3 and 1.4 in three government subsectors: federal civilian, military, and state government. Approximately 6,500 military personnel are stationed at Davis-Monthan Air Force Base in Tucson. The University of Arizona largely accounts for the above 1 figure in state government, though a state prison also is located in Tucson. The LQ slightly exceeds 1 based on one or two of the three datasets in several other sectors, including mining and sectors impacted by tourists and seasonal residents.



In the mining sector, metal mining has a high LQ. Though the LQ in the manufacturing sector is considerably below 1, the figures exceed 1 in the search and detection instruments, the analytical laboratory instruments, and guided missile and space vehicle industries.

The very low per capita volumes of cross-border traffic and trade values do not have a significant effect on the affected sectors. The location quotients for retail trade, wholesale trade, and transportation and warehousing all are considerably below 1 in Pima County. Among the wholesale trade and transportation and warehousing activities, only rail transportation has a LQ greater than 1.

The adjustment of retail trade employment for the level of per capita personal income had mixed results. Based on Business Patterns employment, retail trade has more employment than expected, suggesting that Mexican shoppers might have some effect. Though at some distance from the border, Mexican shoppers do go to the Tucson area since it is the second-largest metro area near the border after San Diego. However, the Tucson area also has a sizable seasonal population of U.S. residents and considerable domestic tourism that contribute to the higher retail figures determined from the analysis. Based on Bureau of Economic Analysis employment, retail trade employment is only a little higher than predicted.

At the sectoral/subsectoral level, excess employment is the highest in state government, followed by federal civilian government and the military. Based on one of the two employment datasets, excess employment also is present in the accommodation and food services subsectors (particularly accommodation), and in the health care and social assistance, and administrative support sectors. Excess GDP is greatest in metal mining, followed by the federal civilian and military subsectors. At an industrial level, excess employment in the manufacturing of guided missiles and space vehicles is much higher than in state government, call centers also provide a greater excess than state government, and the excess in manufacturing of instruments and in metal mining is similar to that of the military.

Thus, the most important base economic activities in Pima County are diverse: manufacturing of guided missiles and space vehicles, call centers, the University of Arizona, the federal civilian government, tourism and seasonal residents, the military, manufacturing of instruments, and metal mining.

As seen in the following table of selected indicators, Pima County, which has a highly educated populace, compares favorably to other border region counties on socioeconomic measures, except for the unemployment rate.

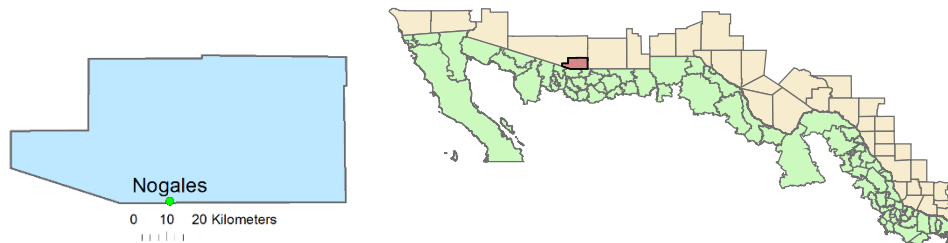
### PIMA COUNTY INDICATORS

	Value	Rank*
Median Age (years)	37.5	11
Mean Years of Schooling, Age 25 or Older	13.5	3
Labor Force Participation Rate, Age 20 to 64 (%)	74.8	10
Unemployment Rate, Age 20 to 64 (%)	9.0	19
Employment-to-Population Ratio (%)	42.7	8
Poverty Rate (%)	18.5	9
Median Earnings (\$)	29,732	3
Median Household Income (\$)	46,443	4
Per Capita Income (\$)	25,525	4

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Santa Cruz County (Tucson Urban Area)



Santa Cruz County is in south-central Arizona, south and east of Pima County and west of Cochise County. All of the county is within 100 kilometers of the international border. Its southern border is shared with three Sonoran municipios: the western 10 percent is with Sáric, most of the border is with Nogales, and the eastern 20 percent is with Santa Cruz.

With a land area of only 3,204 square kilometers, Santa Cruz County is one of the smaller of the 37 border region counties. Santa Cruz County consists of mid-elevation valleys (900-to-1,500 meters) and mountains, with more than half of the land area of the county in the Coronado National Forest. Wine is produced in the eastern part of the county.

Marcos de Niza was the first European to visit the area in 1539. Eusebio Francisco Kino, a Jesuit missionary, visited the Santa Cruz River valley (which extends from México north through Santa Cruz and Pima counties) in the early 1690s. He founded Mission Tumacácori north of Nogales, the first mission in Arizona. The Presidio de Tubac was built nearby in the mid-1700s. The area did not become part of Arizona until the Gadsden Purchase in 1853. The county, named after the Santa Cruz (“holy cross”) River coined by Father Kino, was formed in 1899 out of Pima County.

### **Population and Transportation Infrastructure**

Santa Cruz County had 4,545 residents in 1900. The population rose slowly to 9,344 in 1950 and then to 47,420 in 2010, ranking 15th among the border region counties. Population gains accelerated after the 1950s as net out-migration became net in-migration. The population gain during the 1980s was 9,200 and was nearly as much in the two following decades. The peak net migration was in the 1980s at 5,400. The county experiences a net outflow of those from 18-to-24 years old, but had strong net in-migration during the 2000s among those from 30-to-74 years old.

Santa Cruz County is coincident with the Nogales micropolitan area. Along with Pima County, it is part of the Tucson-Nogales combined area, which is coincident with the U.S. portion of the Tucson-Nogales urban area defined for this study. The city of Nogales, which translates as “walnuts,” is the county seat, located on the border directly across from Nogales, Sonora. Its 20,837 residents in 2010 accounted for close to half of the county total; nearly all of the rest of the population live in unincorporated areas.

Interstate 19 runs north from the city of Nogales to Tucson and I-10. A Union Pacific rail line follows the same route, joining the Sunset Route in Tucson. It meets a Ferromex line in Nogales. The only other significant roadway is Arizona Route 82, a two-lane road that travels northeast from Nogales into Cochise County; Arizona Route 83 branches off and connects to I-10 southeast of Tucson. The Nogales International Airport is a general aviation facility.

### **Border Crossings and Trade Values**

Three international border crossings are present in Santa Cruz County, connecting the cities of Nogales, Arizona and Nogales, Sonora. The railroad also crosses the border there. All are part of the Nogales U.S. port of entry. The Mariposa crossing is limited to commercial traffic (trucks). The DeConcini crossing (the location of the rail line) handles passenger vehicles and pedestrians. The Morley Gate crossing is limited to pedestrians. Mexican Route 15 connects to U.S. Interstate 19 in Nogales. Route 15 is a major highway, traveling south to the fruit- and vegetable-growing areas of southern Sonora and Sinaloa and eventually turns east, going through Guadalajara and Ciudad México.

Of the 25 ports with border crossings, Nogales ranked eighth on the number of individuals, and sixth on the number of trucks, crossing the border in 2012. The number of loaded truck containers ranked fifth; the number of empty containers ranked seventh. The number of individuals crossing the border dropped considerably between 2007 and 2012, following small gains between 1997 and 2007. The number of trucks crossing the border at Nogales increased at an average pace between 1997 and 2012.

Among the 16 counties with border crossings, Santa Cruz County ranked seventh in 2012 on the number of passengers and pedestrians entering the United States. The number of trucks ranked sixth. On a per capita basis, the number of trucks ranked second to Webb County, Texas (Laredo), the number of trains ranked second to Maverick County, Texas (Eagle Pass), and the number of individuals was the highest.

The percent change in the per capita number of trucks entering the United States through Santa Cruz County was below average from 1997 to 2001, ranking 13th, but was average between 2001 and 2012. The percent change in the per capita number of individuals crossing the border was average from 1997 to 2001, above average between 2001 through 2007 (rank of third), and below average between 2007 and 2012 (rank of 14th).

Among the seven active rail crossings, the number of trains crossing the border in 2012 ranked fourth, with loaded rail containers ranking third and empty containers fifth. The ranks were marginally higher on a per capita basis. The number of trains crossing the border at Nogales increased at an average pace between 1997 and 2012. The percent change in the per capita number of trains crossing the border was above average between 1997 and 2001 and between 2007 and 2012, but the percent change from 2001 through 2007 ranked last.

Nogales ranked fifth on the value of exports and fourth on the value of imports in 2013 among the 27 ports in the border region. The import share was 6.2 percent of the U.S. total; the export share was 4.6 percent. Between 2004 and 2013, inflation-adjusted values of imports and exports rose considerably more than average, with exports ranking fourth, and imports fifth, among the 27 ports. Fifty-six percent of the imports arrived by truck and 65 percent of the exports were transported by truck in 2013. Rail accounted for nearly all of the balance. The exports consisted of many kinds of commodities, with a disproportionately high share of ores. Vehicles and parts, vegetables, and fruits and nuts were relatively high shares of the imports.

The value of exports passing through Santa Cruz County in 2013 ranked fifth among the 16 counties with border crossings; the value of imports ranked fourth. The ratio of the export-to-import value was only 0.59, tied for third lowest. The net export value ranked 13th. On a per capita basis, exports ranked second and imports first, but net exports was last. The values of exports and imports both posted the third-highest percent change between 2004 and 2013. The ranks were the same on a per capita basis.

A new east-west freeway in northern México from Mazatlan in southern Sinaloa to Durango, which completes the route from the Gulf of California to Texas, likely will have a negative effect on truck traffic passing through Nogales. Not only are the Texas border communities closer than Nogales to southern Sinaloa, they are closer to the majority of the consumers in the eastern parts of the United States and Canada.

### **Economy**

The overall location quotient for Santa Cruz County is very low at 0.7, but certain activities have high LQs. The LQ approaches 4 in the federal civilian subsector. Though the LQ is low in the administrative support sector, one of its industries — call centers — has a high LQ.

The high per capita cross-border traffic volumes and trade values account for the location quotients in Santa Cruz County being considerably above 1 for wholesale trade and transportation and warehousing and above 1 for retail trade. The LQ is very high in each of the three transportation activities affected by cross-border traffic: 2 for trucking, 11 for freight arrangement, and 5 for warehousing. The latter two are the highest figures in the border region. Santa Cruz is the only border region county with a LQ clearly above 1 in wholesale trade. Of the

19 wholesale trade industry groups, only two — groceries, and the brokers and agents category — have a LQ above 1, but each is very high. The adjustment of retail trade employment for the level of per capita personal income had strong results. Retail trade has substantially more employment than expected, suggesting that Mexican shoppers have a significant effect on the local economy.

Excess employment in Santa Cruz County is greatest in federal civilian government and in retail trade after the adjustment. Wholesale trade and transportation and warehousing are not far behind. Call centers contribute a lesser amount. Other than call centers, the excess in each of these activities results from the international border, due to trade across the border and to border security. Thus, the federal government; transportation and warehousing; and wholesale and retail trade are the most important parts of the economic base.

As seen in the following table of selected indicators, Santa Cruz County generally ranks in the middle of the border region counties on socioeconomic measures, though it has a high unemployment rate.

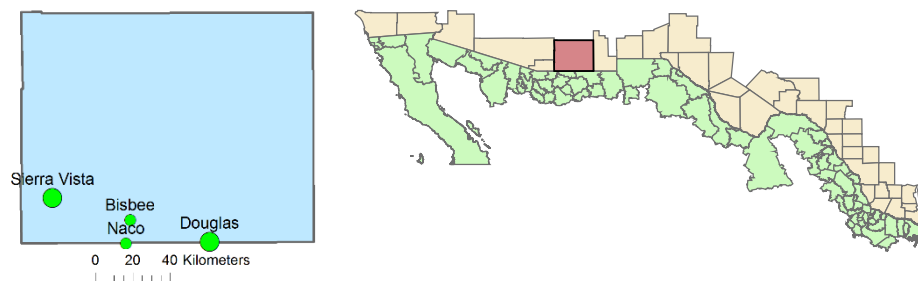
**SANTA CRUZ COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	35.0	17
Mean Years of Schooling, Age 25 or Older	11.9	10
Labor Force Participation Rate, Age 20 to 64 (%)	71.6	18
Unemployment Rate, Age 20 to 64 (%)	13.3	35
Employment-to-Population Ratio (%)	36.1	24
Poverty Rate (%)	26.8	21
Median Earnings (\$)	23,553	17
Median Household Income (\$)	37,692	17
Per Capita Income (\$)	17,116	19

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Cochise County (Douglas Urban Area)



Cochise County is in the southeastern corner of Arizona, east of Pima and Santa Cruz counties and west of Hidalgo County, New Mexico. About 80 percent of the county's land area is within

100 kilometers of the international border. The southern border is shared with three Sonoran municipios: the western end is with Santa Cruz and the remainder is split between Naco and Agua Prieta.

With a land area of 15,969 square kilometers, Cochise County is the fourth-largest of the 37 border region counties. Cochise County consists of a series of southeast-to-northwest-oriented mountain ranges separated by mid-elevation valleys (1,000-to-1,500 meters). The larger mountain ranges are included in the Coronado National Forest. Fort Huachuca covers a large area in the southwestern part of the county.

The Spanish briefly settled in the area in the late 1700s. The area did not become part of Arizona until the Gadsden Purchase in 1853. The location of numerous skirmishes with Native Americans in the mid-1800s, the area began to attract settlers particularly after peace with the Native Americans was largely reached in 1871. The area's grasslands attracted cattle ranchers in the early 1870s, but this activity was limited after 1891 due to overgrazing and drought. Fort Huachuca was founded in 1877, the same year as silver ores were discovered near Tombstone. The arrival of the transcontinental railroad in 1880 also helped to boost growth. The county, named after the Chiricahua Apache chief, was formed in 1881 out of Pima County.

### **Population and Transportation Infrastructure**

Cochise County had 6,938 residents in 1890. The population rose to 31,488 in 1950 and to 131,346 in 2010, ranking 10th among the border region counties. Population change has been inconsistent, with losses in the 1930s and 1940s and only a small gain during the 1960s, compared to gains of between 20,000 and 24,000 in the 1950s, 1970s, and 1990s. The fluctuations reflect variations in net migration, from negative to more than 13,000 in a decade. Net migration accounted for more than half of the population increase during the 1990s and 2000s. Most of this net migration occurred among those from 50-to-74 years old; net out-migration occurred among those in their 20s.

Cochise County is coincident with the Sierra Vista-Douglas metropolitan area, which achieved metro area status after the 2010 census, and with the U.S. portion of the Douglas-Agua Prieta urban area defined for this study. With 43,888 residents in 2010, Sierra Vista is the most populous of the county's seven incorporated places. It is located adjacent to Fort Huachuca, which houses the U.S. Army Intelligence Center and other operations, about 25 kilometers north of the border. Douglas, located directly across the border from Agua Prieta, Sonora is the second-largest city, with 17,378 residents in 2010. It began as a smelter town, named after the miner James Douglas. The county seat is Bisbee, which has 5,575 residents and is located about 15 kilometers from the border and Naco, Sonora. Naco, Arizona is unincorporated and had only 1,046 residents in 2010.

Interstate 10 and the Union Pacific Railroad's Sunset Route run east-west in the northern part of Cochise County at some distance from the international border. The communities near the border are connected to the interstate via state highways and U.S. Highway 191, which predominantly are two-lane roads.

General aviation airports are located in Benson, Bisbee, Douglas-Bisbee, Sierra Vista, and Willcox. Other public use facilities are in Douglas and Tombstone. Twenty private airfields are scattered around the county.

### **Border Crossings**

The two border crossings in Cochise County are separate U.S. ports of entry. One crossing connects Naco, Arizona to Naco, Sonora; the other is between Douglas and Agua Prieta. U.S. Route 191 and Arizona Route 80 serve Douglas, heading to the northwest, north, and northeast. Naco is a short distance from Route 80. I-10 is some 100 kilometers away. Agua Prieta is served by Mexican Route 2, traveling east and west, and Route 17, traveling south; each is a two-lane road. Naco, Sonora is 15 kilometers from Route 2.

Of the 25 ports with border crossings, Douglas ranked 12th and Naco 24th on the number of individuals crossing the border in 2012. The number of trucks crossing the border ranked 14th in Douglas and 19th in Naco. The number of individuals crossing the border at each port dropped a little less than average between 1997 and 2012. However, the number of crossings fell more than average in Naco between 2007 and 2012. The number of trucks crossing at each port fell between 1997 and 2012, with the percent change below average. Truck crossings at Naco dropped considerably between 2001 and 2012 while the percent change in truck crossings at Douglas went from below average from 1997 to 2007 to above average from 2007 through 2012.

Combining the data for 2012 on the amount of cross-border traffic entering the United States through Cochise County, the number of passengers and pedestrians ranked 10th of the 16 counties with border crossings. The number of trucks ranked 12th, with ranks of 13th on loaded containers and 10th on empty containers. On a per capita basis, the number of trucks ranked 13th and the number of individuals ranked ninth.

The percent change in the per capita number of trucks entering the United States through Cochise County between 1997 and 2007 was less than the figure for the entire border region, ranking near the bottom of the 16 counties, but the gain between 2001 and 2007 ranked fourth. The per capita number of individuals crossing the border consistently decreased a little less on a percent basis than the border region total from 1997 through 2012.

### **Trade Values**

The value of goods passing through the Naco port in 2013 were quite low, especially for imports; both imports and exports ranked 18th among the 27 ports in the border region. Between 2004 and 2013, inflation-adjusted exports rose more than average, but the import value dropped, ranking 17th. Nearly all of the goods were transported by truck in 2013. Vehicles and parts, and machinery and mechanical appliances accounted for 63 percent of the export value; 87 percent of the import value was machinery and mechanical appliances or electrical machinery and equipment.

In the Douglas port, the values of imports (0.4 percent of the U.S. total) and exports (0.6 percent of the total) each ranked 11th among the 27 ports. Between 2004 and 2013, the inflation-adjusted export value rose substantially, ranking third among the 27 ports. The import value also rose more than average, ranking sixth. All of the imports arrived by truck in 2013; pipelines

accounted for 15 percent, and trucks 85 percent, of the exports. Exports were varied, with a disproportionately large share consisting of fuels and ores. Imports also were varied, with relatively high shares in the precious metals and stones category and copper.

The values of imports and exports passing through Cochise County in 2013 each ranked 11th of the 16 counties with border crossings. The ratio of the export-to-import value was high at 1.46, ranking fourth; the net export value was second highest. The ranks were similar on a per capita basis. The 2004-to- 2013 inflation-adjusted percent change in export value was the second highest. The change in the import value also was above average, ranking fourth. The ranks were the same on a per capita basis.

### **Economy**

The overall location quotient for Cochise County is low at 0.8 based on BEA employment; it is only 0.6 based on GDP. However, the LQs are high for certain activities. Based on these two datasets, the LQ is between 4.7 and 4.9 in the federal civilian government subsector and is between 6.4 and 8.7 in the military subsector. Approximately 5,400 military personnel are stationed at Fort Huachuca. The sectoral LQs are approximately 2 in agriculture and utilities (mostly due to electric power distribution). Despite being the location of a state prison, the state government LQ is very low.

Though the location quotient for professional, scientific and technical services is less than 1 based on the BEA dataset, the LQ based on the Business Patterns dataset is 1.7, mostly due to the computer systems design subsector, with a contribution from the consulting subsector. Though the LQ for the administrative support sector is low, two of its industries have figures above 1: facilities support and call centers.

The low per capita cross-border traffic volumes and trade values do not boost the location quotients of the affected sectors significantly: retail trade, wholesale trade, and transportation and warehousing all have LQs considerably below 1 in Cochise County. None of the transportation or wholesale activities have a LQ above 1. The adjustment of retail trade employment for the level of per capita personal income had mixed results. Based on Business Patterns employment, retail trade has slightly more employment than expected, suggesting that Mexican shoppers might have some effect. However, based on Bureau of Economic Analysis employment, retail trade employment is less than predicted.

Excess employment and GDP are highest in the military subsector, closely followed by the federal civilian subsector. Based on the Business Patterns dataset, computer systems design also provides a significant excess. Agriculture contributes a considerably lesser amount and a number of other activities contribute small amounts. Thus, the federal government is the most important part of the economic base.

As seen in the following table of selected indicators, Cochise County, which has one of the oldest and best-educated populaces, compares favorably to other border region counties on income-related measures, but has a below-average labor force participation rate.



### COCHISE COUNTY INDICATORS

	Value	Rank*
Median Age (years)	39.8	8
Mean Years of Schooling, Age 25 or Older	13.0	4
Labor Force Participation Rate, Age 20 to 64 (%)	67.7	27
Unemployment Rate, Age 20 to 64 (%)	8.2	14
Employment-to-Population Ratio (%)	36.1	25
Poverty Rate (%)	16.6	6
Median Earnings (\$)	29,494	5
Median Household Income (\$)	45,505	5
Per Capita Income (\$)	23,330	7

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## **NEW MEXICO**

The western 40 percent of New Mexico's southern border is shared with México, predominantly with Chihuahua, but the far western portion borders Sonora. New Mexico has 33 counties. Four counties — Hidalgo, Luna, Doña Ana, and Otero — are in the border region, but Otero does not share the international border.

With a land area of 314,161 square kilometers, New Mexico is the second smallest of the four border states, accounting for 19 percent of the border states' land area and 3 percent of the national total. New Mexico's border region consists largely of mid-elevation plains with scattered mountains. The Chihuahuan Desert, which is dominated by desert grasses and desert shrubs, extends north into the lower elevations of the border region. The Rio Grande, which flows from the northwest to southeast across Doña Ana County (and does not mark the border with México), is the only watercourse of note.

New Mexico was first explored by the Spanish in 1541 during the extensive journey of Francisco Vázquez de Coronado. Juan de Oñate led the first significant exploration of the state, traveling up the Rio Grande from El Paso to the northern part of the state, where he established the first settlement in New Mexico in 1598. Santa Fe was founded in 1610. Settlement was hampered by the remote nature of the area and by attacks by Native Americans, including the Apache, Navajo, and Comanche. The Pueblo Indians, who had been peaceful, revolted in 1680, driving the Spanish from the northern part of the state, but the Spanish returned in 1692. Albuquerque was settled in 1706. Peace with the Comanches in 1779 allowed the Spanish population to rise; it was estimated to be around 25,000 at the time of the Mexican rebellion in 1810.

Though travelers passed through the southern part of the state on the route from Santa Fe and nearby settlements to communities in what is now México, the border region of New Mexico was not settled until 1839, near El Paso. It was not until the 1870s that the rest of the border region began to attract settlers.

Following the Mexican-American War, New Mexico and Arizona were combined into one U.S. territory. Much of New Mexico's current border region consists of land that was part of the Gadsden Purchase in 1853.

### **Population of New Mexico**

The population of the New Mexico portion of the territory was 61,547 in 1850 and 87,034 in 1860. The New Mexico-Arizona Territory was split in 1863. In 1870, the population of New Mexico was 91,874. Most lived in the north-central part of the state; approximately 7 percent resided in the border region.

In the 1870s, the population of New Mexico began to increase more rapidly, as raids by Native Americans became less common due to the presence of the U.S. military. The arrival of the railroad in the late 1870s also boosted growth. By 1900, the state's population was 195,310. New Mexico did not become a state until 1912, when its population exceeded 325,000. By 1950, the state had 681,187 residents. Numeric growth accelerated after this and was between 200,000 and 300,000 during the 1950s and again in each decade from the 1970s through 2000s. New Mexico

had close to 2.1 million residents in 2010 (see Chart 5). Until World War II, New Mexico had more residents than Arizona, but by 2010 had a population less than one-third as large.

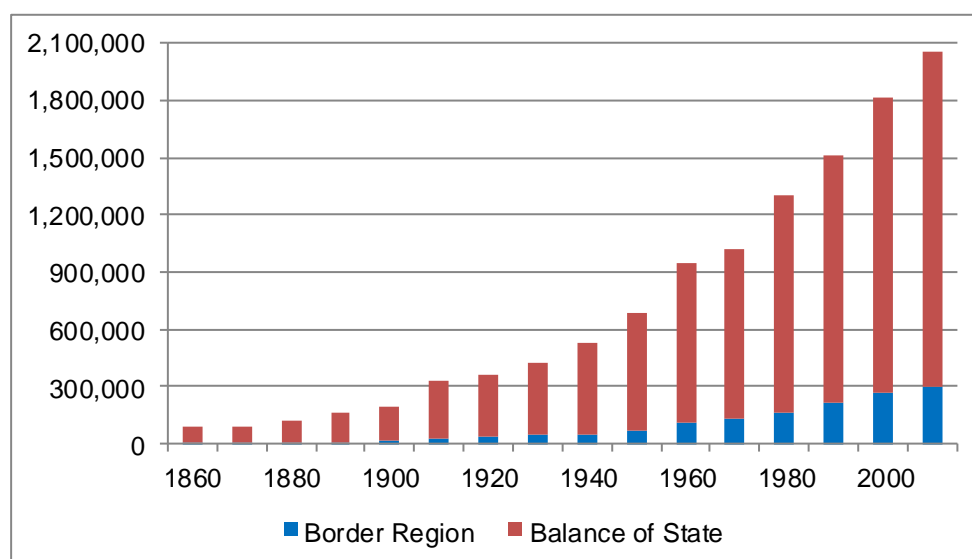
Net migration accounted for less than half of the total change in each of the last six decades — a share less than in Arizona. It was negative during the 1960s. The strongest net migration was in the 1970s. Historically, net migration was strongest among those in their 30s; net migration has been weakest, sometimes a net outflow, among those 18-to-24 years old. Retirement-age migration has been growing in importance, becoming the most numerous during the 2000s.

Due to multiple shifts in county boundaries, the first definitive count of the border region population cannot be made until 1920, when the border region accounted for 11 percent of the state's residents, higher than the estimated shares in prior years. After 1950, the proportion of the population living in the border region gradually rose, reaching 14.7 percent in 2000 and 2010 (see Chart 6).

One metropolitan area is located in the border region. The Las Cruces metro area consists of Doña Ana County. It had 209,233 residents in 2010. Doña Ana County is the smaller part of the El Paso-Las Cruces consolidated area, which includes El Paso and Hudspeth counties in Texas. The consolidated area is coincident with the U.S. portion of the El Paso-Juárez urban area defined for this study.

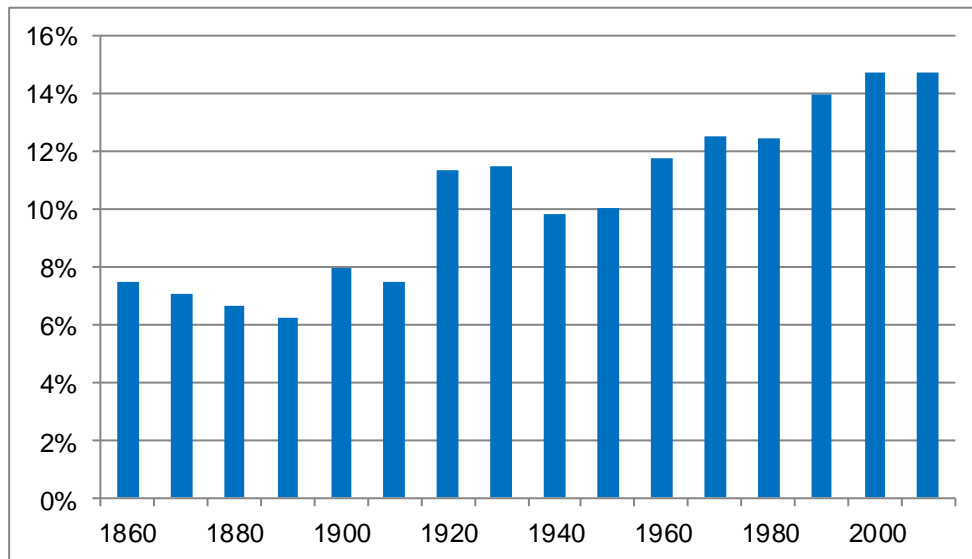
The largest population center in New Mexico is the Albuquerque metropolitan area, with 0.9 million residents, located in the northern part of the state well beyond the border region. Two other metro areas, each with less than 150,000 residents, are in the northern part of the state: Santa Fe and Farmington.

**CHART 5**  
**NUMBER OF RESIDENTS OF NEW MEXICO**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

**CHART 6**  
**BORDER REGION SHARE OF THE POPULATION OF NEW MEXICO**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

### **Transportation and Trade in the Border Region of New Mexico**

The transportation network in the border region of New Mexico includes two interstate freeways. Interstate 10 travels east from the Arizona border to Las Cruces, then runs southeast to El Paso. I-25 connects to I-10 in Las Cruces and heads north through Albuquerque to Montana. Divided U.S. highways run from Alamogordo to Las Cruces and to El Paso. A few two-lane state highways also serve the border region.

Rail lines in the border region include Union Pacific Railroad's Sunset Route, which travels east-west through three border counties, Union Pacific's Tucumcari line, which passes through Alamogordo on its route from El Paso to Topeka, and the BNSF line that passes through Las Cruces on its way from El Paso to Albuquerque and beyond. No railroad meets a Mexican counterpart in New Mexico.

Several general aviation facilities are located in the border region of New Mexico. The closest airports with commercial service are El Paso International and Tucson International.

New Mexico has only three international border crossings, one in each of the three counties that share a border with México. The crossings in Hidalgo and Luna counties are combined into the Columbus U.S. port of entry. The Santa Teresa crossing in Doña Ana County is a separate port. Combining the data for the two ports and comparing those totals to those in the other border states, cross-border commercial truck traffic into New Mexico was the lowest of the border states in 2012. Crossings of individuals also ranked last by a wide margin. On a per capita basis, New Mexico still ranked last except it was ahead of Arizona on the number of trucks and number of empty truck containers.

Based on the value of traded goods crossing the border in 2013, New Mexico ranked last on both imports and exports. However, on a per capita basis, New Mexico ranked second to Texas. The ratio of the export-to-import value was 0.84 in 2013, higher than in Arizona and California and only marginally less than in Texas. The net export value, while negative, was the highest of the border states. On a per capita basis, however, the net value ranked third.

Between 2004 and 2013, the value of imports and exports crossing the border in New Mexico increased by far the most on a percent basis of the four border states, on both an unadjusted and per capita basis. Between 2001 and 2012, the percent change in the per capita number of trucks crossing the border into New Mexico was considerably above the border region total. The per capita number of individuals crossing the border between 1997 and 2007 rose considerably more than the border region total, but the decline between 2007 and 2012 was a little worse than in the other border states.

Historically, cross-border traffic in New Mexico has been limited due to geography and a lack of infrastructure. No railroads and only secondary roads cross the border between New Mexico and Chihuahua. Moreover, the number of people living along the New Mexico-Chihuahua border is limited. In the last decade, however, the Santa Teresa crossing has been increasingly used by commercial trucks. Based on value of the traded goods, the Santa Teresa port ranks seventh among the 25 ports along the U.S.-México border.

### **Economy of New Mexico**

New Mexico's economy accounts for only 2 percent of the total of the four border states. New Mexico's overall LQ ranges between 0.8 and 0.9 based on the three datasets, ranking third or fourth among the four border states. The location quotients by sector are shown in Table 6. A summary by sector follows.

- Agriculture. The location quotient is about 1.3. Excess employment and GDP are of moderate size.
- Mining. The LQ is very high, ranging from 3.3 to 3.8 across the three datasets. All three subsectors have a figure well above 2. Excess employment and GDP are significant, highest in oil and gas extraction and in mining support (drilling oil and gas wells, and support activities for oil and gas operations). Mining other than oil and gas also provides excesses — coal; copper; and potash, soda, and borate minerals.
- Utilities. The LQ is 1.2 based on the two employment measures but is only 0.8 based on GDP. The employment excess is small.
- Construction. The LQ is a little more than 1 based on the two employment measures but is less than 1 based on GDP. A small employment excess occurs in each of the three subsectors.
- Manufacturing. The LQ is very low, between 0.4 and 0.5 based on each dataset. However, the electronics subsector has a LQ of more than 1, based on both GDP and Business Patterns employment, with a moderate excess in the semiconductors industry.
- Wholesale trade. The LQ is low at between 0.5 and 0.6 based on each of the three datasets.
- Retail trade. The LQ ranges from 0.8 based on GDP to nearly 1 based on Business Patterns employment. The Business Patterns dataset indicates that large excesses are

**TABLE 6**  
**LOCATION QUOTIENTS BY SECTOR, NEW MEXICO, 2011**

	<b>GDP*</b>	<b>State Employ**</b>	<b>Employ***</b>	<b>Border Region</b>		<b>Balance of State</b>	
				<b>Employ**</b>	<b>Employ***</b>	<b>Employ**</b>	<b>Employ***</b>
TOTAL	0.80	0.91	0.79	0.77	0.59	0.93	0.82
Agriculture	1.29	1.36					
Mining	3.34	3.26	3.83		0.10		4.48
Utilities	0.80	1.18	1.21	1.00	0.70	1.21	1.30
Construction	0.97	1.02	1.14		0.89		1.18
Manufacturing	0.47	0.43	0.37		0.29		0.39
Wholesale Trade	0.45	0.64	0.54	0.31	0.30	0.70	0.58
Retail Trade	0.82	0.93	0.97	0.77	0.83	0.96	0.99
Transportation and Warehousing	0.76	0.65	0.59	0.61	0.43	0.66	0.62
Information	0.49	0.76	0.61		0.32		0.66
Finance and Insurance	0.35	0.56	0.56		0.39		0.59
Real Estate and Rental	0.80	0.78	0.76		0.49		0.80
Professional, Scientific & Technical Services	0.86	0.98	0.90	0.53	0.60	1.06	0.95
Management of Companies	0.24	0.40	0.34		0.10		0.38
Administrative Support	0.77	0.77	0.60		0.30		0.65
Educational Services	0.43	0.62	0.42		0.28		0.45
Health Care & Social Assistance	0.80	0.94	0.92		0.88		0.92
Arts, Entertainment and Recreation	0.46	0.91	1.04		0.87		1.06
Accommodation and Food Services	0.88	1.00	1.04		0.86		1.07
Other Services	0.82	0.77	0.77		0.53		0.81
Government	1.23	1.32		1.49		1.29	

Note: a blank indicates that the data are not available

\* Gross Domestic Product, 2011

\*\* Employment, 2011 BEA

\*\*\* Employment, 2011 Business Patterns

Source: U.S. Department of Commerce. Gross domestic product and BEA employment are from the Bureau of Economic Analysis; Business Patterns employment is from the Census Bureau.

present in the gasoline stations and general merchandise stores subsectors, with the latter due to the warehouse clubs industry.

- Transportation and warehousing. The LQ ranges from 0.6 to 0.8 across the three measures. However, small excesses are present in rail transportation, pipeline transportation, and passenger transit.
- Information. The LQ ranges from 0.5 to 0.8 across the three measures. However, the wireless telecommunications industry provides a small excess.
- Finance and insurance. The LQ ranges from 0.4 to 0.6 across the three measures.
- Real estate and rental. The LQ is 0.8 based on all three datasets.
- Professional, scientific and technical services. The LQ is about 0.9 based on all three datasets. However, a very large excess is present in the scientific research and development industry group.
- Management of companies. The LQ ranges from 0.2 to 0.4 across the three datasets.
- Administrative support and waste services. The LQ ranges from 0.6 to 0.8 across the three datasets.
- Educational services. The LQ ranges from 0.4 to 0.6 across the three datasets.
- Health care and social assistance. The LQ is more than 0.9 based on the employment datasets and 0.8 based on GDP. A large excess is present in the social assistance subsector, due to services to the elderly and disabled.
- Arts, entertainment and recreation. The LQ ranges from 0.9 based on BEA employment to more than 1 based on Business Patterns employment. Using the latter dataset, a moderate excess is present in the gambling industry group.
- Accommodation and food services. The LQ is slightly above 1 based on the employment datasets, but less than 0.9 based on GDP. A moderate excess exists in the hotels and motels industry.
- Other services. The LQ is 0.8 based on all measures.
- Government. The overall LQ is between 1.2 and 1.3. The federal civilian LQ is high at 1.6 and the military LQ is 1.3. The state and local government figures also exceed 1. The excess is sizable in the federal civilian and state and local government subsectors and moderate in the military subsector.

The industries with the largest excess employment are displayed in Table 7.

Based on the excesses in tradable activities, the federal government, mining, and scientific research and development are the most important to the New Mexico economy. Military and civilian federal government operations are significant. Oil and gas is the most important mining activity, but various other mining operations also contribute. Other economic base activities include semiconductor manufacturing, tourism, and agriculture. The impact of tourists is seen in the accommodation and gambling subsectors and in some retail industries.

### **Economy of the Border Region of New Mexico**

The location quotients in the border region are lower than those in the balance of the state in every sector except agriculture and government. These are the only sectors with LQs of even 1 in the border region. The overall LQ is about 0.8 in the border region versus 0.9 in the rest of the state. The economy in the balance of the state is more diverse, with several sectors having LQs near or a little above 1.

**TABLE 7**  
**INDUSTRIES WITH THE GREATEST EXCESS EMPLOYMENT, NEW MEXICO, 2011**  
**Excluding the Agriculture and Government Sectors**

<b>NAICS</b>	<b>Industry Title and Tradability*</b>	<b>Location Quotient</b>	<b>Excess Employment</b>
541712	<b>Research and development in the physical, engineering, and life sciences (except biotechnology)</b>	4.34	12,057
624120	Services for the elderly and persons with disabilities	2.48	7,761
213112	<b>Support activities for oil and gas operations</b>	4.89	5,700
452910	Warehouse clubs and supercenters	1.58	5,094
721110	<b>Hotels (except casino hotels) and motels</b>	1.53	4,974
722211	Limited-service restaurants	1.17	3,866
713210	<b>Casinos (except casino hotels)</b>	5.90	3,850
334413	<b>Semiconductor and related device manufacturing</b>	4.56	2,337
211111	<b>Crude petroleum and natural gas extraction</b>	4.10	2,251
621610	Home health care services	1.23	1,936
447110	<b>Gasoline stations with convenience stores</b>	1.39	1,801
236220	Commercial and institutional building construction	1.45	1,450
213111	<b>Drilling oil and gas wells</b>	3.20	1,385
541330	Engineering services	1.21	1,270
447190	<b>Other gasoline stations</b>	2.28	1,268
221112	<b>Fossil fuel electric power generation</b>	3.52	1,215
713920	<b>Skiing facilities</b>	3.08	1,126
238910	Site preparation contractors	1.35	1,117
237310	Highway, street, and bridge construction	1.35	1,063
621511	Medical laboratories	1.02	1,048

\* **Bold, shaded:** high proportion of tradable activity;  
**Bold, not shaded:** moderate proportion of tradable activity;  
Not bold, not shaded: low proportion of tradable activity

Source: Calculated from U.S. Department of Commerce, Census Bureau, Business Patterns, 2011.

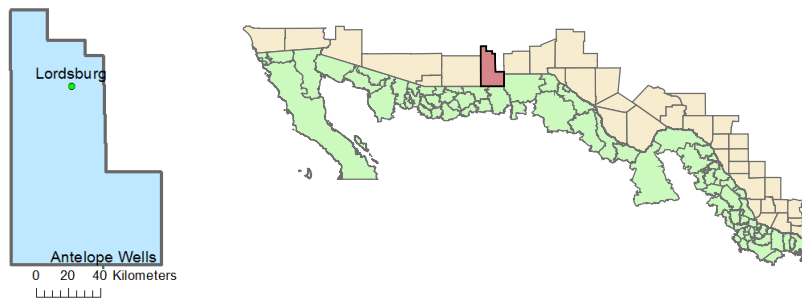
Excess employment in the border region is greatest in state government, closely followed by the federal civilian and military subsectors. Agriculture provides a lesser amount. Thus, the economy in the border region is largely dependent on the federal government, with a contribution from agriculture.

Doña Ana County accounts for 69 percent of the employment in the border region of New Mexico. The federal civilian government is a primary driving economic activity in each of the four counties and agriculture has a leading role except in Otero County. These activities are supplemented by the military in Otero County and New Mexico State University in Doña Ana County.

### **Hidalgo County**

Hidalgo County is in the southwestern corner of New Mexico, east of Cochise County, Arizona. About 85 percent of the county is within 100 kilometers of the international border. The western 30 percent of its southern border is shared with Agua Prieta Municipio in Sonora; Janos





Municipio in Chihuahua is its other Mexican neighbor to the south. The southern portion of its eastern border is shared with Ascensión Municipio in Chihuahua.

With a land area of 8,901 square kilometers Hidalgo County is the 13th largest of the 37 border region counties. It has a very low population density. The landscape is one of mountains and mid-elevation valleys (1,200-to-1,500 meters) covered by grasses and desert shrubs. The Continental Divide runs through the southern part of the county and the Coronado National Forest extends into the southwest part of the county.

The area did not become part of New Mexico until the Gadsden Purchase in 1853. The first settlers were miners in the 1870s. Farming and ranching began a little later, after the transcontinental railroad reached Lordsburg in 1880, making migration to the area easier. Hidalgo County was created in 1919 out of a part of Grant County. According to Wikipedia, “it was named for the town north of Mexico City where the Treaty of Guadalupe Hidalgo was signed, which in turn was named for Miguel Hidalgo y Costilla, the priest who is known as the ‘Father of Mexican Independence.’”

### **Population and Transportation Infrastructure**

The population of Hidalgo County was 4,338 in 1920. The population peaked at just over 6,000 in 1980 and was down to 4,894 in 2010, ranking among the 10 least-populated border region counties. The population has dropped in five of the last six decades (except during the 1970s). Net out-migration has occurred across all age groups but primarily has occurred among those from 18-to-29 years old.

More than half of the county’s residents live in Lordsburg (2010 count of 2,797), the county seat, which is located in the northern part of the county, about 100 kilometers from México. The population along the international border is sparse.

Interstate 10 and the Union Pacific Railroad’s Sunset Route run east-west through the county, passing through Lordsburg. U.S. Route 70 heads northwest out of Lordsburg into Arizona, while New Mexico Route 90 travels northeast; both are two-lane roads. Lordsburg is connected to the border only by secondary roads. Lordsburg Municipal Airport is a general aviation facility. There are six private airfields.

Hidalgo County has one lightly used border crossing between Antelope Wells and El Berrendo in Janos Municipio. The Antelope Wells border crossing is combined with the Columbus crossing

in Luna County into one U.S. port of entry. Thus, it is not possible to quantify the amount of activity through the Antelope Wells crossing, but it is believed to be slight given the limited number of residents in the area and the secondary nature of the roads on both sides of the border. Cross-border traffic and trade for the Columbus port are discussed in the section for Luna County.

### **Economy**

The overall location quotient for Hidalgo County is 1 based on both employment measures. The LQ is 6.5 in the federal civilian subsector, 5.3 in the farm subsector, and between 1.2 and 1.9 in the utilities sector (with the limited employment spread across three activities). The local government figure is 1.5. On one of the two employment measures, the LQ exceeds 1 in transportation and warehousing (due to trucking) and is 1 in retail trade and in accommodation and food services (due to accommodation).

The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has slightly more employment than expected, suggesting that Mexican shoppers might have some effect. However, given the limited population in Hidalgo County, the analysis may not be appropriate. Moreover, the limited population and secondary roads on both sides of the border suggests that the higher-than-predicted levels could be due to other causes.

Federal civilian government provides the greatest excess employment, followed by agriculture. The only other activity with a significant amount of excess employment is local government. Thus, the federal government and agriculture are the most important parts of the economic base.

As seen in the following table of selected indicators, Hidalgo County ranks from the middle to above the middle of the border region counties on socioeconomic measures.

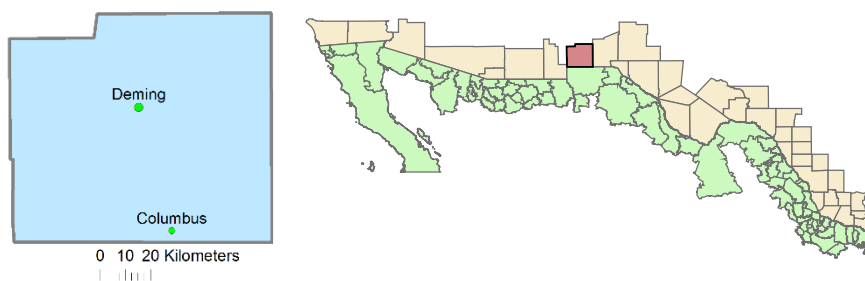
**HIDALGO COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	36.4	13
Mean Years of Schooling, Age 25 or Older	12.2	8
Labor Force Participation Rate, Age 20 to 64 (%)	69.8	23
Unemployment Rate, Age 20 to 64 (%)	9.4	21
Employment-to-Population Ratio (%)	40.3	13
Poverty Rate (%)	22.5	15
Median Earnings (\$)	25,900	10
Median Household Income (\$)	37,531	18
Per Capita Income (\$)	19,164	11

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Luna County



Luna County is in southwestern New Mexico, west of Doña Ana County. All of the county is within 100 kilometers of the international border. Its southern border is shared with Ascensión Municipio of Chihuahua.

With a land area of 7,679 square kilometers, Luna County ranks in the middle of the 37 border region counties. Located in the northwestern portion of the Chihuahuan Desert, the landscape is one of relatively flat grazing land at a mid-elevation (1,200-to-1,500 meters), with some mountains. The Continental Divide runs along the western boundary. The Mimbres River runs through the county.

Copper mining and the transcontinental railroad, which was completed in Deming in 1881, brought early settlers to the area. Luna County was created in 1901 out of parts of Doña Ana and Grant counties. It was named for Don Solomon Luna, a prominent political figure during New Mexico's territorial period.

### Population and Transportation Infrastructure

The population of Luna County in 1910 was 3,913. The population reached 8,753 in 1950 and 25,095 in 2010, the 17th-most populous of the border region counties. The strongest growth occurred during the 1990s at 6,900, but the population hardly increased during the 2000s. Despite the overall population growth, net migration was negative in three of the last six decades, including the 2000s. The county experiences net out-migration of those from 18-to-29 years old. The strongest net in-migration is among those 60-to-69 years old.

Luna County is coincident with the Deming micropolitan area. More than half of the county's residents live in Deming (2010 count of 14,855), the county seat, which is located in the central part of the county. Columbus, located along the Mexican border, is the only other incorporated place, with a 2010 population of 1,664. Columbus is famous for the 1916 cross-border raid conducted by Pancho Villa during the Mexican Revolution.

Interstate 10 and the Union Pacific Railroad's Sunset Route run east-west through the county, passing through Deming. U.S. Route 180 runs northwest from Deming and New Mexico Route 26 travels northeast to I-25 in Doña Ana County; each is a two-lane road. Deming is more than 50 kilometers from the international border, connected to Columbus by State Route 11, a two-lane road. Deming Municipal Airport is a general aviation facility. There are six private airfields.

## **Border Crossings and Trade Values**

A border crossing connects Columbus and Puerto Palomas in Ascensión Municipio. It links New Mexico Route 11 with Mexican Route 24, but it is 35 kilometers south to Mexican Route 2, a two-lane road, and almost 60 kilometers north to Interstate 10. The Columbus crossing is combined with the very lightly used Antelope Wells crossing between Janos Municipio and Hidalgo County, New Mexico into the Columbus U.S. port of entry.

Of the 25 ports with border crossings, Columbus ranked 20th on the number of individuals crossing the border in 2012. The number of truck crossings ranked 17th, with loaded containers ranking 16th and empty containers 19th. The number of individuals crossing the border dropped substantially between 2007 and 2012, but this followed a very large gain in the preceding decade. The number of trucks crossing the border increased the most of any port between 1997 and 2012. The percent change from 2007 to 2012 was the second highest among the 25 ports.

The number of passengers and pedestrians entering the United States in 2012 through Luna and Hidalgo counties ranked 15th of the 16 sets of counties with border crossings. The number of trucks crossing the border also ranked 15th. The ranks were a little higher on a per capita basis, with trucks ranking 12th (10th on loaded containers and 15th on empty containers) and the number of individuals ranking 11th.

The percent change in the per capita number of trucks entering the United States through Luna and Hidalgo counties between 1997 and 2012 was far higher than the figure for the entire border region, ranking first throughout the period. After posting the second-largest per capita increase in the number of individuals crossing the border between 1997 and 2007, the percent change fell to 13th between 2007 and 2012.

The value of both imports and exports passing through the Columbus port in 2013 was extremely low. Exports ranked 22nd of the 27 ports in the border region; imports ranked 17th. Between 2004 and 2013, inflation-adjusted exports dropped, with the percent change ranking 21st. The import value rose, but at a below-average pace. Virtually all of the goods were transported by truck in 2013. Disproportionate shares of the exports were dyes or plastics, while the imports were mostly food-related goods: 49 percent were vegetables, 25 percent were live animals, and 15 percent were coffee, tea and spices.

Among the 16 sets of counties, both the import and export value for Luna and Hidalgo counties ranked 15th in 2013. The ranks were the same on a per capita basis. The ratio of the export-to-import value was only 0.49, the lowest of the 16 counties. The inflation-adjusted percent change between 2004 and 2013 was negative for exports, ranking 14th. Imports increased and ranked ninth. The per capita percent change ranked 14th for exports and fifth for imports.

## **Economy**

The overall location quotient for Luna County is very low at 0.7, but the LQ is high for certain activities, including 2.4 in the federal civilian subsector and 1.8 in the farming subsector. The local government figure is 1.2. Based on one of the two employment measures, the LQ is marginally above 1 in utilities and manufacturing — in the fruit and vegetable canning, perishable prepared food, and manufactured home industries.

The low per capita cross-border traffic volumes and trade values do not boost activity in the affected sectors significantly: The location quotients for wholesale trade and transportation and warehousing are considerably below 1 in Luna County; the retail trade figure is near 1. Two of the 19 wholesale trade industry groups have a LQ greater than 1: petroleum products and alcoholic beverages. The latter's LQ is very high, with significant excess employment.

The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has more employment than expected, suggesting that Mexican shoppers might have some effect. However, the geography along the border raises doubt as to the accuracy of this interpretation for several reasons: the border town of Columbus is small with limited retail trade, the population in México near the border is relatively low, and the distance to Juárez and El Paso is not that much farther than the distance to Deming, the major retail center in Luna County, but which still provides relatively limited shopping opportunities.

Federal civilian government provides the greatest excess employment, followed by local government and agriculture. Based on Business Patterns employment, the fruit and vegetable canning industry has an excess nearly as large as the federal civilian government while the wholesaling of alcoholic beverages and manufacturing of perishable prepared food and manufactured homes provide significant amounts. Thus, the federal government, agriculture, and certain manufacturing and wholesale trade activities are important parts of the economic base. As seen in the following table of selected indicators, Luna County ranks from average to below average among border region counties on socioeconomic measures.

**LUNA COUNTY INDICATORS**

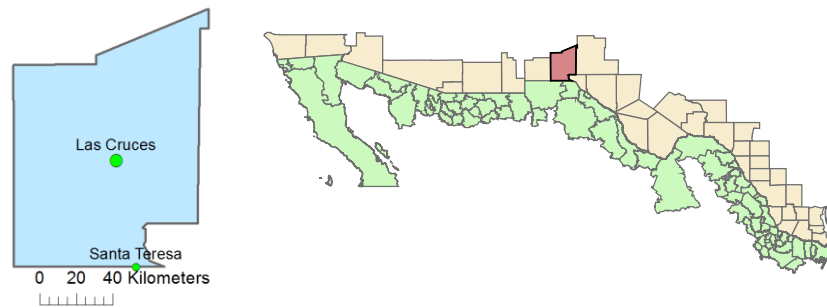
	Value	Rank*
Median Age (years)	38.7	10
Mean Years of Schooling, Age 25 or Older	11.4	17
Labor Force Participation Rate, Age 20 to 64 (%)	72.1	13
Unemployment Rate, Age 20 to 64 (%)	12.2	32
Employment-to-Population Ratio (%)	35.3	28
Poverty Rate (%)	29.7	26
Median Earnings (\$)	18,871	33
Median Household Income (\$)	29,365	30
Per Capita Income (\$)	16,546	23

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### **Doña Ana County (El Paso Urban Area)**

Doña Ana County is in south-central New Mexico, east of Luna County and northwest of El Paso County, Texas. Approximately 80 percent of the county's land area and nearly all of its population are within 100 kilometers of the international border. Its southern border is shared with Chihuahua: the western 60 percent with Ascensión Municipio and the remainder with Juárez Municipio.



With a land area of 9,861 square kilometers, Doña Ana County ranks 12th among the 37 border region counties. The county is located in the northwestern portion of the Chihuahuan Desert at a mid-elevation. The Rio Grande, which runs across the county from northwest to southeast, and its Mesilla Valley are dominant features of the topography at an elevation of about 1,200 meters. A number of mountain ranges are present, including the San Andres Mountains in the northeast part of the county, site of a wildlife refuge. The eastern part of the county is part of the U.S. Army's White Sands Missile Range and the White Sands National Monument, both of which extend into Otero County.

Those traveling from central México to early settlements in northern New Mexico traversed the county beginning in the late 1590s, but the area was not settled until 1839, when a land grant — El Ancon de Doña Ana — was issued by the Governor of the Mexican state of Chihuahua. A portion of the county did not become part of New Mexico until the Gadsden Purchase in 1853. Doña Ana County was created in 1852 but underwent many boundary changes through 1901, on net shrinking in size.

### **Population and Transportation Infrastructure**

Doña Ana County had a population of 12,893 in 1910. The population reached 39,557 in 1950 and 209,233 in 2010 — the seventh-most populous of the border region counties. The strongest growth has occurred since 1980, with decadal gains in the 35,000-to-40,000 range. About half of the gain during the last three decades was due to net migration. Due to the location of New Mexico State University in Las Cruces, the county receives a strong net inflow of those between 18-and-24 years old, but suffers a net outflow of those in their upper 20s and low 30s. Migration to the county at retirement age has been of increasing importance.

Doña Ana County is coincident with the Las Cruces metro area. It is part of the El Paso-Las Cruces combined area, which includes El Paso and Hudspeth counties in Texas. The U.S. portion of the El Paso-Juárez urban area defined for this study is coincident with the combined area. Nearly half of the county's residents live in Las Cruces (2010 count of 97,618), the county seat located in the central part of the county. Las Cruces translates to "the crosses." Most of the rest of the county's residents live near the Rio Grande, particularly between Las Cruces and El Paso. Santa Teresa (an unincorporated place with 4,258 residents in 2010) is located on the west side of the river just north of the international border.

East-west traveling Interstate 10 passes through Las Cruces, where it turns to the southeast on its way to El Paso. I-25 travels north from Las Cruces to Albuquerque and I-40. U.S. Route 70, a

divided four lane highway, travels from Las Cruces to the northeast through Alamogordo. The north-south BNSF railway from El Paso to Albuquerque and beyond also passes through Las Cruces. The Union Pacific Railroad's Sunset Route travels east-west through the southern part of the county.

Doña Ana County International Jetport at Santa Teresa, which is occasionally used for international trade, is a general aviation facility, as is Las Cruces International Airport. Another general aviation facility is located in Hatch, in the northwestern part of the county. Five private airfields are scattered around the county.

### **Border Crossings and Trade Values**

Doña Ana County has a border crossing west of the Rio Grande and El Paso, Texas, between Santa Teresa and San Jerónimo, Juárez Municipio. The Santa Teresa international border crossing is more than 50 kilometers from Las Cruces via Interstate 10 and a secondary road. It is a separate U.S. port of entry. Though the port ranked only 19th among the 25 ports along the international border in 2012 in the number of individuals crossing the border, it ranked ninth in the number of trucks crossing the border. The number of individual crossings soared from 1997 through 2007, but declined at a near-average pace from 2007 through 2012. After a decrease between 1997 and 2001, the number of trucks using the crossing increased substantially, with the percent change ranking second among the 25 ports between 2001 and 2007, and first between 2007 and 2012.

The number of passengers and pedestrians entering the United States through Doña Ana County ranked 14th among the 16 counties with border crossings in 2012. The number of trucks crossing the border ranked ninth. On a per capita basis, trucks ranked 11th and the number of passengers and pedestrians was second lowest. The percent change in the per capita number of trucks entering the United States through Doña Ana County ranked 15th between 1997 and 2001 and second between 2001 and 2012. The per capita number of individuals crossing the border rose at the fastest pace between 1997 and 2007 but the figure declined nearly as much as average between 2007 and 2012.

The values of goods passing through the Santa Teresa port in 2013 were significant, ranking seventh on both export value (3.8 percent of the U.S. total) and import value (3.7 percent of the total) among the 27 ports in the border region. Between 2004 and 2013, inflation-adjusted exports and imports both soared, rising more than 1,000 percent. Nearly all of the goods were moved by truck in 2013. Machinery and mechanical appliances dominated the trade, accounting for 87 percent of the exports and 84 percent of the imports.

The values of imports and exports passing through Doña Ana County in 2013 each ranked seventh among the 16 counties with border crossings. The ratio of the export-to-import value was 0.85, a little higher than average. The net export value ranked 10th. On a per capita basis, the import and export ranks were fifth; net exports ranked 11th. Exports and imports posted the highest percent change in value between 2004 and 2013 by a wide margin, on both an unadjusted and per capita basis.

While not served by major highways, Santa Teresa has become a significant port for commercial trade. It is just outside El Paso and Ciudad-Juárez, where major highways of the two countries meet. Santa Teresa appears to be used as an alternative to the busier crossings in El Paso-Juárez.

### **Economy**

The overall location quotient for Doña Ana County is low at 0.8 based on BEA employment; it is only 0.6 based on GDP. However, the LQs are high for some activities. The figure for agriculture is between 1.8 and 2.1, with similarly high figures in each of the two subsectors. The LQ is between 2.0 and 2.1 in the federal civilian subsector and is 2.4 in the state government subsector, largely due to the presence of New Mexico State University, though a small state prison also is present. Based on two of the three datasets, the LQ is 1 in health care and social assistance.

Though the sectoral LQ is well below 1, the electronics equipment manufacturing subsector has a LQ of more than 1 based on GDP, though the LQ based on Business Patterns employment is considerably less than 1. Based on Business Patterns employment, several industries have LQs greater than 1 though their sectoral LQs are well below 1. The most prominent of these are architectural and engineering services, call centers, and spectator sports.

The average-to-below-average per capita volumes of border crossings and values of trade do not boost activity significantly in the affected sectors: The location quotients for retail trade, wholesale trade, and transportation and warehousing all are considerably below 1 in Doña Ana County. Two of the 19 wholesale trade industry groups have LQs marginally above 1. The trucking subsector has a LQ greater than 1 based on GDP. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has less employment than expected, providing no support for the possibility that Mexican shoppers might have some effect. It is much closer for Mexicans to cross into El Paso than it is to travel to Las Cruces.

State government provides the greatest excess employment, followed by federal civilian government and agriculture. Based on excess GDP, state government ranks below the other two activities and the manufacture of electronic equipment contributes an amount similar to state government. Based on Business Patterns employment, several activities provide lesser amounts, though the degree to which they are export activities varies. Thus, New Mexico State University, the federal government, and agriculture are important parts of the economic base, with possible contributions from other activities.

As seen in the following table of selected indicators, Doña Ana County ranks from above average to average among the border region counties on socioeconomic measures.



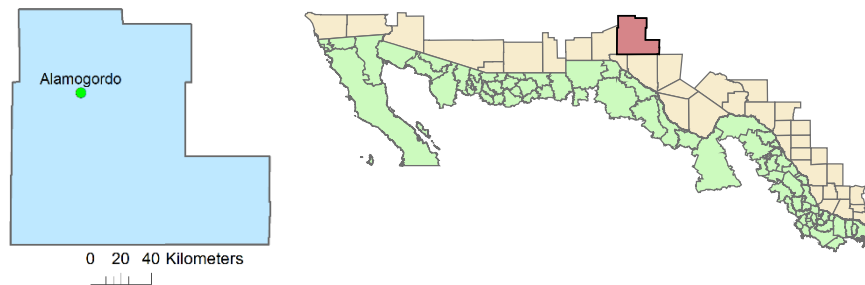
### DOÑA ANA COUNTY INDICATORS

	Value	Rank*
Median Age (years)	32.3	25
Mean Years of Schooling, Age 25 or Older	12.5	7
Labor Force Participation Rate, Age 20 to 64 (%)	74.5	11
Unemployment Rate, Age 20 to 64 (%)	10.0	27
Employment-to-Population Ratio (%)	41.1	10
Poverty Rate (%)	25.8	20
Median Earnings (\$)	22,642	20
Median Household Income (\$)	38,462	14
Per Capita Income (\$)	19,517	10

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Otero County



Otero County is in south-central New Mexico, east of Doña Ana County and north of the Texas counties of El Paso and Hudspeth. Otero County does not share a border with México, but its southwestern corner is only 30 kilometers away, separated by El Paso County, Texas. A sizable land area lies within 100 kilometers of México, but given the county's large size, only about 30 percent of the county is within the 100-kilometer band. The share of the population living within 100 kilometers is lower.

With a land area of 17,128 square kilometers, Otero County ranks second among the 37 border region counties. The northeastern portion of the county is mountainous, covered by the Lincoln National Forest and the Mescalero Apache Indian Reservation. Much of the western part of the county is part of the U.S. Army's White Sands Missile Range and White Sands National Monument, each of which extends into Doña Ana County. Much of the southwestern portion of the county is part of the Fort Bliss Military Installation, which separates the rest of the county from El Paso and Las Cruces and extends into El Paso County, Texas. The southeastern part of the county is largely unpopulated, with the Guadalupe Mountains part of the Lincoln National Forest. The northern-most part of the Chihuahuan Desert extends into Otero County, at a mid-elevation of about 1,200 meters.

Otero County was created in 1899 from parts of Doña Ana, Lincoln, and Socorro counties. The county was only lightly settled until the late 1800s; the construction of the rail line passing through Alamogordo boosted growth. The county was named for Miguel A. Otero, who was the Territorial Representative to Congress from 1856 to 1861.

### **Population and Transportation Infrastructure**

Otero County had a population in 1900 of 4,791. The population reached 14,909 in 1950 and 63,797 in 2010, the 11th-most populous of the border region counties. The increase in population was especially strong in the 1950s at 22,100, with a lesser surge in the 1990s of 10,400. In the other four decades since 1950, the county has experienced net out-migration of residents.

Migration patterns by age have changed over time, going from strong net inflows of young adults to primarily retirement-age net in-migration.

Otero County is coincident with the Alamogordo micropolitan area. Nearly half of the county's residents live in Alamogordo (2010 count of 30,403), the county seat, which is located in the northern part of the county. Most of the rest of the population lives in unincorporated areas in the northern part of the county.

Alamogordo is more than 125 kilometers from the international border in El Paso, which is reached by U.S. Route 54, a two-lane road that runs from El Paso to Interstate 40 in northern New Mexico. U.S. Route 70, a four-lane divided highway, connects Alamogordo to Las Cruces and travels northeast towards Texas. Union Pacific Railroad's Tucumcari line, which runs from El Paso to Topeka, passes through Alamogordo. Alamogordo-White Sands Regional Airport is a general aviation facility. Seven private airfields are scattered around the county.

### **Economy**

The overall location quotient for Otero County is low at 0.8, but the LQ is high for certain activities: 3.3 in the federal civilian subsector and 10.9 in the military subsector. Nearly 4,700 active-duty military personnel are stationed in the county, primarily at the Holloman Air Force Base, which is located southwest of Alamogordo.

The LQ is 1.1 in agriculture, with a similar figure in each of the two subsectors. The local government figure is 1.2. Based on one of two employment datasets, the LQ is 1 or a little higher in the utilities sector and in the tourism sectors of accommodation and food services (in accommodation) and arts, entertainment and recreation (in snow skiing and casinos). The LQ is 2.8 in the accommodation subsector, at least 4 in the casinos industry, and extremely high in the snow skiing industry. The high figures in the tourism activities are from the Business Patterns dataset, which counts employment as of the week including March 12. Their importance is overstated relative to an annual average figure.

Excess employment is by far the most in the military subsector, followed by federal civilian government and then by local government. Agriculture contributes a small amount, as do tourism-related sectors according to the Business Patterns dataset. Thus, the federal government is the most important part of the economic base.

As seen in the following table of selected indicators, Otero County compares favorably to the other border region counties except on labor force/employment-related measures.

**OTERO COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	36.2	14
Mean Years of Schooling, Age 25 or Older	12.7	6
Labor Force Participation Rate, Age 20 to 64 (%)	71.0	20
Unemployment Rate, Age 20 to 64 (%)	9.8	25
Employment-to-Population Ratio (%)	35.6	26
Poverty Rate (%)	20.7	11
Median Earnings (\$)	25,211	13
Median Household Income (\$)	39,054	13
Per Capita Income (\$)	19,834	9

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## TEXAS

The southwestern border of Texas is shared with México, with the Rio Grande dividing the two countries. Texas borders four Mexican states. Much of Chihuahua's international border and the entire international border of Coahuila, Nuevo León, and Tamaulipas is shared with Texas. Texas has 254 counties. Of the 27 counties in the border region, 13 share the international border.

With a land area of 676,587 square kilometers, Texas is the largest of the four border states, accounting for 40 percent of the border states' land area and 7 percent of the national total. Most of Texas, including the eastern portion of its border region, is flat and at a low elevation. However, the Trans-Pecos Region — the portion west of the Pecos River (largely the portion of Texas that is south of New Mexico) — is part of the basin and range province that includes the border regions of New Mexico and Arizona. The valleys in the Trans-Pecos Region mostly are at around 1,200 meters elevation, with the mountains 600-to-900 meters higher. Other than the higher mountains, the region is covered by desert, unlike the rest of the state. The Trans-Pecos Region is in the northern-most part of the Chihuahuan Desert, dominated by desert grasses and desert shrubs.

The first Spanish explorers reached the Texas Gulf Coast in 1520. Three expeditions between 1581 and 1590 passed through the far western part of the state. Explorations of the western and central part of the border region were made from 1650 through 1674 and again after 1714. The Spanish adopted the term "Texas," variations of which were in wide use among Native Americans before the arrival of the Spanish.

The first European settlement in Texas did not occur until 1680, when the Pueblo Revolt pushed the Spaniards from northern New Mexico to the El Paso area. (However, El Paso was not part of Texas at this time.) Most of the early Spanish settlements along the Rio Grande were on the south side, in what is now México.

The other early European settlement in Texas was in eastern part of the state, well away from the current international border. The French established a community in 1685. Though this settlement lasted only three years, it prompted Spain to establish missions in eastern Texas in 1690, but these were quickly abandoned. The next settlement attempt in eastern Texas occurred in 1716. With these settlements more than 400 miles from the nearest Spanish settlements along the Rio Grande in what is now México, San Antonio was founded as a way station in 1719. After France gave up claims to Texas in 1763, Spain discontinued the support of the eastern Texas settlements.

Other than El Paso, the first Spanish settlements in the border region of Texas were founded in the mid-1700s along the Rio Grande. Settlements along the Gulf Coast portion of the border region began around 1800.

With its purchase of Louisiana from the French in 1803, the United States also claimed Texas. The dispute was settled in 1819, with Texas remaining Spanish while Florida became part of the United States. When México became independent in 1821, Texas became a part of México. It is believed that the Spanish and mestizo population in Texas was less than 2,000 at this time.

In order to prompt settlement of Texas and to ward off attacks by Native Americans, México allowed Americans to immigrate into Texas during the 1820s. The presence of Americans contributed to the Texas Revolution in 1835. Texas declared itself independent in 1836, but only the eastern portion of the current state boundaries was recognized by México as independent. West Texas, eastern New Mexico, and parts of other states were disputed territory between Texas and México. In 1845, the United States annexed Texas at the request of the Texans. The Republic of Texas had run up huge debt; this was settled by Texas ceding its land claims in New Mexico and other states to the U.S. federal government. The presence of American troops in the disputed territory prompted the Mexican-American War in 1846. At the end of the war in 1848, the disputed lands became part of the United States. The current boundaries of Texas were set in 1850.

### **Population of Texas**

The population of Texas was 212,592 in 1850. By 1860, it had nearly tripled, when 30 percent of the 604,215 counted were slaves. Growth slowed during the 1860s due to the Civil War; Texas joined the confederacy in 1861. After the Civil War, the presence of the U.S. military reduced attacks by Native Americans. The population of Texas began to increase at a rapid pace in the 1870s, with settlers coming from other U.S. states and other countries. By 1900, Texas had 3.0 million residents. Growth accelerated in Texas during the 20th century, climbing from less than 600,000 during the 1930s to 4.3 million during the 2000s. The population of Texas was 7.7 million by 1950 and reached 25.1 million in 2010 (see Chart 7). The population of Texas expanded more rapidly than California during the 19th century, but gains were less than in California throughout the 20th century.

Net migration has increased proportionately more than population change, reaching 2.1 million during the 2000s, but has remained less than half of the total population change. Young adults (age 18 to 34) make up a disproportionate share of the net in-migrants.

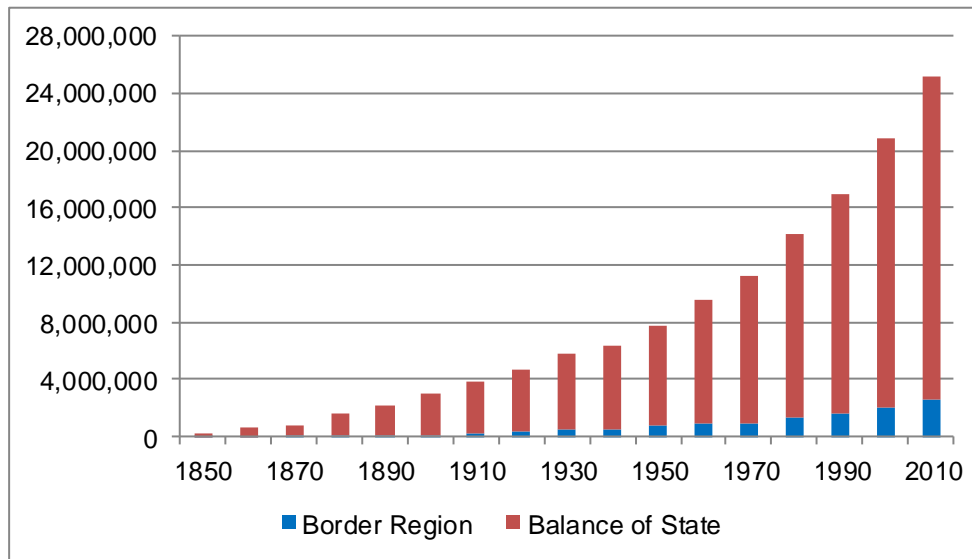
Much of the border region was largely unsettled when Texas joined the United States. With the exception of El Paso, the Trans-Pecos region had hardly any settlers. Settlements started to become more widespread in the 1850s, but the U.S. Civil War interrupted the in-migration. Some parts of the border region did not see much settlement until the 1880s.

Only 3 percent of the Texans counted in the 1860 census resided in the border region. Even in 1900, only 4 percent of the state's residents lived in the border region. Since then, the share living in the border region has gradually increased, reaching 10.0 percent in 2000 and 10.2 percent in 2010 (see Chart 8).

Four metropolitan areas are located in the border region. The El Paso metro area had 804,123 residents in 2010. It consists of El Paso County and Hudspeth County. The El Paso metro area is the larger part of the El Paso-Las Cruces consolidated area, which includes Doña Ana County, New Mexico. The consolidated area is coincident with the U.S. portion of the El Paso-Juárez urban area defined for this study.

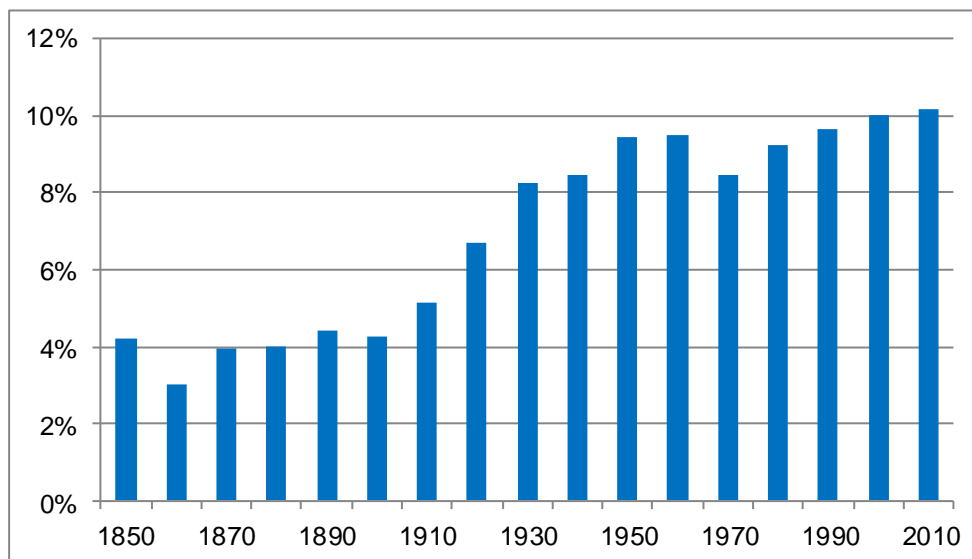
The Laredo metro area consists of Webb County and is coincident with the U.S. portion of the Laredo-Nuevo Laredo urban area. It had a population of 250,304 in 2010.

**CHART 7**  
**NUMBER OF RESIDENTS OF TEXAS**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

**CHART 8**  
**BORDER REGION SHARE OF THE POPULATION OF TEXAS**



Source: U.S. Department of Commerce, Census Bureau, decennial censuses.

The McAllen-Edinburg-Mission metro area, with 774,769 residents in 2010, consists of Hidalgo County. Neighboring Starr County is added to form the McAllen-Edinburg consolidated area, which is coincident with the U.S. portion of the McAllen-Reynosa urban area defined for this study.

The Brownsville-Harlingen metro area consists of Cameron County. It had a population of 406,220 in 2010. Neighboring Willacy County is added to form the Brownsville-Harlingen-Raymondville consolidated area, which is coincident with the U.S. portion of the Brownsville-Matamoros urban area defined for this study.

Twenty-one metropolitan areas are located in Texas outside of the border region, including four more populous than those in the border region: Dallas-Fort Worth-Arlington (6.4 million) and Houston-The Woodlands-Sugar Land (5.9 million) are at a considerable distance from the border, while San Antonio-New Braunfels (2.1 million) and Austin-Round Rock (1.7 million) are closer to the border region.

Two other urban areas defined for this study are located in Texas. The U.S. portion of the Del Rio-Acuña urban area consists of Val Verde County, which had a population of 48,879 in 2010 and makes up the Del Rio micropolitan area. The U.S. portion of the Eagle Pass-Piedras Negras urban area consists of Maverick County, which had a population of 54,258 in 2010 and makes up the Eagle Pass micro area.

### **Transportation and Trade in the Border Region of Texas**

The extensive border region of Texas is served by a large number of two-lane federal and state highways, but transportation is hampered by a lack of interstate freeways. The route of I-10 is near the border only in El Paso and Hudspeth counties in far western Texas and otherwise is at some distance from the border. The only other completed interstate freeway in the border region is I-35, which connects Laredo to San Antonio and I-10. The lack of controlled-access freeways traveling north from McAllen and Brownsville has limited truck traffic through those ports of entry. Currently, most of the length of these two routes heading north from the border are divided, four-lane U.S. highways, but are not controlled access. However, work is underway to convert these to controlled access.

The border region of Texas is better served by railroads; four of the seven active international rail crossings are in Texas:

- Union Pacific Railroad's Sunset Route passes through 10 of the border region counties and connects to a Ferromex line in El Paso.
- The Union Pacific's TP line runs from Sierra Blanca in Hudspeth County, where it meets the Sunset Route, to Dallas.
- The Texas Pacific line runs from Presidio to Alpine in northwestern Brewster County, where it meets the Sunset Route, but this line is in poor condition and the border crossing at Presidio is closed due to bridge damage.
- A BNSF line runs from Alpine to Dallas.
- Union Pacific has a spur line from Eagle Pass, where it meets a Ferromex line, to Spofford in Kinney County and the Sunset Route.
- Union Pacific runs a spur line from Laredo to San Antonio, joining the Sunset Route.

- Kansas City Southern Railway has a line from Laredo, where it meets the line of its Mexican subsidiary, to Corpus Christi.
- A Union Pacific line runs from Brownsville, where it meets a Kansas City Southern de México line at the border, to Corpus Christi.

Six airports in the border region of Texas are classified as primary commercial service. El Paso International is a small-hub airport with considerable cargo services. Valley International (located in the city of Harlingen) also is a small-hub airport, but had less than 30 percent as many enplanements and less than half as much cargo carried as El Paso in 2012. McAllen-Miller International, a nonhub airport, had almost as many enplanements as Valley International. Laredo International is a nonhub airport with considerable cargo services. Brownsville-South Padre Island International is a nonhub airport with limited cargo. Del Rio International also is a nonhub airport, but with limited enplanements.

Though 29 international border crossings are present in Texas, only nine of the 13 counties that share a border with México have a motor vehicle crossing: El Paso, Hudspeth, Presidio, Val Verde, Maverick, Webb, Starr, Hidalgo, and Cameron. Terrell, Kinney, and Zapata counties do not have a crossing, while Brewster County's crossing is limited to those traveling by foot or boat. Between the El Paso area and the Lower Rio Grande Valley, border crossings are separated by long distances. Presidio is the only crossing between Del Rio and a little southeast of El Paso. In contrast, border crossings are numerous in the El Paso area and in the Lower Rio Grande Valley.

The 29 crossings are aggregated into 11 U.S. ports of entry. Combining the data for these 11 ports and comparing these totals to those in the other border states, cross-border commercial truck traffic into Texas was by far the highest of the border states in 2012. Texas also ranked first by a wide margin on cross-border rail traffic; the number of individuals crossing the border also was the highest, but not by as wide a margin. The differentials are even wider on a per capita basis.

Based on the value of traded goods crossing the border in 2013, Texas again ranked first by a wide margin. Even on a per capita basis, the value of goods crossing the border in Texas is substantially higher than each of the other border states. The ratio of the export-to-import value was 0.85 in 2013, the highest of the border states. The negative net export value was the largest, on both an unadjusted and per capita basis.

Between 2004 and 2013, the value of imports and exports crossing the border in Texas rose a little less on a percent basis than the total of the border region, ranking third among the four border states on both an unadjusted and per capita basis. Between 1997 and 2012, the percent change in the per capita number of trucks and trains crossing the border into Texas was similar to the border region total. The per capita number of individuals crossing the border fell by the most of the border states.

The amount of traffic crossing the international border is especially substantial through the Laredo port of entry. El Paso is the second busiest of the Texas ports. Laredo and El Paso benefit from the quality of the transportation infrastructure — highway and rail — on both sides of the



border. The portion of the border from Laredo to Brownsville receives a disproportionate share of the cross-border traffic because of its relative proximity to major markets in the eastern United States and Canada and to major production and population centers in México, including the Monterrey-Salttillo area in northern México.

### **Economy of Texas**

The Texas economy accounts for more than one-third of the total size of the economy of the four border states. Its overall LQ slightly exceeds 1 based on gross domestic product and BEA employment but is slightly less than 1 based on Business Patterns employment. On each measure, the figure is the highest of the four border states. The location quotients by sector are shown in Table 8. A summary by sector follows.

- Agriculture. The location quotient is 1.1 based on BEA employment but only 0.6 based on GDP. Excess employment is of moderate size.
- Mining. The LQ is very high, ranging from 3.5 to 5 across the three datasets. The mining activity is almost entirely in oil and gas extraction and in activities that support oil and gas operations, including drilling wells. Excess employment and GDP are very large.
- Utilities. The LQ ranges from 0.9 based on Business Patterns employment to more than 1 on the other measures, including 1.2 based on GDP. The excess is small.
- Construction. The LQ ranges from 1.2 to 1.4 across the three datasets. Most of the excess is in the heavy and civil engineering construction subsector (especially of oil and gas pipelines), but the specialty trade contractors subsector also provides an excess.
- Manufacturing. The LQ is less than 0.9 based on the two employment measures but is 1.4 based on GDP. Petroleum and coal products (mostly refineries) provide the greatest excess, followed by chemicals (basic chemicals, such as petrochemicals, and plastic materials and resins). Other activities with excess activity include computers, communications equipment, aircraft, and fabricated metals; machinery has a large excess based on GDP but no excess based on Business Patterns employment.
- Wholesale trade. The LQ ranges from marginally less than 1 based on Business Patterns employment to 1.2 based on GDP. Based on the Business Patterns dataset, industrial machinery has the highest excess, but several other subsectors provide excesses, including petroleum products.
- Retail trade. The LQ is slightly more than 1 based on GDP and slightly less than 1 based on the two employment datasets. Business Patterns employment indicates that the largest excesses are in the motor vehicles and gasoline stations subsectors.
- Transportation and warehousing. The LQ ranges from 1.1 based on the two employment measures to 1.3 based on GDP. Significant excesses are present in air transportation, pipeline transportation, and transportation support activities, of which freight arrangement accounts for half.
- Information. The LQ is about 0.9 across the three measures. Based on Business Patterns employment, excesses occur in the telecommunications and data processing subsectors.
- Finance and insurance. The LQ ranges from 0.9 to 1.1, the latter based on BEA employment. The credit intermediation subsector provides an excess, particularly in the real estate credit industry.

**TABLE 8**  
**LOCATION QUOTIENTS BY SECTOR, TEXAS, 2011**

	<b>GDP*</b>	<b>State Employ**</b>	<b>Employ***</b>	<b>Border Region</b>		<b>Balance of State</b>	
				<b>Employ**</b>	<b>Employ***</b>	<b>Employ**</b>	<b>Employ***</b>
TOTAL	1.07	1.01	0.96	0.79	0.64	1.04	1.00
Agriculture	0.59	1.09					
Mining	5.03	3.85	3.49		1.14		3.76
Utilities	1.20	1.14	0.91		0.61		0.95
Construction	1.38	1.26	1.25		0.52		1.33
Manufacturing	1.36	0.88	0.81		0.30		0.87
Wholesale Trade	1.23	1.13	0.99		0.52		1.04
Retail Trade	1.03	0.98	0.95		0.90		0.96
Transportation and Warehousing	1.28	1.13	1.06		1.09		1.06
Information	0.84	0.89	0.90		0.51		0.95
Finance and Insurance	0.88	1.11	0.96		0.43		1.02
Real Estate and Rental	0.76	0.93	1.05		0.52		1.11
Professional, Scientific & Technical Services	0.96	0.95	0.89		0.31		0.95
Management of Companies	0.55	0.67	1.13		0.20		1.24
Administrative Support	1.11	1.10	1.11		0.56		1.17
Educational Services	0.37	0.65	0.57		0.27		0.60
Health Care & Social Assistance	0.86	0.89	0.88		1.03		0.87
Arts, Entertainment and Recreation	0.66	0.74	0.70		0.34		0.74
Accommodation and Food Services	0.91	1.01	0.99		0.77		1.01
Other Services	1.02	1.00	0.96		0.46		1.02
Government	0.95	0.99		1.18		0.97	

Note: a blank indicates that the data are not available

\* Gross Domestic Product, 2011

\*\* Employment, 2011 BEA

\*\*\* Employment, 2011 Business Patterns

Source: U.S. Department of Commerce. Gross domestic product and BEA employment are from the Bureau of Economic Analysis; Business Patterns employment is from the Census Bureau.

- Real estate and rental. The LQ ranges from 0.8 to a little more than 1, the latter based on Business Patterns employment. An excess is present in the rental and leasing subsector, mostly in the rental of construction and mining equipment.
- Professional, scientific and technical services. The LQ is about 0.9 based on all three datasets. A large excess is present in the architecture and engineering industry group.
- Management of companies. The LQ is less than 0.7 based on GDP and BEA employment, but is 1.1 based on Business Patterns employment. Excess employment is moderate based on the latter.
- Administrative support and waste services. The LQ is 1.1 based on each dataset. Most of the sizable excess is in the not-basic employment services industry group, particularly in temporary help services. However, excesses also are present in several other industry groups, including call centers.
- Educational services. The LQ ranges from 0.4 to 0.6 across the three datasets.
- Health care and social assistance. The LQ is 0.9 based on each of the datasets. However, a very large excess is present in the home health care industry group.
- Arts, entertainment and recreation. The LQ is 0.7 based on each of the datasets.
- Accommodation and food services. The LQ ranges from 0.9 to 1 across the three datasets. A moderate excess exists in the hotels and motels industry. An excess is present in food services, in the limited-service restaurants industry group.
- Other services. The LQ is about 1 based on all measures. An excess occurs in the repair and maintenance subsector.
- Government. The overall LQ is slightly below 1. The military LQ is 1.1, but the federal civilian LQ is only 0.8. The state government figure also is 0.8 while the local government LQ exceeds 1. The military excess is moderate in magnitude.

The industries with the largest excess employment are displayed in Table 9.

Based on the excesses in tradable activities, those activities related to oil and gas are the most important to the Texas economy. These include the mining activities of extraction, drilling wells, and support; the manufacturing activities of refineries and basic chemicals; the wholesaling of petroleum products; and pipeline transportation. Other important base activities include machinery wholesaling, air transportation, freight arrangement, real estate credit, call centers, data processing, and the military.

### **Economy of the Border Region of Texas**

The overall location quotient in the border region (0.8) is lower than the figure for the balance of the state (a little more than 1). Only four sectors have a LQ slightly greater than 1 in the border region: mining, transportation and warehousing, health care and social assistance, and government. In the latter three of these, the LQ is higher in the border region than in the balance of the state. Thus, the balance of the state has a much more diverse economy.

Excess employment in the border region of Texas is highest in local government, followed by the military and federal civilian. Lesser amounts of excess employment are in the health care and social assistance, transportation and warehousing, and mining sectors. Thus, the border region economy is highly dependent on the federal government, with contributions from mining and from transportation and warehousing.

**TABLE 9**  
**INDUSTRIES WITH THE GREATEST EXCESS EMPLOYMENT, TEXAS, 2011**  
**Excluding the Agriculture and Government Sectors**

<b>NAICS</b>	<b>Industry Title and Tradability*</b>	<b>Location Quotient</b>	<b>Excess Employment</b>
621610	Home health care services	2.00	103,064
213112	<b>Support activities for oil and gas operations</b>	5.01	72,499
561320	Temporary help services	1.33	70,055
722211	Limited-service restaurants	1.18	52,188
211111	<b>Crude petroleum and natural gas extraction</b>	4.90	34,912
452910	Warehouse clubs and supercenters	1.32	34,084
551114	<b>Corporate, subsidiary, and regional managing offices</b>	1.15	33,730
237120	<b>Oil and gas pipeline and related structures construction</b>	4.19	33,544
213111	<b>Drilling oil and gas wells</b>	5.20	32,678
541330	Engineering services	1.36	27,042
333132	<b>Oil and gas field machinery and equipment manufacturing</b>	8.28	25,298
622310	Specialty (except psychiatric and substance abuse) hospitals	1.98	21,615
423830	<b>Industrial machinery and equipment merchant wholesalers</b>	1.74	19,110
522292	<b>Real estate credit</b>	1.91	16,702
237130	Power and communication line and related structures construction	2.00	16,667
481111	<b>Scheduled passenger air transportation</b>	1.51	15,808
813110	Religious organizations	1.12	15,801
518210	<b>Data processing, hosting, and related services</b>	1.48	15,705
811310	Commercial machinery repair and maintenance	1.98	14,937
324110	<b>Petroleum refineries</b>	3.30	11,948

\* **Bold, shaded:** high proportion of tradable activity;  
**Bold, not shaded:** moderate proportion of tradable activity;  
Not bold, not shaded: low proportion of tradable activity

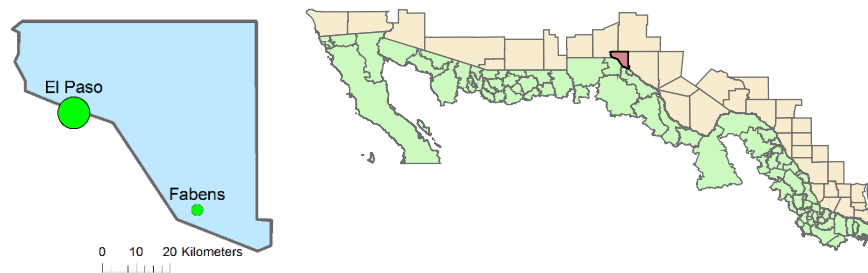
Source: Calculated from U.S. Department of Commerce, Census Bureau, Business Patterns, 2011.

Five out of eight jobs in the border region of Texas are in El Paso or Hidalgo (McAllen) counties. Along with Cameron (Brownsville) and Webb (Laredo) counties, 87 percent of the employment is in four of the 27 border region counties. Thus, while agriculture has a LQ greater than 1 in nearly all of the other 23 counties, the agricultural LQ for the border region is less than 1. Similarly, the mining LQ is barely above 1 in the border region of Texas despite high figures in many of the less populous counties.

### **El Paso County (El Paso Urban Area)**

El Paso County is in the southwestern corner of Texas, west of Hudspeth County and south of New Mexico's Doña Ana and Otero counties. All of the county is within 100 kilometers of the international border. Its southwestern border is shared with three Chihuahuan municipios: Juárez (the northwestern two-thirds), Guadalupe, and Praxedis G. Guerrero (at its southeastern tip).

With a land area of 2,623 square kilometers, El Paso County is sixth smallest of the 37 border region counties. It is the second most densely settled. The county, which is in the Trans-Pecos Region, consists primarily of desert and irrigated land at a mid-elevation of near 1,200 meters,



punctuated by the Franklin Mountains that extend into the city of El Paso. The Fort Bliss Military Installation occupies the northeast part of the county, extending southwest into the city of El Paso and northeast into Otero County, New Mexico.

The Oñate expedition of 1598, which founded the first settlement in northern New Mexico, gave the area the name El Paso del Norte due to the natural passageway between mountains for those traveling to the north, south, east, or west. The area was settled in 1680 after a Native American uprising drove the Spaniards out of northern New Mexico. El Paso was not part of the Republic of Texas, but became part of the state of Texas in 1850. El Paso County was created in 1850 but experienced a number of boundary changes through 1917, shrinking in size.

### **Population and Transportation Infrastructure**

The population of El Paso County was 101,877 in 1920. The population reached 194,968 in 1950 and 800,647 in 2010, third highest among the border region counties. While the population has increased consistently since the 1940s, the rate of increase has fluctuated. It was highest at between 110,000 and 120,000 in the 1950s, 1970s, 1980s, and 2000s. Net migration was negative during the 1960s and 1990s but accounted for about one-quarter of the population change in three of the other four decades since 1950. Net migration has been strongest among very young adults.

El Paso County is the primary part of the El Paso metro area, which includes Hudspeth County. It is the largest piece of the El Paso-Las Cruces combined area, which adds Doña Ana County, New Mexico. The U.S. portion of the El Paso-Juárez urban area defined for this study is coincident with the combined area. More than 80 percent of the county's residents live in the city of El Paso (2010 count of 649,121), the county seat, which is located in the northwestern part of the county along the Rio Grande and directly across from Ciudad Juárez, Chihuahua. Several much smaller towns extend to the southeast of the city of El Paso, near the river.

Interstate 10 and the Union Pacific Railroad's Sunset Route go through El Paso County from the northwest to the southeast. Both are very close to the international border in central El Paso. U.S. Route 54 travels northeast into Otero County, New Mexico, and U.S. Route 180 runs east through Hudspeth County before heading northeast into New Mexico. Each is a two-lane road outside of the city.

El Paso International Airport is the primary airport in the border region of Texas. It is designated as a small-hub primary airport. Enplanements in 2012 ranked 73rd nationally and third in the

border region. The landed weight of cargo ranked 39th nationally and second in the border region. A general aviation facility is located in Fabens and the Horizon Airport in El Paso is designated for other public use. Six private airfields are scattered around the county.

### **Border Crossings**

Five border crossings are in El Paso County, four connecting the cities of El Paso and Juárez. These four crossings comprise the El Paso U.S. port of entry. Two of these — Bridge of the Americas and Ysleta — are open to commercial traffic. A spur of Interstate 10 runs to the border, meeting Mexican Route 45, a divided highway that travels south to Chihuahua and on to central México. Major railroad lines from México and the United States also meet in El Paso.

The fifth crossing, Fabens-Caseta, is in the southeastern part of the county between the towns of Tornillo and Guadalupe, Chihuahua. It and the Fort Hancock crossing a little farther to the southeast, in Hudspeth County, comprise the Fabens port. Each of these crossings link I-10 and Mexican Route 2 — each route parallels the Rio Grande. The latter is a two-lane road that ends at El Porvenir, across from Fort Hancock. Neither of these crossings accept commercial trucks.

Of the 25 ports located on the border, El Paso had the second-highest number of individuals, and ranked third for the number of trucks, crossing the border in 2012. The number of individuals crossing the border decreased more than average on a percent basis throughout the 1997-to-2012 period. The percent change in the number of trucks crossing the border was near-average from 1997 through 2007, but a decrease occurred between 2007 and 2012.

The Fabens port is lightly used, ranking 22nd in 2012 in the number of individuals crossing the border. The number of individual crossings dropped much more than average throughout the 1997-to-2012 period. Commercial trucks have not been permitted since 2001.

Combining the data for 2012 on the amount of cross-border traffic entering the United States through El Paso and Hudspeth counties, the number of passengers and pedestrians ranked second to San Diego County among the 16 sets of counties with border crossings. On a per capita basis, the number of passengers and pedestrians ranked 10th. After an average decrease between 1997 and 2001, the per capita number of individuals crossing the border decreased by more than the border region total from 2001 through 2012.

The number of trucks crossing the border into El Paso and Hudspeth counties in 2012 ranked third, behind San Diego and Webb, Texas (Laredo) counties. The per capita number of trucks ranked seventh, with ranks of eighth for loaded containers and sixth for empty containers. The percent change in the per capita number of trucks entering the United States was marginally above average between 1997 and 2007, but the decline between 2007 and 2012 was greater than average, ranking 13th.

Among the seven active rail crossings between the United States and México, the number of trains crossing in El Paso County ranked third on an unadjusted basis, and fourth on a per capita basis, in 2012. A strong percent gain between 2001 and 2007 offset decreases before and after that period in the per capita number of trains crossing the border.

## **Trade Values**

The value of goods passing through the El Paso port in 2013 was second highest among the 27 ports in the border region for both imports and exports. Between 2004 and 2013, the inflation-adjusted import and export values increased but by less than average. In 2013, most of the goods were transported by truck (88 percent of exports and 79 percent of imports); rail accounted for 9 percent of exports and 15 percent of imports. Electrical machinery and equipment, and machinery and mechanical appliances accounted for 51 percent of the export value and 59 percent of the import value.

While no imports entered through the Fabens port, some goods were exported in 2013; the value ranked 21st among the 27 ports. Between 2004 and 2013, the inflation-adjusted value of exports dropped, ranking 19th among the 27 ports. In 2013, trucks transported 77 percent of the value of exports. More than half of the exports were either machinery and mechanical appliances or iron and steel.

Combining the two ports, the import and export value in El Paso and Hudspeth counties in 2013 each ranked second among the 16 sets of counties with border crossings. The ratio of the export-to-import value was 0.85, a little above average. The net export value ranked 11th. On a per capita basis, the ranks were lower for exports (seventh) and imports (sixth), but the rank was higher for net exports (ninth). Exports posted the seventh-highest percent change between 2004 and 2013, and the change in the import value ranked 10th. On a per capita basis, the ranks were one rank lower.

## **Economy**

The overall location quotient for El Paso County is 0.9 based on BEA employment but only 0.7 based on GDP. Based on these two datasets, the LQ is between 1.6 and 1.7 in the federal civilian subsector and is between 5.0 and 6.3 in the military subsector. The U.S. Army's Fort Bliss employs more than 25,000 active-duty military personnel. In addition to the Border Patrol, port of entry, and military base, federal civilian employment is high due to a federal prison. The local government figure is 1.2. The state government LQ is low despite the presence of a state prison and the University of Texas at El Paso. Based on GDP, state and local government do not have a LQ greater than 1.

The moderate per capita volume of traffic crossing the border and moderate per capita trade values do not significantly boost the location quotients of the affected sectors. The LQ for wholesale trade is considerably below 1, with the figure exceeding 1 in only two of the 19 industry groups; the LQ is high in the wholesaling of apparel. However, the location quotient for the transportation and warehousing sector is above 1 — between 1.1 and 1.2 based on the two employment datasets. High figures are present in trucking and freight arrangement; based on GDP, the LQ also is above 1 in rail transportation and pipeline transportation. The LQ for retail trade is less than 1, but the adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has more employment than expected, suggesting that Mexican shoppers have an effect.

In some sectors with a location quotient below 1, the LQ exceeds 1 in various subsectors. Four manufacturing subsectors have a figure above 1 based on GDP: apparel, primary metals,

electrical equipment, and petroleum and coal products. However, based on Business Patterns employment, each of these activities has a LQ less than 1. Other activities with a LQ above 1 include data processing, call centers, collection agencies, home health care, and social assistance for the elderly and disabled.

Excess employment in El Paso County is by far the greatest in the military subsector. Local government provides the next highest figures, followed by federal civilian government and adjusted retail trade. Activities with lesser excess activity based on one or more of the datasets include rental and leasing services, the manufacture of petroleum and coal products, trucking, freight arrangement, call centers, collection agencies, data processing, home health care, and social assistance for the elderly and disabled.

The federal government is the most important part of the economic base, with contributions from international trade — Mexican shoppers and the transportation activities of trucking and freight arrangement — the administrative support activities of call centers and collection agencies, and data processing.

As seen in the following table of selected indicators, El Paso County ranges from above average to average among the border region counties on socioeconomic measures.

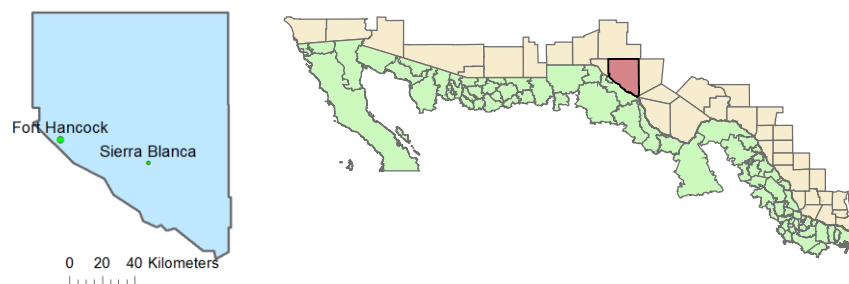
**EL PASO COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	31.2	29
Mean Years of Schooling, Age 25 or Older	11.9	9
Labor Force Participation Rate, Age 20 to 64 (%)	73.0	12
Unemployment Rate, Age 20 to 64 (%)	6.9	8
Employment-to-Population Ratio (%)	39.2	16
Poverty Rate (%)	24.0	19
Median Earnings (\$)	23,776	16
Median Household Income (\$)	39,699	12
Per Capita Income (\$)	18,086	14

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### **Hudspeth County (El Paso Urban Area)**





Hudspeth County is in southwestern Texas, east of El Paso County, west of Culberson County, and south of Otero County, New Mexico. Nearly all of the county is within 100 kilometers of the international border. It shares a border with Chihuahua: the northwestern 15 percent is with Praxedis G. Guerrero Municipio and the remainder is with Guadalupe Municipio.

With a land area of 11,839 square kilometers, Hudspeth County is seventh largest of the 37 border region counties and sparsely settled. The county, which is in the Trans-Pecos Region, consists primarily of desert, with more vegetation in the mountains in the northeast half of the county. Elevations range from 1,000 meters to 2,300 meters in the mountains.

Spanish expeditions passed through the area in the 1580s. After 1848, a route to California passed through the area but the presence of the Mescalero Apaches deterred settlement. Even with the arrival of the railroad in 1881, few settled in the area. It was not until the 1920s that farmers and ranchers came to the area. Hudspeth County, named after Claude Hudspeth, a state senator and U.S. representative from El Paso, was created in 1917 from El Paso County.

### **Population and Transportation Infrastructure**

The population of Hudspeth County was 962 in 1920 and peaked in 1950 at 4,298. The figure was down to 2,392 in 1970 before gradually rising to 3,476 in 2010, sixth lowest among the border counties. Net migration has been near zero over the last four decades, with a net outflow of those 18-to-29 years old and a net inflow of children.

Hudspeth County is included in the El Paso metro area, the El Paso-Las Cruces combined area, and the U.S. portion of the El Paso-Juárez urban area defined for this study. Many of the county's residents live in the southwestern part, along the Rio Grande and close to Interstate 10, particularly in unincorporated Fort Hancock (2010 population of 1,750). Sierra Blanca, the county seat, had only 553 residents in 2010. It is located in the south-central part of the county near I-10.

Interstate 10 runs southeast from El Paso County along the Rio Grande, then swings east away from the river. U.S. Route 180 also travels east-west, in the northern part of the county; it is a two-lane road. The only north-south route is a county road.

Two Union Pacific Railroad lines meet in Sierra Blanca: the Sunset Route and the TP line, which runs from Sierra Blanca to the Dallas area. The county has only one public airport. Located in Dell City, near the New Mexico state line in the northeastern part of the county, it is designated for other public use. Five private airfields are scattered around the county.

A border crossing between Fort Hancock and El Porvenir in Praxedis G. Guerrero Municipio is in the southwestern part of the county. Mexican Route 2 ends at the crossing. The Fort Hancock crossing, which is not open to trucks, is combined with the Fabens crossing in El Paso County into one U.S. port of entry. Thus, it is not possible to quantify the amount of activity through the Fort Hancock crossing. Border crossing and trade statistics for the Fabens port are discussed in the El Paso County section.

## Economy

The overall location quotient for Hudspeth County is 1.1, with very high figures for three activities: a LQ of 11.8 in the federal civilian subsector, 9.3 in the farming subsector, and 4.4 in utilities, with employment in the latter split among electric power generation, natural gas distribution, and water supply and irrigation. The local government figure is 1.9. The administrative support figure also exceeds 1, with a high figure in the facilities support industry, due to a large privately run prison.

The location quotients in Hudspeth County are considerably below 1 in the sectors affected by cross-border traffic: retail trade, wholesale trade, and transportation and warehousing. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has less employment than expected, not providing any support for the possibility that Mexican shoppers boost activity. Instead, Mexicans travel to nearby El Paso.

Federal civilian government provides the greatest excess employment, followed by agriculture. Local government and the private prison are the only other sources of a significant amount of excess employment. Thus, the federal government and agriculture are the most important parts of the economic base, with a contribution from the private prison.

As seen in the following table of selected indicators, Hudspeth County, which has one of the youngest and least-well-educated populaces, compares very unfavorably to other border region counties except on the unemployment rate.

**HUDSPETH COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	30.8	31
Mean Years of Schooling, Age 25 or Older	10.2	34
Labor Force Participation Rate, Age 20 to 64 (%)	60.7	34
Unemployment Rate, Age 20 to 64 (%)	8.8	18
Employment-to-Population Ratio (%)	35.6	27
Poverty Rate (%)	42.7	37
Median Earnings (\$)	17,447	35
Median Household Income (\$)	22,083	36
Per Capita Income (\$)	13,066	33

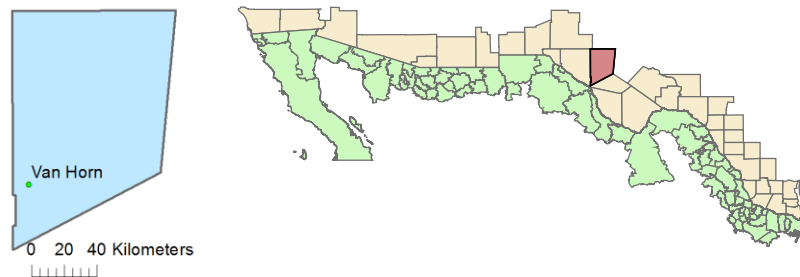
\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Culberson County

Culberson County is in southwestern Texas, east of Hudspeth County and north of Jeff Davis County. It does not share a border with México but approximately 45 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 9,875 square kilometers, Culberson County is 11th largest of the 37 border region counties and one of the most sparsely settled. The county, which is in the Trans-Pecos



region, consists primarily of desert scrub, though the mountains are more heavily vegetated. Elevations range from 900 meters to 2,650 meters — the highest point in Texas — in Guadalupe Mountains National Park in the northwestern corner of the county.

A Spanish expedition passed through the area in 1582, but the Mescalero Apaches deterred settlement until the railroad arrived in 1881. Ranching and mining were the early economic activities. Culberson County, named for David Culberson, a lawyer and confederate soldier, was created in 1912 from El Paso County.

### **Population and Transportation Infrastructure**

The population of Culberson County was 912 in 1920 and peaked at 3,429 in 1970. It was only 2,398 in 2010, fifth lowest among the border region counties. Net migration has been negative in each of the last five decades; net out-migration has disproportionately occurred among those 18-to-29 years old.

More than 80 percent of the county's residents live in Van Horn (2010 count of 2,063), the county seat, which is located in the southwestern part of the county along Interstate 10, which travels east-west. Though only about 40 kilometers from the border, the nearest border crossing to Van Horn is at Fort Hancock, about 100 kilometers to the west. U.S. Route 180, a two-lane road with a mountainous stretch, cuts across the northwestern corner of the county, providing access to Guadalupe Mountains National Park. Two-lane State Route 54 runs north-south along the county's western border. To the south of I-10, this becomes U.S. Route 90, a two-lane road running across much of the border region of Texas before reaching San Antonio.

Two Union Pacific railroad tracks pass through the county. The TP line runs from southwest to northeast across the center of the county on its way from Sierra Blanca to the Dallas area. The Sunset Route enters the western edge of the county close to I-10, then follows Route 90. Culberson County Airport, a general aviation facility, is located outside Van Horn. There are two private airfields in the county.

### **Economy**

The overall location quotient for Culberson County is high at 1.3. The LQ is very high for several activities: 7.0 in the mining sector (due to one establishment mining nonmetallic minerals), 5.1 in the farm subsector, 4.1 in the federal civilian subsector, between 2.1 and 2.8 in accommodation and food services, and between 1.6 and 2.0 in retail trade. The local government

figure is 1.9. Based on one of the two employment datasets, the LQ exceeds 1 in construction, transportation and warehousing, and other services.

Excess employment is highest in the accommodation and food services (primarily in accommodation) and retail trade sectors. Travelers along I-10 and/or visitors to Guadalupe Mountains National Park may account for the size of these activities. Other activities with moderate amounts of excess employment include local government, agriculture, and federal civilian government. Thus, tourism, the federal government, and agriculture are important parts of the economic base, with a contribution from mining.

As seen in the following table of selected indicators, Culberson County, which has among the highest median ages, generally ranks below average among the border region counties, though it has a high labor force participation rate and high employment-to-population ratio.

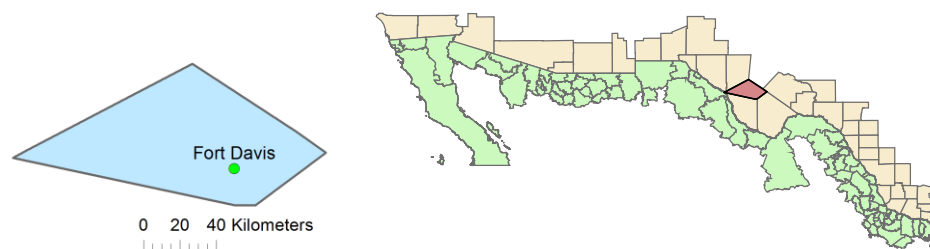
**CULBERSON COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	40.9	6
Mean Years of Schooling, Age 25 or Older	10.8	27
Labor Force Participation Rate, Age 20 to 64 (%)	80.0	2
Unemployment Rate, Age 20 to 64 (%)	12.4	33
Employment-to-Population Ratio (%)	47.3	5
Poverty Rate (%)	26.9	22
Median Earnings (\$)	17,461	34
Median Household Income (\$)	33,500	24
Per Capita Income (\$)	15,568	26

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Jeff Davis County



Jeff Davis County is southwestern Texas, south of Culberson County and north of Presidio and Brewster counties. Only the western tip of the county borders with México (the Guadalupe municipio of Chihuahua); approximately 60 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 5,865 square kilometers, Jeff Davis County is at the median of the 37 counties in the border region. The county, which is in the Trans-Pecos Region, consists primarily of scrub and grasslands, except in the mountains where more vegetation is present. The Davis Mountains are in the central part of the county. Elevations range from 1,200 meters to 2,500 meters in the mountains.

A Spanish expedition passed through the area in 1583 but it was occupied only by the Mescalero Apaches until after 1848. A route between San Antonio and El Paso was developed through the county and Fort Davis was built in 1854. After raids by the Apaches were ended in 1881 and after the arrival of the railroad in 1882, cattle ranching began. Jeff Davis County, named after Jefferson Davis, U.S. Secretary of War and President of the Confederate States, was created in 1887 from Presidio County.

### **Population and Transportation Infrastructure**

The population of Jeff Davis County was 1,394 in 1890 and peaked at 2,375 in 1940. After dropping to 1,527 in 1970, the population gradually rose to 2,342 in 2010, fourth lowest among the border region counties. Slight net in-migration has occurred during each of the last four decades, with modest net inflows in most age groups but with net outflows among those 18-to-29 years old. Retirement-age migration strengthened in the 2000s.

Half of the county's residents live in Fort Davis, an unincorporated community (2010 count of 1,201) and the county seat, located in the southeastern part of the county at an elevation of about 1,500 meters at the edge of the Davis Mountains. The nearest border crossing (Presidio) is 150 kilometers southwest.

Interstate 10 passes through the northern tip of the county and U.S. Route 90 travels northwest to southeast through the western part of the county. The Union Pacific Railroad's Sunset Route follows Route 90. Several state routes traverse the middle of the county, and connect Route 90 and I-10. No public airports, and just one private air field, are located in Jeff Davis County. Several facilities are in neighboring counties, close to the county line.

### **Economy**

The overall location quotient for Jeff Davis County is 1.1. The LQ is 7.2 for the farm subsector, 3.6 for the state government subsector, 1.3 in the federal civilian subsector, and 2.1 in the utilities sector (split between electric power distribution, natural gas distribution, and water supply and irrigation). The local government figure is 1.2. Based on one of the two employment datasets, the LQ is 1 or higher in the mining and professional, scientific and technical services sectors. The accommodation subsector also has a LQ above 1.

Excess employment is highest in agriculture and state government, the latter is part due to the McDonald Observatory run by the University of Texas. Otherwise, amounts are modest. Thus, the state government and agriculture are important parts of the economic base.

As seen in the following table of selected indicators, Jeff Davis County, like neighboring Brewster County, has one of the older and best-educated populaces, and ranks near the top of the border region counties on labor force/employment and income-related measures.

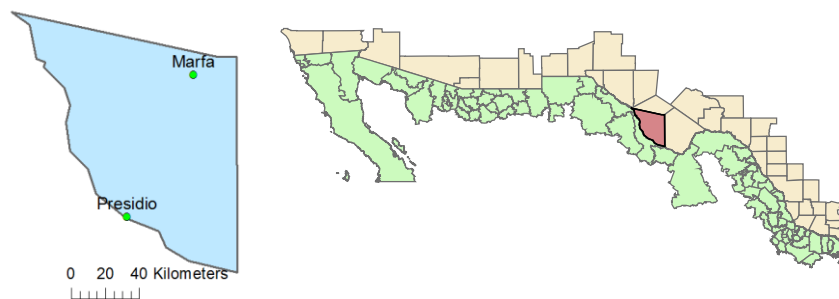
### JEFF DAVIS COUNTY INDICATORS

	Value	Rank*
Median Age (years)	51.3	2
Mean Years of Schooling, Age 25 or Older	12.8	5
Labor Force Participation Rate, Age 20 to 64 (%)	77.8	4
Unemployment Rate, Age 20 to 64 (%)	1.8	3
Employment-to-Population Ratio (%)	47.8	3
Poverty Rate (%)	8.6	1
Median Earnings (\$)	25,225	12
Median Household Income (\$)	49,375	3
Per Capita Income (\$)	25,340	5

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Presidio County



Presidio County is in southwestern Texas south of Jeff Davis County and west of Brewster County. All of the county is within 100 kilometers of the international border. Its southwestern border is shared with Chihuahua: the northwestern corner with Guadalupe Municipio and the remainder with Ojinaga Municipio.

With a land area of 9,985 square kilometers, Presidio County is 10th largest of the 37 border region counties and sparsely settled. The county is in the Trans-Pecos Region. The northern part consists of rolling, grassy plains at an elevation of more than 1,200 meters. The rest of the county consists of mountain ranges and desert-covered valleys at elevations between 750-and-2,350 meters. Big Bend Ranch State Park covers an extensive area in the southeastern part of the county.

The Spanish explored the area as early as the 1500s, but never attempted to settle due to the hostility of the native Apaches and Comanches. The first settlement began after 1848, with some ranching and farming along the Rio Grande. Presidio County was created in 1850 but experienced boundary changes through 1889. Silver mines boosted the population in the 1880s as did the arrival of the railroad in the northeastern part of the county, which led to the founding of Marfa. The population grew during the 1910s as Mexicans immigrated in response to the Mexican Revolution.

### **Population and Transportation Infrastructure**

The population of Presidio County was 1,698 in 1890 and peaked at 12,202 in 1920. It dropped to 4,842 in 1970 then rose to 7,818 in 2010, ranking 25th among the border region counties. Despite the population increase since 1970, net migration was negative in three of the four decades, with a large net loss of those 18-to-29 years old. In the 2000s, net in-migration was strongest among those of retirement age.

More than half of the county's residents live in Presidio (2010 count of 4,426), which is located along the Rio Grande and directly across from Ojinaga, Chihuahua. The county seat is Marfa (2010 count of 1,411), located in the northeast along the Union Pacific Railroad's Sunset Route. Marfa is on U.S. Route 90, which runs southeast-northwest through the northern part of the county. U.S. Route 67 connects Marfa to Presidio. Both highways are two lanes.

Texas Pacifico operates a rail line from Presidio to Alpine in Brewster County, but the tracks are in need of repair, slowing travel. This line meets a Ferromex line at the border, but the crossing is closed due to damage to the railroad bridge crossing the Rio Grande. Marfa Municipal Airport is a general aviation facility; Presidio Lely International Airport is classified for other public use. Six private airfields are scattered around the county.

### **Border Crossings and Trade Values**

A border crossing connects the cities of Presidio and Ojinaga. A rail crossing is currently out of service due to damage to the bridge crossing the Rio Grande. The Presidio border crossing with Ojinaga links U.S. Route 67 with Mexican Route 16, which runs southeast to the city of Chihuahua; each is a two-lane road. The Presidio U.S. port of entry also includes the Boquillas crossing in Big Bend National Park in Brewster County that opened in 2013, but it is limited to those who wade or boat across the Rio Grande.

In 2012, the number of passengers and pedestrians entering the United States through the Presidio port ranked 18th among the 25 ports located along the border. The number of trucks crossing the border ranked 16th. The number of individuals crossing the border did not decline as much as average throughout the 1997-to-2012 period. The number of trucks crossing the border increased considerably between 1997 and 2001 and again between 2007 and 2012.

Among the 16 counties with border crossings, Presidio County ranked 13th on the number of individuals, and 14th on the number of trucks, crossing the border in 2012. On a per capita basis, the ranks were higher at second for the number of passengers and pedestrians and fifth for trucks.

The percent change in the per capita number of trucks entering the United States through Presidio County was much higher than the figure for the entire border region between 1997 and 2001 and again from 2007 to 2012, ranking in the top three in each period, but the change was a little below average from 2001 through 2007. The per capita number of individuals crossing the border decreased on a percent basis by less than the border region total throughout the 1997-to-2012 period, with a rank of third between 2007 and 2012. The loss of the rail crossing had little practical impact since rail traffic had been insignificant since 1997.

The value of goods passing through the Presidio port in 2013 was 13th highest among the 27 ports in the border region for exports; imports ranked 16th. Between 2004 and 2013, the inflation-adjusted export value increased but by only half as much as the border region total. The import value decreased substantially. Nearly all of the goods were transported by truck (98 percent of exports and 100 percent of imports) in 2013. Vehicles and parts, and machinery and mechanical appliances accounted for 57 percent of the export value. The import value was dispersed among a number of commodities, with fruits and nuts and live animals having the highest values.

Among the 16 counties with border crossings, Presidio County ranked 13th in export value and 14th in import value in 2013. The ratio of the export-to-import value was considerably higher than average at 3.55. The net export value ranked third. On a per capita basis, the ranks were higher: fourth for exports, 10th for imports, and first for net exports. Though below average, the percent increase in export value between 2004 and 2013 ranked ninth; the large decrease in the import value ranked 15th. On a per capita basis, the percent change in exports ranked seventh.

### **Economy**

The overall location quotient for Presidio County is low at 0.8, but the figures are high for certain activities. The LQ is 5.1 in the federal civilian government subsector and 2.7 in the farm subsector. The local government figure is 1.8. The LQ is marginally above 1 in the utilities (in electric power distribution and natural gas distribution) and arts, entertainment and recreation (in museums) sectors.

Despite high per capita traffic volumes and trade values, the location quotients for retail trade, wholesale trade, and transportation and warehousing all are considerably below 1 in Presidio County. Two of the 19 wholesale trade industry groups have a LQ greater than 1: farm supplies and petroleum products. Though these LQs are high, excess employment is minimal. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has less employment than expected, not providing any support for the possibility that Mexican shoppers boost activity.

Excess employment is greatest in federal civilian government and local government. The agriculture figure is lower. Thus, the federal government is the most important part of the economic base, with agriculture contributing.

As seen in the following table of selected indicators, Presidio County ranks from above-to-below average among the border region counties on socioeconomic measures.



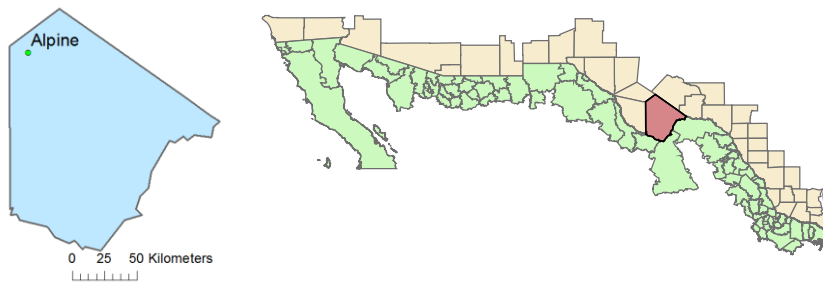
### PRESIDIO COUNTY INDICATORS

	Value	Rank*
Median Age (years)	39.1	9
Mean Years of Schooling, Age 25 or Older	10.6	28
Labor Force Participation Rate, Age 20 to 64 (%)	76.4	8
Unemployment Rate, Age 20 to 64 (%)	9.5	22
Employment-to-Population Ratio (%)	39.9	15
Poverty Rate (%)	23.9	18
Median Earnings (\$)	20,827	28
Median Household Income (\$)	29,400	29
Per Capita Income (\$)	17,168	18

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Brewster County



Brewster County is in southwestern Texas, east of Presidio and Jeff Davis counties and southwest of Pecos and Terrell counties. Approximately 80 percent of the county's land area is within 100 kilometers of the international border. Its southwestern border is shared with Manuel Benavides Municipio of Chihuahua; the southeastern border is split between the Ocampo and Acuña municipios of Coahuila.

With a land area of 16,016 square kilometers, Brewster County is third largest of the 37 border region counties and sparsely settled. The county, which is in the Trans-Pecos Region, consists primarily of mountain ranges and lower-lying desert, though the population centers in the northern part of the county are at middle elevations of around 1,200 meters. Big Bend National Park occupies the southern part of the county. The Black Gap Wildlife Management Area is northeast of the park.

Various Spanish expeditions passed through the area in the 16th and 17th centuries, but it was occupied only by the Mescalero Apaches until after the end of the Mexican-American War in 1848. The presence of the U.S. Army — which deterred raids by Native Americans — ranching opportunities, and the completion of a railroad in 1882 helped to attract settlers, but it was mining of mercury and various ores that caused the population to grow between 1890 and 1910.

Brewster County, named for Henry Brewster, Secretary of War for the Republic of Texas, was created in 1887 from Presidio County.

### **Population and Transportation Infrastructure**

The population of Brewster County was 710 in 1890. It reached 7,309 in 1950 and 9,232 in 2010, ranking 24th among the border region counties. Population gains of between 800 and 1,300 occurred in the 1940s, 1960s, and 1980s, but the population dropped in the 1930s, 1950s, and 1970s. Small increases occurred in each of the last two decades. Net migration was negative in four of the last six decades. Due to the presence of Sul Ross University in Alpine, the county experiences a net inflow of those 18-to-24, but a net outflow of those 25-to-34, years old.

More than 60 percent of the county's residents live in Alpine (2010 count of 5,905), the county seat, which is located in the northwestern corner of the county. The nearest border crossing is Presidio, 150 kilometers to the southwest. Marathon, southeast of Alpine, is the county's other population center but had only 430 residents in 2010. Both towns are along U.S. Route 90, a two-lane road that runs east-west across the northern part of the county. The Union Pacific Railroad's Sunset Route follows this path; a BNSF line runs from Alpine to Dallas.

Big Bend National Park is reached via U.S. Route 385 from Marathon and State Route 118 from Alpine; both are two-lane roads. Despite its long international border, Brewster County's only border crossing is the Boquillas crossing in Big Bend National Park that opened in 2013; it is limited to those who wade or boat across the Rio Grande.

The Alpine-Casparis Municipal Airport is a general aviation facility. An airport designated for other public use also is near Alpine. Fourteen private airfields are scattered around the county.

### **Economy**

The overall location quotient for Brewster County is high at 1.2. The LQ is 3.8 in state government (largely due to Sul Ross University), 3.5 in the federal civilian subsector, and 2.7 in the farming subsector. Based on the two employment datasets, the LQ is between 1.9 and 2.7 in utilities (split between electric power distribution, natural gas distribution, and water supply and irrigation), between 1.7 and 2.1 in accommodation and food services (especially in accommodation), and between 1.2 and 1.5 in the information sector (especially in wired telecommunications). The local government figure is 1.1. The LQ exceeds 1 based on one of the two employment datasets in several other sectors, including wholesale trade (in the grocery and miscellaneous nondurables subsectors). Thus, Brewster County's economy is unusually diverse for a county with a relatively low population.

Excess employment is greatest in state government, retail trade based on BEA employment, accommodation and food services (mostly in accommodation), federal civilian government, and agriculture. Thus, the university, federal government, tourism, and agriculture are important parts of the economic base.

As seen in the following table of selected indicators, Brewster County, like neighboring Jeff Davis County, has one of the older and best-educated populaces, and ranks near the top of the border region counties on labor force/employment and income-related measures.

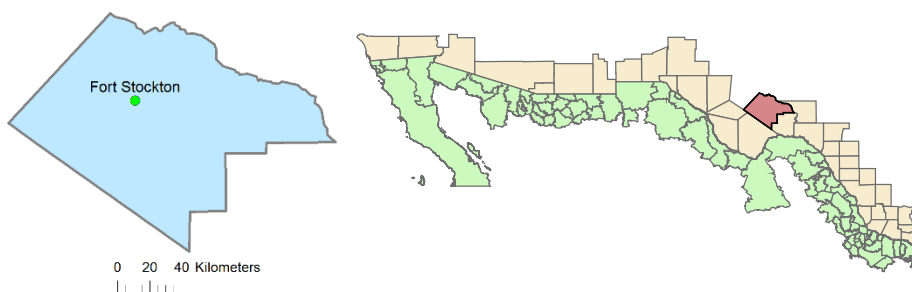
### BREWSTER COUNTY INDICATORS

	Value	Rank*
Median Age (years)	40.6	7
Mean Years of Schooling, Age 25 or Older	13.5	2
Labor Force Participation Rate, Age 20 to 64 (%)	76.8	7
Unemployment Rate, Age 20 to 64 (%)	2.1	4
Employment-to-Population Ratio (%)	51.1	1
Poverty Rate (%)	12.7	3
Median Earnings (\$)	27,109	8
Median Household Income (\$)	40,086	11
Per Capita Income (\$)	26,777	3

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Pecos County



Pecos County is in southwestern Texas, northeast of Brewster County and northwest of Terrell County. It does not share a border with México but approximately 40 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 12,338 square kilometers, Pecos County is sixth largest of the 37 border region counties. The county, which is in the Trans-Pecos Region, is hilly in the west with mesas in the east at the edge of the Edwards Plateau. Grasses and desert scrub dominate. Elevations range from 750-to-1,200 meters.

The first settlement in the area was in 1859 with the construction of Fort Stockton by the U.S. Army. The early economy was based on ranching of cattle and sheep and some farming, but after the discovery of the Yates Oil Field in the eastern part of the county in the late 1920s, oil became the dominant activity. Pecos County, named for the Pecos River, which is the county's northeastern boundary, was created in 1871 but experienced boundary changes through 1905, shrinking in size.

### Population and Transportation Infrastructure

The population of Pecos County was 2,071 in 1910; it reached 9,939 in 1950 and 16,809 in 2000 but dropped to 15,507 in 2010, ranking 19th among the border region counties. Net migration

was negative in five of the last six decades (except the 1990s). In most decades, a net outflow has occurred among those 18-to-24 years old.

More than half of the county's residents live in Fort Stockton (2010 count of 8,283), the county seat, which is located in the central part of the county. The nearest border crossing is Presidio, more than 275 kilometers to the southwest. Most of the county's other residents live along the Pecos River. Several highways pass through, or near to Fort Stockton, including east-west-aligned Interstate 10. The others are two-lane roads.

The BNSF rail line from Alpine to Dallas passes through Fort Stockton. A general aviation airport is located in Fort Stockton. An airport for other public use is located in Iraan, at the eastern edge of the county along the river. Five private airfields are scattered around the county.

### **Economy**

The overall location quotient for Pecos County is 0.9. Based on both employment datasets, the LQ ranges from 25 to 38 in the mining sector, is between 1.9 and 6.8 in utilities (particularly high in natural gas distribution), is between 1.2 and 1.5 in transportation and warehousing (due to pipeline transportation of natural gas and refined petroleum, and to trucking), and is about 1 in retail trade. The LQ is 2.9 or more in the two agriculture subsectors. It is 2.2 in state government, due to two state prisons, and 1.8 in local government. Though the sectoral LQ is less than 1, the figure for accommodation exceeds 1.

Excess employment is by far the highest in mining, with most of it in the oil and gas support industry. Local government, state government, and agriculture also provide significant amounts. Thus, mining is the most important part of the economic base, with contributions from state government and agriculture.

As seen in the following table of selected indicators, Pecos County generally compares favorably to other border region counties on socioeconomic measures, though its labor force participation rate is low.

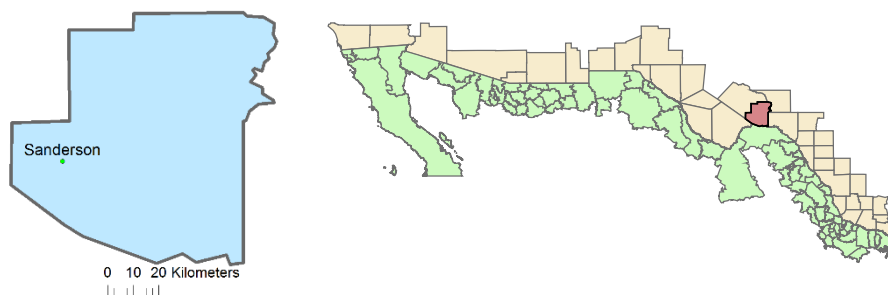
**PECOS COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	36.0	15
Mean Years of Schooling, Age 25 or Older	10.8	25
Labor Force Participation Rate, Age 20 to 64 (%)	62.0	33
Unemployment Rate, Age 20 to 64 (%)	3.6	5
Employment-to-Population Ratio (%)	40.6	12
Poverty Rate (%)	17.6	8
Median Earnings (\$)	27,497	6
Median Household Income (\$)	43,529	6
Per Capita Income (\$)	18,345	13

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Terrell County



Terrell County is in southwestern Texas, bordering Brewster, Pecos, Crockett, and Val Verde counties. All of the county is within 100 kilometers of the international border. It shares a border with Acuña Municipio of Coahuila.

With a land area of 6,107 square kilometers, Terrell County ranks in the middle of the 37 border region counties and is among the most sparsely settled. The county, which is in the Trans-Pecos Region, is rocky, covered by grass and brush. It is flat in the east but transitions into a more mountainous landscape in the west. Elevations range from 400-to-1,200 meters.

The Spanish explored the area in the early 1700s but settlement did not begin until the 1880s with the arrival of the railroad. The early economy mostly consisted of sheep and goat ranching. The county, named for Alexander Terrell, a state senator, was created in 1905 from Pecos County.

### Population and Transportation Infrastructure

The population of Terrell County was 1,430 in 1910 and peaked at 3,189 in 1950. It has gradually declined since then to only 984 in 2010, second lowest among the border region counties. Net out-migration has occurred in each decade since 1950, but was slight in the 2000s. Most of the net outflow has occurred among those 18-to-29 years old.

Though the county borders México, no settlements exist along the Rio Grande and the county does not have a border crossing. More than 80 percent of the county's residents live in Sanderson (2010 count of 837), the county seat in the southwestern part of the county. The nearest border crossing is in Del Rio, nearly 200 kilometers to the southeast, reached via U.S. Route 90, which runs largely east-west through the southern part of the county. U.S. Route 285, another two-lane road, connects Sanderson to Interstate 10 at Fort Stockton, about 100 kilometers away. The Union Pacific Railroad's Sunset Route follows Route 90. The only public airport, designated for other public use, is in Dryden, southeast of Sanderson. There are two private airfields.

### Economy

The overall location quotient for Terrell County is very high at 1.9. The LQ is 15 in the farming subsector, 10 in the mining sector (due to the oil and gas support industry), and 7.3 in the federal civilian subsector. The figure is 2.4 for local government and 1.8 for state government. It exceeds 1 in several other sectors based on the BEA employment dataset.

Excess employment is highest in agriculture, followed by local government and federal civilian government. Small amounts may be present in several other sectors. Thus, the federal government and agriculture are important parts of the economic base.

As seen in the following table of selected indicators, Terrell County, which has one of the older and better-educated populaces, compares favorably to other border region counties on employment and income-related measures.

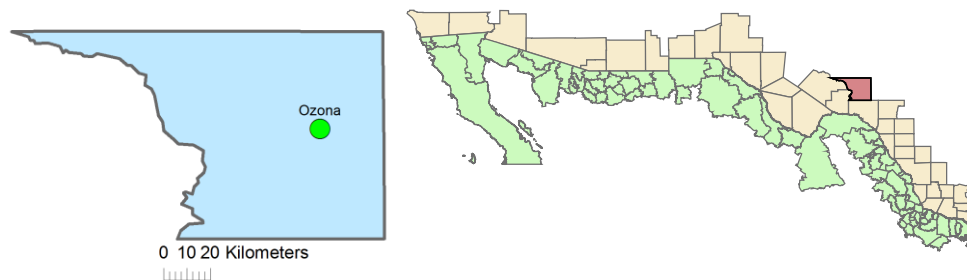
**TERRELL COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	45.7	4
Mean Years of Schooling, Age 25 or Older	11.9	11
Labor Force Participation Rate, Age 20 to 64 (%)	67.0	29
Unemployment Rate, Age 20 to 64 (%)	0.0	1
Employment-to-Population Ratio (%)	42.7	9
Poverty Rate (%)	16.2	5
Median Earnings (\$)	27,344	7
Median Household Income (\$)	37,750	16
Per Capita Income (\$)	24,773	6

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Crockett County



Crockett County is in southwestern Texas, north of Val Verde County and east of Pecos and Terrell counties. It does not share a border with México but approximately 60 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 7,271 square kilometers, Crockett County ranks in the middle of the 37 border region counties and is sparsely settled. The county is at the western edge of the Edwards Plateau, which is the southern-most extension of the Great Plains. Vegetation consists of desert scrub on mesas and canyons in the west and juniper and oak in the east, with the elevation ranging from 450-to-900 meters.

Spanish explorers passed through the area in 1590 and 1684, but few lived in the area until after 1880, when more ranchers arrived. Crockett County was named for Davy Crockett, who died at the Battle of the Alamo. It was created in 1875.

### **Population and Transportation Infrastructure**

The population of Crockett County was only 127 in 1880. It reached 1,591 in 1900 and peaked at 4,608 in 1980. The number of residents was down to 3,719 in 2010, eighth lowest among the border region counties. In five of the last six decades, net out-migration, mostly among those 18-to-29 years old, has been experienced.

More than 80 percent of the county's residents live in Ozona (2010 count of 3,225), the county seat, an unincorporated area in the east-central part of the county along Interstate 10. It is named for its "open air" or "ozone." The nearest border crossings are in/near Del Rio, more than 150 kilometers to the southeast. Interstate 10 and U.S. Route 190 travel east-west through the county. State Route 163 runs north-south through Ozona. There is no rail service in the county. A general aviation facility is located in Ozona. The county has one private airfield.

### **Economy**

The overall location quotient for Crockett County is extremely high at 2.4. The LQ for farming is 7.3. Based on the two employment datasets, the LQ is between 23 and 29 in the mining sector, between 1.8 and 10.4 in utilities (particularly high in natural gas distribution), between 1.4 and 1.6 in accommodation and food services, and between 1.1 and 1.4 in retail trade. The local government figure is 2.4 and the construction figure is 2.0. Travelers along I-10 appear to boost the retail trade and accommodation and food services sectors.

Excess employment is highest in mining, split between the oil and gas extraction and oil and gas support industries. Local government and agriculture have the next highest excess employment, followed by accommodation and food services (primarily food services). Thus, mining and agriculture are the most important parts of the economic base, but travelers along I-10 contribute.

As seen in the following table of selected indicators, Crockett County has among the highest labor force and employment rates and highest incomes of the border region counties.

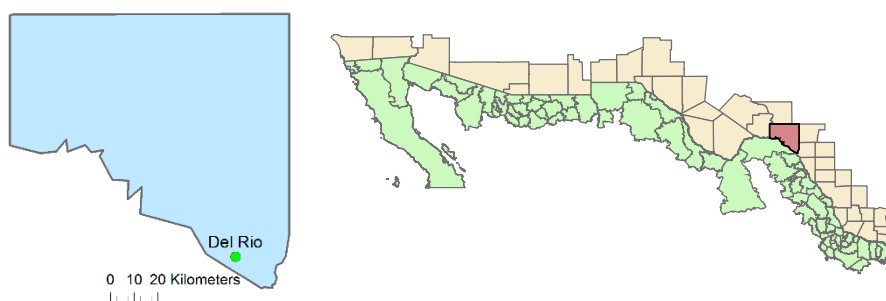
### CROCKETT COUNTY INDICATORS

	Value	Rank*
Median Age (years)	34.3	21
Mean Years of Schooling, Age 25 or Older	11.1	21
Labor Force Participation Rate, Age 20 to 64 (%)	83.5	1
Unemployment Rate, Age 20 to 64 (%)	7.4	12
Employment-to-Population Ratio (%)	48.6	2
Poverty Rate (%)	16.9	7
Median Earnings (\$)	29,713	4
Median Household Income (\$)	49,850	2
Per Capita Income (\$)	22,365	8

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Val Verde County (Del Rio Urban Area)



Val Verde County is in southwestern Texas, east of Terrell County, south of Crockett County, and west of Edwards County. All of the county is within 100 kilometers of the international border. Its southern border is shared with Acuña Municipio of Coahuila.

With a land area of 8,145 square kilometers, Val Verde County ranks 15th largest of the 37 border region counties. Most of the county is on the Edwards Plateau, which is cut by canyons. The elevation is 650-to-900 meters. Grasses and desert scrub dominate except in the far eastern part of the county, which has oak and mesquite trees. The Amistad Reservoir is in the southeastern part of the county, near Del Rio.

The Spanish explored the area as early as 1590, but settlement was limited until after the U.S. Civil War. Military posts reduced the number of attacks by Native Americans and the railroad arrived in 1883. The early economy was one of ranching — especially sheep and goats — and farming. Val Verde (translated as “green valley”) County, named after a Civil War battle, was created in 1885.

#### **Population and Transportation Infrastructure**

The population of Val Verde County was 2,874 in 1890. It reached 16,635 in 1950 and 48,879 in 2010, 14th highest among the border region counties. The population has climbed considerably



since 1950, with the greatest gains of 8,400 in the 1970s and 7,800 in the 1950s. However, net migration was negative in four of the last six decades, including the last three. The age distribution of net migration has varied by decade.

Val Verde County is coincident with the Del Rio micropolitan area and with the U.S. portion of the Del Rio-Acuña urban area defined for this study. More than 70 percent of the county's residents live in Del Rio (2010 count of 35,591), the county seat, which is located in the southeastern part of the county along the Rio Grande and directly across from Ciudad Acuña, Coahuila. U.S. Route 90, a two-lane road running northwest to southeast through the southern part of the county, connects Del Rio to San Antonio to the east and to Interstate 10 far to the northwest. U.S. Route 277 runs north to the I-10 freeway and southeast to Eagle Pass.

The Union Pacific Railroad's Sunset Route follows Route 90 through the county. Del Rio International Airport, designated as a nonhub primary airport, is the only public airport. It ranked 389th in the country in the number of enplanements in 2012 but currently does not have scheduled passenger service. Twelve private airfields are scattered around the county.

### **Border Crossings and Trade Values**

Two border crossings are present in Val Verde County. One is between the cities of Del Rio and Acuña. The other is over the Amistad Dam northwest of Del Rio; it is not open to trucks. Mexican Routes 2 and 29, each a two-lane road, meet outside of Ciudad Acuña.

The two border crossings are combined into the Del Rio U.S. port of entry. In 2012, the number of individuals crossing the border ranked 14th, and the number of trucks ranked 10th, among the 25 ports located along the border. The percent change in the number of individuals crossing the border was less than average between 1997 and 2012, particularly between 1997 and 2001. The percent change in the number of truck crossing the border was above average between 1997 and 2001 but a little below average from 2001 through 2012.

Among the 16 counties with border crossings, Val Verde County ranked 11th in 2012 for the number of passengers and pedestrians entering the United States. The number of trucks crossing the border ranked 10th. The ranks are higher on a per capita basis at fifth for the number of individuals, and sixth for the number of trucks (fifth for loaded containers and seventh for empty containers).

The percent change in the per capita number of trucks entering the United States through Val Verde County rose at an above-average pace between 1997 and 2001 and at a near-average rate from 2001 through 2012. The per capita number of individuals crossing the border decreased more than average between 1997 and 2001 and at a near-average rate between 2001 and 2012.

The value of goods passing through the Del Rio port in 2013 was 10th highest among the 27 ports in the border region for both exports and imports. Between 2004 and 2013, the inflation-adjusted export and import values increased but by less than average. All of the goods were transported by truck in 2013. Vehicles and parts, machinery and mechanical appliances, and electrical machinery and equipment accounted for 60 percent of the export value. Furniture,

machinery and mechanical appliances, electrical machinery and equipment, and vehicles and parts accounted for 85 percent of the import value.

Among the 16 counties with border crossings, Val Verde County ranked 10th in both export and import value in 2013. The ratio of the export-to-import value was below average at 0.72. The net export value ranked eighth. The ranks were higher on a per capita basis for exports (sixth) and imports (fourth), but the net export value ranked 13th. The percent increase in export value between 2004 and 2013 ranked 11th; the increase in the import value ranked seventh. The ranks were a little higher on a per capita basis.

### **Economy**

The overall location quotient for Val Verde County is 0.9. The LQ is 4.7 for the military subsector and 5.1 for the federal civilian government subsector. Approximately 1,400 active-duty military personnel are stationed at Laughlin Air Force Base in Del Rio. The local government LQ is 1.2 and the farming LQ is 1.1. The LQ exceeds 1 based on one of the two employment datasets in health care and social assistance, due to home health care and social assistance for the elderly and disabled. Though the sectoral LQ is low in administrative support, the figure for the facilities support subsector is high, due to a privately run prison.

The moderately high per capita volumes of cross-border traffic and trade values probably contribute to the location quotients for retail trade and transportation and warehousing being close to 1 in Val Verde County. The LQ exceeds 1 in the warehousing subsector. However, the LQ for wholesale trade is very low, barely exceeding 1 in just one of the 19 industry groups. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has somewhat more employment than expected, suggesting that Mexican shoppers have an effect.

Excess employment is highest in the federal civilian government and military subsectors. The excess also is large in transportation and warehousing based on the BEA employment dataset. Lesser amounts are in local government, the private prison, and adjusted retail trade. Thus, the federal government — military and civilian — is the most important part of the economic base, with contributions from the private prison and Mexican shoppers.

As seen in the following table of selected indicators, Val Verde County generally ranks a little above average among border region counties on socioeconomic measures.

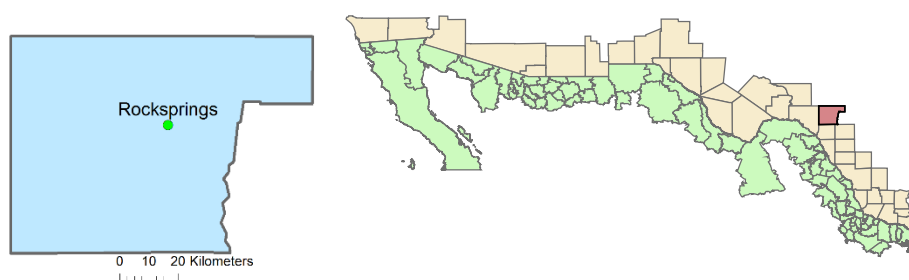
### VAL VERDE COUNTY INDICATORS

	Value	Rank*
Median Age (years)	32.4	24
Mean Years of Schooling, Age 25 or Older	11.0	22
Labor Force Participation Rate, Age 20 to 64 (%)	74.9	9
Unemployment Rate, Age 20 to 64 (%)	7.6	13
Employment-to-Population Ratio (%)	38.8	18
Poverty Rate (%)	21.0	12
Median Earnings (\$)	23,424	18
Median Household Income (\$)	40,509	10
Per Capita Income (\$)	17,504	17

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Edwards County



Edwards County is in south-central Texas, east of Val Verde County and north of Kinney County. It does not share a border with México but approximately 60 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 5,485 square kilometers, Edwards County ranks in the middle of the 37 border region counties. The county, which is on the Edwards Plateau, is flat in the west and rolling in the east, covered by grasses, oak, and juniper. The elevation ranges from 450-to-750 meters.

A Spanish mission was established in 1762, but it lasted less than 10 years. Otherwise the county did not begin to be settled until the mid-1800s. The early economy was based mostly on sheep and goat ranching. Edwards County, named for Haden Edwards, an early settler of Nacogdoches (which is in far eastern Texas), was created in 1858 but experienced boundary changes through 1913.

### Population and Transportation Infrastructure

The population of Edwards County was 2,283 in 1920, peaked at 2,933 in 1940, and was down to 2,002 in 2010, third lowest among the border region counties. Net migration was negative in five of the last six decades, consisting primarily of those 18-to-29 years old.

More than half of the county's residents live in Rocksprings (2010 count of 1,182), the county seat, which is located in the central part of the county. The nearest border crossing is Del Rio, about 135 kilometers southwest reached using U.S. Route 377, which runs southwest to northeast through the county. State Route 255 travels from northwest to southeast.

There is no rail service in Edwards County. An airport designated for other public use is located in Rocksprings. Three private airfields are scattered around the county.

### **Economy**

The overall location quotient for Edwards County is high at 1.4. The LQ is 30 in farming. Based on the two employment datasets, the LQ is between 2.2 and 3.3 in the information sector. The figure is 1.2 in the federal civilian government subsector and 1.6 for local government.

Excess employment is by far the highest in agriculture, with lesser amounts in local government and information, in the wired telecommunications industry. Thus, agriculture dominates the economic base.

As seen in the following table of selected indicators, Edwards County, which has one of the highest median ages, compares favorably to other border region counties on socioeconomic measures.

**EDWARDS COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	44.9	5
Mean Years of Schooling, Age 25 or Older	11.5	16
Labor Force Participation Rate, Age 20 to 64 (%)	77.8	5
Unemployment Rate, Age 20 to 64 (%)	6.2	7
Employment-to-Population Ratio (%)	47.6	4
Poverty Rate (%)	19.7	10
Median Earnings (\$)	23,966	15
Median Household Income (\$)	41,613	7
Per Capita Income (\$)	27,577	2

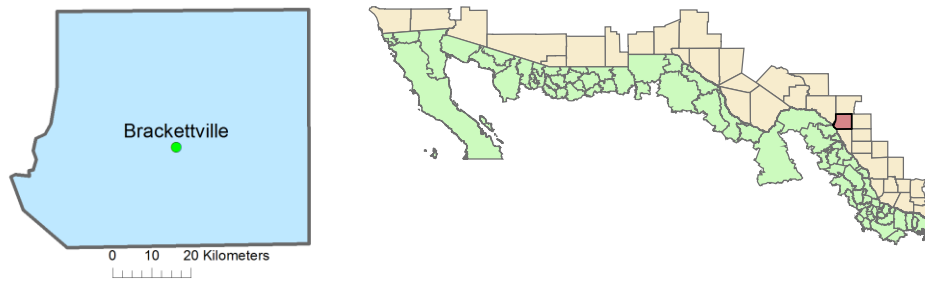
\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### **Kinney County**

Kinney County is in south-central Texas, southeast of Val Verde County, south of Edwards County, east of Uvalde County, and north of Maverick County. All of the county is within 100 kilometers of the international border. In its southwestern corner, it shares a border with Jiménez Municipio of Coahuila.

With a land area of 3,523 square kilometers, Kinney County is smaller than most of the 37 border region counties. The southern part of the county is part of the Rio Grande Plain while the



northern part is on the Edwards Plateau. Elevations range from 300-to-600 meters, with the landscape dominated by grasses, cacti, and scrub.

Spanish expeditions passed through the area in the late 1600s and the first settlement was formed in the late 1700s. Attacks by Native Americans slowed growth and prompted the building of Fort Clark in 1852. The early economy was largely based on ranching, particularly of sheep and goats. Kinney County, named for early settler Henry Kinney, was created in 1850 but experienced boundary changes through 1885. The railroad arrived in 1883.

### **Population and Transportation Infrastructure**

The population of Kinney County was 3,781 in 1890 and peaked at 4,533 in 1940. It dropped to 2,006 in 1970 but was back up to 3,598 in 2010, seventh lowest among the border region counties. Most of the population gain since 1970 has resulted from net migration. Net immigration has occurred except among those 18-to-24 years old and those 75 or older, with the strongest flows among those at retirement age.

Nearly half of the county's residents live in Brackettville (2010 count of 1,688), the county seat located in the center of the county, named after an early merchant, Oscar Brackett. The Del Rio border crossing is about 50 kilometers west, via U.S. Route 90. San Antonio is to the east via the same two-lane highway. No population centers are located near the border; the county does not have a border crossing. The Union Pacific Railroad's Sunset Route crosses the county from west to east. A spur line from Eagle Pass joins the Sunset Route in Spofford (population 95), south of Brackettville. Kinney County does not have a public airport, but 13 private airfields are scattered around the county.

### **Economy**

The overall location quotient for Kinney County is low at 0.8, but the LQ is high for certain activities, including 6.6 in agriculture, with a figure of 7.9 in the farming subsector. The LQ is 4.6 in the federal civilian government subsector and 1.7 for local government. The LQs also are high in the utilities and arts, entertainment and recreation sectors. The mining figure is 8.6 based on the BEA employment dataset but is zero based on the Business Patterns dataset. Though the administrative support sectoral LQ is well below 1, the facilities support industry has a high figure due to a private prison.

Excess employment is highest in agriculture, followed by the federal civilian and local government subsectors. The excess also is large in mining based on the BEA employment

dataset. More modest amounts are present in utilities (in electric power distribution); arts, entertainment and recreation (in the other amusement industry); and at the private prison. Thus, agriculture and the federal government are the most important parts of the economic base, but other activities contribute.

As seen in the following table of selected indicators, Kinney County, which has one of the highest median ages, has low labor force participation and ranks below average among border region counties on income-related measures.

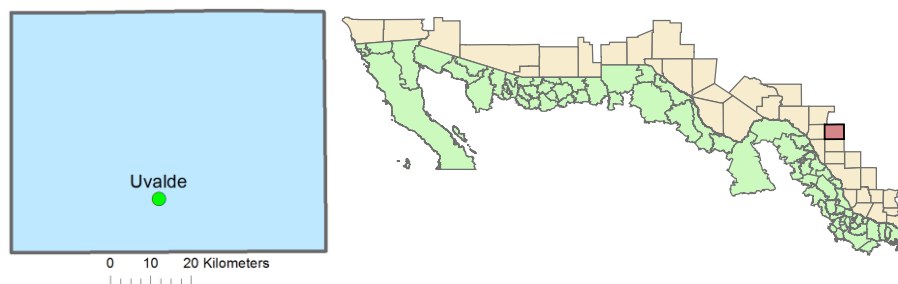
**KINNEY COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	46.2	3
Mean Years of Schooling, Age 25 or Older	11.7	13
Labor Force Participation Rate, Age 20 to 64 (%)	57.4	35
Unemployment Rate, Age 20 to 64 (%)	12.7	34
Employment-to-Population Ratio (%)	31.8	35
Poverty Rate (%)	29.7	27
Median Earnings (\$)	23,375	19
Median Household Income (\$)	34,083	23
Per Capita Income (\$)	16,829	21

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Uvalde County



Uvalde County is in south-central Texas, east of Kinney County and north of Zavala County. It does not share a border with México but approximately 55 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 4,020 square kilometers, Uvalde County is smaller than most of the 37 border region counties. Low hills and canyons at an elevation of 200-to-600 meters cover the county, the northern portion of which is on the Edwards Plateau. Vegetation consists of grasses, brush and oaks.

After the founding of San Antonio in 1719, the area was traversed by Spaniards but was not settled, in part due to Apache attacks. The construction of Fort Inge in 1849 allowed for settlement to begin, but a period of lawlessness that began during the Civil War and continued into the 1880s deterred settlement. The early economy was dependent on ranching and some farming. Uvalde County was created in 1850 but experienced a number of boundary changes through 1873. The county was named for Juan de Ugalde, the Spanish governor of Coahuila who led a successful campaign against the Apaches in 1790.

### **Population and Transportation Infrastructure**

The population of Uvalde County was 2,541 in 1880. It reached 16,015 in 1950 and 26,405 in 2010 — 16th-most populous of the border region counties. The greatest gain was 5,100 during the 1970s. Net migration was negative in five of the last six decades (the exception being the 1970s). Considerable net out-migration has occurred among those 18-to-29 years old. In the 2000s, net in-migration was strongest among those at retirement age.

Uvalde County is coincident with the Uvalde micropolitan area. Approximately 60 percent of the county's residents live in the city of Uvalde (2010 count of 15,751), the county seat, located in the south-central part of the county. The nearest border crossings are about 100 kilometers away: Del Rio to the west using U.S. Route 90 and Eagle Pass to the south via U.S. Route 83. Route 90 also runs east to San Antonio.

The Union Pacific Railroad's Sunset Route passes west-east through the county. A general aviation airport is in Uvalde. Six private airfields are scattered around the county.

### **Economy**

The overall location quotient for Uvalde County is 0.9. The LQ is 4.4 in agriculture. Based on the two employment datasets, the LQ is between 1.8 and 1.9 in mining, between 1.0 and 1.4 in utilities, and between 1.0 and 1.1 in retail trade. Based on one of the two datasets, it is between 1.0 and 1.1 in several other sectors. The local government figure is 1.9. Though the manufacturing LQ is well below 1, two activities have a high figure: apparel manufacturing and ship building.

Excess employment is the highest in agriculture and local government, with a much lesser amount in the two manufacturing activities, mining (in stone quarrying), and other sectors (though primarily based on only one of the two employment datasets). Thus, agriculture dominates the economic base, with small contributions from various other activities.

As seen in the following table of selected indicators, Uvalde County ranks in the middle of the border region counties on socioeconomic measures.

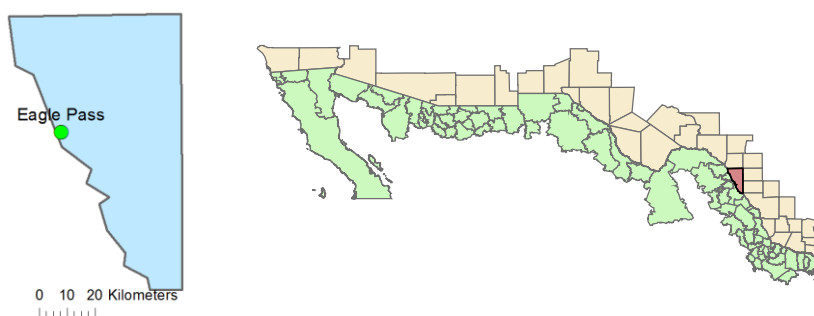
### UVALDE COUNTY INDICATORS

	Value	Rank*
Median Age (years)	35.0	17
Mean Years of Schooling, Age 25 or Older	11.6	15
Labor Force Participation Rate, Age 20 to 64 (%)	72.0	14
Unemployment Rate, Age 20 to 64 (%)	10.3	29
Employment-to-Population Ratio (%)	38.2	20
Poverty Rate (%)	28.0	24
Median Earnings (\$)	22,580	21
Median Household Income (\$)	34,110	22
Per Capita Income (\$)	17,001	20

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Maverick County (Eagle Pass Urban Area)



Maverick County is in south-central Texas, south of Kinney County and west of Zavala and Dimmit counties. All of the county is within 100 kilometers of the international border. Its western border is shared with four municipios of Coahuila: Jiménez, Piedras Negras, Nava, and Guerrero.

With a land area of 3,313 square kilometers, Maverick County is ninth smallest of the 37 border region counties. The county is nearly flat at elevations of 150-to-300 meters, covered by grasses and scrub.

The Spanish explored the area in the late 1600s and began ranching in the 1700s. Fort Duncan was built in 1849 to protect against raids by Native Americans. Maverick County, named for Samuel Maverick, a cattleman and state legislator, was created in 1856. The railroad arrived in 1880, ushering in more farmers and ranchers.

### Population and Transportation Infrastructure

The population of Maverick County was 726 in 1860. It reached 4,066 in 1900, 12,292 in 1950, and 54,258 in 2010, 13th highest among the border region counties. The population gain was largest during the 1970s at 13,300, followed by the 1990s at 10,900. In the other four decades



since 1950, net migration has been negative. Net out-migration has occurred almost entirely among those 18-to-29 years old; net in-migration has been greatest among those in their 30s.

Maverick County is coincident with the Eagle Pass micropolitan area and with the U.S. portion of the Eagle Pass-Piedras Negras urban area defined for this study. Nearly half of the county's residents live in Eagle Pass (2010 count of 26,248), the county seat, which is located in the central part of the county along the Rio Grande and directly across from Piedras Negras, Coahuila. From Eagle Pass, U.S. Route 277 heads northwest to Del Rio and east into Dimmit County; U.S. Route 57, another two-lane road, heads northeast.

Union Pacific Railroad runs a spur line from Eagle Pass to its Sunset Route, which is north of Maverick County. The spur meets a Ferromex line at the border. Maverick County Memorial International Airport is a general aviation facility in Eagle Pass. Seven private airfields are scattered around the county.

### **Border Crossings and Trade Values**

Two border crossings connect the cities of Eagle Pass and Piedras Negras, one of which is open to trucks. A railroad also crosses the border there. These crossings are combined into the Eagle Pass U.S. port of entry. On the Mexican side is Mexican Route 57, a divided highway traveling south to Monclova and then on to the major industrial centers of Monterrey and Saltillo.

Among the 25 ports along the border, the Eagle Pass port in 2012 ranked 11th on the number of individuals, and eighth for the number of trucks, crossing the border. The percent change in the number of individuals crossing the border shifted from above average between 1997 and 2001 to below average between 2007 and 2012. The number of trucks crossing the border rose at above-average rates between 1997 and 2001 and again from 2007 through 2012.

Among the 16 counties with border crossings, Maverick County ranked ninth on the number of individuals and eighth on the number of trucks that crossed the border in 2012. The ranks were higher on a per capita basis, at third for the number of trucks and fourth for the number of passengers and pedestrians.

The percent change in the per capita number of trucks entering the United States through Maverick County was above average between 1997 and 2001 and again from 2007 through 2012, but below average from 2001 through 2007. The percent change in the per capita number of individuals crossing the border shifted from considerably above average between 1997 and 2001 (rank of third) to below average between 2007 and 2012 (rank of 12th).

Of the seven active rail crossings, Eagle Pass had the second-highest number of trains crossing in 2012. On a per capita basis, rail traffic ranked first by a wide margin. The percent change in the per capita number of trains crossing the border was considerably above average from 1997 to 2001 and again between 2007 and 2012, but was well below average from 2001 through 2007.

The value of goods passing through the Eagle Pass port in 2013 was eighth highest for exports, and sixth highest for imports, among the 27 ports in the border region. Between 2004 and 2013, the inflation-adjusted values, especially for imports, increased by more than average. Unlike

most of the ports, trucks were not the primary means of transport in 2013. Instead, 58 percent of the value of exports and 73 percent of the value of imports were shipped by rail. A number of commodity groups were represented among the exports, with only vehicles and parts, and plastics accounting for more than 10 percent of the total value. In contrast, vehicles and parts accounted for 61 percent of the import value.

Among the 16 counties with border crossings, Maverick County ranked eighth in export value and sixth in import value in 2013. The ratio of the export-to-import value was very low at 0.50. The net export value ranked 14th. On a per capita basis, the ranks were higher for both exports and imports at third. The net export rank was 15th. The percent increase between 2004 and 2013 was above average for export value, ranking sixth; the increase in the import value was very high, ranking second. On a per capita basis, the increase in the export value ranked fifth.

### **Economy**

The overall location quotient for Maverick County is very low at 0.7, but the LQ is high for certain activities, including 1.8 in the federal civilian government subsector and 1.9 in local government. Based on both employment datasets, the LQ is 1.3 in health care and social assistance, due to high figures in home health care and social assistance for the elderly and disabled. The LQ is at least 1.5 based on the Business Patterns employment dataset but below 1 based on the BEA dataset in arts, entertainment and recreation (primarily due to the other gambling industry). Though the LQ for manufacturing is very low, the small-arms manufacturing industry (primarily due to one establishment) has a very high LQ.

Despite high per capita border crossing volumes and trade values, the LQ for wholesale trade is very low, barely exceeding 1 in one of the 19 industry groups. The location quotients for retail trade and transportation and warehousing are not quite 1, but the LQ exceeds 1 in the trucking subsector and is 4.8 in freight arrangement. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has substantially more employment than expected, suggesting that Mexican shoppers have an effect.

Excess employment is by far the highest in local government, followed by health care and social assistance, neither of which can be assumed to be part of the economic base. Adjusted retail trade also provides a large excess. The other gambling industry and federal civilian government provide the next highest amounts. Lesser amounts are provided by the small-arms manufacturer, a private prison, trucking, and freight arrangement. Thus, the economic base consists of contributions from several activities, including those related to cross-border trade.

As seen in the following table of selected indicators, Maverick County, which has a relatively young and poorly educated populace, ranks below average among border region counties on labor force/employment and income-related measures.

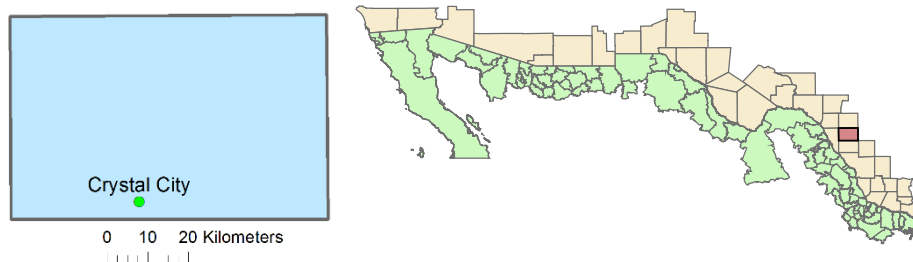
### MAVERICK COUNTY INDICATORS

	Value	Rank*
Median Age (years)	30.2	33
Mean Years of Schooling, Age 25 or Older	10.4	31
Labor Force Participation Rate, Age 20 to 64 (%)	70.7	21
Unemployment Rate, Age 20 to 64 (%)	9.5	23
Employment-to-Population Ratio (%)	36.4	22
Poverty Rate (%)	31.2	29
Median Earnings (\$)	19,875	30
Median Household Income (\$)	30,959	28
Per Capita Income (\$)	13,498	32

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Zavala County



Zavala County is in south-central Texas, east of Maverick County, south of Uvalde County, and north of Dimmit County. It does not share a border with México but approximately 90 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 3,360 square kilometers, Zavala County is 10th smallest of the 37 border region counties. Originally a grassland, overgrazing allowed scrub and mesquite to spread into the area. The area is flat, at elevations of about 175-to-300 meters.

The Spanish explored the area in the early 1700s but settlement was limited until after the U.S. Civil War. Ranching came first, but after the area was overgrazed the discovery of an aquifer allowed a transition to farming. Zavala County was created in 1858.

### Population and Transportation Infrastructure

The population of Zavala County was only 26 in 1860. It reached 792 in 1900 and peaked at 12,696 in 1960. The number of residents was 11,677 in 2010, ranking 22nd among the border region counties. Net migration was negative in each of the last six decades, especially during the 1960s. While net out-migration has occurred at all ages, it has been predominantly among those 18-to-29 years old.

More than 60 percent of the county's residents live in Crystal City (2010 count of 7,138), the county seat, in the south-central part of the county near the Nueces River. The nearest border crossing is Eagle Pass, about 90 kilometers west. La Pryor, located north of Crystal City, had 1,643 residents in 2010.

Both towns are located on U.S. Route 83 that connects to Interstate 10 considerably north of the county and to Laredo to the south. Another two-lane road, U.S. Route 57, passes through La Pryor, connecting to Eagle Pass to the west and Interstate 35 to the east. No rail lines pass through Zavala County. Crystal City Municipal Airport is designated for other public use. Eight private airfields are scattered around the county.

### **Economy**

The overall location quotient for Zavala County is very low at 0.7, but the LQ is high for certain activities, including 4.1 for farming and 1.7 for agriculture support. The local government figure is 1.6. The manufacturing LQ is close to 1, a result of a very high figure in the fruit and vegetable canning industry (due to operations at a single establishment). The administrative support sector's LQ is well below 1, but the facilities support industry has a high figure due to a privately run prison.

Excess employment is the highest in fruit and vegetable canning, a little more than in local government and agriculture. The private prison contributes a lesser amount. Thus, agriculture and the single manufacturing facility are the most important parts of the economic base, with a contribution from the private prison.

As seen in the following table of selected indicators, Zavala County, which has a relatively young and poorly educated populace, compares unfavorably to other border region counties on labor force/employment and income-related measures.

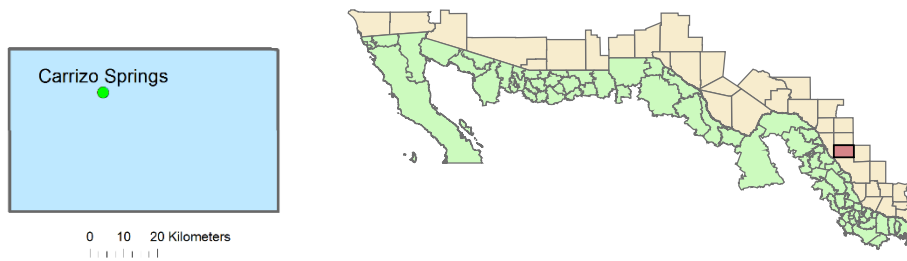
**ZAVALA COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	31.1	30
Mean Years of Schooling, Age 25 or Older	10.2	33
Labor Force Participation Rate, Age 20 to 64 (%)	64.6	32
Unemployment Rate, Age 20 to 64 (%)	9.2	20
Employment-to-Population Ratio (%)	33.1	32
Poverty Rate (%)	36.4	33
Median Earnings (\$)	17,431	36
Median Household Income (\$)	25,206	34
Per Capita Income (\$)	11,919	34

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Dimmit County



Dimmit County is in south-central Texas, east of Maverick County, south of Zavala County, and north of Webb County. It does not share a border with México but all of the county is within 100 kilometers of the international border.

With a land area of 3,442 square kilometers, Dimmit County is smaller than most of the 37 border region counties. The county consists primarily of flat-to-rolling grasslands at elevations between 150 and 250 meters, with numerous Artesian wells.

Spanish exploration of the area occurred in the late 1600s, but no Spanish or Mexican settlements were founded. Settlers were deterred by Native Americans and, after the Texas Revolution, by outlaws who took advantage of the area's disputed status between México and the Republic of Texas. Dimmit County, named for Phillip Dimmitt of Texas revolution fame, was created in 1858. The first settlement occurred in 1865, with more settlers arriving after the expulsion of Native Americans by 1877.

### Population and Transportation Infrastructure

The population of Dimmit County was only 109 in 1870. It reached 1,106 in 1900 and peaked at 11,367 in 1980. The number of residents was 9,996 in 2010, ranking 23rd among the border region counties. Net migration was negative in five of the last six decades (the exception being in the 1970s). The net outflow has primarily consisted of those 18-to-29 years old.

More than half of the county's residents live in Carrizo Springs (2010 count of 5,368), the county seat located in the north-central part of the county. The nearest border crossing is Eagle Pass, about 75 kilometers west. Asherton (population of 1,084), is a little southeast of Carrizo Springs.

Both towns are on U.S. Route 83, a two-lane road that travels southeast to Laredo and north to Interstate 10. U.S. Route 277 heads west from Carrizo Springs. No rail lines pass through Dimmit County. Dimmit Count Airport in Carrizo Springs is a general aviation facility. Eleven private airfields are scattered around the county.

### Economy

The overall location quotient for Dimmit County is 1.0. The LQ is 5.2 for agriculture, with high figures in the farming and agriculture support subsectors. Within the government sector, the LQ is 2.8 for federal civilian and 1.9 for local government. Based on the two employment datasets, the LQ is between 25 and 55 for mining, and between 1.0 and 2.4 in construction. The

transportation and warehousing figure is 1.9 based on the BEA dataset but less than 1 based on the Business Patterns dataset, though the LQ exceeds 2 for trucking.

Excess employment is highest in mining (in various industries related to oil and gas), about double the figures in agriculture and local government. Federal civilian government provides the next largest amount, followed by heavy construction, special trade contractors, and trucking. Thus, mining and agriculture are the most important parts of the economic base, but the federal government and trucking contribute.

As seen in the following table of selected indicators, Dimmit County generally ranks below average among the border region counties on most socioeconomic measures.

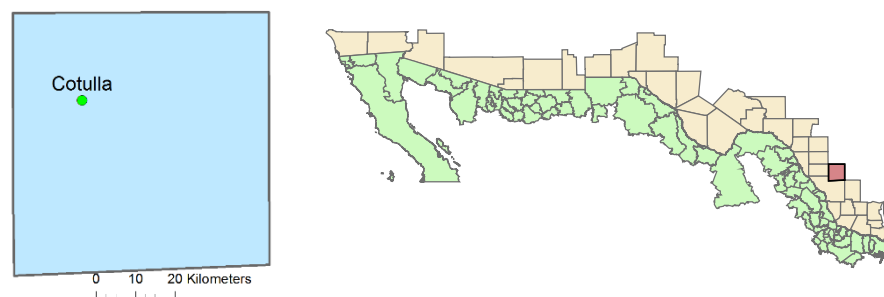
**DIMMIT COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	35.4	16
Mean Years of Schooling, Age 25 or Older	10.4	30
Labor Force Participation Rate, Age 20 to 64 (%)	68.8	24
Unemployment Rate, Age 20 to 64 (%)	7.2	10
Employment-to-Population Ratio (%)	39.1	17
Poverty Rate (%)	27.0	23
Median Earnings (\$)	21,589	24
Median Household Income (\$)	32,960	26
Per Capita Income (\$)	15,995	24

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## La Salle County



La Salle County is in south-central Texas, east of Dimmit County and north of Webb County. It does not share a border with México but approximately 65 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 3,851 square kilometers, La Salle County is smaller than most of the 37 border region counties. The county consists of flat-to-rolling land at an elevation of 120-to-180 meters, covered by grasses, mesquite, scrub, and cacti.

The Spanish explored the area in the late 1600s but never attempted to settle it. The road between Laredo and San Antonio ran through the area. It was part of the area disputed between the Republic of Texas and México, becoming a haven for outlaws. Along with hostile Native Americans, this deterred settlement until after the arrival of the railroad in the early 1880s. Ranching became a primary economic activity. La Salle County, named for the 17th century French explorer, was created in 1858.

### **Population and Transportation Infrastructure**

The population of La Salle County was only 69 in 1870. It reached 2,303 in 1900 and peaked at 8,228 in 1930. The number of residents dropped to 5,014 in 1970 but has since climbed to 6,886 in 2010, 11th lowest among the border region counties. A small amount of net in-migration occurred in the 1990s and 2000s following decades of net outflows, as large net outflows among those 18-to-29 years old in earlier decades became net inflows.

More than half of the county's residents live in Cotulla (2010 count of 3,603), the county seat named after a Polish immigrant and rancher. It is located in the northwestern part of the county along the Nueces River and Interstate 35, which runs from Laredo to San Antonio and beyond. The Laredo border crossing is about 100 kilometers south via I-35. State Route 97, a two-lane road, heads east from Cotulla.

A Union Pacific Railroad spur line that connects Laredo to San Antonio runs through Cotulla. The Cotulla-La Salle County Airport provides general aviation services. Eight private airfields are scattered around the county.

### **Economy**

The overall location quotient for La Salle County is 1.0. The LQ is 7.1 for mining and 6.9 for agriculture. Within the government sector, the figure is 1.9 for federal civilian, 1.3 for local, and 1.3 for state. The high state government figure is due to a state prison. Though the LQ for the administrative support sector is low, the figure is very high in the facilities support industry due to a privately run prison.

Excess employment is by far the highest in agriculture. More modest figures exist for the private prison, mining (in various industries related to oil and gas), federal civilian government, and state government. Thus, agriculture dominates the economic base, but mining, prisons, and the federal government contribute.

As seen in the following table of selected indicators, La Salle County, which has a poorly educated populace, generally compares unfavorably to other border region counties on labor force/employment and income-related measures.

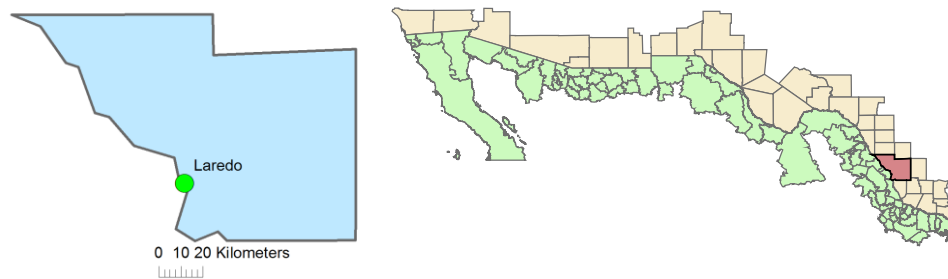
### LA SALLE COUNTY INDICATORS

	Value	Rank*
Median Age (years)	32.8	23
Mean Years of Schooling, Age 25 or Older	10.2	35
Labor Force Participation Rate, Age 20 to 64 (%)	54.1	36
Unemployment Rate, Age 20 to 64 (%)	9.9	26
Employment-to-Population Ratio (%)	31.8	34
Poverty Rate (%)	23.6	17
Median Earnings (\$)	21,455	25
Median Household Income (\$)	26,731	32
Per Capita Income (\$)	14,254	29

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Webb County (Laredo Urban Area)



Webb County is in south-central Texas, south of Dimmit and La Salle counties, west of Duval County, and north of Zapata County. All of the county is within 100 kilometers of the international border. Its western border is shared with five municipios in three Mexican states: the northern end is with Guerrero Municipio of Coahuila, about one-third is with Hidalgo Municipio of Coahuila, a short stretch is with Anáhuac Municipio of Nuevo León, nearly half of the border is with Nuevo Laredo Municipio of Tamaulipas, and the southern end is with Guerrero Municipio of Tamaulipas.

With a land area of 8,706 square kilometers, Webb County is 14th largest of the border region counties. The county consists primarily of flat-to-rolling grasslands, with mesquite and scrub, at elevations of 120-to-210 meters.

The Spanish founded Laredo in 1755. While the ranching economy was successful, attacks by Native Americans limited the geographic expansion. Many residents moved across the river to México at the end of the Mexican-American War, but even the U.S. side remained highly Mexican until after the arrival of the railroad in 1881. Webb County, named for James Webb, who held various posts for the Republic of Texas and later was a U.S. district judge, was created in 1848 but experienced a number of boundary changes through 1899.



## **Population and Transportation Infrastructure**

The population of Webb County was 21,851 in 1900. It reached 56,141 in 1950 and 250,304 in 2010, sixth highest among the border region counties. Population gains increased after 1970, reaching to between 55,000 and 60,000 in the 1990s and 2000s. Net migration became positive in the 1970s but accounted for only one-third of the population increase through the 1990s and a lesser share during the 2000s. Considerable net in-migration has occurred among those from 30-to-44 years old. Net out-migration of children younger than 10 has been offset by net in-migration of older children.

Webb County is coincident with the Laredo metro area and with the U.S. portion of the Laredo-Nuevo Laredo urban area defined for this study. More than 90 percent of the county's residents live in Laredo (2010 count of 236,091), the county seat, which is located in the southern part of the county along the Rio Grande and directly across from Nuevo Laredo, Mexico.

Interstate 35 connects Laredo to San Antonio, which is nearly 250 highway kilometers to the northeast. Two-lane roads include U.S. Route 59 and State Route 359, each of which heads northeast to Interstate 37, which connects San Antonio to Corpus Christi. From Laredo, U.S. Route 83 heads northwest and south.

A Union Pacific Railroad spur line runs along I-35, connecting to the Sunset Route in San Antonio. A Kansas City Southern Railway line travels east from Laredo to the Corpus Christi area, connecting at the border to a line of its Mexican subsidiary. Laredo International Airport is the only public airport. It is designated as a nonhub primary airport. It ranked 221st nationally and sixth in the border region in enplanements in 2012. Cargo service is more substantial; the landed weight in 2012 ranked 43rd nationally and third in the border region. Eleven private airfields are scattered around the county.

## **Border Crossings**

Four border crossings are in Webb County. Along with a railroad crossing, they comprise the Laredo U.S. port of entry. The Columbia Solidarity crossing is northwest of Laredo. It connects Webb County to Anáhuac Municipio and is the only crossing into the state of Nuevo León. Mexican Route 2 serves the Columbia Solidarity crossing; on the U.S. side, one road heads southeast into the city of Laredo and another heads northeast to a junction with I-35 north of the city.

Three crossings link the cities of Laredo and Nuevo Laredo. The World Trade Bridge crossing is limited to commercial traffic; it has the largest number of lanes of any U.S.-México commercial crossing. Interstate 35 meets Mexican Route 85, a divided highway that travels southwest to Monterrey and beyond. In addition, a heavily used rail line crosses the border here. The other two crossings are not open to trucks.

Laredo is the busiest location for cross-border commerce between the two nations. The port had the greatest number of truck and train crossings in 2012 and the number of individuals crossing the border ranked third among the 25 ports along the border. The percent change in the number of trucks crossing the border was a little below average between 1997 and 2007 but above

average between 2007 and 2012. The number of individuals crossing the border fell somewhat more than average throughout the 1997-through-2012 period.

Among the 16 counties with border crossings, Webb County ranked fifth in 2012 on the number of passengers and pedestrians entering the United States. The number of trucks crossing the border was the highest by a wide margin. On a per capita basis, Webb County ranked almost as high. The percent change in the per capita number of trucks entering the United States through Webb County ranked 11th from 1997 through 2007 and sixth from 2007 through 2012. The percent change in the per capita number of individuals crossing the border ranked below the middle of the 16 counties throughout the 1997-to-2012 period.

Of the seven active rail crossings, Laredo ranked first on traffic in 2012, particularly as measured by loaded containers. On a per capita basis, however, Laredo's figures were less than those of Eagle Pass. The percent change in per capita train traffic ranked in the middle throughout the 1997-to-2012 period.

### **Trade Values**

The value of goods passing through the Laredo port in 2013 was by far the highest among the 27 ports in the border region for both exports and imports. Between 2004 and 2013, the inflation-adjusted value of exports rose more than average and the value of imports increased at an average pace. In 2013, about 80 percent of the value of both exports and imports were transported by truck, with the remainder by rail. Three commodity groups combined accounted for half of the value of exports: machinery and mechanical appliances, electrical machinery and equipment, and vehicles and parts. These three categories accounted for two-thirds of the imports, with vehicles and parts accounting for nearly one third.

Among the 16 counties with border crossings, Webb County's export and import values in 2013 were more than 2.5 times higher than the next-highest county (El Paso). The ratio of the export-to-import value was above average at 0.91, but because of the high volumes of trade, the net export value ranked 15th. On a per capita basis, exports were highest, imports ranked second to Santa Cruz County, Arizona, and the net export value was 14th. The percent increase in export value between 2004 and 2013 ranked fifth; the increase in the import value ranked sixth. The ranks were a little lower on a per capita basis.

The high volume of commercial traffic entering the United States through Laredo is due to the superior infrastructure on both sides of the border in combination with Laredo's proximity to major urban areas in México. Laredo is directly linked to the major industrial centers in Monterrey and Saltillo by railroad and by Mexican Route 85, which in turn easily connects to Route 57, which extends to México City. On the U.S. side, Laredo is the only Texas border crossing other than El Paso that is served by an interstate highway. Laredo could potentially benefit from the recent completion of the east-west freeway across northern México, receiving products that previously crossed the border in Nogales, Arizona.

### **Economy**

The overall location quotient for Webb County is low, ranging from 0.5 to 0.8 across the three datasets. However, the LQs are high for certain activities. Based on the three datasets, the LQ

ranges from 1.8 to 2.5 in mining, due to high figures in oil and gas extraction, and oil and gas support. The location quotient is 1.4 for both the federal civilian and local government subsectors based on BEA employment; based on GDP, the LQ is 1.6 in federal civilian and less than 1 in state and local government. The LQ for state government is very low despite the presence of Texas A&M International University. Though the administrative support sector's LQ is low, two of its activities have high figures: call centers and facility support, the latter due to privately run prisons.

The heavy volume of commercial cross-border traffic and the high per capita trade values are responsible for a very high location quotient in the transportation and warehousing sector, ranging from 2.6 to 3.8. The trucking subsector has a LQ of 4.3 based on Business Patterns employment (the highest in the border region) and 3.5 based on GDP. The warehousing LQ is between 1.2 and 1.4 on these two measures. The LQ from Business Patterns is 11.3 for freight arrangement (the highest in the border region).

In contrast, the LQ for wholesale trade is considerably below 1. Three of the 19 wholesale trade industry groups have a LQ greater than 1, but excess employment is minimal in each. The LQ for retail trade is about 1. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has substantially more employment than expected, suggesting that Mexican shoppers have a significant effect.

Excess employment and GDP are by far the highest in transportation and warehousing. The majority of the excess in transportation and warehousing is in the support subsector, primarily due to freight arrangement, but the excess also is very large in trucking. Adjusted retail trade and local government provide the next-largest excesses. The figures also are significant in mining and federal civilian government, with lesser amounts in the two administrative support activities.

Thus, cross-border trade is the dominant part of the economic base, as seen in transportation and warehousing and retail trade. Oil and gas mining, the federal government, call centers, and private prisons contribute.

As seen in the following table of selected indicators, Webb County has the lowest median age but generally ranks in the middle of the border region counties on socioeconomic measures.

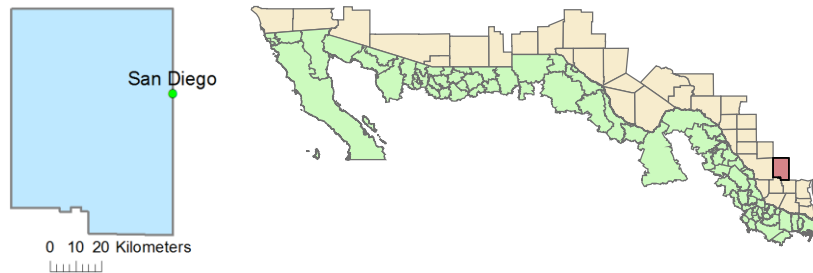
### WEBB COUNTY INDICATORS

	Value	Rank*
Median Age (years)	27.6	37
Mean Years of Schooling, Age 25 or Older	11.2	18
Labor Force Participation Rate, Age 20 to 64 (%)	71.6	17
Unemployment Rate, Age 20 to 64 (%)	5.9	6
Employment-to-Population Ratio (%)	38.7	19
Poverty Rate (%)	30.6	28
Median Earnings (\$)	22,088	23
Median Household Income (\$)	38,421	15
Per Capita Income (\$)	14,692	27

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Duval County



Duval County is in south-central Texas, east of Webb County and north of Jim Hogg and Brooks counties. It does not share a border with México but approximately 40 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 4,645 square kilometers, Duval County ranks in the middle of the 37 border region counties. The county consists primarily of level land at an elevation of 75-to-240 meters, with grass and brush vegetation.

The Spanish did not pass through the area until the mid-1700s. The early economy was dominated by sheep ranching. Duval County was created in 1858 but experienced boundary changes through 1917, shrinking in size. The arrival of the railroad in 1879 helped boost the population.

### Population and Transportation Infrastructure

The population of Duval County was 8,251 in 1920 and peaked at 20,565 in 1940; it was down to 11,782 in 2010, ranking 21st among the border region counties. Net migration was negative in each of the last six decades. Net out-migration has been disproportionately large among those 18-to-29 years old.

Freer (2010 count of 2,818) is in the northwestern part of the county. The nearest border crossing is Laredo, about 95 kilometers to the southwest. San Diego, the county seat with a 2010 count of 3,598 living in Duval County, is along the eastern border of the county 40 kilometers southeast of Freer via State Route 44. State Route 16 runs north-south through Freer and State Route 359 heads southwest from San Diego. U.S. Route 59 passes through Freer, connecting it to Laredo to the southwest and Interstate 37 to the northeast.

The Kansas City Southern Railway line that travels east from Laredo to the Corpus Christi area passes through San Diego. The Duval-Freer Airport is a designated for other public use. Eight private airfields are scattered around the county.

### **Economy**

The overall location quotient for Duval County is 0.9. The LQ is 14.2 in farming, 6.1 in utilities, 1.7 in local government, and 1.4 in federal civilian government. The LQ is between 16 and 27 in the mining sector based on the two employment measures. The state government LQ is less than 1 despite the presence of a state prison.

Excess employment is the highest in agriculture, followed by mining (in various industries related to oil and gas). A moderate excess is present in local government and utilities (in natural gas distribution), with a small amount for federal civilian government. Thus, agriculture and mining dominate the economic base.

As seen in the following table of selected indicators, Duval County generally is average among the border region counties on socioeconomic measures.

**DUVAL COUNTY INDICATORS**

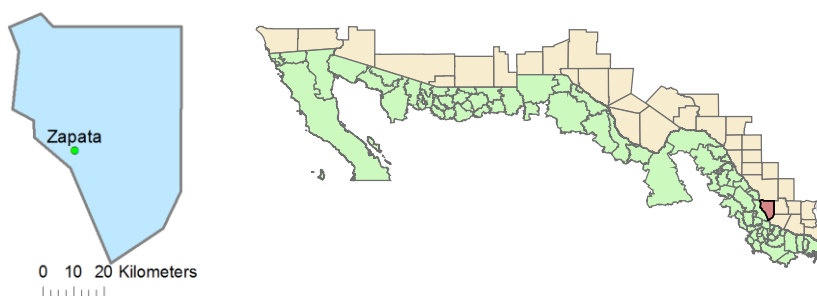
	Value	Rank*
Median Age (years)	36.9	12
Mean Years of Schooling, Age 25 or Older	11.2	19
Labor Force Participation Rate, Age 20 to 64 (%)	69.9	22
Unemployment Rate, Age 20 to 64 (%)	7.3	11
Employment-to-Population Ratio (%)	40.9	11
Poverty Rate (%)	21.4	13
Median Earnings (\$)	22,159	22
Median Household Income (\$)	35,167	21
Per Capita Income (\$)	17,945	15

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### **Zapata County**

Zapata County is in south-central Texas, south of Webb County and west of Jim Hogg and Starr counties. All of the county is within 100 kilometers of the international border. Its western border is shared with Guerrero Municipio of Tamaulipas.



With a land area of 2,586 square kilometers, Zapata County is fifth smallest of the 37 border region counties. The county is mostly flat at elevations between 60-and-210 meters. Vegetation includes scrub, grasses and mesquite. Falcon Dam, a binational effort completed in 1953, created a huge reservoir along the Rio Grande in the southern part of the county.

Following an expedition in 1747, the Spanish settled the area in 1750, subsisting on ranching. Raids by Native Americans limited growth. In 1840, the area tried to secede from México, creating the short-lived Republic of the Rio Grande. The county is named after one of the leaders of the rebellion, Antonio Zapata, a local rancher. The area was largely lawless during the period that the Republic of Texas and México disputed ownership and again during the U.S. Civil War. Zapata County was created in 1858 but experienced boundary changes through 1911, shrinking in size. An oil boom in the 1920s fueled growth.

### **Population and Transportation Infrastructure**

The population of Zapata County was 2,929 in 1920. It reached 4,405 in 1950 and 14,018 in 2010, ranking 20th among the border region counties. Population gains were between 1,800 and 2,900 in each of the last four decades. Net migration was negative in three of the last six decades. Net migration has been weakest among those 18-to-29 years old.

Zapata County is coincident with the Zapata micropolitan area. Most of the population lives in unincorporated areas around the town of Zapata, the unincorporated county seat. This population center is located in the west-central part of the county along the Rio Grande at the northern end of the Falcon International Reservoir. However, the nearest border crossing is 50 kilometers southeast at Falcon Dam, reached via U.S. Highway 83. Laredo is 75 kilometers north via Highway 83. State Route 16 heads northeast from the county seat.

No rail lines pass through Zapata County. Zapata County Airport is designated for other public use. One private airfield also is present.

### **Economy**

The overall location quotient for Zapata County is low at 0.8, but the LQ is high for certain activities, including 4.3 for farming, 12 for utilities, 1.3 for federal civilian government, and 1.5 for local government. Based on the two employment datasets, the LQ is between 13 and 19 in the mining sector and is 1.7 in the construction sector. The transportation and warehousing LQ is 1.9 based on BEA employment but less than 1 based on Business Patterns employment, though the Business Patterns figure is above 1 for trucking and for pipeline transportation of natural gas.

Excess employment is the highest in mining, in three industries related to oil and gas. Agriculture, local government, utilities (natural gas distribution), and construction (in the heavy construction and construction of buildings subsectors) follow. The figures for federal civilian government and the two transportation activities are much smaller. Thus, mining and agriculture are the most important parts of the economic base.

As seen in the following table of selected indicators, Zapata County, though it has one of the youngest and least-well-educated populaces, does not compare as poorly to other border region counties on labor force/employment and income-related measures.

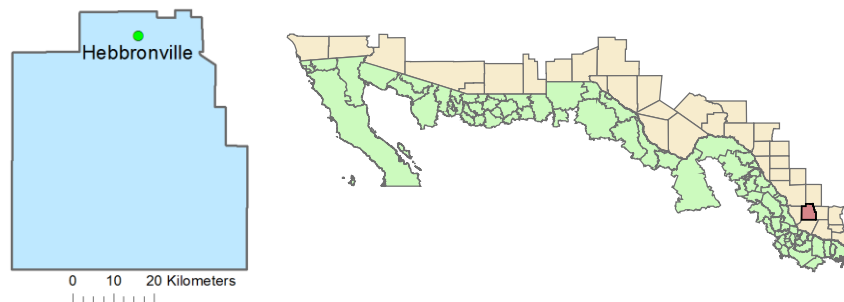
**ZAPATA COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	29.2	34
Mean Years of Schooling, Age 25 or Older	10.1	36
Labor Force Participation Rate, Age 20 to 64 (%)	68.5	25
Unemployment Rate, Age 20 to 64 (%)	7.1	9
Employment-to-Population Ratio (%)	36.5	21
Poverty Rate (%)	33.4	30
Median Earnings (\$)	21,057	27
Median Household Income (\$)	28,617	31
Per Capita Income (\$)	15,857	25

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Jim Hogg County



Jim Hogg County is in south-central Texas, bordering Zapata, Webb, Duval, Brooks, and Starr counties. It does not share a border with México but all of the county is within 100 kilometers of the international border.

With a land area of 2,493 square kilometers, Jim Hogg County is fourth smallest of the 37 border region counties. The county consists of nearly flat land at an elevation of 60-to-240 meters, covered by mesquite, scrub, and grasses.

The Spanish made no effort to settle the area until the early 1800s but hostile Native Americans and geographical remoteness limited development to scattered ranches. The railroad arrived in 1883. Jim Hogg County was created in 1913 and reached its current boundaries in 1917.

### **Population and Transportation Infrastructure**

The discovery of oil in 1921 boosted the population, which was 1,914 in 1920 and peaked at 5,449 in 1940. It was down to 4,654 in 1970 but had recovered to 5,300 in 2010, placing it as among the 10 least populous border region counties. Despite some increase in population, net migration was negative in each of the last six decades. Most of the net outflow consisted of those 18-to-29 years old.

More than 80 percent of the county's residents live in Hebbronville (2010 count of 4,558), the county seat, an unincorporated area located in the far northern part of the county. The nearest border crossing is Laredo, 90 kilometers northwest via State Route 359. Another two-lane road, State Route 16, goes southwest to Zapata.

The Kansas City Southern Railway line that travels east from Laredo to the Corpus Christi area passes through Hebbronville. Jim Hogg County Airport in Hebbronville is a general aviation facility. Three private airfields are scattered around the county.

### **Economy**

The overall location quotient for Jim Hogg County is 1.0. The LQ is 5.7 for farming and 5.6 for the federal civilian government subsector. It is about 2 in the real estate and rental (due to one large general rental center), and health care and social assistance sectors. As in several other Texas counties, the LQ for home health care is very high. The local government figure is 1.4. Based on the two employment measures, the LQ is between 1.2 and 6.5 for mining (in industries related to oil and gas). Though the manufacturing LQ is very low, it is high in the other chemical products industry.

Excess employment is the highest in health care and social assistance, followed by agriculture and federal civilian government. The figures for mining, local government, and the manufacturing industry are smaller. Thus, the federal government and agriculture are the most important parts of the economic base, with contributions from mining and one manufacturing industry.

As seen in the following table of selected indicators, Jim Hogg County ranges from high to low among the border region counties on socioeconomic measures. Though earnings are low, workforce participation is high.



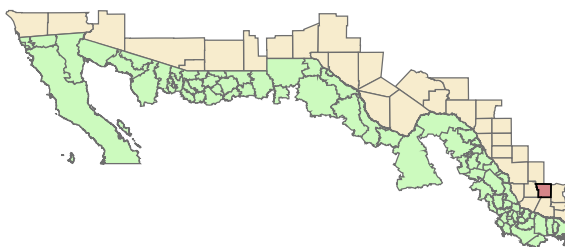
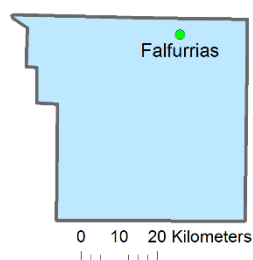
### JIM HOGG COUNTY INDICATORS

	Value	Rank*
Median Age (years)	32.2	26
Mean Years of Schooling, Age 25 or Older	10.9	24
Labor Force Participation Rate, Age 20 to 64 (%)	77.3	6
Unemployment Rate, Age 20 to 64 (%)	10.0	28
Employment-to-Population Ratio (%)	45.7	6
Poverty Rate (%)	12.0	2
Median Earnings (\$)	19,142	32
Median Household Income (\$)	36,919	20
Per Capita Income (\$)	17,727	16

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Brooks County



Brooks County is in south-central Texas, bordering Jim Hogg, Duval, Kenedy, and Hidalgo counties. It does not share a border with México but approximately 60 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 2,443 square kilometers, Brooks County is third smallest of the 37 border region counties. The county is low-lying, between 30-and-120 meters in elevation, and flat with brushy vegetation.

While explored by the Spanish as early as the 16th century, settlement did not begin until the early 1800s. Later in the century, ranching became prominent. Brooks County, named for James Brooks, a Texas Ranger and legislator, was created in 1911, though it lost territory to Jim Hogg County in 1913.

### Population and Transportation Infrastructure

The population of Brooks County was 4,560 in 1920 and peaked at 9,195 in 1950. It was down to 7,223 in 2010, ranking 26th among the border region counties. Net migration has been negative in each decade since 1950, consisting disproportionately of those 18-to-29 years old.

Nearly 70 percent of the county's residents live in Falfurrias (2010 count of 4,981), the county seat, which is located in the far northern part of the county. The nearest border crossings are in the McAllen area, nearly 150 kilometers south via U.S. Highway 281, a divided four-lane highway that continues north to Interstate 37. Laredo is about the same distance northwest, taking State Route 285 out of Falfurrias.

No rail lines pass through Brooks County. Brooks County Airport in Falfurrias is a general aviation facility. Three private airfields are scattered around the county.

### **Economy**

The overall location quotient for Brooks County is 1.0. The LQ is 8.2 in the farming subsector, 4.3 in the federal civilian government subsector, 2.2 in the utilities sector, and 1.5 in the local government subsector. Based on the two employment measures, the LQ is between 7.7 and 9.7 for mining, between 1.1 and 1.3 for accommodation and food services, and about 1 for retail trade. Though the LQ in the administrative support sector is well below 1, the figure in the facilities support industry is very high due to a privately run prison.

Excess employment is highest in agriculture, followed by mining (split between uranium mining and support activities for oil and gas operations) and federal civilian government. Local government and the private prison provide the next highest figures, with modest amounts for utilities (natural gas distribution), and accommodation and food services (both subsectors). Thus, agriculture, mining, and the federal government are the most important parts of the economic base, with a contribution from private prisons.

As seen in the following table of selected indicators, Brooks County, whose residents have below-average educational attainment, ranks near the bottom of the border region counties on labor force/employment and income-related measures.

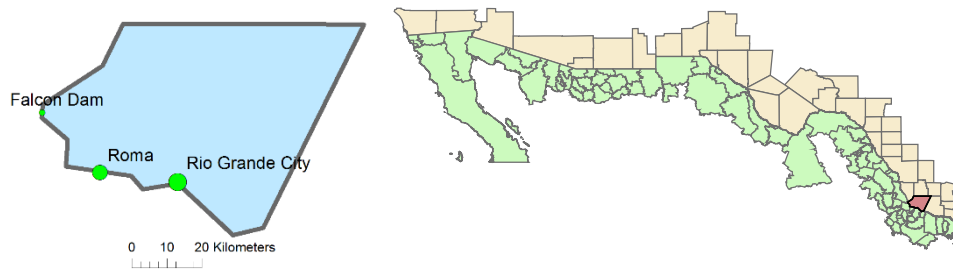
**BROOKS COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	34.8	19
Mean Years of Schooling, Age 25 or Older	10.4	29
Labor Force Participation Rate, Age 20 to 64 (%)	65.0	31
Unemployment Rate, Age 20 to 64 (%)	17.3	37
Employment-to-Population Ratio (%)	31.5	36
Poverty Rate (%)	38.6	35
Median Earnings (\$)	19,824	31
Median Household Income (\$)	21,445	37
Per Capita Income (\$)	14,069	31

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## **Starr County (McAllen Urban Area)**



Starr County is in south-central Texas, southeast of Zapata County, south of Jim Hogg County, and west of Hidalgo County. All of the county is within 100 kilometers of the international border. Its southern/southwestern boundary is shared with five municipios in Tamaulipas: Guerrero at the northwestern end, then Mier, Miguel Alemán, Camargo, and Gustavo Díaz Ordaz.

With a land area of 3,168 square kilometers, Starr County is seventh smallest of the 37 border region counties. The county, part of the Lower Rio Grande Valley, is at an elevation of about 90 meters, vegetated by grasses, shrubs, and mesquite.

The Spanish explored the area in the 17th and 18th centuries, with the first ranching settlements after 1750. Starr County, named for James Starr, Secretary of the Treasury for the Republic of Texas, was created in 1848 but experienced a number of boundary changes through 1911, shrinking in size. After 1848, steamboats traveled as far up the Rio Grande as Rio Grande City, making trade an important activity in addition to cattle and sheep ranching and farming. The railroad arrived in 1883.

### **Population and Transportation Infrastructure**

The population of Starr County was 11,089 in 1920. It rose to 13,948 in 1950 and to 60,968 in 2010, 12th highest among the border region counties. Population gains were strongest in the 1980s and 1990s at about 13,000 in each decade. Despite the rising population, net migration was negative in three of the last six decades, including the 2000s. Net out-migration has occurred among young children and those 18-to-29 years old.

Starr County is coincident with the Rio Grande City micropolitan area and is part of the McAllen-Edinburg combined area and the U.S. portion of the McAllen-Reynosa urban area defined for this study. Rio Grande City (2010 count of 13,834), the county seat, is the most populous community, followed by Roma (2010 count of 9,765). Each is along the Rio Grande and has a border crossing. U.S. Route 83 connects them to Laredo to the northwest and to McAllen to the east. No other federal or state routes are in the county.

No rail lines pass through Starr County. Rio Grande City Municipal Airport is designated for other public use. One private airfield also is present.

## **Border Crossings**

There are three border crossings in Starr County: over Falcon Dam between the communities of Falcon Heights and Guerrero (not open to trucks), between the cities of Roma and Miguel Alemán, and between the cities of Rio Grande City and Camargo. Each links U.S. Route 83, which is a divided highway east of Roma, to Mexican Route 2; both roads parallel the Rio Grande. Mexican Route 54 from Monterrey meets Route 2 outside of Miguel Alemán.

The border crossings at Falcon Dam and Roma make up the Roma/Falcon Dam port of entry. The crossing at Rio Grande City is a separate port of entry that includes a hand-drawn ferry at Los Ebanos in western Hidalgo County. Among the 25 ports located along the border, Roma ranked 17th on the number of individuals, and 18th on the number of trucks, crossing the border in 2012. Rio Grande City had a lower rank for individuals (21st) and a higher rank (15th) for trucks (11th for loaded truck containers and 16th for unloaded containers).

The number of individuals, and the number of trucks, crossing the border in the Roma port decreased by more than average throughout the 1997-to-2012 period. At the Rio Grande port, the percent change in the number of individuals was above average from 1997 through 2007 but fell sharply from 2007 through 2012. The number of truck crossings rose substantially between 1997 and 2007, but dropped between 2007 and 2012.

Combining these two ports, the number of passengers and pedestrians entering the United States through Starr County in 2012 ranked 12th among the 16 counties with border crossings. The number of trucks crossing the border ranked 11th. On a per capita basis, the ranks were higher: the number of trucks ranked ninth (seventh for loaded containers and 12th for unloaded containers) and the per capita number of passengers and pedestrians ranked seventh.

The percent change in the per capita number of trucks entering the United States through Starr County ranked fourth between 1997 and 2001 but 14th between 2007 and 2012. The per capita number of individuals crossing the border decreased the most of the 16 counties with a border crossing between 1997 and 2012, with a particularly large decline between 2007 and 2012.

## **Trade Values**

The value of goods passing through the Roma port in 2013 ranked 19th among the 27 ports in the border region for exports and 20th for imports. Between 2004 and 2013, the inflation-adjusted value of exports fell, with a much greater loss for imports. All of the imports, and nearly all of the exports, were transported by truck in 2013. The value of exports was highest for machinery and mechanical appliances, followed by textiles, and vehicles and parts. These three categories accounted for 62 percent of the exports. Electrical machinery and equipment accounted for 44 percent of the import value.

The value of goods passing through the Rio Grande City port in 2013 ranked 20th among the 27 ports for exports and 14th for imports. Between 2004 and 2013, the inflation-adjusted value of exports fell considerably. The value of imports rose, but at a below-average pace. All of the imports and exports were transported by truck in 2013. More than half of the value of exports was in the wood pulp category. Vegetables accounted for 43 percent of the import value.

Among the 16 counties with border crossings, Starr County's export value ranked 14th and the import value ranked 13th in 2013. The ratio of the export-to-import value was only 0.64, ranking 12th. The net export value ranked sixth. The ranks were nearly the same on a per capita basis. With an inflation-adjusted decrease in export value between 2004 and 2013, the county ranked 15th; the increase in the import value was below average and ranked 11th. The ranks were similar on a per capita basis.

### **Economy**

The overall location quotient for Starr County is very low at 0.6, but the LQ is high for certain activities, including 2.2 in the farming subsector, 1.7 for local government, and 1.1 in the federal civilian government subsector. Based on the two employment databases, the LQ for health care and social assistance is between 1.5 and 1.6, due to two activities that have high LQs in several Texas counties: home health care and social assistance for the elderly and disabled.

The moderate per capita volumes of cross-border traffic, but below-average value of goods traded, have little effect on the location quotients of the affected sectors. The LQs for the retail trade, wholesale trade, and transportation and warehousing sectors in Starr County were considerably below 1. None of the transportation or wholesale activities have a LQ approaching 1. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has less employment than expected, not providing any support for the possibility that Mexican shoppers boost activity.

Excess employment is by far the highest in local government and health care and social assistance, but these are not tradable activities. A lesser amount is present in agriculture, with very little in federal civilian government. Thus, agriculture is the most important part of the limited economic base.

As seen in the following table of selected indicators, Starr County, which has one of the youngest and least-well-educated populaces, ranks near the bottom of the border region counties on labor force/employment and income-related measures.

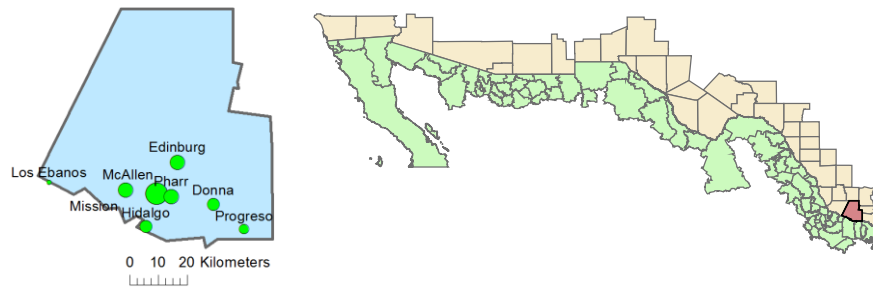
**STARR COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	28.9	35
Mean Years of Schooling, Age 25 or Older	9.3	37
Labor Force Participation Rate, Age 20 to 64 (%)	67.1	28
Unemployment Rate, Age 20 to 64 (%)	10.9	30
Employment-to-Population Ratio (%)	32.8	33
Poverty Rate (%)	39.9	36
Median Earnings (\$)	16,593	37
Median Household Income (\$)	24,653	35
Per Capita Income (\$)	11,537	36

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Hidalgo County (McAllen Urban Area)



Hidalgo County is in south-central Texas, east of Starr County, south of Brooks County, and west of Kenedy, Willacy, and Cameron counties. All of the county is within 100 kilometers of the international border. Its southern boundary is shared with three municipios in Tamaulipas: Gustavo Díaz Ordaz at the western end, Reynosa (more than half of the border), and Río Bravo.

With a land area of 4,069 square kilometers, Hidalgo County is a little smaller than the median of the 37 border region counties. The county, part of the Lower Rio Grande Valley, is at a low elevation of about 60 meters. Native vegetation includes grasses, mesquite, oaks, and chaparral.

Various Spaniards explored the area in the 17th and 18th centuries. Settlements south of the Rio Grande began in the mid-1700s, followed a little later by development on the north side. Ranching and farming drove the economy. Disputed between the Republic of Texas and México, the area became a haven for outlaws after the Texas Revolution, slowing its growth. Hidalgo County was created in 1852 but experienced a number of boundary changes through 1921, shrinking in size. The arrival of the railroad in 1904 boosted growth.

### Population and Transportation Infrastructure

The population of Hidalgo County was 77,004 in 1930. It reached 160,446 in 1950 and 774,769 in 2010, fourth highest among the border region counties. The largest increases occurred in the 1990s (185,900) and 2000s (205,300). Net out-migration was experienced in the 1950s and 1960s, but substantial net in-migration has accounted for at least 38 percent of the total population change in each of the last four decades. The strongest net inflows have occurred among those in their 30s and their children.

Hidalgo County is coincident with the McAllen-Edinburg-Mission metro area. It is the larger part of the McAllen-Edinburg combined area (which includes Starr County) and of the U.S. portion of the McAllen-Reynosa urban area defined for this study. McAllen is the most-populous city, with a population of 129,877 in 2010. Edinburg, Mission, and Pharr had 2010 populations of between 70,000 and 78,000. The four cities are in close proximity to each other a little north of the Rio Grande. Edinburg is the county seat. Several other cities have a population of more than 10,000, including the city of Hidalgo (2010 population of 11,198), which is located along the Rio Grande directly across from Reynosa, Mexico.

U.S. Route 83, which extends through the border region from Uvalde County to Cameron County, is a four-lane divided highway in western Hidalgo County and a controlled-access

freeway through the rest of the county to where it meets U.S. Route 77/I-69E in Cameron County. It was recently designated as Interstate 2 in its controlled-access stretch. U.S. Route 281 runs north from McAllen out of the county to Interstate 37 that connects Corpus Christi and San Antonio. Most of this route is a four-lane divided highway, but short segments have been converted to controlled access and designated as I-69C.

Short-line railroad tracks in Hidalgo County connect to the Union Pacific Railroad in Cameron County. McAllen Miller International Airport is designated as a nonhub primary airport. Enplanements in 2012 ranked 145th nationally and fifth in the border region. General aviation facilities are available at South Texas International at Edinburg and at Mid Valley Airport in Weslaco, which is near Progreso. Twelve private airfields are scattered around the county.

### **Border Crossings**

There are six border crossings in Hidalgo County:

- a hand-operated ferry between the communities of Los Ebanos and Díaz Ordaz,
- the Anzulduás International Bridge between Mission and Anzulduás (not open to commercial trucks),
- between Hidalgo and Reynosa (not open to commercial trucks),
- between Pharr and Reynosa,
- Donna International Bridge between Donna and Río Bravo (not open to commercial trucks), and
- Progreso International Bridge between Progreso and Nuevo Progreso.

The border crossings at Mission, Hidalgo, and Pharr comprise the Hidalgo/Pharr/Anzulduás port of entry. The crossings at Donna and Progreso make up the Progreso/Donna port of entry.

The Hidalgo port is heavily used, ranking sixth on the number of individuals and fourth on the number of trucks crossing the border during 2012 among the 25 ports along the border. Following an above-average increase in the number of trucks crossing the border between 1997 and 2007, the percent change between 2007 and 2012 was marginally negative and below average. The number of individuals crossing the border declined more than average between 1997 and 2007; the decrease was near average between 2007 and 2012.

The Progreso port is less heavily used, ranking 13th on the number of individuals, and 11th on the number of trucks, crossing the border in 2012. The number of trucks using the port decreased more than average between 1997 and 2001, increased much more than average between 2001 and 2007, and rose a little more than average between 2007 and 2012. The number of individuals crossing the border rose between 1997 and 2001 and dropped a little less than average between 2001 and 2012.

Combining these two ports, the number of passengers and pedestrians, and the number of trucks, entering the United States through Hidalgo County in 2012 ranked fourth among the 16 counties with border crossings. On a per capita basis, the ranks are lower at eighth for trucks and 13th for the number of individuals.

The percent change in the per capita number of trucks entering the United States through Hidalgo County between 1997 and 2007 was greater than the figure for the entire border region,

ranking third, but a decline occurred between 2007 and 2012, ranking 11th. The per capita number of individuals crossing the border decreased by the most of the 16 counties with a border crossing between 1997 and 2007, though the decline from 2007 to 2012 was average.

### **Trade Values**

The value of goods passing through the Hidalgo port in 2013 ranked fourth among the 27 ports in the border region for exports and fifth for imports. Between 2004 and 2013, the inflation-adjusted value of exports rose at a lesser pace than average; the gain in imports was near average. Nearly all of the traded goods were transported by truck in 2013, though some exports were sent by pipeline. Electrical machinery and equipment and machinery and mechanical appliances accounted for 45 percent of the exports and 52 percent of the imports. Fuels provided 12 percent of the export value.

The value of goods passing through the Progreso port in 2013 ranked 16th among the 27 ports for exports and 15th for imports. Between 2004 and 2013, the inflation-adjusted value of exports rose at a below-average rate but the value of imports posted the largest gain. All of the imports and exports were transported by truck in 2013. Cereals accounted for nearly 70 percent of the value of exports. Fruits and vegetables accounted for 85 percent of the import value.

Among the 16 counties with border crossings, Hidalgo County's export value ranked fourth and the import value ranked fifth in 2013. The ratio of the export-to-import value was 0.66, ranking 11th. The net export value was 12th. The ranks were lower on a per capita basis for exports (10th) and imports (eighth). The per capita net export value ranked 10th. The increase in export value between 2004 and 2013 was below average but ranked eighth; the increase in the import value was average and ranked fifth. However, the ranks of the percent changes were not as high on a per capita basis at 12th for exports and ninth for imports.

Given its existing infrastructure in handling fresh fruit and vegetables, Hidalgo County may benefit from a new freeway connecting Mazatlan to Durango, which completes the east-west freeway across northern México. Produce grown in southern and central Sinaloa typically has traveled north, crossing the border in Nogales, Arizona. Since Hidalgo County is a little closer to southern Sinaloa, and since southern Texas is much closer to major U.S. and Canadian markets in eastern North America than Nogales, the share of the produce entering the United States through Texas is likely to rise. However, since Hidalgo County is not served by an interstate highway, it is possible that Laredo will instead benefit.

### **Economy**

The overall location quotient for Hidalgo County is very low at 0.7, but the LQ is somewhat high for certain activities. Based on the two employment datasets, the LQ is between 1.2 and 1.3 in health care and social assistance, due to two activities that have high LQs in several Texas counties — home health care and social assistance for the elderly and disabled — but it is less than 1 based on GDP. The LQ for agriculture support is between 1.6 and 2.2 but a low figure in farming results in a LQ of 1 or less in the agriculture sector. The local government figure is 1.2. The LQ for state government is very low despite the presence of the University of Texas Pan American and two state prisons. Though the LQ is less than 1 in the other sectors, the LQ exceeds 1 in some activities, such as call centers.



The middling per capita volumes of cross-border traffic and trade values do not significantly boost the location quotients of the affected sectors. The location quotients for the wholesale trade and transportation and warehousing sectors in Hidalgo County are considerably below 1, while the figure for retail trade is near 1. However, the LQ for freight arrangement exceeds 2 and the figure in one of the 19 wholesale trade industry groups is above 1: wholesaling of groceries (in the fresh fruit and vegetables industry). The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has substantially more employment than expected, suggesting that Mexican shoppers have a significant effect.

Excess employment is the highest in adjusted retail trade, health care and social assistance, and local government, but the latter two are not tradable activities. Much lesser figures are in agricultural support, wholesaling of fresh fruits and vegetables, call centers, and freight arrangement. Thus, cross-border trade is the most important part of the economic base.

As seen in the following table of selected indicators, Hidalgo County, which has a very young populace, ranks below average among the border region counties on socioeconomic measures.

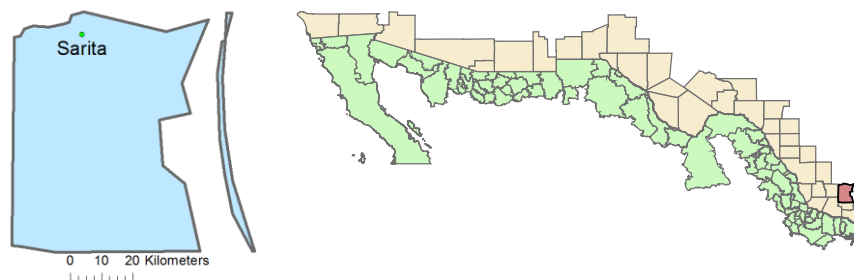
**HIDALGO COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	28.2	36
Mean Years of Schooling, Age 25 or Older	10.8	26
Labor Force Participation Rate, Age 20 to 64 (%)	71.4	19
Unemployment Rate, Age 20 to 64 (%)	9.7	24
Employment-to-Population Ratio (%)	36.2	23
Poverty Rate (%)	35.0	32
Median Earnings (\$)	20,150	29
Median Household Income (\$)	33,218	25
Per Capita Income (\$)	14,126	30

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Kenedy County



Kenedy County is in south-central Texas, east of Brooks County, northeast of Hidalgo County, and north of Willacy County. It borders the Gulf of México to the east. It does not share a border

with México but approximately 50 percent of the county's land area is within 100 kilometers of the international border.

With a land area of 3,777 square kilometers, Kenedy County is smaller than the median of the 37 border region counties and the most sparsely settled. The county consists primarily of brush and mesquite, with grasses near the coast, at elevations up to 30 meters. Padre Island National Seashore is just east of the mainland.

The Spanish began to settle the area in small numbers around 1800. The area always has consisted of ranches and little else; today one ranch covers a large part of the county. Kenedy County, named for Mifflin Kenedy, an early rancher, was created in 1921 from Willacy County.

### **Population and Transportation Infrastructure**

The population of Kenedy County was 701 in 1930, but declined to 416 in 2010, the least of the border region counties. Net out-migration has been greatest among those 18-to-29 years old.

Kenedy County is part of the Kingsville micropolitan area and is included in the Corpus Christi-Kingsville-Alice combined area. Sarita, the largest town (2010 population of 238) and county seat, is in the northern part of the county, more than 125 kilometers north of the border at Brownsville via U.S. Route 77, the only road of note in the county. The Union Pacific Railroad spur line from Brownsville to near Corpus Christi runs through the county. No public airport is located in the county; one private airfield is present.

### **Economy**

The overall location quotient for Kenedy County is extremely high at 2.5, as residents of neighboring counties commute into Kenedy County to work. The agriculture LQ is 27, with high figures for both farming and agricultural support. The local government figure is 3.4. Several other sectors have LQs greater than 1: utilities (electric power generation); construction (power line construction); transportation and warehousing (motor vehicle towing); arts, entertainment and recreation (other amusements); and other services (maintenance and repair of commercial equipment).

Excess employment is the highest in agriculture, followed by local government and the other services sector. Small amounts are present in various other sectors. Thus, agriculture is the most important part of the economic base.

As seen in the following table of selected indicators, Kenedy County, which has the highest median age, ranges widely in its ranks among border region counties on socioeconomic measures, probably due to its very small population size and sampling error in the ACS.

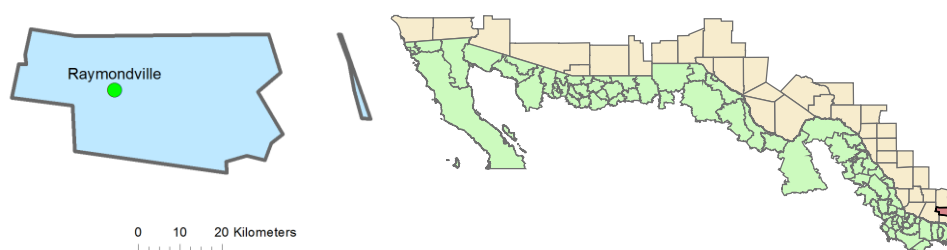
### KENEDY COUNTY INDICATORS

	Value	Rank*
Median Age (years)	51.4	1
Mean Years of Schooling, Age 25 or Older	11.6	14
Labor Force Participation Rate, Age 20 to 64 (%)	71.9	16
Unemployment Rate, Age 20 to 64 (%)	0.0	1
Employment-to-Population Ratio (%)	40.1	14
Poverty Rate (%)	28.4	25
Median Earnings (\$)	30,529	2
Median Household Income (\$)	37,206	19
Per Capita Income (\$)	6,033	37

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

### Willacy County (Brownsville Urban Area)



Willacy County is in south-central Texas, east of Hidalgo County, south of Kenedy County, and north of Cameron County. The Gulf of México is to the east. It does not share a border with México but all of the county is within 100 kilometers of the international border.

With a land area of 1,520 square kilometers, Willacy County is the smallest of the 37 border region counties. The county, part of the Lower Rio Grande Valley and entirely at an elevation of 15 meters or less, is vegetated by grasses, mesquite and scrub. South Padre Island is just east of the mainland.

The Spanish began exploring the area in the 1500s; the first settlements occurred around 1800. Farming began to replace ranching after the arrival of the railroad in 1904 and the introduction of the Bermuda onion in 1912. Willacy County, named after John Willacy, a state senator, was created in 1921 from Kenedy County.

### Population and Transportation Infrastructure

The population of Willacy County was 10,499 in 1930. After oil production began in 1940, the population reached 20,920 in 1950 before dropping to 15,570 in 1970. The population has climbed since then to 22,134 in 2010, ranking 18th among the border region counties. Net out-migration occurred in each of the last six decades, though the magnitude in the last four decades

was much less than in the 1950s and 1960s. Until the 2000s, net out-migration had been particularly high among young children and those 18-to-29 years old.

Willacy County is coincident with the Raymondville micropolitan area and is part of the Brownsville-Harlingen-Raymondville combined area and the U.S. portion of the Brownsville-Matamoros urban area defined for this study. About half of the county's residents live in Raymondville (2010 count of 11,284), the county seat, which is located in the west-central part of the county. It is on U.S. Route 77, the major road through the county. The nearest border crossing is about 70 kilometers southwest at Progreso; Brownsville is a little farther to the southeast.

The Union Pacific Railroad spur line from Brownsville to near Corpus Christi runs through Raymondville. Charles R. Johnson Airport is in Port Mansfield, which is on the coast east of Raymondville. It is designated for other public use. Two private airfields also are present.

### **Economy**

The overall location quotient for Willacy County is extremely low at 0.5, as many of its residents commute to neighboring counties for work. However, the LQ for farming is 2.5 and the figure for agricultural support is 7.1. The local government figure is 1.1. Though the LQ for the administrative support sector is very low, the figure in the facilities support industry is high due to a privately run prison.

Excess employment is by far the highest in agriculture, followed by the private prison and local government. Thus, agriculture is the most important part of the economic base, with the private prison contributing.

As seen in the following table of selected indicators, Willacy County, which has a relatively young and less-well-educated populace, ranks near the bottom of the border region counties on labor force participation and income-related measures.

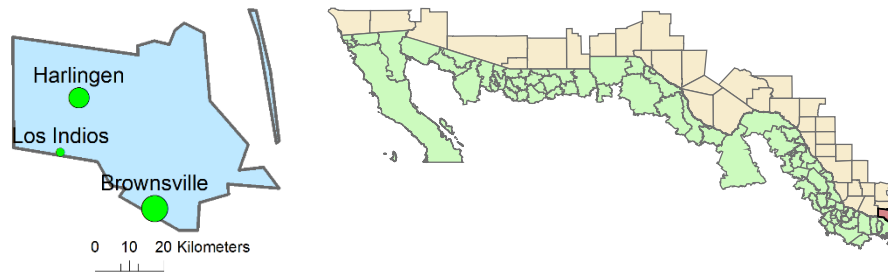
**WILLACY COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	31.9	27
Mean Years of Schooling, Age 25 or Older	10.3	32
Labor Force Participation Rate, Age 20 to 64 (%)	44.0	37
Unemployment Rate, Age 20 to 64 (%)	8.3	15
Employment-to-Population Ratio (%)	25.3	37
Poverty Rate (%)	37.7	34
Median Earnings (\$)	24,343	14
Median Household Income (\$)	26,369	33
Per Capita Income (\$)	11,895	35

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).

## Cameron County (Brownsville Urban Area)



Cameron County is in south-central Texas, east of Hidalgo County and south of Willacy County. The Gulf of México is to the east. All of the county is within 100 kilometers of the international border. Its southern boundary is shared with Matamoros Municipio of Tamaulipas.

With a land area of 2,307 square kilometers, Cameron County is second smallest of the 37 border region counties. The county, part of the Lower Rio Grande Valley, is low-lying at less than 30 meters in elevation, and flat and brushy. South Padre Island is just east of the mainland.

The Spanish explored the area in the 17th century. Cameron County, named for Ewen Cameron, a soldier during the Texas Revolution, was created in 1848 but experienced a number of boundary changes through 1921, shrinking in size. After the Mexican-American War, the Mexican American and Anglo residents were closely linked until the arrival of larger numbers of Anglos around 1900. Ranching drove the early economy. Trade across the border also boosted the economy.

### Population and Transportation Infrastructure

The population of Cameron County was 22,021 in 1930. It rose to 125,170 in 1950 and 406,220 in 2010, fifth highest among the border region counties. The population increased by more than 70,000 in the 1990s and again in the 2000s. Net out-migration occurred in the 1950s and 1960s, but net in-migration has accounted for about one-fifth of the population gain in the last three decades. Despite the overall net in-migration, net out-migration has occurred among those 18-to-29 years old.

Cameron County is coincident with the Brownsville-Harlingen metro area and is the larger part of the Brownsville-Harlingen-Raymondville combined statistical area (which includes Willacy County) and the U.S. portion of the Brownsville-Matamoros urban area defined for this study. More than 40 percent of the county's residents live in Brownsville (2010 count of 175,023), the county seat, located along the Rio Grande and directly across from Matamoros, Mexico. Harlingen, about 40 kilometers northwest of Brownsville, had 64,023 residents in 2010. San Benito, located between Harlingen and Brownsville, had 24,250 residents in 2010.

U.S. Route 77 travels north from the border through Brownsville and Harlingen to Corpus Christi. While most of this route is a four-lane divided highway, it is being converted into a controlled-access freeway. Currently, the stretch from the border to Raymondville has been converted and is designated as Interstate 69E. U.S. Route 83 travels west from Harlingen to

McAllen and through much of the border region; the stretch from Harlingen to past McAllen is now a controlled-access freeway designated as I-2.

A Union Pacific Railroad spur line runs from Brownsville through Harlingen north to near Corpus Christi. It meets a Kansas City Southern de México line at the border.

Cameron County has two airports providing scheduled passenger service. Valley International in Harlingen, designated as a small-hub primary airport, had the greatest number of enplanements in 2012 of any airport in the Lower Rio Grande Valley (Starr, Hidalgo, Willacy, and Cameron counties) and ranked fourth in the border region and 134th nationally. It ranked 77th nationally and fourth in the border region on landed weight of cargo in 2012. The Brownsville-South Padre Island International Airport is designated as a nonhub primary airport. It ranked 233rd nationally and sixth on enplanements in 2012. Limited shipments of cargo also pass through the airport. A general aviation facility is located in Port Isabel (just south of South Padre Island). Fifteen private airfields are scattered around the county.

### **Border Crossings and Trade Values**

Four border crossings connect Cameron County to Matamoros Municipio. The most western crossing is between the communities of Los Indios and Lucio Blanco. The other three connect the cities of Brownsville and Matamoros; commercial trucks are allowed at just one of these three crossings. A railroad also crosses the border at Brownsville. All of these border crossings (as well as the airport) are included in the Brownsville/Los Indios port of entry.

Among the 25 ports along the border, the Brownsville port ranked seventh in 2012 on the number of both individuals and trucks crossing the border. The number of trucks crossing the border in Brownsville declined between 1997 and 2012, with subpar changes throughout the period. The number of individuals crossing the border changed at a near-average pace from 1997 through 2007, but fell more than average between 2007 and 2012.

Among the 16 counties with border crossings, the number of passengers and pedestrians entering the United States through Cameron County in 2012 ranked sixth. The number of trucks ranked seventh. On a per capita basis, the ranks were lower: 10th for trucks (11th for loaded containers and eighth for unloaded containers), and 12th for the number of passengers and pedestrians.

The percent change in the per capita number of trucks entering the United States through Cameron County between 1997 and 2012 was considerably below the figure for the entire border region, ranking 14th, with an inferior performance throughout the period. The per capita number of individuals crossing the border decreased by more than the border region average from 2001 through 2012, ranking 11th.

Of the seven rail crossings between the United States and México, Cameron County ranked fifth in the number of trains crossing the border in 2012. The per capita number also ranked fifth. Following an above-average gain between 1997 and 2001, the percent change in the per capita number of trains entering the United States through Cameron County between 2001 and 2012 was considerably below the figure for the entire border region.

The value of goods passing through the Brownsville port in 2013 ranked sixth among the 27 ports in the border region for exports and ninth for imports. Between 2004 and 2013, the inflation-adjusted value of exports rose at a lesser pace than average; the import value decreased. Three-fourths of the exports were transported by truck in 2013, with the remainder split between pipeline and rail. Ninety-three percent of imports arrived by truck, with the rest by rail. Electrical machinery and equipment and mineral fuels each accounted for close to 20 percent of the exports. One-fourth of the value of imports was in the electrical machinery and equipment category, with 17 percent in vehicles and parts.

Among the 16 counties with border crossings, Cameron County's export value ranked sixth and the import value ranked ninth in 2013. The ratio of the export-to-import value was high at 1.47, ranking third. The net export value was the highest. On a per capita basis, both imports and exports ranked ninth and the net export value was second highest. The inflation-adjusted increase in export value between 2004 and 2013 ranked 10th; the decline in the import value ranked 14th. The ranks were the same on a per capita basis.

### **Economy**

The overall location quotient for Cameron County is low at less than 0.8, but the LQ is somewhat high for certain activities. Based on the two employment datasets, the LQ is 1.3 in health care and social assistance, due to two activities that have high LQs in several Texas counties — home health care and social assistance for the elderly and disabled — but it is less than 1 based on GDP. The LQ for agriculture support is between 1.3 and 1.8 but a low figure in farming results in a LQ of less than 1 in the agriculture sector. The local government figure is 1.3. The LQ for state government is low despite the presence of the University of Texas at Brownsville. Though the LQ is less than 1 in the other sectors, the LQ exceeds 1 in some activities, including call centers, telecommunications, and two manufacturing industries.

The moderate per capita cross-border traffic volumes and trade values do not significantly boost the location quotients of the affected sectors. The LQs for retail trade, wholesale trade, and transportation and warehousing are below 1 in Cameron County. However, the LQs are above 1 in freight arrangement and in warehousing, and in one of the 19 wholesale trade industry groups: the LQ is 3 in miscellaneous nondurables, due to a very high figure in recyclable materials. The adjustment of retail trade employment for the level of per capita personal income indicates that retail trade has more employment than expected, suggesting that Mexican shoppers have an effect.

Excess employment is by far the highest in health care and social assistance, followed by local government, but these are not tradable activities. Adjusted retail trade provides the next-highest excess. Much lesser figures are present in agricultural support, call centers, recycled material wholesaling, and manufacturing of seafood products and of fabricated structural metals. Thus, cross-border trade, two manufacturing industries, agriculture, and call centers contribute to the economic base.

As seen in the following table of selected indicators, Cameron County, which has one of the younger populations, generally ranks below average among the border region counties on socioeconomic measures.

**CAMERON COUNTY INDICATORS**

	Value	Rank*
Median Age (years)	30.4	32
Mean Years of Schooling, Age 25 or Older	11.0	23
Labor Force Participation Rate, Age 20 to 64 (%)	68.3	26
Unemployment Rate, Age 20 to 64 (%)	8.5	16
Employment-to-Population Ratio (%)	35.1	29
Poverty Rate (%)	34.9	31
Median Earnings (\$)	21,440	26
Median Household Income (\$)	32,558	27
Per Capita Income (\$)	14,405	28

\* Among 37 border region counties; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Source: U.S. Department of Commerce, Census Bureau, 2010 census (median age), and American Community Survey, 2008-12 (other indicators).



## **BAJA CALIFORNIA**

The northern border of Baja California is shared with California; the northern portion of its eastern border is shared with Arizona. Baja California has only five municipios. At least a portion of each is in the border region, but only three share the international border.

With a land area of 71,446 square kilometers, Baja California is the second smallest of the six border states, accounting for 9 percent of the border states' land area and 4 percent of the national total. Baja California occupies the northern half of the Baja Peninsula. Thus, most of the state is surrounded by water: the Pacific Ocean on the west and the Gulf of California on the east. Mountain ranges run north-south in between the narrow coastal areas, with elevations mostly from 600-to-1,500 meters, though with higher peaks. Several federally protected areas are in Baja California, including a national park and a biosphere reserve in the border region.

The higher mountains receive enough precipitation to be forested. Most of the rest of the state is a hot desert, with annual precipitation of less than 25 centimeters, but the northwestern corner (the municipios of Tijuana, Playas de Rosarito, and the northwestern portion of Ensenada) has a Mediterranean climate. Limited agriculture occurs in valleys on the west side of the mountains, with more extensive agriculture in the far northeastern part of the state, irrigated by the Colorado River. Outside of these agricultural areas and the cities, the state has limited economic activities. Livestock ranching is present in places, but is limited by the hot, arid climate.

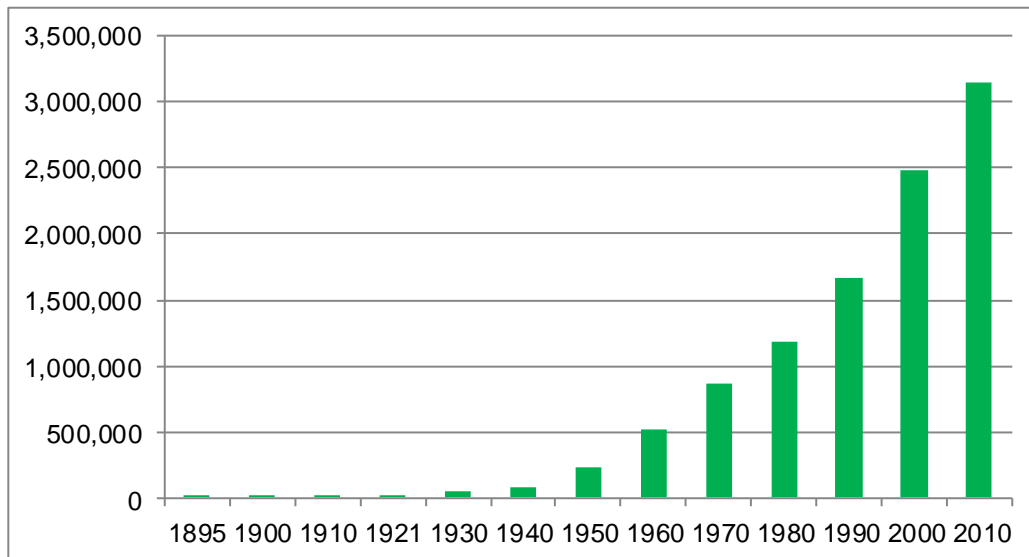
The first exploration of the Baja Peninsula by the Spanish occurred by ship in 1539, with several other coastal explorations through 1602. Early explorers thought the Baja Peninsula was an island. They gave it the name of California, from an early 16th-century Spanish novel that was based on a Greek story of a mythical island. The peninsula gained the name of Baja ("Lower") California, differentiating it from Alta ("Upper") California, the present U.S. state of California.

The first overland exploration of the northern part of the peninsula was not until 1769. Missions were established between 1774 and 1817, mostly in the southern part of the peninsula. Though a mission had been established in nearby San Diego in 1769, the border region of Baja California was essentially unsettled by Europeans until the late 1820s, when ranchos were established in Playas de Rosarito and Tijuana. The Tecate and Mexicali municipios were not settled until the late 1800s/early 1900s. The entire Baja Peninsula was administered as one territory until 1930, when the northern and southern parts were split. Baja California became a state in 1953 while the southern portion became the state of Baja California Sur in 1974.

### **Population of Baja California**

The population of Baja California was less than 10,000 as late as 1910; by 1940, it had reached 78,907, when it was much less populous than the other border states. The population began to increase more rapidly during the 1940s, with gains of around 300,000 in each decade from the 1950s through 1970s. Population growth accelerated to about 827,000 in the 1990s, the most of the border states, and was 668,000 in the 2000s, second to Nuevo León. In 2000, Baja California became the fourth-most populous of the border states, ahead of Coahuila and Sonora. The number of residents reached 3,155,070 in 2010 (see Chart 9).

**CHART 9**  
**NUMBER OF RESIDENTS OF BAJA CALIFORNIA**



Source: Instituto Nacional de Estadística y Geografía, decennial census.

All or a portion of each of the five municipios is within 100 kilometers of the international border. Since most of the sparsely settled southern 80 percent of the state is included in the Ensenada municipio, all of the state is considered to be part of the border region for statistical purposes. A very high percent decline of the state's residents live less than 100 kilometers from the United States. Tijuana (1,559,683 residents in the municipio in 2010), Mexicali (936,826), and Ensenada (466,814) are the largest population centers.

#### **Transportation and Trade in the Border Region of Baja California**

The transportation network in Baja California includes several federal highways. Route 2 travels east from Tijuana through Tecate and Mexicali into Sonora, where it joins Route 15. It is a freeway across most of Baja California. Route 1 travels south from Tijuana through Ensenada to the southern tip of the Baja Peninsula; it is a freeway to south of Ensenada. Route 5 travels south from Mexicali to San Felipe on the Gulf of California; it is a freeway near Mexicali. Route 3 travels south from Tecate to Ensenada, where it turns east, ending at Route 5.

Baja California is not as well served by railroads. A short line that is in poor condition travels from Tecate to Tijuana, where it links to a U.S. short-line railroad. A Ferromex line travels southeast from Mexicali into Sonora, where it joins with a north-south route that connects Nogales to central México. At the border in Mexicali, it connects to a Union Pacific spur line that in turn joins the major east-west Sunset Route.

The airport in Tijuana is by far the busiest in the border region of México in terms of passenger traffic. It also is an active hub for cargo. The airport in Mexicali also provides scheduled passenger service; the passenger count was third highest on the border region behind Tijuana and Juárez. An airport also is present in Ensenada.

Six border crossings connect Baja California to California. Each of the three municipios that share a border with the United States — Tijuana, Tecate, and Mexicali — have at least one crossing. Combining the data for the six crossings in Baja California and comparing those totals to those of the other border states, cross-border commercial truck traffic from Baja California ranked a distant second to Tamaulipas in 2012; cross-border rail traffic was the lowest by a wide amount; and cross-border crossings of individuals was the highest by a significant margin.

The ranks for Baja California are lower on a per capita basis, using the population of the border region of each state. The per capita number of trucks crossing the border ranked last and the per capita number of individuals crossing the border ranked third.

Based on the value of traded goods crossing the border in 2013, Baja California ranked third on both imports and exports. On a per capita basis, Baja California was last among the four border states on the value of both imports and exports. The location of California and Baja California at the western edge of each country limits the amount of goods crossing the border of these states, as production and consumption are much more substantial in the eastern portion of each country.

The ratio of the export-to-import value was only 1.56 in 2013, the second highest. The net export value was second-highest figure to Tamaulipas, but the per capita net figure was the smallest of the border states.

Between 2004 and 2013, the value of imports and exports crossing the border in Baja California rose less than in each of the other border states, on both unadjusted and per capita bases. Between 1997 and 2012, the percent change in the number of trucks crossing the border from Baja California was about equal to the border region total. The percent change was above average between 1997 and 2001 but a little below average between 2001 and 2012. After a relatively large gain between 1997 and 2001 and an average percent change between 2001 and 2007, the use of rail declined sharply in Baja California between 2007 and 2012. The per capita number of individuals crossing the border did not drop as much as the border region total, particularly between 2007 and 2012.

Cross-border traffic varies widely by crossing. The El Chaparral crossing in Tijuana is the most heavily used by pedestrians and passengers; the Mesa de Otay and the western crossing in Mexicali also are heavily used by individuals. The Otay de Mesa and eastern crossing in Mexicali are heavily used for commercial trade.

### **Economy of Baja California**

The overall location quotient in Baja California ranges from just under 1 based on value added to 1.25 based on the 2009 economic census. Most of the variation across the three measures is in the secondary category, whose LQ varies from 1.0 to 1.9 (see Table 10). The value added and 2010 employment estimates of the agriculture LQ also are considerably different, but each figure is less than 1. In contrast, in the trade and services categories, the LQs are much more comparable across the three measures, each ranging from just under 1 to about 1.1.

In three of the secondary sectors — utilities, construction, and manufacturing — the LQ exceeds 1 based on both value added and the 2009 economic census. Wholesale trade has a figure above

**TABLE 10**  
**LOCATION QUOTIENTS BY SECTOR, BAJA CALIFORNIA**

	<b>Value Added, 2012</b>	<b>Employment, 2010 Census</b>	<b>Employment, 2009 Economic Census</b>
TOTAL	0.99	1.10	1.25
Primary (Agriculture)	0.96	0.44	
Secondary	1.00	1.41	1.93
Mining	0.03		0.21
Utilities	2.27		1.32
Construction	1.47		1.03
Manufacturing	1.14		2.14
Trade	1.04	1.10	0.99
Wholesale			1.06
Retail			0.98
Services	0.99	1.11	0.97
Transportation and Warehousing	0.85		0.82
Information	0.93		0.97
Finance and Insurance	0.71		0.31
Real Estate and Rental	1.14		1.50
Professional, Scientific and Technical Services	1.00		0.93
Management of Companies	0.14		0.00
Administrative Support	0.59		0.80
Educational Services	1.30		1.00
Health Care & Social Assistance	0.95		1.37
Arts, Entertainment and Recreation	1.11		1.21
Accommodation and Food Services	1.07		1.03
Other Services	1.01		1.11
Government	1.04		

Note: a blank indicates that the data are not available

Source: Instituto Nacional de Estadística y Geografía.

1 based on the economic census and some services sectors — particularly real estate and rental; and arts, entertainment and recreation — have LQs greater than 1 based on both value added and the 2009 economic census.

At the sectoral level, the employment excess is by far the highest in manufacturing. Based on value added, excesses are more evenly spread across several sectors: construction, manufacturing, utilities, real estate and rental, and educational services. Other than manufacturing, little of these sectors is tradable.

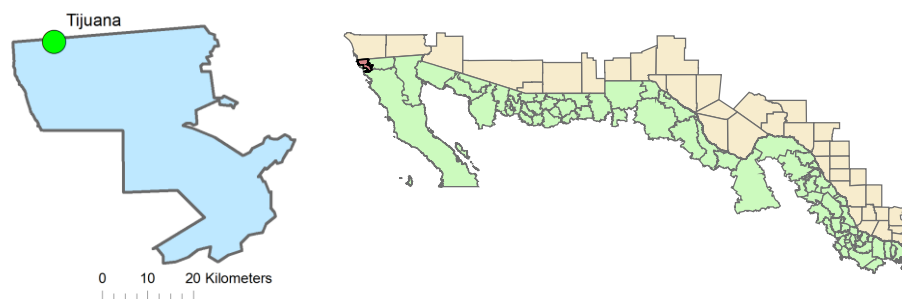
Within the manufacturing sector, excess employment is present in 13 of the 21 subsectors, with the largest amount in electronic equipment, followed by miscellaneous manufacturing. Moderate excesses are present in fabricated metal products, plastic and rubber products, electrical equipment, and furniture. Aggregating the subsectors into the 12 subcategories available from the value added series, the two datasets agree that the grouping that includes machinery, electronic equipment, electrical equipment, and transportation equipment has the greatest excess,

followed by the miscellaneous grouping. However, in contrast to the moderate excesses in employment in the metals and petroleum subcategories, no excesses exist in value added.

The excesses in subsectors of other sectors are small compared to those in manufacturing. Among those activities with more than a modest tradable share, the excesses related to tourism are notable — with excesses in each of the subsectors in the accommodation and food services, and arts, entertainment and recreation sectors. A few wholesale trade subsectors also provide excess employment.

Thus, manufacturing is the primary economic base activity in Baja California, with contributions from tourism and some wholesale trade activities.

### **Tijuana Municipio (Tijuana Urban Area)**



Tijuana Municipio is in the northwestern corner of Baja California (and of México). Playas de Rosarito and Ensenada municipios are to the south and Tecate Municipio is to the east. The Pacific Ocean is to the west. Its northern border is shared with San Diego County, California. The entire municipio is within 100 kilometers of the international border.

With a land area of 1,235 square kilometers, Tijuana Municipio ranks 57th among the 78 border region municipios. It has the highest population density. The elevation ranges from sea level to 800 meters, with steep hills, mesas, and canyons. The Río Tijuana flows intermittently through the area. The climate and vegetation is Mediterranean, with cool temperatures from the Pacific Ocean allowing the limited rainfall to be more productive.

Juan Cabrillo claimed this area for Spain in 1542 and the coastline was surveyed in 1602 by Sebastián Vizcaíno, but the area was not settled until 1829 when a land grant led to the establishment of a large cattle ranch. The city was not founded until 1889.

### **Population and Transportation Infrastructure**

Tijuana Municipio is the largest part of the Tijuana metropolitan area, which includes Tecate and Playas de Rosarito municipios, and of the Mexican portion of the San Diego-Tijuana urban area defined for this study, which is coincident with the metro area. Tijuana Municipio had a population of only 11,271 in the 1930 census, when it included the areas of the current Tecate and Playas de Rosarito municipios. Population growth accelerated after this, with the metro area population gain peaking at 553,000 during the 1990s. The gain between 2000 and 2010 still was

sizable at 399,400, of which Tijuana Municipio accounted for 348,900. In 2010, Tijuana Municipio had 1.56 million residents, the most populous of the border region municipios.

The city of Tijuana is the most populous place in the municipio with 1.3 million residents in 2010 — 83 percent of the municipio total and of similar size to the city of San Diego — though the Tijuana metro area is much less populous than the San Diego metro area. The center of the city is slightly inland and along the international border. Eight other localities had a population of between 12,000 and 37,000.

The main highways in the municipio are Route 1, which travels south, and Route 2, which travels east. Both are freeways within Tijuana Municipio. The Baja California Railroad, a short-line operation from Tijuana to Tecate whose tracks are in poor condition, meets the San Diego and Imperial Valley Railroad, which operates short-line tracks in the San Diego area. Aeropuerto Internacional General Abelardo L. Rodríguez, located east of downtown Tijuana, is the busiest airport in the border region of México by a wide margin. In addition to several carriers of passengers, cargo carriers use the facility.

### **Border Crossings and Trade Values**

Tijuana Municipio has two border crossings: the El Chaparral crossing in the center of the city of Tijuana to San Ysidro, California — trucks are not permitted at this crossing — and the Mesa de Otay crossing east of downtown Tijuana, near the airport, to Otay Mesa, California. The railroads meet at El Chaparral. The two border crossings are separate U.S. ports of entry; see the San Diego County, California section for details.

Combining the data for the two ports, the number of passengers and pedestrians entering the United States through Tijuana Municipio was the highest by a wide margin among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked third behind the Nuevo Laredo and Juárez municipios, though the number of loaded truck containers was second only to Nuevo Laredo. Of the seven active rail crossings between the United States and México, the amount of traffic was the least through Tijuana Municipio. None of the trains entering the United States had loaded rail containers.

Considering the population of Tijuana Municipio, the per capita number of trucks crossing the border ranked eighth (loaded containers ranked sixth and unloaded containers 11th) in 2012 among the 21 municipios with crossings. Per capita rail traffic ranked seventh, and the per capita number of passengers and pedestrians ranked 11th. Between 2000 and 2012, the per capita number of trucks crossing into the United States decreased at a near-average rate, though the per capita number of loaded truck containers rose slightly, with the percent change ranking seventh. The per capita number of trains also decreased. While the number of individuals crossing the border also fell, the decrease was the smallest of the 21 municipios.

In 2013, the value of both imports and exports passing through Tijuana Municipio was third highest among the 21 municipios with crossings. The ratio of the export-to-import value was 1.72, ranking fourth. Tijuana Municipio had the largest value of net exports. Ranks were not so high on a per capita basis, at 12th for imports, seventh for exports, and fifth for net exports. Between 2004 and 2013, the inflation-adjusted value of exports increased at a near-average pace,

while the inflation-adjusted value of imports rose only one-third the rate of the entire border region, ranking 12th.

### **Economy**

The overall location quotient in Tijuana Municipio is 1.1 based on the 2010 census and 1.4 based on the 2009 economic census. Using each dataset, the LQs are slightly greater than 1 in the trade and services categories. The LQ in the secondary category is much higher: 1.6 from the 2010 census and 2.3 from the 2009 census. Using the 2010 census, the LQ for agriculture is barely above zero. Excess employment in the secondary category is nearly three times higher than in services, with a lesser figure in trade.

At the sectoral level from the 2009 census, manufacturing is the only secondary sector with a LQ above 1 at 2.6. Nine of the 12 services sectors have a LQ above 1, but much of this activity is not tradable. The moderate per capita cross-border traffic and trade values may contribute to the location quotients for retail trade and wholesale trade being slightly above 1 in Tijuana Municipio. However, the transportation and warehousing LQ is considerably below 1.

Though excess employment is present in multiple sectors, manufacturing provides the most by a very wide margin and is the most important economic base activity. Cross-border trade contributes.

In addition to a strong and diversified economy, Tijuana Municipio ranks very high among the border region municipios on four of the five socioeconomic measures shown in the following table.

**TIJUANA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	9.1	5
Labor Force Participation Rate, Age 20 to 64	73.4	2
Unemployment Rate, Age 20 to 64	4.6	39
Employment-to-Population Ratio	42.3	2
Poverty Rate	32.8	18

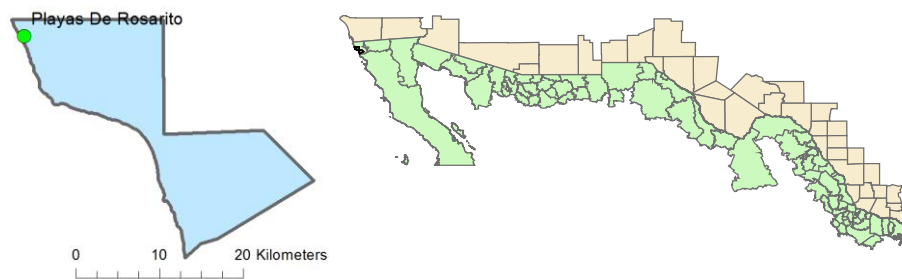
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Playas de Rosarito Municipio (Tijuana Urban Area)**

Playas de Rosarito Municipio is in northwestern Baja California, southwest of Tijuana Municipio. The Pacific Ocean is to the west. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of only 501 square kilometers, Playas de Rosarito Municipio ranks 70th among the 78 border region municipios. It has the sixth-highest population density. Most of the



municipio is in the coastal plain. The climate and vegetation is Mediterranean, with cool temperatures from the Pacific Ocean allowing the limited rainfall to be more productive.

The area was settled in 1827 when a land grant led to a large cattle ranch. It was titled as Rancho Rosarito in 1885. The current name translates as “Rosarito Beach.” It was a suburb of Tijuana until it became a municipio in December 1995. Increased revenue after this has allowed the infrastructure to be substantially improved, helping it become a beach resort with enclaves of U.S. citizens.

### **Population and Transportation Infrastructure**

Playas de Rosarito Municipio is part of the Tijuana metropolitan area and of the San Diego-Tijuana urban area defined for this study. It had a population of 63,420 in the 2000 census. Substantial growth pushed the population to 90,668 in 2010, the 14th most populous of the border region municipios.

The city of Playas de Rosarito, in the northwestern corner of the municipio, is the most populous place in the municipio with 65,278 residents in 2010 — 72 percent of the municipio total. It is served by Route 1, a freeway running north to the international border and south to Ensenada and beyond. The nearest border crossing in Tijuana is about 30 highway kilometers north. The municipio is not served by rail. Air service is available nearby in Tijuana.

### **Economy**

The overall location quotient in Playas de Rosarito Municipio is a little more than 1 based on both the 2010 census and the 2009 economic census. The LQ excluding agriculture from the 2009 economic census is slightly less than the figure from the 2010 census, which is unusual for a relatively populous municipio. This suggests that some residents of Playas de Rosarito commute to another municipio — mostly Tijuana — for work.

Using each dataset, the location quotient is between 1.4 and 1.5 in the secondary category. The LQs in the trade and services categories are 1.2 from the 2010 census but slightly less than 1 from the 2009 census. Using the 2010 census, the LQ for agriculture is less than 0.2. Excess employment is slightly higher in the secondary category than in services, with a lesser figure in trade.

At the sectoral level from the 2009 census, manufacturing is the only secondary sector with a LQ above 1 at 1.8. The LQ is at least 2 in the real estate and rental, and accommodation and food services sectors, with a figure slightly above 1 in arts, entertainment and recreation and in health



care and social assistance. Excess employment is highest in manufacturing, more than double the amount in the accommodation and food services sector. Thus, manufacturing and activities serving tourists, seasonal residents, and American expatriates are the primary economic base activities.

As seen in the following table of selected indicators, Playas de Rosarito Municipio ranks high among the border region municipios on four of the five socioeconomic measures.

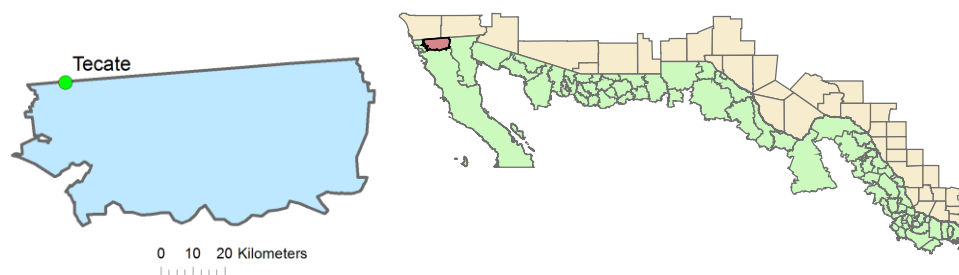
**PLAYAS DE ROSARITO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.1	25
Labor Force Participation Rate, Age 20 to 64	70.5	10
Unemployment Rate, Age 20 to 64	5.0	47
Employment-to-Population Ratio	39.1	9
Poverty Rate	33.2	19

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Tecate Municipio (Tijuana Urban Area)**



Tecate Municipio is in northern Baja California, east of Tijuana Municipio, west of Mexicali Municipio, and north of Ensenada Municipio. Its northern border is shared with California: the western two-thirds with San Diego County and the eastern portion with Imperial County. The entire municipio is within 100 kilometers of the international border.

With a land area of 2,687 square kilometers, Tecate Municipio ranks 27th of the 78 border region municipios. The municipio is at a mid-elevation, mountainous with valleys. It is in a transition zone between the mild Mediterranean climate to the west and the hot desert to the east.

The area was not settled until ranchers and farmers arrived in the late 19th century; the city of Tecate was founded in 1892. Adequate water (including the small Río Tecate) and fertile soil in the valley allow numerous farm products to be grown. The valley, which is at an elevation of

about 550 meters, is surrounded by mountains. It is close enough to the Pacific Ocean to experience more rain and lower temperatures than the area to its east.

### **Population and Transportation Infrastructure**

Tecate Municipio is part of the Tijuana metropolitan area and of the San Diego-Tijuana urban area defined for this study. The Tecate Municipio was split off from Tijuana Municipio in 1953. It had a population of only 8,208 in 1960. The number of residents rose by between 21,000 and 26,000 in each of the last three decades. The population reached 101,079 by 2010, the 13th most populous of the border region municipios.

The city of Tecate, on the border in the northwestern part of the municipio, is the most populous place in the municipio with 64,764 residents in 2010 — 64 percent of the municipio total. The city is best known for its brewery; it also is home to a university. Very few live on the American side of the border across from the city of Tecate.

Tecate is on Route 2, a freeway, about 45 kilometers east of downtown Tijuana. Route 3, a two-lane highway, runs south from Tecate to Ensenada. The Baja California Railroad connects Tecate and Tijuana, but the track is in poor condition. Airports are to the west in Tijuana and to the east in Mexicali.

### **Border Crossings and Trade Values**

The Tecate border crossing is a separate U.S. port of entry. See the San Diego County, California section for details.

The number of passengers and pedestrians entering the United States through Tecate Municipio ranked 13th among the 21 municipios with border crossings in 2012. The amount of truck traffic ranked 11th (loaded containers ranked 12th and empty containers ninth).

Considering the population of Tecate Municipio, the per capita number of trucks also ranked 11th and the per capita number of passengers and pedestrians ranked 15th. Between 2000 and 2012, the per capita decrease in the number of trucks crossing the border was among the largest of the 21 municipios with crossings. The per capita decline in the number of individual crossings was average.

In 2013, Tecate Municipio ranked 13th on the value of imports among the 21 municipios with crossings; it ranked 12th on exports and 11th on net exports. The ratio of the export-to-import value was 1.14, ranking 11th. The per capita ranks were lower at 16th for imports, 14th for exports, and 12th for net exports. The inflation-adjusted value of imports and exports fell significantly between 2004 and 2013, putting Tecate Municipio near the bottom of the list on percent change.

### **Economy**

The overall location quotient in Tecate Municipio is marginally above 1 based on the 2010 census and 1.2 based on the 2009 economic census. Using each dataset, the LQ is high in the secondary category: 1.7 from the 2010 census and 2.3 from the 2009 census. The LQs in the

trade and services categories are less than 1. Using the 2010 census, the LQ for agriculture is less than 0.2. Excess employment is substantial in the secondary category.

At the sectoral level from the 2009 census, manufacturing is the only secondary sector with a location quotient above 1 at 2.7. The LQ is above 1 in the accommodation and food services sector. The location quotient for transportation and warehousing is about 1 and the retail trade and wholesale trade LQs are below 1 in Tecate Municipio, consistent with the low per capita cross-border traffic and trade values.

Excess employment is substantial in manufacturing and minimal in the other sectors. Thus, manufacturing largely drives the local economy, with a contribution from tourism.

As seen in the following table of selected indicators, Tecate Municipio ranks very high among the border region municipios on four of the five socioeconomic measures.

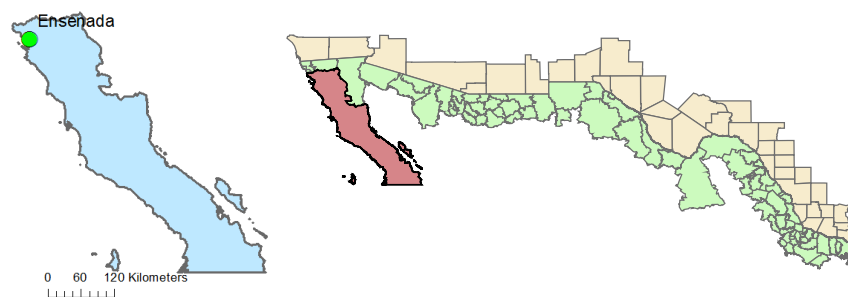
**TECATE MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	8.6	15
Labor Force Participation Rate, Age 20 to 64	71.7	6
Unemployment Rate, Age 20 to 64	4.6	40
Employment-to-Population Ratio	39.0	10
Poverty Rate	20.3	2

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Ensenada Municipio



Ensenada Municipio stretches for hundreds of kilometers from the southern border of Baja California to the northern part of the state, south of the Playas de Rosarito, Tijuana, Tecate, and Mexicali municipios. Only a small portion of this extremely large municipio is within 100 kilometers of the international border but the vast majority of its residents live within 100 kilometers. It does not border the United States.

With a land area of 52,482 square kilometers, Ensenada Municipio is twice the size of the next-largest, and 30 times as large as the median-sized, border region municipio. On the east, the municipio is bounded by the Gulf of California and Mexicali Municipio in the northern section. The Pacific Ocean is its western boundary and the state of Baja California Sur is its southern border. Mountain ranges run north-south in between the coastal areas. Several protected areas are within the municipio, mostly in the central and southern portions. A national park in the mountains, Parque Nacional Constitución de 1857, is within 100 kilometers of the U.S. border. The municipio is largely desert, but in the northwestern portion, where almost all of the residents live, the climate and vegetation is Mediterranean, with cool temperatures from the Pacific Ocean allowing the limited rainfall to be more productive. Crops are grown outside the city of Ensenada. Commercial vineyards, rare in México, are located north of the city.

The first permanent settlement in the area was a mission in the 1600s; mining was an early economic activity. “Ensenada” translates as “cove” — referring to the location of the city on Bahía Todos Santos (which translates as “All Saints Bay”).

### **Population and Transportation Infrastructure**

The population of Ensenada Municipio was only 7,071 in 1930. At that time, tourism began to develop, in part due to Prohibition in the United States. After that, the harbor became an important asset; the city of Ensenada is a significant port today. The population of the municipio rose to 64,934 in 1960 and to 466,814 by 2010, when it was the sixth-most populous of the 78 border region municipios. Population growth was 100,751 in the 1990s and 96,084 in the 2000s.

The city of Ensenada is the most populous place with 279,765 residents in 2010 — 60 percent of the municipio total. Three other localities had a population of between 11,000 and 23,000. Ensenada is located in the far northwestern part of the municipio. Via Route 1, a freeway, the border crossings in Tijuana are about 115 highway kilometers away. It is a similar distance to the crossing in Tecate via Route 3, a two-lane highway.

The municipio is not served by rail. The El Ciprés Military Airport just south of the city of Ensenada also handles civilian air traffic.

### **Economy**

The overall location quotient in Ensenada Municipio is 1.1 based on the 2010 census but is slightly less than 1 based on the 2009 economic census. The LQ excluding agriculture from the 2009 economic census is also less than the figure from the 2010 census, which is unusual for a populous municipio. This suggests that some residents of Ensenada commute to another municipio for work.

Using each dataset, the LQ is approximately 1 in the secondary category. The LQs in the trade and services categories are slightly above 1 based on the 2010 census but less than 1 based on the 2009 census. Using the 2010 census, the LQ for agriculture is 1.7 — unusually high for a municipio with a large population center. Excess employment is four times higher in agriculture than in the trade category, with a lesser amount in services.

At the sectoral level from the 2009 census, manufacturing is the only secondary sector with a LQ above 1 at 1.1. The LQ is slightly above 1 in retail trade and in three services sectors, including the accommodation and food services sector that is partially tradable.

Excess employment is more than twice as high in manufacturing as in the other sectors. Agriculture and manufacturing are the primary economic base activities, with a contribution from tourists and American expatriates.

As seen in the following table of selected indicators, Ensenada Municipio ranks from high to very high among the border region municipios on socioeconomic measures.

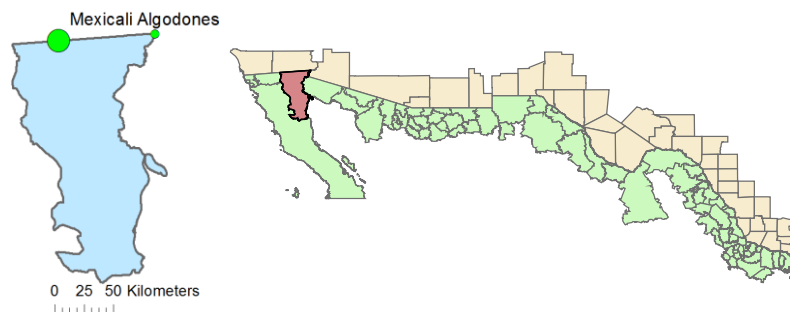
**ENSENADA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.7	14
Labor Force Participation Rate, Age 20 to 64	72.3	3
Unemployment Rate, Age 20 to 64	3.3	19
Employment-to-Population Ratio	42.6	1
Poverty Rate	36.1	22

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Mexicali Municipio (Mexicali Urban Area)**



Mexicali Municipio is in northeastern Baja California, east of the Tecate and Ensenada municipios and west of San Luis Río Colorado Municipio of Sonora. Its northern border is shared with Imperial County, California. The most northerly portion of its eastern border is with Yuma County, Arizona. About 60 percent of the land area of this large municipio is within 100 kilometers of the international border, but the vast majority of its residents live in the border region.

With a land area of 14,541 square kilometers, Mexicali Municipio is the third largest of the 78 border region municipios. Most of the municipio is a low-lying, hot and dry desert. Agriculture is widespread to the southeast of the city of Mexicali, irrigated from the Río Colorado, which is the municipio's eastern boundary with Arizona and Sonora. In the southern part of the municipio,

the Gulf of California is to the east. A large biosphere reserve covers the upper end of the gulf and the delta of the Río Colorado. The western portion of the municipio transitions into a mountainous area.

The road to California from the east that was used by the Spaniards passed through the area. A mission was founded, but abandoned in the 1780s. The land was determined to be fertile for farming in the mid-1800s, but the area remained nearly unpopulated in 1900. The beginnings of a water delivery system from the Río Colorado began at that time, leading to the first influx of farmers in 1903, when the city of Mexicali was founded. Many of the early settlers were Asians.

### **Population and Transportation Infrastructure**

Mexicali Municipio is coincident with the Mexicali Metropolitan Area and with the Mexican portion of the Calexico-Mexicali urban area defined for this study. In 1930, Mexicali Municipio had 29,985 residents. The population gain was between 91,000 and 157,000 in each decade from the 1950s through 1980s, and rose to 163,000 in the 1990s and to 172,000 in the 2000s. Mexicali was the most populous municipio in the state until the early 1980s, when it was surpassed by Tijuana. Mexicali Municipio had 936,826 residents in 2010, when it was the third-most populous of the border region municipios.

The city of Mexicali, the capital of Baja California, is the most populous place with 689,775 residents in 2010 — 74 percent of the municipio total. It is located on the border across from much smaller Calexico, California. San Felipe, with 16,702 residents in 2010, is the primary population center along the Gulf of California, in the far southern part of the municipio. Four other localities had a population of between 12,000 and 30,000.

Route 2, a freeway, passes through the southern part of the city of Mexicali, connecting it to Tijuana and to the primary portion of México to the east. Route 5, a freeway within the developed area, runs south to San Felipe and the Gulf of California. Ferromex operates a rail line that runs from Mexicali to the southeast, reaching a juncture with a north-south railroad in Benjamin Hill, Sonora. Aeropuerto Internacional General Rudolfo Sánchez Taboada is a moderately large facility in Mexicali served by three airlines.

### **Border Crossings and Trade Values**

Two border crossings link the cities of Mexicali and Calexico. The Ferromex and Union Pacific railroads meet at the western crossing, which does not allow trucks. A third crossing is near the eastern edge of the municipio, between Los Algodones and Andrade, California. Americans without health insurance travel to Los Algodones for prescriptions and medical services. Los Algodones had 5,474 residents in 2010; very few live on the American side of the border. The three border crossings are separate U.S. ports of entry. See the Imperial County, California section for details.

Combining the data for 2012 for these crossings, the number of passengers and pedestrians entering the United States through Mexicali Municipio was third highest among the 21 municipios with border crossings, behind the Tijuana and Juárez municipios. The number of trucks crossing the border ranked fifth. Of the seven active rail crossings between the United

States and México, the amount of traffic from México to the United States was the second lowest.

Considering the population of Mexicali Municipio, the per capita number of trucks crossing the border in 2012 ranked 15th, with loaded containers 16th and empty containers 10th. Per capita rail traffic ranked sixth, and the per capita number of passengers and pedestrians ranked 17th. Between 2000 and 2012, the per capita number of trucks decreased slightly, at an average rate. The change in the number of trains was below average as was the number of individual crossings, ranking 12th.

In 2013, Mexicali Municipio ranked eighth on the value of imports, and seventh on the values of exports and net exports, among the 21 municipios with crossings. The ratio of the export-to-import value was 1.23, ranking ninth. Ranks were lower on a per capita basis at 13th for imports, 10th for exports, and ninth for net exports. Between 2004 and 2013, the inflation-adjusted values of imports and exports rose, but by considerably less than average. The percent change ranked 14th for imports and 13th for exports.

### **Economy**

The overall location quotient in Mexicali Municipio is 1.1 based on the 2010 census and 1.2 based on the 2009 economic census. Using each dataset, the LQ exceeds 1 in the secondary category (1.3 based on the 2010 census and 1.8 based on the 2009 census). The LQs in the trade and services categories are slightly above 1 based on the 2010 census but less than 1 based on the 2009 census. Using the 2010 census, the LQ for agriculture is only 0.6 despite the presence of farms to the southeast of the city of Mexicali. Excess employment is similar in the secondary and services categories, with a considerably lesser amount in trade.

At the sectoral level from the 2009 census, manufacturing, utilities, and construction all have a location quotient well above 1. The LQ exceeds 1 in four services sectors that generally are not tradable. It is slightly above 1 in wholesale trade but the retail trade and transportation and warehousing LQs are a little below 1, consistent with the below-average per capita cross-border traffic and trade values.

Excess employment is by far the highest in manufacturing, which is the primary economic base activity.

As seen in the following table of selected indicators, Mexicali Municipio ranks very high among the border region municipios on four of the five socioeconomic measures.

### MEXICALI MUNICIPIO INDICATORS

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	9.4	3
Labor Force Participation Rate, Age 20 to 64	71.9	5
Unemployment Rate, Age 20 to 64	3.9	29
Employment-to-Population Ratio	41.2	4
Poverty Rate	30.2	12

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).



## **SONORA**

The northern border of Sonora is shared with the United States, almost entirely with Arizona; the far eastern portion is shared with New Mexico. Sonora has 72 municipios. Of the 23 municipios in the border region, 10 share the international border.

With a land area of 179,503 square kilometers, Sonora is the second largest of the six border states, accounting for 23 percent of the border states' land area and 9 percent of the national total. Most of the western border of Sonora is with the Gulf of California. The coastal area quickly transitions into hills and mountains, with most of the state at an elevation of more than 600 meters. Mountains are more substantial in the eastern portion of the state, with the most northerly portion of the Sierra Madre Occidental, one of two major mountain ranges in northern México, running along the border with Chihuahua. Elevations here exceed 1,500 meters. Several federally protected areas are within the state.

In the northwestern portion of the state, annual precipitation is less than 25 centimeters but most of the state receives between 25 and 50 centimeters, with more in the eastern mountains. These mountains are forested but the rest of the state consists of arid deserts and semiarid grasslands, with high summer temperatures in the northwest. The land is used primarily for livestock ranching. However, farming is present where water is available. In the border region, the key rivers are the Altar and the Magdalena.

The western half of the border region generally is a hot and dry low-elevation desert, though mountains are present. Two biosphere preserves are found here. The desert quickly transitions into a mid-elevation mountainous area in the eastern half of the border region.

The origin of "Sonora" is unclear, but the term was used by Spanish explorers as early as 1540. The establishment of a series of missions that began in the 1610s in the southern part of the state brought Europeans to the area. Fertile valleys and a route from central México to Arizona and beyond were the main reasons that the Spanish settled this area. Mining also attracted settlers in the Colonial period. Though colonists entered the area after the missions were developed, the Spanish/mestizo population is estimated to have been only 1,300 in 1823, when Sonora became a state. Difficulties with Native Americans deterred the in-migration of Europeans until the late 1800s, when Sonora attracted migrants from elsewhere in México and from the United States and other countries.

In the border region of the state, the first European settlements started as missions in the eastern portion between 1645 and 1647. Several missions in the western portion were established between 1687 and 1694 by Father Eusebio Kino. A couple more missions were founded in 1751. In a few municipios, the first settlement was stimulated by the discovery of minerals and ores in the 1600s and 1700s. Despite these numerous early settlements in the region, some border region municipios had few if any non-Native American inhabitants until the late 1800s (Nogales, Naco, and Agua Prieta) or early 1900s (San Luis Río Colorado and Puerto Peñasco).

### **Population of Sonora**

The population of Sonora was 192,721 in the first census in 1895, the second lowest of the six border states. Population gains began to accelerate in the 1940s. In each decade from the 1960s

through 2000s, the population increased by more than 300,000, peaking at 445,511 in the 2000s. While sizable, these gains generally ranked fifth among the border states. Sonora became the least populous of the border states in 2000. The number of residents reached 2,662,480 in 2010 (see Chart 10).

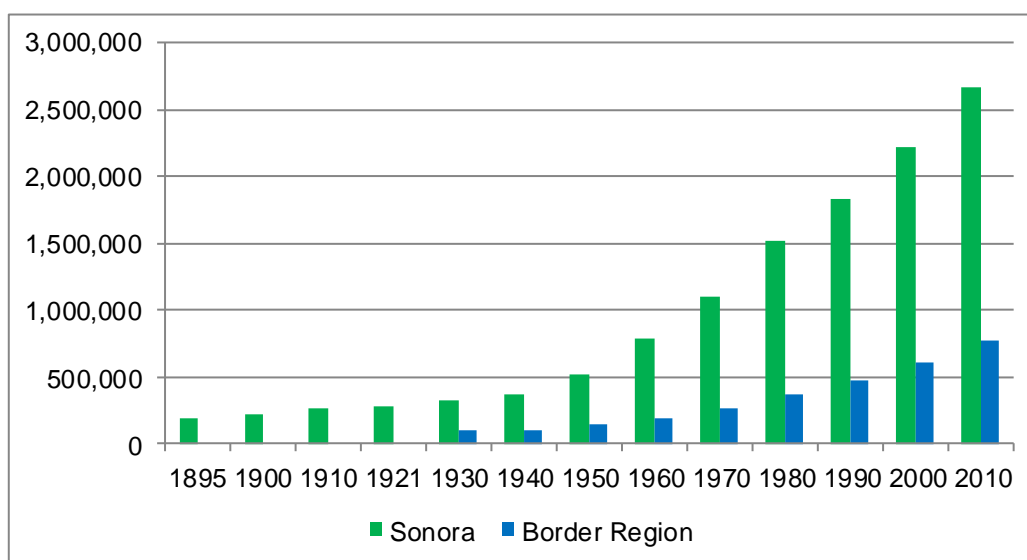
In 1930, 30 percent of the state's residents lived in the border region. The share dropped to 24 percent in 1970 but was back to 29 percent in 2010 (see Chart 11). The border region accounted for 36-to-37 percent of the state's population gain in the 1990s and 2000s.

Nogales, with 220,292 residents, and San Luis Río Colorado (178,380) are the largest population centers in the border region. Two population centers outside of the border region are considerably more populous: Hermosillo — the capital in the central part of the state, with a municipio population of about 775,000 — and Ciudad Obregon (with a little more than 400,000 residents). Guaymas and Navajoa have populations of around 150,000. Ciudad Obregon, Guaymas, and Navajoa are in the southern part of the state.

### Transportation and Trade in the Border Region of Sonora

Several federal highways traverse the border region of Sonora. Route 2 travels east-west from the state of Chihuahua to the Pacific Ocean. In Sonora, it parallels the international border in the western and eastern parts of the state, traveling through San Luis Río Colorado and Agua Prieta. In the central part of the state, it passes south of the border and Nogales. The major north-south highway is Route 15, a freeway. It travels south from the border in Nogales to central México, passing through such cities as Hermosillo and Guadalajara. In the western part of the state, Route 8 travels from the border at Sonoyta southwest to Puerto Peñasco. In the eastern part of the state,

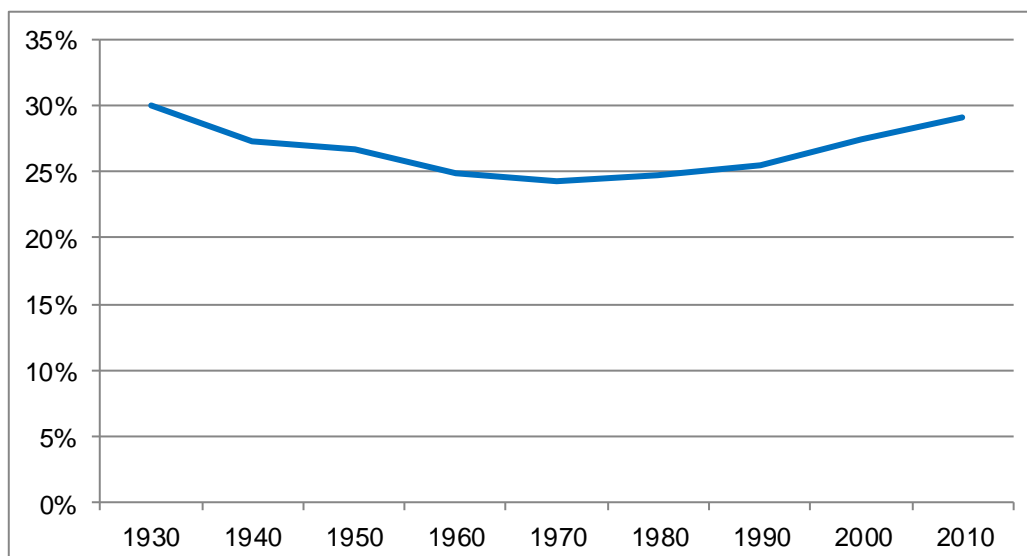
**CHART 10**  
**NUMBER OF RESIDENTS OF SONORA**



Note: The border region population is not available prior to 1930.

Source: Instituto Nacional de Estadística y Geografía, decennial census.

**CHART 11**  
**BORDER REGION SHARE OF THE POPULATION OF SONORA**



Source: Instituto Nacional de Estadística y Geografía, decennial census.

Route 17 travels south from the border in Agua Prieta. It connects to Route 14, which travels southwest to Hermosillo. A short spur travels from the border in Naco to Route 2.

Ferromex rail lines in Sonora include a line that runs southeast from the border in Mexicali to Benjamin Hill, which is a little south of the border region in central Sonora. At Benjamin Hill, this line joins with a north-south track that travels from the border in Nogales to central México, largely paralleling Route 15. Another line travels north from Nacozari de García to Agua Prieta, then west to Nogales, with a spur to Cananea.

Three airports of note are located in the border region of Sonora. The one in Puerto Peñasco has scheduled passenger service, though traffic is light. General aviation facilities are located in Nogales and San Luis Río Colorado.

Nine border crossings connect Sonora to Arizona, though only six of the 10 municipios that share the international border have a crossing: San Luis Río Colorado, General Plutarco Elías Calles, Sáric, Nogales, Naco, and Agua Prieta. Those without a crossing are Puerto Peñasco, Caborca, Altar, and Santa Cruz. Combining the data for the nine crossings in Sonora and comparing those totals to those of the other border states, cross-border commercial truck traffic from Sonora ranked fourth in 2012; cross-border train traffic also ranked fourth, though the number of loaded rail containers ranked third; and cross-border crossings of individuals also ranked fourth. The ranks are higher on a per capita basis, using the population of the border region of each state. The per capita number of trucks ranked second, per capita rail traffic was third, and the per capita number of individuals crossing the border was the highest.

Based on the value of traded goods crossing the border in 2013, Sonora ranked fourth on both imports and exports on both an unadjusted and per capita basis. The ratio of the export-to-import

value was 1.55 in 2013, ranking third. The net export value was fourth highest, but the per capita figure ranked second.

Between 2004 and 2013, the value of imports and exports crossing the border in Sonora rose considerably more than the border region total, with imports ranking first and exports second. Between 1997 and 2012, the percent change in the number of trucks crossing the border from Sonora was the least of the border states. The change was below average throughout the period, with the largest differential between 1997 and 2001. The percent change in the use of rail was similar to the border region total, with losses between 2001 and 2007 offsetting above-average gains between 1997 and 2001 and between 2007 and 2012. The percent change in the number of individuals crossing the border was above average from 1997 through 2007, but below average between 2007 and 2012.

The border crossings in Nogales are the most heavily used, with the commercial trade values far higher than at any of the other crossings in Sonora. The number of individuals crossing the border also is high in San Luis Río Colorado.

### **Economy of Sonora**

The overall location quotient in Sonora ranges from 1.0 to 1.2 across the three measures (see Table 11). The LQ of the secondary category exceeds 1.1 on each measure. The LQ for the trade category is 1 or a little higher while the figure for the services category ranges from a little below to just above 1. The importance of agriculture is unclear, with a LQ of 2.5 based on value added but only 0.9 based on 2010 census employment.

The LQ is above 1 in each of the secondary sectors of mining, utilities, construction, and manufacturing based on both value added and 2009 economic census employment. Both trade sectors have a LQ above 1 based on the 2009 economic census. The only services sector with a LQ of more than 1 based on both measures is health care and social assistance.

Excess employment from the economic census is largest by a wide margin in the manufacturing sector, followed by construction, agriculture, and trade (with both wholesale and retail contributing). Agriculture has a moderately high excess based on value added but no excess based on 2010 census employment. Mining has the largest excess based on value added but only a small excess based on 2009 employment.

Excess employment is present in 10 of the 21 manufacturing subsectors, with the most in the transportation equipment subsector, followed by electronic equipment, and food manufacturing. However, excess value added is greatest in the grouping of primary metals and fabricated metal. Aggregating the subsectors into the 12 subcategories available from the value added series, the two datasets agree that the grouping that includes machinery, electronics, electrical equipment, and transportation equipment has the largest excess. Otherwise, the employment excess is moderate in food and miscellaneous manufacturing, but the value added excess is small in these subcategories. Instead, value added shows a moderate excess in metals manufacturing.

The employment excesses in subsectors of other sectors are small compared to those in manufacturing. Among those activities with more than a modest tradable share, two agricultural

**TABLE 11**  
**LOCATION QUOTIENTS BY SECTOR, SONORA**

	Value Added*	State Employ- ment**	Employ- ment***	Border Region Employ- ment**	Employ- ment***	Balance of State Employ- ment**	Employ- ment***
TOTAL	1.22	1.00	1.20	0.99	1.24	1.01	1.18
Primary (Agriculture)	2.52	0.90		0.64		1.01	
Secondary	1.54	1.11	1.51	1.27	1.82	1.05	1.38
Mining	2.15		1.98		2.91		1.59
Utilities	1.62		1.44		0.72		1.74
Construction	1.29		1.78		0.78		2.19
Manufacturing	1.35		1.45		1.99		1.23
Trade	1.15	1.00	1.06	0.98	1.06	1.01	1.06
Wholesale			1.20		0.82		1.35
Retail			1.03		1.12		1.00
Services	0.95	0.96	1.02	0.93	0.93	0.98	1.06
Transportation and Warehousing	0.75		0.93		0.46		1.12
Information	0.95		1.25		0.79		1.44
Finance and Insurance	0.70		0.33		0.38		0.30
Real Estate and Rental	0.97		1.31		1.30		1.31
Professional, Scientific & Technical Services	0.61		1.01		0.62		1.16
Management of Companies	0.00		0.00		0.00		0.00
Administrative Support	0.66		1.04		0.95		1.07
Educational Services	1.32		0.90		0.69		0.99
Health Care & Social Assistance	1.10		1.34		1.35		1.33
Arts, Entertainment and Recreation	1.00		1.20		0.62		1.44
Accommodation and Food Services	0.91		0.95		1.11		0.88
Other Services	0.84		1.24		1.27		1.23
Government	0.99						

Note: a blank indicates that the data are not available

\* Value Added component of Gross Domestic Product, 2012

\*\* Employment, 2010 Census

\*\*\* Employment, 2009 Economic Census

Source: Instituto Nacional de Estadística y Geografía.

subsectors provide a moderate excess, larger than the excess in mining, which is primarily in the other mining (primarily metals) subsector. Based on value added, the other mining subsector has a large excess, more than three times higher than the largest manufacturing subcategory. Some wholesale trade subsectors provide an employment excess, primarily food and beverages.

Manufacturing is the primary base economic activity in Sonora, but agriculture, mining, and some wholesale trade activities also contribute.

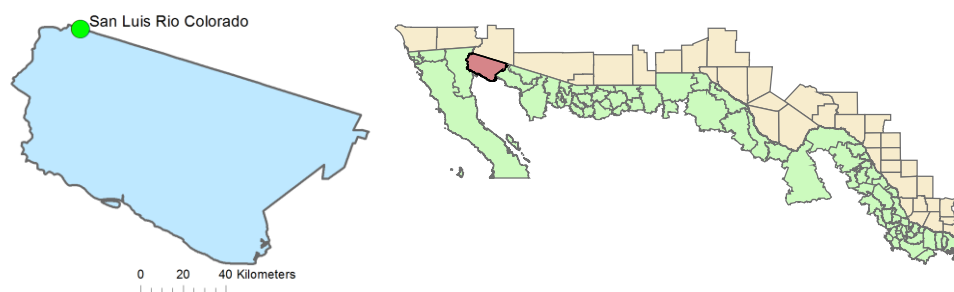
### **Economy of the Border Region of Sonora**

The economy in the border region of the state differs from that of the rest of the state, with a higher location quotient in the border region in the secondary category but a considerably lower figure in agriculture. Mining and manufacturing are more important in the border region. Retail trade and accommodation and food services, influenced by tourism, also have higher LQs (of about 1.1) in the border region. In each of the other sectors, the location quotient in the border region is similar to or less than the figure in the balance of the state.

Excess employment in the border region is by far the highest in manufacturing. The amount contributed by tourism is greater than that of mining. Thus, manufacturing is the primary economic driver in the border region, with contributions from tourism and mining, while the balance of the state has a more diversified economic base.

Most of the municipios in the border region are lightly populated. Nearly all of these municipios have a nonagricultural location quotient that is lower, in some cases much lower, from the 2009 economic census than from the 2010 census, indicating that a disproportionate share of the working residents either are self-employed or work in another municipio. In contrast, a few municipios, primarily Nogales and Nacozari de García, have much higher LQs based on the 2009 economic census, suggesting that they attract workers who live in other municipios.

### **San Luis Río Colorado Municipio (San Luis Río Colorado Urban Area)**



San Luis Río Colorado Municipio is in the northwestern corner of Sonora, east of Mexicali Municipio of Baja California and west of Puerto Peñasco Municipio. Its northern border is shared with Yuma County, Arizona. The entire municipio is within 100 kilometers of the international border.

With a land area of 8,910 square kilometers, San Luis Río Colorado Municipio ranks ninth among the 78 border region municipios. Most of the municipio is a very low-lying, hot and dry desert, “Desierto de Altar,” with a large portion covered by sand dunes. Some mountains are present. An agricultural area is located near the Río Colorado in the northwestern part of the municipio. The Gulf of California marks the municipio’s southern border, but with the exception of one town, the coastal area is unpopulated. The delta of the Río Colorado and the northern portion of the gulf are a biosphere preserve. Another large biosphere preserve — El Pinacate y Gran Desierto de Altar (which translates as “black beetle and great Altar desert”) — extends into the eastern portion of the municipio.

In the 1800s, San Luis was an inland port for steamships traveling the Colorado River. An agricultural military colony was founded in 1918, leading to the creation of the municipio in 1939 out of Caborca Municipio.

### **Population and Transportation Infrastructure**

San Luis Río Colorado Municipio is coincident with the Mexican portion of the Yuma-San Luis Río Colorado urban area defined for this study. San Luis Río Colorado Municipio had a population of only 2,364 in the 1940 census. Population gains were between 18,000 and 29,000 in each decade from the 1950s through the 1980s. The increase was 34,000 during the 1990s and 33,000 in the 2000s. The population reached 178,380 in 2010, the ninth highest of the border region municipios.

The city of San Luis Río Colorado is the most populous place with 158,089 residents in 2010 — 89 percent of the municipio total. It is near the northwestern corner of the municipio, directly across the border from San Luis, Arizona, and on Route 2, a freeway heading west to Mexicali but a two-lane highway heading east. Golfo de Santa Clara, with 3,967 residents, is on the Gulf of California, connected to the city of San Luis Río Colorado by state highways.

The railroad from Mexicali into central Sonora passes through the southern part of the municipio. Aeropuerto Internacional de San Luis Río Colorado is a general aviation facility.

### **Border Crossings and Trade Values**

Two border crossings connect the cities of San Luis Río Colorado and San Luis, Arizona; trucks are not allowed at one of the crossings. The two border crossings are combined into one U.S. port of entry. See the Yuma County, Arizona section for details.

The number of passengers and pedestrians entering the United States through San Luis Río Colorado Municipio was eighth highest among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked 12th.

Considering the population of San Luis Río Colorado Municipio, the per capita number of trucks ranked 18th and the per capita number of passengers and pedestrians ranked seventh in 2012. The decline in the per capita number of individual crossings between 2000 and 2012 was smaller than average, with the percent change ranking fourth among the 21 municipios with crossings. The per capita decrease in the number of trucks was larger than average, ranking 14th.

In 2013, San Luis Río Colorado Municipio ranked 11th among the 21 municipios with crossings on the values of both imports and exports, and ninth on net exports. The ratio of the export-to-import value was 1.37, ranking eighth. The ranks were lower on a per capita basis at 15th for imports, 12th for exports, and 10th for net exports. The inflation-adjusted percent change in the import value between 2004 and 2013 was greater than average, ranking third, but the small real increase in export value was below average and ranked 12th.

### **Economy**

The overall location quotient in San Luis Río Colorado Municipio is about 1 based on the 2010 census and 0.9 based on the 2009 economic census. Unlike most of the more populous municipios, the nonagricultural LQ is lower based on the 2009 economic census than on the 2010 census. The relative remoteness of the city likely precludes residents of other municipios from seeking work in San Luis Río Colorado.

Using each dataset, the LQ slightly exceeds 1 in the trade category. The LQs in the secondary and services categories are less than 1. Using the 2010 census, the LQ for agriculture is 0.9. Thus, excess employment at the category level is limited to a modest amount in trade.

At the sectoral level from the 2009 census, the location quotient exceeds 1 in three services sectors that generally are not tradable. The moderate per capita number of individuals crossing the border may contribute to the location quotient for retail trade being slightly above 1. However, the wholesale trade and transportation and warehousing LQs are considerably below 1, consistent with the low per capita truck traffic and trade values.

The agriculture LQ is far above 1. Though the excess employment is only moderate, agriculture appears to be the mainstay of the economy. Cross-border shopping may contribute.

As seen in the following table of selected indicators, San Luis Río Colorado Municipio generally ranks above average among the border region municipios on socioeconomic measures.

<b>SAN LUIS RÍO COLORADO MUNICIPIO INDICATORS</b>		
	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.2	21
Labor Force Participation Rate, Age 20 to 64	68.3	14
Unemployment Rate, Age 20 to 64	5.7	59
Employment-to-Population Ratio	38.3	19
Poverty Rate	38.8	33

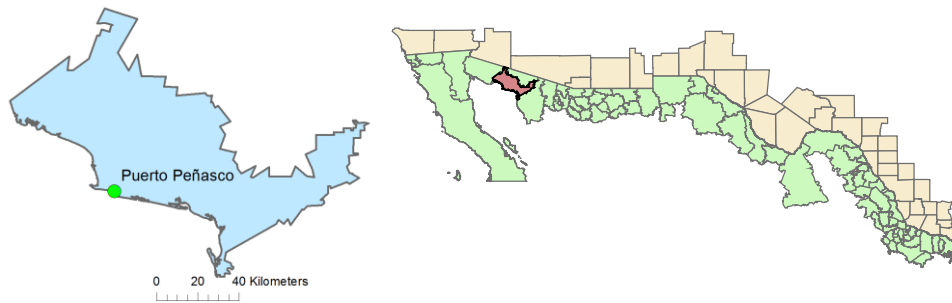
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Puerto Peñasco Municipio**

Puerto Peñasco Municipio is in northwestern Sonora, east of San Luis Río Colorado Municipio, south of General Plutarco Elías Calles Municipio, and west of Caborca Municipio. A short





segment of its northern border is shared with Yuma County, Arizona, but there is no border crossing. The entire municipio is within 100 kilometers of the international border.

With a land area of 6,163 square kilometers, Puerto Peñasco Municipio ranks 13th among the 78 border region municipios. Most of the municipio is a low-lying, hot and dry desert, covered in part by sand dunes, with some mountains present. A biosphere preserve — El Pinacate y Gran Desierto de Altar (translated as “black beetle and great Altar desert”) — covers a significant portion of the land area. The Gulf of California is south of the municipio.

“Puerto Peñasco” translates as “Rocky Port” but is known to Americans as “Rocky Point.” It was only a seasonal fishing camp until the 1920s; a lack of fresh water accounts for its late settlement. In the 1920s, a hotel was built to attract Americans during Prohibition, but it did not last. The construction of a railroad between Baja California and the rest of México during the 1930s led to the permanent settlement of the area.

### **Population and Transportation Infrastructure**

Until 1952, the area was part of Caborca Municipio. It had only 5,741 residents in the 1960 census, when it included the area that is now General Plutarco Elías Calles Municipio, which was not created until 1989. The 1990 population of Puerto Peñasco Municipio was 26,625. Significant growth occurred between 2000, when its population was 31,157, and 2010, when its population was 57,342, the 20th-most populous of the border region municipios.

The city of Puerto Peñasco is the most populous place with 56,756 residents in 2010 — 99 percent of the municipio total. It is on the Gulf of California, about 100 highway kilometers from the nearest border crossing in Sonoyta. Route 8 connects it to Sonoyta and Route 2, each two-lane highways. Puerto Peñasco has become a popular tourist destination. A number of Americans own houses, used either as a vacation home or a primary residence.

The railroad line from Mexicali to Benjamin Hill, Sonora passes through the city of Puerto Peñasco. Aeropuerto Internacional de Mar de Cortés (“Sea of Cortes International Airport”) provides scheduled air service.

### **Economy**

The overall location quotient in Puerto Peñasco Municipio is marginally above 1 based on the 2010 census but is 1.4 based on the 2009 economic census. After excluding agriculture, the LQ

still is higher based on the 2009 economic census. Some residents of General Plutarco Elías Calles Municipio probably work in Puerto Peñasco.

Using each dataset, the LQ is well above 1 in the trade and services categories but only 0.7 in the secondary category. Using the 2010 census, the LQ for agriculture is only 0.4. Excess employment is greatest in the services category, followed by trade.

At the sectoral level from the 2009 census, the LQ is far above 1 in agriculture, construction, retail trade, real estate and rental, accommodation and food services, and other services. The excess employment is highest in retail trade and accommodation and food services. Thus, the economic base is primarily one of serving the growing number of tourists, seasonal residents, and American expatriates.

As seen in the following table of selected indicators, Puerto Peñasco Municipio ranks from high to low among the border region municipios on socioeconomic measures.

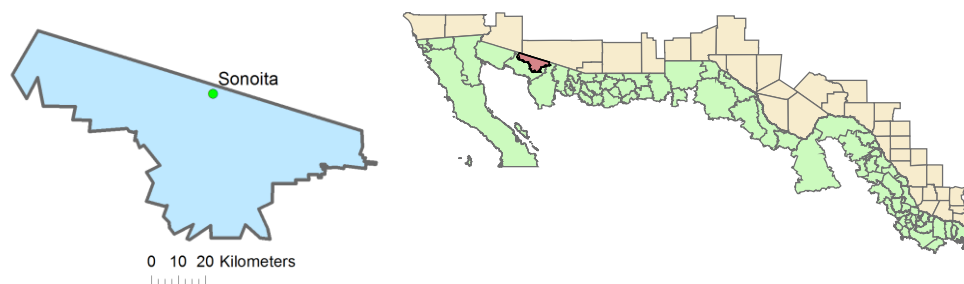
**PUERTO PEÑASCO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.8	10
Labor Force Participation Rate, Age 20 to 64	70.4	11
Unemployment Rate, Age 20 to 64	7.7	69
Employment-to-Population Ratio	38.7	14
Poverty Rate	43.7	45

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### General Plutarco Elías Calles Municipio



General Plutarco Elías Calles Municipio is in northwestern Sonora, largely surrounded in México by Puerto Peñasco Municipio, but with Caborca Municipio also to the east. Its northern border is shared with Arizona: Yuma County at the west end and the balance with Pima County. The entire municipio is within 100 kilometers of the international border.

With a land area of 3,656 square kilometers, General Plutarco Elías Calles Municipio ranks 21st among the 78 border region municipios. The municipio is covered by a low-lying, hot and dry desert, with some mountains present. A biosphere reserve — El Pinacate y Gran Desierto de Altar (which translates as “black beetle and great Altar desert”) — extends into the southern part of the municipio.

The area was first settled by the Spanish in 1694, when a mission was established by Father Eusebio Kino in Sonoyta, the name of which is based on a Tohono O’odham term for “where water springs up.” In 1836, a mine began operating. The area was first a part of the Caborca Municipio and then a part of the Puerto Peñasco Municipio. It became a municipio in 1989, named for the Mexican general who was president of the country during the 1920s.

### **Population and Transportation Infrastructure**

General Plutarco Elías Calles Municipio had 9,728 residents in the 1990 census and 15,652 in 2010, the 32nd-most populous of the border region municipios. Most of the gain occurred during the 2000s.

The city of Sonoyta (sometimes spelled “Sonoita”), along the intermittent Río Sonoyta, is the most populous place with 12,849 residents in 2010 — 82 percent of the municipio total. It is on the international border, across from the tiny U.S. community of Lukeville. Route 2 passes through the town from northwest to southeast. Route 8 meets Arizona Route 85 at the border. It travels 100 kilometers southwest to Puerto Peñasco and the Gulf of California. The municipio has no rail or air service.

### **Border Crossings and Trade Values**

A border crossing between the communities of Sonoyta and Lukeville is used by Arizona tourists traveling to Puerto Peñasco. The crossing is a separate U.S. port of entry. See the Pima County, Arizona section for details.

The number of passengers and pedestrians entering the United States through General Plutarco Elías Calles Municipio was 19th highest among the 21 municipios with border crossings in 2012. The amount of truck traffic was near zero.

Considering the population of General Plutarco Elías Calles Municipio, the per capita number of passengers and pedestrians ranked eighth among the 21 municipios in 2012. A larger-than-average per capita decline in the number of individual crossings occurred between 2000 and 2012, ranking 17th.

In 2013, the value of imports passing into General Plutarco Elías Calles Municipio ranked second lowest among the 21 municipios with crossings and lowest on a per capita basis. The value of exports was tiny, resulting in a very low ratio of the export-to-import value. Between 2004 and 2013, the inflation-adjusted value of both imports and exports fell considerably; only one municipio had larger percent decreases. While the value of exports increased, it was still insignificant in 2013.

## Economy

The overall location quotient in General Plutarco Elías Calles Municipio is 0.9 based on the 2010 census but only 0.7 based on the 2009 economic census. Even on a nonagricultural basis, the LQ is lower based on the 2009 economic census than on the 2010 census, suggesting that a disproportionate share of working residents are self-employed and/or that some residents commute to another municipio (probably Puerto Peñasco) for work.

The only category with a LQ above 1 is trade based on the 2009 census. Using the 2010 census, the LQ for agriculture is 0.7.

At the sectoral level from the 2009 census, the LQ is above 1 in retail trade, accommodation and food services, and other services, but the latter is generally not tradable. The moderate per capita number of individuals crossing the border may contribute to the location quotient for retail trade being above 1. However, the wholesale trade and transportation and warehousing LQs are far below 1.

Excess employment is highest in retail trade. Thus, tourism is the primary economic activity, but the economic base is limited.

As seen in the following table of selected indicators, General Plutarco Elías Calles Municipio, which has one of the lowest median ages, ranks from average to below average among the border region municipios on socioeconomic measures.

**GENERAL PLUTARCO ELÍAS CALLES MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	23	73
Mean Years of Schooling, Age 25 or Older	7.5	36
Labor Force Participation Rate, Age 20 to 64	64.6	27
Unemployment Rate, Age 20 to 64	5.1	48
Employment-to-Population Ratio	35.7	38
Poverty Rate	53.3	69

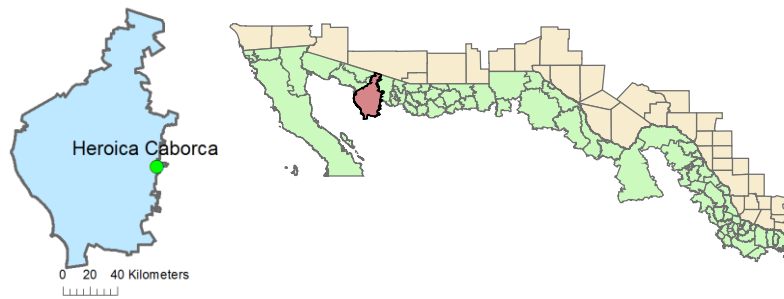
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Caborca Municipio

Caborca Municipio is in northwestern Sonora, southeast of Puerto Peñasco and General Plutarco Elías Calles municipios, and west of Altar Municipio. Its short northern border is shared with Pima County, Arizona, but there is no border crossing. Only about half of the municipio is within 100 kilometers of the international border.

With a land area of 10,737 square kilometers, Caborca Municipio ranks eighth among the 78 border region municipios. The municipio is covered by a low-lying, hot and dry desert, dropping to the Gulf of California in the southwest. Some mountains are present. The Magdalena and Altar rivers, which provide the water needed for farming, meet to the southeast of the city of



Caborca to form the Río Asunción, which passes through Caborca on its way to the Gulf of California.

The area was first settled by the Spanish in 1688, when a mission was established by Father Eusebio Kino. The mission was relocated in 1790 along the Asunción River. “Caborca” is based on a Tohono O’odham term.

### **Population and Transportation Infrastructure**

Caborca Municipio extended west all the way to Baja California in 1930, when it had only 4,867 residents. After it assumed its current boundaries, it had 12,400 residents in 1960, rising to 81,309 in 2010, the 15th-most populous of the border region municipios. The greatest population growth occurred in the 1960s and 1970s at between 17,000 and 21,000 per decade; gains in the last three decades have been between 9,000 and 12,000.

The city of Caborca (officially “Heroica Caborca”) is the most populous place with 59,922 residents in 2010 — 74 percent of the municipio total. The city is in the east-central part of the municipio. Sonora Route 37 heads west from Caborca to the Gulf of California. Route 2 and the railroad that runs from Mexicali to Benjamin Hill pass through the city from northwest to southeast. It is 150 highway kilometers northwest to the border crossing at Sonoyta. The municipio does not have air service.

### **Economy**

The overall location quotient in Caborca Municipio is a little more than 1 based on both the 2010 census and the 2009 economic census. Using each dataset, the LQ is above 1 in trade but well below 1 in the secondary and services categories. Using the 2010 census, the LQ for agriculture is high at 1.8. Excess employment is far higher in agriculture than in the trade category.

At the sectoral level from the 2009 census, the LQ is far above 1 in mining and also is high in agriculture, wholesale trade, and four services sectors, including information, which may be partially tradable. The excess employment is more than twice as high in retail trade as in mining, with lesser amounts in the other sectors. Agriculture and mining are the primary economic base activities, with a contribution from trade.

As seen in the following table of selected indicators, Caborca Municipio ranks from average to well above average among the border region municipios on socioeconomic measures.

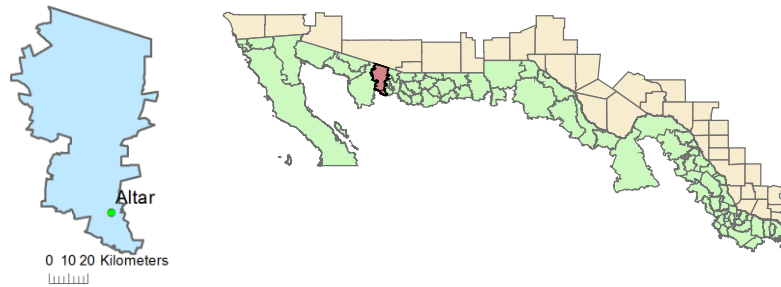
### CABORCA MUNICIPIO INDICATORS

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.2	24
Labor Force Participation Rate, Age 20 to 64	69.0	13
Unemployment Rate, Age 20 to 64	3.3	18
Employment-to-Population Ratio	41.4	3
Poverty Rate	38.7	36

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Altar Municipio



Altar Municipio is in northwestern Sonora, east of Caborca Municipio and west of Oquitoa, Tubutama, and Sáric municipios. The northern border is shared with Pima County, Arizona, but there is no border crossing. The municipio is entirely within 100 kilometers of the international border.

With a land area of 4,455 square kilometers, Altar Municipio ranks 18th among the 78 border region municipios. The municipio is covered by a low-lying, hot and dry desert. Some mountains are present. The Río Altar flows southwest through the municipio, providing the water for farming. The area was first settled by the Spanish in 1775, when a presidio was established: Santa Gertrudis de Altar.

### Population and Transportation Infrastructure

Altar Municipio had 2,196 residents in 1930 but the population dropped slightly through 1950. After that, the population gradually increased to 9,049 in 2010, the 42nd-most populous of the border region municipios. The largest gain was 2,100 in the 1970s.

The city of Altar, located on the Río Altar, is the most populous place with 7,927 residents in 2010 — 88 percent of the municipio total. It is in the southern part of the municipio about 35 kilometers east of Caborca. The railroad that runs from Mexicali to Benjamin Hill, Sonora, and Route 2 each pass through the city from northwest to southeast. It is 150 highway kilometers northwest to the border crossing at Sonoyta. By traveling secondary roads, the Sásabe and

Nogales border crossings are about 130 kilometers to the northeast; via Route 2, the distance to Nogales is about 170 kilometers. The municipio does not have air service.

### Economy

The overall location quotient in Altar Municipio is 0.9 based on the 2010 census and a little more than 1 based on the 2009 economic census. On a nonagricultural basis, the differential in the LQ between the two measures is larger. Employment counted in the 2009 economic census is high relative to the 2010 census, making Altar an exception for a municipio with a small number of workers.

Using each dataset, the LQ is considerably below 1 in the secondary and services categories; the trade figure is about 1 based on the 2010 census and far above 1 based on the 2009 census. Using the 2010 census, the LQ for agriculture is high at 2.2.

At the sectoral level from the 2009 census, the LQ is far above 1 in retail trade and also is high in accommodation and food services. The excess employment is much higher in retail trade. Agriculture and tourism are the primary economic base activities.

As seen in the following table of selected indicators, Altar Municipio ranks from average to below average among the border region municipios on socioeconomic measures.

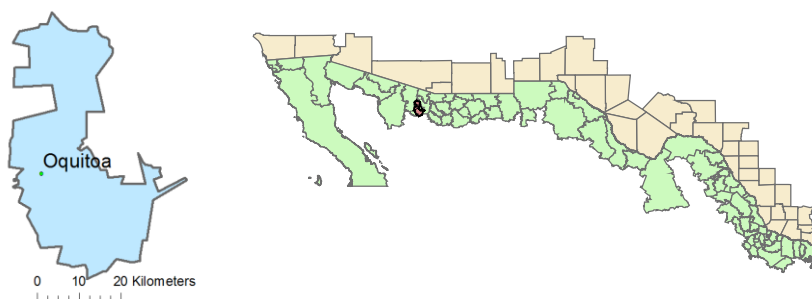
**ALTAR MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	7.1	41
Labor Force Participation Rate, Age 20 to 64	61.2	46
Unemployment Rate, Age 20 to 64	4.1	31
Employment-to-Population Ratio	34.4	49
Poverty Rate	47.7	56

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Oquitoa Municipio



Oquitoa Municipio is in north-central Sonora, southeast of Altar Municipio and west of Atil and Tubutama municipios. The municipio is entirely within 100 kilometers of the international border, but does not border the United States.

With a land area of 917 square kilometers, Oquitoa Municipio ranks 62nd among the 78 border region municipios. It has the fourth-lowest population density. The municipio is covered by a low-lying, hot and dry desert, but the Río Altar flows through the municipio, providing the water for farming.

The area was first settled by the Spanish in 1689, when a mission was established by Father Eusebio Kino. The church is still used today. The origin of the name of the municipio is uncertain, but likely derives from a Tohono O’odham term.

### **Population and Transportation Infrastructure**

Oquitoa Municipio had 624 residents in 1930 and peaked at 681 residents in 1960. After the population dropped to 402 in 2000, it recovered somewhat to 443 in 2010, the least populous of the border region municipios.

The community of Oquitoa is the most populous place with 411 residents in 2010 — 93 percent of the municipio total. It is in the central part of the municipio near the Río Altar on Sonora Route 64, about 10 kilometers east of Altar, Route 2, and the Ferromex rail line. By traveling secondary roads, the Sásabe and Nogales border crossings are about 120 kilometers to the northeast. The municipio does not have air service.

### **Economy**

The overall location quotient in Oquitoa Municipio is 0.9 based on the 2010 census. Hardly any employment was reported in the 2009 economic census, suggesting that most working residents are either self-employed or commute to another municipio for work.

Using the 2010 census, the LQ for agriculture is high at 1.6, but excess employment is not substantial. The trade figure is about 1. The municipio has a limited economic base, with a contribution from agriculture.

As seen in the following table of selected indicators, Oquitoa Municipio, which has one of the higher median ages, ranks from average to below average among the border region municipios on socioeconomic measures.



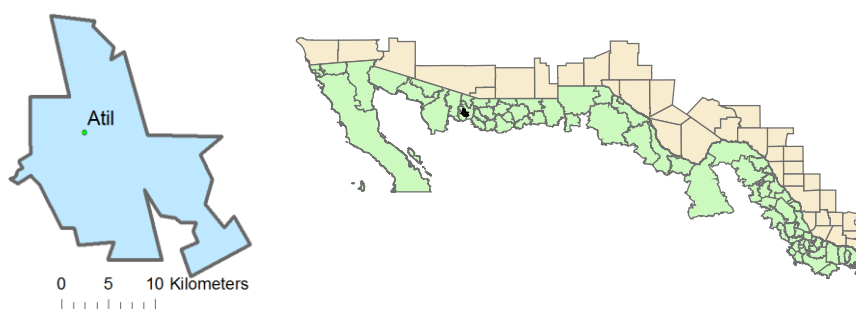
### OQUITOA MUNICIPIO INDICATORS

	Value	Rank*
Median Age	34	9
Mean Years of Schooling, Age 25 or Older	7.6	34
Labor Force Participation Rate, Age 20 to 64	63.8	33
Unemployment Rate, Age 20 to 64	9.3	74
Employment-to-Population Ratio	34.1	50
Poverty Rate	37.1	28

\* Among 78 border region municipalities; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Atil Municipio



Atil Municipio is in north-central Sonora, between Oquitoa and Tubutama municipalities. The municipio is entirely within 100 kilometers of the international border, but does not border the United States.

With a land area of 298 square kilometers, Atil Municipio ranks third smallest among the 78 border region municipalities. The municipio is largely flat, covered by a low-lying, hot and dry desert, but the Río Altar flows through the municipio, providing the water for farming.

The area was first settled by the Spanish in 1751, when a mission was established. The name of the municipio means “arrow point” in the Tohono O’odham language.

### Population and Transportation Infrastructure

Atil Municipio had 603 residents in 1930, rising to a peak of 1,068 residents in 1960. The population was down to only 625 in 2010, the second-least populous of the border region municipalities.

The community of Atil is the most populous place with 609 residents in 2010 — 97 percent of the municipio total. It is in the central part of the municipio, along the Río Altar and Sonora Route 64 about 25 kilometers northeast of Oquitoa and 35 kilometers from Route 2. By traveling secondary roads, the Sásabe and Nogales border crossings are slightly less than 100 kilometers to the north and northeast. The municipio does not have rail or air service.

## Economy

The overall location quotient in Atil Municipio is very low at 0.6 based on the 2010 census and 0.5 based on the 2009 economic census. Using each dataset, the LQ is below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is 1.3.

At the sectoral level from the 2009 census, the LQ is above 1 in utilities, retail trade, and real estate and rental. The excess employment is slight in each sector. The economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Atil Municipio generally ranks near the bottom of the border region municipios on socioeconomic measures.

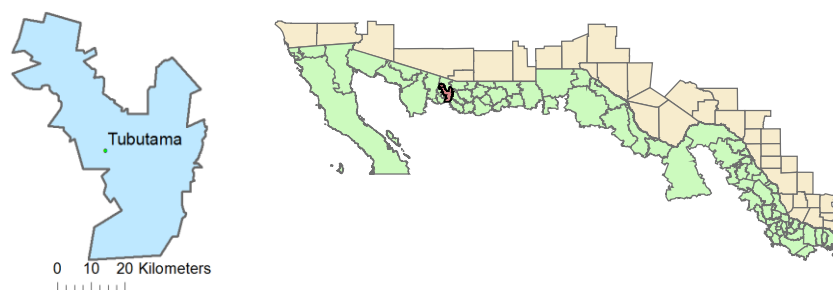
**ATIL MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	31	15
Mean Years of Schooling, Age 25 or Older	7.8	31
Labor Force Participation Rate, Age 20 to 64	51.6	75
Unemployment Rate, Age 20 to 64	22.7	78
Employment-to-Population Ratio	23.8	78
Poverty Rate	47.8	59

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Tubutama Municipio



Tubutama Municipio is in north-central Sonora, bordered by Altar, Oquitoa, Atil, Santa Ana, Magdalena, Nogales, and Sáric municipios. The municipio is entirely within 100 kilometers of the international border, but does not border the United States.

With a land area of 1,329 square kilometers, Tubutama Municipio ranks 48th among the 78 border region municipios. The municipio is largely flat, covered by a low-lying, hot and dry desert, but the Río Altar flows through the municipio, providing the water for farming.

The area was first settled by the Spanish in 1691, when a mission was established by Father Eusebio Kino. The origin of the name of the municipio is unknown.

### **Population and Transportation Infrastructure**

Tubutama Municipio had 1,779 residents in 1930 and peaked at 2,187 residents in 1940. The population was down to 1,735 in 2010, ranking 65th among the border region municipios.

Three communities had between 300 and 400 residents in 2010. Tubutama is in the west-central part of the municipio, near the Río Altar and just south of Sonora Route 64. It is about 25 kilometers northeast of Atil. By traveling secondary roads, the Sásabe and Nogales border crossings are less than 100 kilometers to the north and northeast. La Sangre and San Manuel are south of Tubutama on a dirt road, just north of Route 2. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Tubutama Municipio is low at 0.7 based on the 2010 census. Employment reported in the 2009 economic census is very low, suggesting that most working residents are either self-employed or commute to another municipio for work.

The LQ is considerably below 1 in the secondary, trade, and services categories, but the agriculture figure is high at 2.4. The economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Tubutama Municipio generally ranks near the bottom of the border region municipios on socioeconomic measures.

**TUBUTAMA MUNICIPIO INDICATORS**

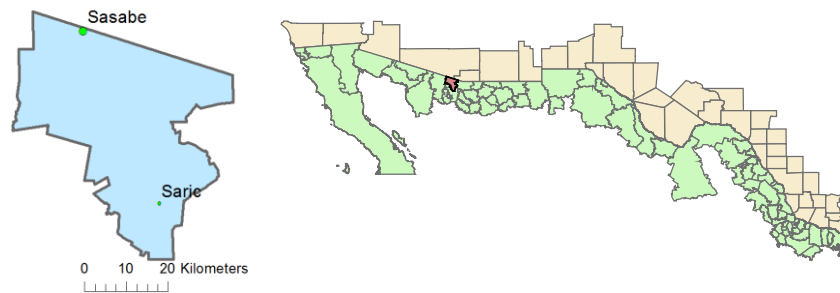
	Value	Rank*
Median Age	29	20
Mean Years of Schooling, Age 25 or Older	6.6	57
Labor Force Participation Rate, Age 20 to 64	51.6	61
Unemployment Rate, Age 20 to 64	21.8	77
Employment-to-Population Ratio	29.7	76
Poverty Rate	63.2	74

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Sáric Municipio**

Sáric Municipio is in north-central Sonora, east of Altar Municipio, west of Nogales Municipio, and north of Tubutama Municipio. Its northern border is shared with Arizona: the western 60 percent with Pima County and the balance with Santa Cruz County. The municipio is entirely within 100 kilometers of the international border.



With a land area of 1,329 square kilometers, Sáríc Municipio ranks 48th among the 78 border region municipios. The municipio is in a transition zone between the Altar Desert to the west and mountains to the southeast. It is a mid-elevation desert, from about 750-to-1,050 meters elevation. Crops are grown along the Río Altar.

The area was first settled by the Spanish in 1751, when a mission was established. This was destroyed by Native Americans the following year, but the Spanish repopulated the area in 1756. The origin of the name of the municipio is the Tohono O’odham term for “mountain pass.”

### **Population and Transportation Infrastructure**

Sáríc Municipio had 1,873 residents in 1930. The population has fluctuated over the decades but reached a high of 2,703 in 2010, ranking 59th among the border region municipios.

Sásabe is the largest population center, with 1,295 residents in 2010, nearly half of the municipio total. It is on the international border in the northwestern part of the municipio, along the small and intermittent Río El Sásabe. A secondary road in Sonora meets Arizona Route 286 at the border. Sáríc, in the southern part of the municipio along the Río Altar, had 892 residents. Located on Sonora Route 64, it is about 30 kilometers northeast of Tubutama. The municipio does not have rail or air service.

### **Border Crossings and Trade Values**

A border crossing in the western portion of the municipio connects the town of Sásabe to its lightly populated American neighbor. The border crossing is a separate U.S. port of entry. See the Pima County, Arizona section for details.

The number of passengers and pedestrians entering the United States through Sáríc Municipio was the least among the 21 municipios with border crossings in 2012. The amount of truck traffic was near zero.

Considering the population of Sáríc Municipio, the per capita number of passengers and pedestrians ranked last. The per capita decrease in individual crossings between 2000 and 2012 was the largest of the 21 municipios.

In 2013, the value of imports through Sáríc Municipio was limited, ranking last among the 21 municipios with crossings. The value of exports was tiny, resulting in a very low ratio of the export-to-import value. On a per capita basis, imports were third lowest and exports were second

lowest. The inflation-adjusted value of both imports and exports fell sharply between 2004 and 2013.

### Economy

The overall location quotient in Sáric Municipio is 0.8 based on the 2010 census. Employment reported in the 2009 economic census is very low, suggesting that most working residents are either self-employed or commute to another municipio for work.

The LQ is considerably below 1 in the secondary, trade, and services categories, but the agriculture figure is high at 2.0. The location quotients for retail trade, wholesale trade, and transportation and warehousing are far below 1 in Sáric Municipio, consistent with the low per capita cross-border traffic and trade values. The economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Sáric Municipio generally ranks near the bottom of the border region municipios on socioeconomic measures.

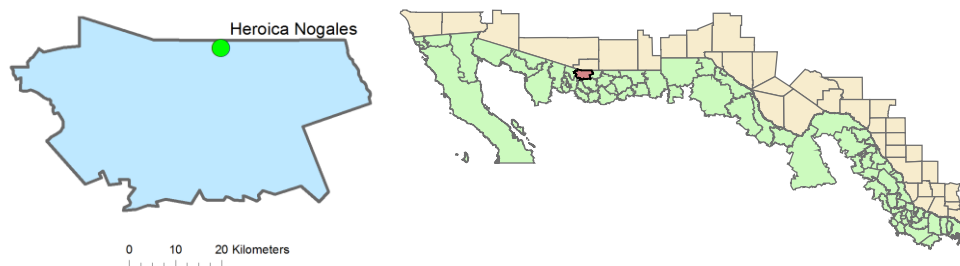
**SÁRIC MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	6.5	59
Labor Force Participation Rate, Age 20 to 64	58.0	59
Unemployment Rate, Age 20 to 64	13.5	75
Employment-to-Population Ratio	29.5	74
Poverty Rate	53.7	70

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Nogales Municipio (Nogales Urban Area)



Nogales Municipio is in north-central Sonora, east of Sáric Municipio, west of Santa Cruz Municipio, and north of Tubutama, Imuris, and Magdalena municipios. The northern border is shared with Santa Cruz County, Arizona. The municipio is entirely within 100 kilometers of the international border.

With a land area of 1,754 square kilometers, Nogales Municipio ranks 39th among the 78 border region municipios. Its population density ranks seventh. The municipio is in a semiarid transition zone between the Altar Desert to the west and the mountains to the southeast. It is at about 1,200 meters elevation. The Río Santa Cruz flows north into Arizona to the east of the city of Nogales.

Nogales (which translates as “walnuts”) began with the 1880 siting of a railroad terminal. The railroad arrived in 1882 and the city was founded in 1884.

### **Population and Transportation Infrastructure**

Nogales Municipio is coincident with the Mexican portion of the Tucson-Nogales urban area defined for this study. Nogales Municipio had 15,605 residents in 1930. Numeric population gains from the 1940s through 1970s ranged between 11,000 and 16,000 per decade. Gains have increased since then, reaching 60,505 between 2000 and 2010. The 2010 population was 220,292, eighth highest among the border region municipios.

The city of Nogales (officially Heroica Nogales) is the largest population center, with 212,533 residents in 2010 — 96 percent of the municipio total. It is on the international border in the north-central part of the municipio, directly across from the much less populous Nogales, Arizona. Route 15, a freeway, and a Ferromex line run south from Nogales to Hermosillo and on to central México. Route 2 is about 65 kilometers south. Aeropuerto Internacional de Nogales is a general aviation facility.

### **Border Crossings and Trade Values**

Three border crossings connect the cities of Nogales, Arizona and Nogales, Sonora. The Mariposa crossing is limited to trucks; the crossing in the center of town does not handle trucks, but the Ferromex and Union Pacific tracks meet there; and the third crossing is limited to pedestrians. The three border crossings are combined into one U.S. port of entry. See the San Cruz County, Arizona section for details.

The number of passengers and pedestrians entering the United States through Nogales Municipio was seventh highest among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked sixth. The number of trains ranked fourth among the seven active rail crossings between the United States and México.

Considering the population of Nogales Municipio, the per capita number of trucks ranked second behind Nuevo Laredo and the per capita number of trains ranked third, behind Piedras Negras and Nuevo Laredo. The per capita number of passengers and pedestrians ranked sixth. Between 2000 and 2012, the per capita percent change was negative in the number of crossings of trucks, trains, and individuals, with the decrease in each greater than average.

In 2013, the value of exports ranked fourth, and the values of imports and net exports ranked fifth, among the 21 municipios with a crossing. The ratio of the export-to-import value was 1.69, the fifth highest. Ranks were higher on a per capita basis at third for imports and exports, behind Nuevo Laredo and Piedras Negras, and second for net exports (with only Piedras Negras higher). The inflation-adjusted percent change between 2004 and 2013 was large for both import and export values, with imports ranking second and exports third.

## **Economy**

The overall location quotient in Nogales Municipio is 1.1 based on the 2010 census and 1.8 based on the 2009 economic census. Employment reported in the 2009 census is high relative to the figure from the 2010 census, suggesting that residents of other municipios commute into Nogales Municipio to work.

Using each dataset, the LQ is considerably above 1 in the secondary category, slightly above 1 in services, and approximately 1 in trade. Using the 2010 census, the LQ for agriculture is near zero. Excess employment is by far the highest in the secondary category.

At the sectoral level from the 2009 census, the LQ is far above 1 in manufacturing and slightly above 1 in construction. It exceeds 1 in four services sectors, particularly administrative support, which may be partially tradable. Unlike the American side of the border, where the location quotients for wholesale trade and transportation and warehousing are far above 1, the LQs are a little below 1 in Nogales Municipio despite the high per capita volume of goods being shipped across the border. The LQ for retail trade also is a little below 1.

Excess employment is by far the highest in manufacturing. Manufacturing is the primary economic base activity, with a contribution from administrative support.

As seen in the following table of selected indicators, Nogales Municipio ranks very high among the border region municipios on four of five socioeconomic measures.

**NOGALES MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	9.5	1
Labor Force Participation Rate, Age 20 to 64	74.3	1
Unemployment Rate, Age 20 to 64	4.8	44
Employment-to-Population Ratio	40.6	5
Poverty Rate	34.1	21

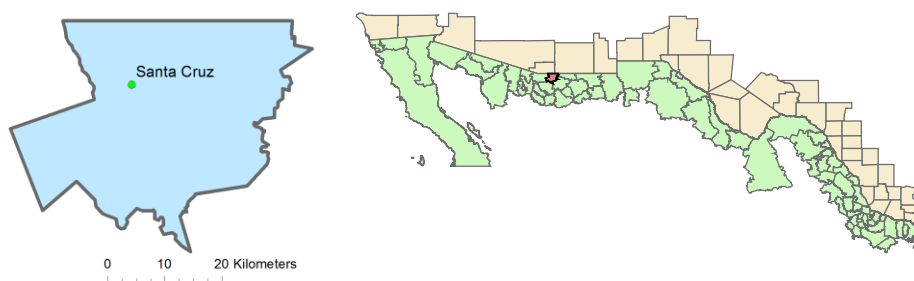
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## **Santa Cruz Municipio**

Santa Cruz Municipio is in north-central Sonora, east of Nogales Municipio, north of Imuris Municipio, northwest of Cananea Municipio, and west of Naco Municipio. Its northern border is shared with Arizona — the western two-thirds with Santa Cruz County and the balance with Cochise County — but there is no border crossing. The municipio is entirely within 100 kilometers of the international border.

With a land area of 1,002 square kilometers, Santa Cruz Municipio ranks 58th among the 78 border region municipios. The municipio is at about 1,350 meters elevation, to the north of higher mountains. It has a semiarid climate.



The area was first explored in 1637. A presidio was built in 1775. Agriculture and mining attracted the early settlers. The municipio is named after the Río Santa Cruz (which translates as “Holy Cross River”), the headwaters of which are within the municipio.

### **Population and Transportation Infrastructure**

Santa Cruz Municipio had 1,027 residents in 1930. The population has fluctuated since then but has on net increased, reaching 1,998 in 2010, ranking 62nd among the border region municipios.

The community of Santa Cruz, in the west-central part of the municipio, is the largest population center, with 1,038 residents in 2010 — 52 percent of the municipio total. Miguel Hidalgo, southwest of Santa Cruz, had 640 residents. Both towns are located along the Río Santa Cruz and a short-haul railroad line that runs from Nogales to Cananea. The nearest border crossing is in Nogales, about 40 kilometers northwest from Miguel Hidalgo and 55 kilometers northwest from Santa Cruz via secondary roads. Miguel Hidalgo is about 20 kilometers north of Route 2. The municipio does not have air service, but is not far from the airport in Nogales.

### **Economy**

The overall location quotient in Santa Cruz Municipio is 0.9 based on the 2010 census. Employment reported in the 2009 economic census is very low, suggesting that most working residents are either self-employed or commute to another municipio for work.

The LQ is considerably below 1 in the secondary, trade, and services categories, but the LQ for agriculture is high at 3.3, with considerable excess employment. The economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Santa Cruz Municipio ranks from average to below average among the border region municipios on socioeconomic measures.



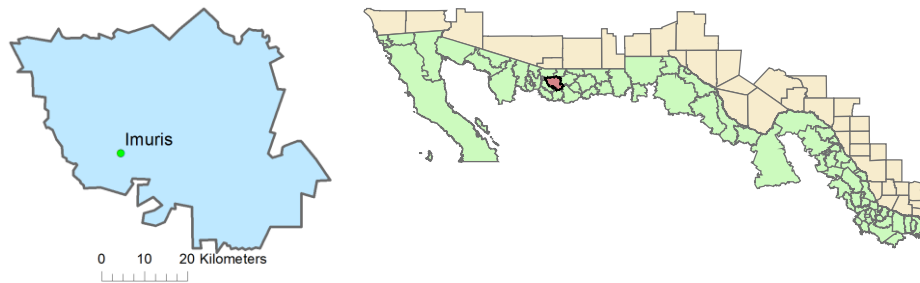
### SANTA CRUZ MUNICIPIO INDICATORS

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	7.1	42
Labor Force Participation Rate, Age 20 to 64	62.6	37
Unemployment Rate, Age 20 to 64	8.0	71
Employment-to-Population Ratio	34.8	46
Poverty Rate	52.7	68

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Imuris Municipio



Imuris Municipio is in north-central Sonora, bordered by Nogales, Magdalena, Cucurpe, Arizpe, Cananea, and Santa Cruz municipios. The municipio is entirely within 100 kilometers of the international border but does not border the United States.

With a land area of 2,171 square kilometers, Imuris Municipio ranks 34th among the 78 border region municipios. The municipio is mountainous. The elevation of the town of Imuris is about 825 meters but mountain peaks reach to nearly 2,500 meters.

The first Spanish settlement was a mission, San José de Imuris, established in 1687 by Father Eusebio Kino. “Imuris” comes from a Tohono O’odham term meaning either “plateau between rivers” or “hills shaped like flint.”

### Population and Transportation Infrastructure

Imuris Municipio had 3,181 residents in 1930. The number of residents increased to 12,316 in 2010, ranking 36th among the border region municipios. The population rose the most in the last two decades, by 2,600 in the 1990s and 2,300 in the 2000s.

The town of Imuris is the largest population center, with 6,841 residents in 2010 — 56 percent of the municipio total. The Campo Carretero community just outside Imuris had 1,252 residents. Imuris is in the southwestern part of the municipio at the junction of Routes 2 and 15 (a freeway). The railroad that runs from Nogales to Hermosillo and beyond passes through Imuris.

Several streams meet to form the Río Magdalena near Imuris, which is about 70 highway kilometers south of the Nogales border crossings. The municipio does not have air service, but is not far from the airport in Nogales.

### Economy

The overall location quotient in Imuris Municipio is 0.9 based on the 2010 census but only 0.6 based on the 2009 economic census. The lower LQ based on the 2009 economic census suggests that a disproportionate share of working residents are self-employed and/or that some residents commute to another municipio for work.

Using each dataset, the LQ is considerably below 1 in the trade and services categories and approximately 1 in the secondary category. Using the 2010 census, the LQ for agriculture is 1.3. At the sectoral level from the 2009 census, the LQ is above 1 in manufacturing. Agriculture and manufacturing have moderate levels of excess employment. These are the primary activities, but the economic base is limited.

As seen in the following table of selected indicators, Imuris Municipio generally rates as average among the border region region municipios on socioeconomic measures.

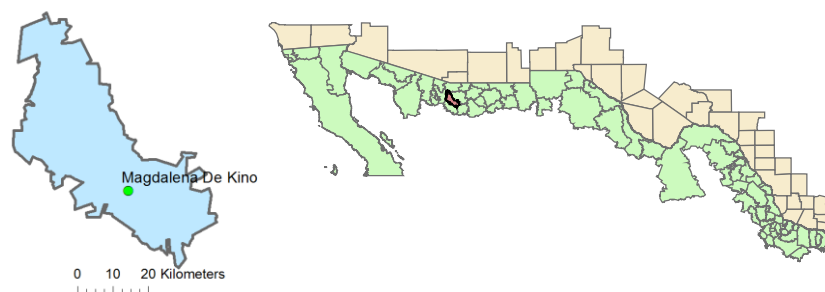
**IMURIS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	75.7	35
Labor Force Participation Rate, Age 20 to 64	63.9	32
Unemployment Rate, Age 20 to 64	6.1	63
Employment-to-Population Ratio	34.7	47
Poverty Rate	43.9	47

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Magdalena Municipio



Magdalena Municipio is in north-central Sonora, bordered by Tubutama, Santa Ana, Cucurpe, Imuris, and Nogales municipios. It is entirely within 100 kilometers of the international border but does not border the United States.

With a land area of 1,241 square kilometers, Magdalena Municipio ranks 50th among the 78 border region municipios. The municipio is in a transition zone between the Altar Desert to the west and the mountains to the east. The first Spanish settlement was a mission established in 1687 by Father Eusebio Kino, whose grave is adjacent.

### **Population and Transportation Infrastructure**

Magdalena Municipio had 6,220 residents in 1930. The population increased to 29,707 in 2010, the 23rd-most populous among the border region municipios. The largest population gains were 4,400 during the 1990s and 5,300 during the 2000s.

The city of Magdalena de Kino is the largest population center, with 26,605 residents in 2010 — 90 percent of the municipio total. It is in the south-central part of the municipio along the Río Magdalena. A freeway (marked as both Routes 2 and 15) and the railroad that runs from Nogales to Hermosillo and beyond pass through the city. Magdalena de Kino is 25 kilometers south of Imuris and about 95 highway kilometers south of the Nogales border crossings. The municipio does not have air service.

### **Economy**

The overall location quotient in Magdalena Municipio is close to 1 based on the 2010 census and 1.2 based on the 2009 economic census. Using each dataset, the LQ is considerably above 1 in the secondary category but below 1 in the trade and services categories. Using the 2010 census, the LQ for agriculture is only 0.5.

At the sectoral level from the 2009 census, the LQ is considerably above 1 in manufacturing, with substantial excess employment, and is more than 1 in two services sectors that generally are not tradable. Manufacturing is the dominant economic base activity.

As seen in the following table of selected indicators, Magdalena Municipio ranks from high to average among the border region municipios on socioeconomic measures.

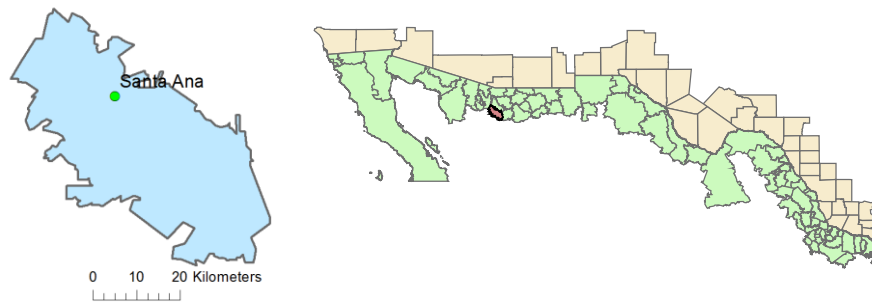
**MAGDALENA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	8.8	9
Labor Force Participation Rate, Age 20 to 64	64.8	24
Unemployment Rate, Age 20 to 64	2.9	12
Employment-to-Population Ratio	36.5	32
Poverty Rate	40.8	40

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Santa Ana Municipio



Santa Ana Municipio is in north-central Sonora, southeast of Tubutama Municipio, south of Magdalena Municipio, and west of Cucurpe Municipio. Nearly all of the municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,481 square kilometers, Santa Ana Municipio ranks 46th among the 78 border region municipios. The municipio is at the upper and eastern end of the Altar Desert.

### Population and Transportation Infrastructure

Santa Ana Municipio had 5,120 residents in 1930. The population increased to 16,014 in 2010, ranking 30th among the border region municipios. The greatest population growth occurred in the 1930s and 1940s at 2,300 to 2,500 per decade; gains in each of the last two decades have been less than 800.

The city of Santa Ana began in 1883 due to the construction of the railroad that runs from Nogales to Hermosillo and beyond. It is the largest population center, with 11,864 residents in 2010 — 74 percent of the municipio total. It is in the north-central part of the municipio along the Río Magdalena, 15 kilometers southwest of Magdalena de Kino. The city is at the junction of Route 2 and the Route 15 freeway, about 115 highway kilometers from the Nogales border crossings. The railroad that runs from Nogales to Hermosillo and beyond passes through it. The municipio does not have air service.

### Economy

The overall location quotient in Santa Ana Municipio is nearly 1 based on the 2010 census and 0.9 based on the 2009 economic census. Using each dataset, the LQ is above 1 in the secondary category but considerably below 1 in the trade and services categories. Using the 2010 census, the LQ for agriculture is only 0.7.

At the sectoral level from the 2009 census, the LQ is above 1 in manufacturing and is a little more than 1 in two services sectors, including accommodation and food services. Excess employment is by far the highest in manufacturing. Manufacturing is the primary economic base activity, with a contribution from tourism.

As seen in the following table of selected indicators, Santa Ana Municipio generally ranks above average among the border region municipios on socioeconomic measures.

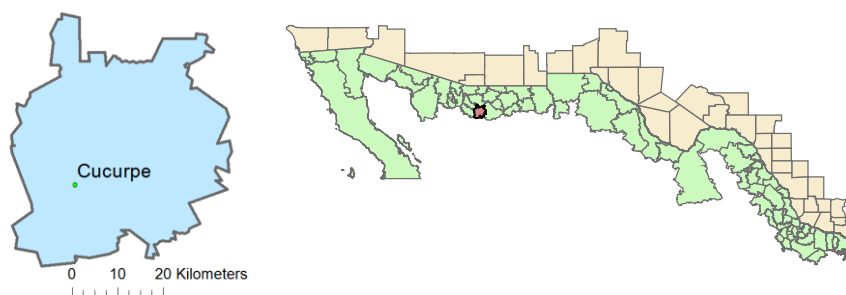
### SANTA ANA MUNICIPIO INDICATORS

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	8.5	16
Labor Force Participation Rate, Age 20 to 64	66.5	20
Unemployment Rate, Age 20 to 64	5.0	46
Employment-to-Population Ratio	37.7	25
Poverty Rate	36.2	23

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Cucurpe Municipio



Cucurpe Municipio is in north-central Sonora, bordered by Imuris, Magdalena, Santa Ana, and Arizpe municipios. Approximately three-fourths of the municipio is within 100 kilometers of the international border, but it does not border the United States.

With a land area of 1,568 square kilometers, Cucurpe Municipio ranks 44th among the 78 border region municipios. It has the fifth-lowest population density. The municipio is in a mountainous area with various small streams.

The first Spanish settlement was a mission founded in 1647. The name of the municipio is derived from the Opata Native American term for “place of quail.”

### Population and Transportation Infrastructure

Cucurpe Municipio had 1,690 residents in 1930 and reached a peak at 3,976 in 1940. Following a large loss during the 1940s, the population has declined further to only 958 in 2010, the fourth-least populous of the border region municipios.

The community of Cucurpe is the largest population center, with 588 residents in 2010 — 61 percent of the municipio total. It is in the west-central part of the municipio, 50 kilometers southeast of Magdalena de Kino, the Ferromex line, and Routes 2 and 15 via a secondary road. It is about 165 highway kilometers from the Nogales border crossings. The municipio does not have air service.

## Economy

The overall location quotient in Cucurpe Municipio is 1.0 based on the 2010 census. Employment reported in the 2009 economic census is very low, suggesting that most working residents are either self-employed or commute to another municipio for work.

The LQ is slightly above 1 in the secondary category but far below 1 in the trade and services categories. The LQ for agriculture is very high at 4.1, with considerable excess employment. The economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Cucurpe Municipio ranks below average among the border region municipios on four of five socioeconomic measures.

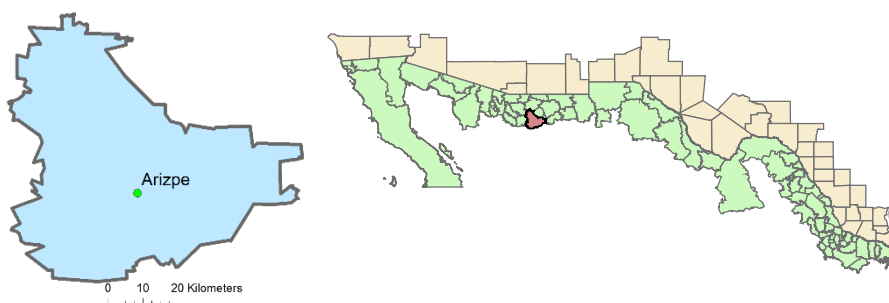
**CUCURPE MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	32	13
Mean Years of Schooling, Age 25 or Older	6.7	66
Labor Force Participation Rate, Age 20 to 64	61.0	47
Unemployment Rate, Age 20 to 64	6.6	66
Employment-to-Population Ratio	38.8	13
Poverty Rate	50.7	64

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Arizpe Municipio



Arizpe Municipio is in north-central Sonora, bordered by Imuris, Cucurpe, Bacoachi, and Cananea municipios. A little more than half of the municipio is within 100 kilometers of the international border, but does not border the United States.

With a land area of 3,073 square kilometers, Arizpe Municipio ranks 25th among the 78 border region municipios. The municipio is in a mountainous area with the Río Sonora running north-south through it. Farming is present in the river valley.

The first Spanish settlement was a mission founded in 1646. The name of the municipio is derived from the Opata Native American term for “land of fire ants.” Settlers reached the area in 1775 and Arizpe became the first city in northern Sonora.

### **Population and Transportation Infrastructure**

Arizpe Municipio had 4,171 residents in 1930. It reached its peak population of 4,659 in 1950 and was down to 3,037 in 2010, ranking 58th of the border region municipios.

The community of Arizpe is the largest population center, with 1,718 residents in 2010 — 57 percent of the municipio total. It is in the central part of the municipio, along the Río Sonora on Sonora Route 118. Bacoachi is 50 road kilometers to the northeast. Arizpe is about 170 road kilometers from the Naco border crossing and 105 kilometers north of Route 14, which connects Hermosillo and Agua Prieta. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Arizpe Municipio is low at 0.8 based on the 2010 census; the figure is only 0.4 based on the 2009 economic census, suggesting that most working residents are either self-employed or commute to another municipio for work.

The two datasets agree that the LQs are far below 1 in the secondary, trade, and services categories. Based on the 2010 census, the LQ for agriculture is very high at 3.0, with considerable excess employment. At the sectoral level from the 2009 census, the LQ is above 1 in utilities and health care and social assistance, but excess employment is minimal in these sectors that generally are not tradable. The economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Arizpe Municipio has one of the higher median ages and ranks considerably below average among the border region municipios on socioeconomic measures.

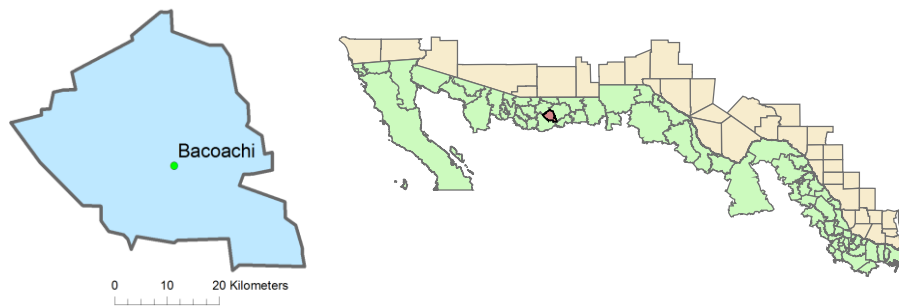
**ARIZPE MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	33	10
Mean Years of Schooling, Age 25 or Older	6.8	48
Labor Force Participation Rate, Age 20 to 64	58.7	58
Unemployment Rate, Age 20 to 64	15.7	76
Employment-to-Population Ratio	30.8	66
Poverty Rate	49.8	62

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Bacoachi Municipio



Bacoachi Municipio is in northeastern Sonora, bordered by Cananea, Arizpe, Nacozari de García, and Fronteras municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,232 square kilometers, Bacoachi Municipio ranks 53rd among the 78 border region municipios. The municipio is in a mountainous area with the Río Sonora running north-south. Agriculture occurs in the river valley, which is at an elevation of about 1,350 meters.

The first Spanish settlement was a mission founded in 1646. Spanish settlers reached the area in 1649. The name of the municipio is derived from the Opata Native American term for “water snake.”

### Population and Transportation Infrastructure

Bacoachi Municipio reached its peak population of 2,786 in 1940. The population dropped to 1,496 in 2000, but then rose a little to 1,646 in 2010, the 11th least populous of the border region municipios.

The community of Bacoachi is the largest population center, with 1,090 residents in 2010 — 66 percent of the municipio total. It is in the central part of the municipio, along the Río Sonora on Sonora Route 118. Bacoachi is 60 road kilometers southeast of Cananea and about 120 road kilometers from the Naco border crossing. Route 17, which runs from Hermosillo to Agua Prieta, is about 40 kilometers to the east via a secondary road. The municipio does not have rail or air service.

### Economy

The overall location quotient in Bacoachi Municipio is 0.9 based on the 2010 census. Employment reported in the 2009 economic census is very low, suggesting that most working residents are either self-employed or commute to another municipio for work.

The LQ for agriculture is very high at 2.7 and the figure is slightly above 1 in the secondary category, but the LQs are considerably below 1 in the trade and services categories. Excess employment is considerable in agriculture but slight in the secondary category. The economic base is limited; agriculture is the dominant activity.



As seen in the following table of selected indicators, Bacoachi Municipio has one of the higher median ages and ranks from above-to-below average among the border region municipios on socioeconomic measures.

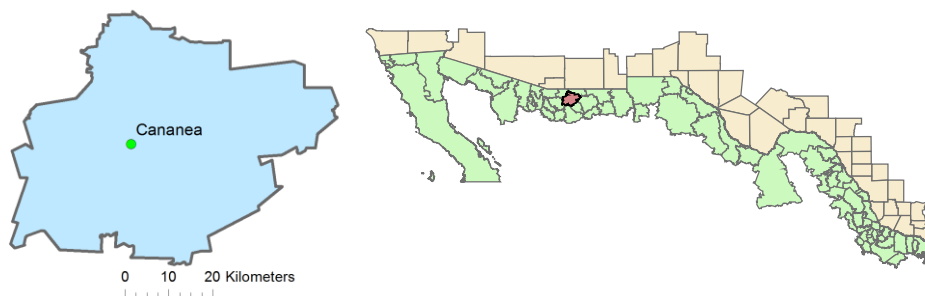
#### BACOACHI MUNICIPIO INDICATORS

	Value	Rank*
Median Age	33	10
Mean Years of Schooling, Age 25 or Older	6.8	49
Labor Force Participation Rate, Age 20 to 64	55.7	70
Unemployment Rate, Age 20 to 64	3.7	26
Employment-to-Population Ratio	35.1	42
Poverty Rate	40.7	39

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

#### Cananea Municipio



Cananea Municipio is in northeastern Sonora, bordered by Santa Cruz, Imuris, Arizpe, Bacoachi, Fronteras, and Naco municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 2,312 square kilometers, Cananea Municipio ranks 32nd among the 78 border region municipios. The municipio is in a mountainous area; the city of Cananea is at an elevation of about 1,550 meters.

Gold and silver mining began in the area in 1760. A major copper mine opened in the late 1800s and still is active today. The name of the municipio is derived from the Apache Native American term for “horse meat.”

#### Population and Transportation Infrastructure

Cananea Municipio had 16,730 residents in 1930 and 32,936 in 2010, the 22nd-most populous of the border region municipios. The pace of growth has fluctuated. Following a gain of 5,130 in the 1990s, the population rose 875 during the 2000s.

The city of Cananea is the largest population center, with 31,560 residents in 2010 — 96 percent of the municipio total. It is in the central part of the municipio, located on Route 2; Sonora Route 118 meets Route 2 just east of the city. Cananea is about 60 highway kilometers southwest of the Naco border crossing. Nogales is almost 150 highway kilometers to the northwest and Agua Prieta is 85 highway kilometers to the northeast.

A short-line railroad connects Cananea to Nogales. The municipio does not have air service.

### **Economy**

The employment figures for Cananea Municipio from the 2010 census and the 2009 economic census are misleading since these censuses were taken during a long-lasting labor strike by miners. Thus, while normally a leading activity, mining had a location quotient near zero. The overall location quotient was less than 0.9 based on the 2010 census and 0.7 based on the 2009 economic census.

The LQs from each dataset were below 1 in the trade and services categories. The figure was 1.3 in the secondary category based on the 2010 census, but only 0.6 based on the 2009 census. Based on the 2010 census, the LQ for agriculture was only 0.4. At the sectoral level from the 2009 census, the LQ exceeded 1 in wholesale trade and in three services sectors that generally are not tradable.

As seen in the following table of selected indicators, despite its high educational attainment, Cananea Municipio ranked from average to below average among the border region municipios on other socioeconomic measures during the strike.

**CANANEA MUNICIPIO INDICATORS**

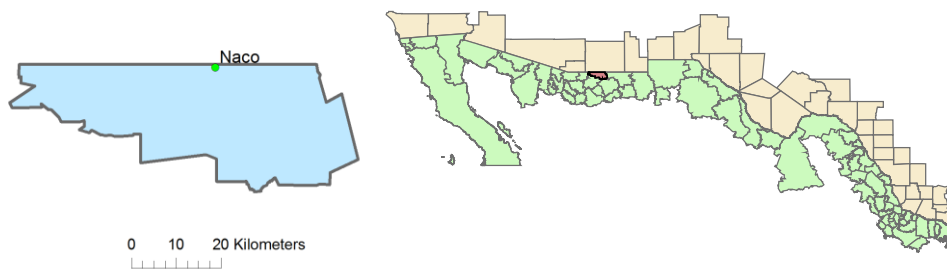
	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	9.5	2
Labor Force Participation Rate, Age 20 to 64	60.1	53
Unemployment Rate, Age 20 to 64	8.8	73
Employment-to-Population Ratio	32.3	62
Poverty Rate	39.6	37

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Naco Municipio (Agua Prieta Urban Area)**

Naco Municipio is in northeastern Sonora, east of Santa Cruz Municipio, west of Agua Prieta Municipio, and north of Cananea and Fronteras municipios. Its northern border is shared with Cochise County, Arizona. The entire municipio is within 100 kilometers of the international border.



With a land area of 1,239 square kilometers, Naco Municipio ranks 51st among the 78 border region municipios. The southern part of the municipio is mountainous while the northern part is mostly a flat, mid-elevation (1,400 meters) grassland.

“Naco” is the Opata Native American term for the nopal cactus. The town began in 1897 as a border crossing between copper mines in Cananea and Bisbee, Arizona. The Naco-Cananea rail line opened in 1900. The municipio was created in 1937 from Cananea Municipio.

### **Population and Transportation Infrastructure**

Naco Municipio, along with Agua Prieta Municipio, makes up the Mexican portion of the Douglas-Agua Prieta urban area defined for this study. Naco Municipio had 1,668 residents in 1940 and 6,401 in 2010, ranking 47th among the border region municipios. The largest population increases were just more than 1,000 in the 1950s and in the 2000s.

The town of Naco is the largest population center, with 6,064 residents in 2010 — 95 percent of the municipio total. It is in the north-central part of the municipio, directly across from the smaller Naco, Arizona. Route 2 is 15 kilometers south; it is 55 highway kilometers to Agua Prieta.

Ferromex operates rail lines that travel west to Nogales and east to Agua Prieta. There no longer is a rail crossing at the border. The municipio does not have air service.

### **Border Crossings and Trade Values**

The border crossing linking the towns of Naco, Arizona and Naco, Sonora is a separate U.S. port of entry. See the Cochise County, Arizona section for details.

The number of passengers and pedestrians entering the United States through Naco Municipio was the second lowest among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked 18th.

However, considering the small population of Naco Municipio, the per capita ranks are much higher: the per capita number of passengers and pedestrians ranked first and the per capita number of trucks ranked seventh. (The rank was second for empty truck containers but only 10th for loaded containers.) Between 2000 and 2012, the percent decrease in the per capita number of individual crossings was not as large as average, ranking sixth. However, the decline in the number of trucks was among the largest of the 21 municipios with crossings.

In 2013, the value of imports passing through Naco Municipio ranked 15th and the value of exports was 17th. Net exports were negative, ranking 18th. The ratio of the export-to-import value was only 0.21, ranking 17th. Ranks for imports and exports were higher on per capita basis, with imports fifth highest and exports ranking 13th. However, the per capita net export figure was the lowest. The inflation-adjusted percent increase in imports was above average, ranking seventh, but the real decline in exports ranked 15th.

### **Economy**

The overall location quotient in Naco Municipio is low at 0.8 based on the 2010 census and 0.7 based on the 2009 economic census. On a nonagricultural basis, the difference between the two datasets is larger, suggesting that a disproportionate share of working residents are self-employed and/or that some residents commute to another municipio for work.

Using each dataset, the LQ is below 1 in each of the four categories. At the sectoral level from the 2009 census, the LQ is above 1 in three services sectors, but excess employment is slight in these largely nontradable activities. The labor strike by miners in Cananea (60 kilometers to the southwest) likely impacted the economy in Naco. Despite the high volume of individual traffic for the size of the municipio, the retail trade location quotient is less than 1. The figures for wholesale trade and transportation and warehousing are far below 1 in Naco Municipio despite the moderate per capita amount of cross-border trade.

As seen in the following table of selected indicators, Naco Municipio has one of the lowest median ages; it ranks from above-to-below average among the border region municipios on socioeconomic measures.

**NACO MUNICIPIO INDICATORS**

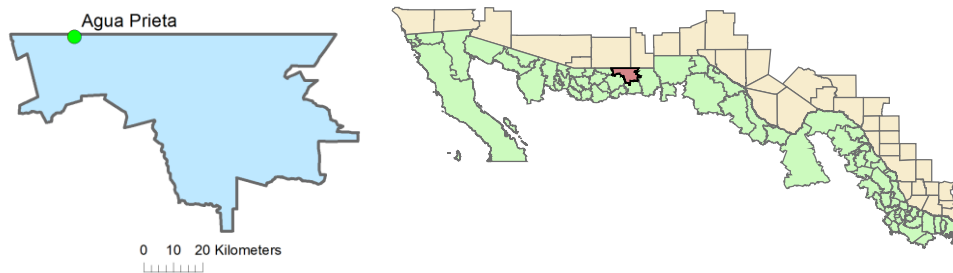
	Value	Rank*
Median Age	23	73
Mean Years of Schooling, Age 25 or Older	8.3	19
Labor Force Participation Rate, Age 20 to 64	64.1	29
Unemployment Rate, Age 20 to 64	8.0	72
Employment-to-Population Ratio	33.4	54
Poverty Rate	50.8	65

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Agua Prieta Municipio (Agua Prieta Urban Area)**

Agua Prieta Municipio is in northeastern Sonora, east of Naco and Fronteras municipios, north of Bavispe Municipio, and west of Janos Municipio of Chihuahua. The western three-fourths of the northern border is shared with Cochise County, Arizona; the balance is with Hidalgo County, New Mexico. The entire municipio is within 100 kilometers of the international border.



With a land area of 3,943 square kilometers, Agua Prieta Municipio ranks 20th among the 78 border region municipios. The municipio is largely mountainous, but the northwestern part is a flat, mid-elevation (1,400 meters) grassland.

The city of Agua Prieta began in 1899 with the construction of a railroad south to Nacozari de García. “Agua Prieta” translates to “dark water.”

### **Population and Transportation Infrastructure**

Agua Prieta Municipio is the major part (along with Naco Municipio) of the Mexican portion of the Douglas-Agua Prieta urban area defined for this study. Agua Prieta Municipio had 6,677 residents in 1930 and 79,138 in 2010, the 16th-most populous of the border region municipios. Following decadal gains generally of less than 7,000, the population increased by more than 22,000 in the 1990s and by 17,194 in the 2000s.

The city of Agua Prieta is the largest population center, with 77,254 residents in 2010 — 98 percent of the municipio total. It is in the northwestern part of the municipio, directly across from the smaller Douglas, Arizona. Route 2 travels east-west through the city and Route 17 travels south, connecting Agua Prieta to Hermosillo.

Ferromex operates rail lines that travel west to Naco and Nogales and south to Nacozari de García. The municipio does not have air service.

### **Border Crossings and Trade Values**

A border crossing links the cities of Agua Prieta and Douglas, Arizona; it is a separate U.S. port of entry. See the Cochise County, Arizona section for details.

The number of passengers and pedestrians entering the United States through Agua Prieta Municipio ranked 10th among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked 13th.

Considering the population of Agua Prieta Municipio, the per capita number of passengers and pedestrians ranked higher at fourth. The per capita number of trucks crossing the border still ranked 13th (loaded containers ranked 14th and empty containers ranked 12th). With decreases in the numbers of individuals and trucks crossing the border between 2000 and 2012, the per capita percent changes were below average.

In 2013, the value of both imports and exports ranked 10th among the 21 municipios. Net exports were negative, ranking 20th. The ratio of the export-to-import value was only 0.72, ranking 14th. Ranks were a little higher on a per capita basis at eighth for imports and exports and 17th for net exports. Between 2004 and 2013, the inflation-adjusted value of imports passing through Agua Prieta Municipio rose very substantially, by the most of the 21 municipios. Export values increased more than average, with the percent change ranking fourth.

### **Economy**

The overall location quotient in Agua Prieta Municipio is slightly above 1 based on the 2010 census and close to 1.2 based on the 2009 economic census. Using each dataset, the LQ is well above 1 in the secondary category, near 1 in trade and below 1 in services. Using the 2010 census, the LQ for agriculture is only 0.3.

At the sectoral level from the 2009 census, the LQ is above 2 in manufacturing and above 1 in utilities and three services sectors that generally are not tradable. The high per capita number of individuals crossing the border may contribute to the retail trade location quotient being about 1 in Agua Prieta Municipio. The LQs for wholesale trade and transportation and warehousing are far below 1, despite the average per capita amount of truck traffic and trade values.

Excess employment is substantial in manufacturing and minimal in the other sectors. Thus, manufacturing dominates the economy.

As seen in the following table of selected indicators, Agua Prieta Municipio ranks from among the highest to below average among the border region municipios on socioeconomic measures.

**AGUA PRIETA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	8.5	17
Labor Force Participation Rate, Age 20 to 64	71.5	7
Unemployment Rate, Age 20 to 64	4.8	45
Employment-to-Population Ratio	39.3	6
Poverty Rate	46.2	54

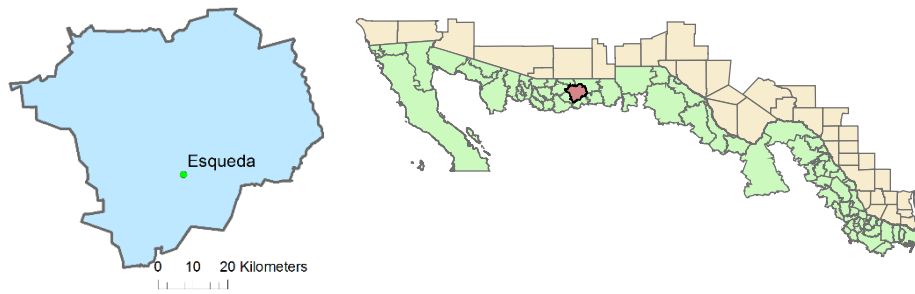
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Fronteras Municipio**

Fronteras Municipio is in northeastern Sonora, bordered by Naco, Cananea, Bacoachi, Nacozari de García, and Agua Prieta municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 2,624 square kilometers, Fronteras Municipio ranks 29th among the 78 border region municipios. The municipio is largely mountainous; the town of Fronteras is at an elevation of 1,120 meters.



The first Spanish settlement was a mission founded in 1645, with a presidio following nine years later. The town of Fronteras was one of the earliest in Sonora. “Frontera” translates as “border” — at the time this name was applied it pertained to the border of the land controlled by the Apaches.

### **Population and Transportation Infrastructure**

Fronteras Municipio had 2,733 residents in 1930 and 8,639 in 2010, ranking 43rd among the border region municipios. The population increased by more than 2,600 during the 1980s, but growth has slowed since then, to 838 during the 2000s.

The town of Esqueda is the largest population center, with 6,749 residents in 2010 — 78 percent of the municipio total. It is in the south-central part of the municipio. The community of Fronteras, in the central part of the municipio, was home to 834. Esqueda and Fronteras are located along Route 17 that connects Agua Prieta to Hermosillo and along the railroad from Agua Prieta to Nacozari de García. Fronteras is 55 highway kilometers south of the border crossing at Agua Prieta; Esqueda is an additional 20 highway kilometers away. The municipio does not have air service.

### **Economy**

The overall location quotient in Fronteras Municipio is low at 0.8 based on the 2010 census and only 0.3 based on the 2009 economic census. The latter suggests that most working residents are either self-employed or commute to another municipio for work.

Using each dataset, the LQ is well below 1 in the trade and services categories. The LQ for the secondary category is 1.7 based on the 2010 census but barely above zero based on the 2009 census. Using the 2010 census, the LQ for agriculture is 0.9. At the sectoral level from the 2009 census, the LQ is not above 1 in any sector. Thus, the economic base is very limited.

As seen in the following table of selected indicators, Fronteras Municipio ranks from above-to-below average among the border region municipios on socioeconomic measures.

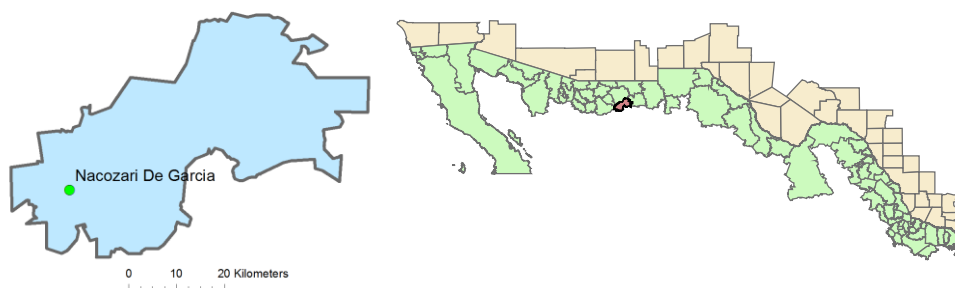
### FRONTERAS MUNICIPIO INDICATORS

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	8.2	23
Labor Force Participation Rate, Age 20 to 64	59.3	56
Unemployment Rate, Age 20 to 64	4.4	36
Employment-to-Population Ratio	32.0	63
Poverty Rate	40.9	41

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Nacozari de García Municipio



Nacozari de García Municipio is in northeastern Sonora, bordered by Fronteras, Bacoachi, Arizpe, and Bavispe municipios. Most of the municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,735 square kilometers, Nacozari de García Municipio ranks 40th among the 78 border region municipios. The municipio is largely mountainous; the city of Nacozari de García is at an elevation of 1,040 meters.

Mining began in 1660. A subsidiary of Phelps Dodge began to operate a copper mine in the late 1800s, prompting the construction of a rail line to the border at Agua Prieta, which was completed in 1904. This mine closed in 1948 but a new ore deposit was discovered in 1968. Originally called simply “Nacozari” — “abundance of nopal cactus” in the Opata Native American language — the city was renamed in 1909 to honor train engineer Jesús García. He lost his life in 1907 saving the city from a dynamite explosion.

### Population and Transportation Infrastructure

Nacozari de García Municipio had 16,204 residents in 1930 but the population plunged to 3,678 in 1970. It climbed to 14,365 in 2000 but was down to 12,751 in 2010, ranking 34th among the border region municipios. Fluctuations in mining conditions account for the municipio’s population swings.



The city of Nacozari de García is the largest population center, with 11,489 residents in 2010 — 90 percent of the municipio total. It is in the southwestern part of the municipio along Route 17 that connects Agua Prieta to Hermosillo and at the beginning of the railroad that runs to Agua Prieta, which is 120 highway kilometers north. The municipio does not have air service.

### **Economy**

The overall location quotient in Nacozari de García Municipio is 0.9 based on the 2010 census but a very high 2.3 based on the 2009 economic census. Overall employment is considerably higher based on the 2009 census than the 2010 census, the only border region municipio to have a higher figure in the 2009 census. This suggests that residents of other municipios commute into Nacozari de García Municipio to work.

Using each dataset, the LQ is below 1 in the trade and services categories. In the secondary category, the LQ is 1.5 based on the 2010 census but is 6.4 based on the 2009 census. Using the 2010 census, the LQ for agriculture is only 0.1.

At the sectoral level from the 2009 census, the LQ is extremely high in mining and very high in manufacturing and construction. It slightly exceeds 1 in the retail trade and other services sectors. The excess employment is higher in mining than in manufacturing, but is substantial in each. Thus, mining and manufacturing form the economic base.

As seen in the following table of selected indicators, Nacozari de García Municipio ranks from very high to below average among the border region municipios on socioeconomic measures.

**NACOZARI DE GARCÍA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	9.0	6
Labor Force Participation Rate, Age 20 to 64	63.5	35
Unemployment Rate, Age 20 to 64	5.7	60
Employment-to-Population Ratio	35.0	44
Poverty Rate	26.5	7

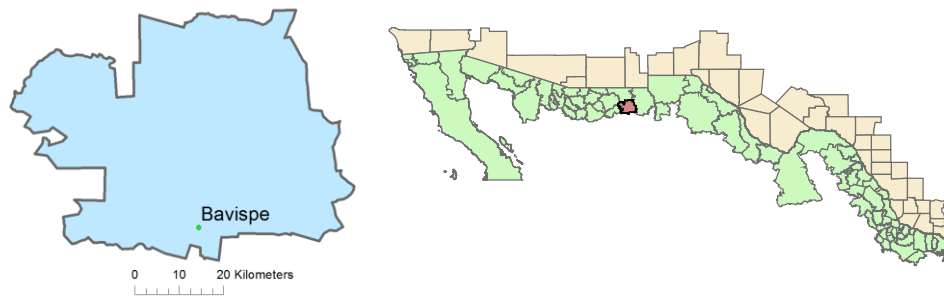
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Bavispe Municipio**

Bavispe Municipio is in northeastern Sonora, south of Agua Prieta Municipio, east of Nacozari de García Municipio, and west of Janos Municipio of Chihuahua. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,722 square kilometers, Bavispe Municipio ranks 41st among the 78 border region municipios. It has the ninth-lowest population density. The municipio is largely mountainous, with the Río Bavispe running north-south through it. The community of Bavispe is at an elevation of 900 meters.



The first Spanish settlement was a mission established in 1645, which was followed by a presidio. The town was one of the earliest in Sonora. The name derives from the Opatá Native American term for “place where river changes direction.”

### **Population and Transportation Infrastructure**

Bavispe Municipio had 2,047 residents in 1930. The population peaked at 2,311 in 1960, falling to 1,377 in 2000. It climbed a little to 1,454 in 2010, the eighth lowest among the border region municipalities.

The community of Bavispe is the largest population center, with 701 residents in 2010 — 48 percent of the municipio total. It is in the south-central part of the municipio. San Miguelito, located a few kilometers north, had a population of 406. The communities are located along the Río Bavispe. A secondary road that runs north-south connects them to Agua Prieta, about 150 road kilometers north, but part of the road is dirt. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Bavispe Municipio is low at 0.8 based on the 2010 census. Employment reported in the 2009 economic census is very low, suggesting that most working residents are either self-employed or commute to another municipio for work.

The LQ is far below 1 in the secondary, trade, and services categories, but the LQ for agriculture is a high 3.4, with substantial excess employment. The economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Bavispe Municipio ranks very low among the border region municipalities on socioeconomic measures except for the unemployment rate.

**BAVISPE MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	6.3	63
Labor Force Participation Rate, Age 20 to 64	55.5	71
Unemployment Rate, Age 20 to 64	2.0	8
Employment-to-Population Ratio	31.3	64
Poverty Rate	56.3	71

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## **CHIHUAHUA**

The northern and northeastern borders of Chihuahua are shared with the United States: with New Mexico to the north and Texas to the northeast. Texas and Chihuahua are separated by the Río Bravo. Chihuahua has 67 municipios. Of the 10 municipios in the border region, seven share the international border.

Chihuahua has the largest land area of the Mexican states. With a land area of 247,455 square kilometers, it accounts for 31 percent of the border states' land area and 13 percent of the national total. While known for its Chihuahuan Desert, a significant portion of the state is mountainous and forested, with wide river valleys. Several federally protected areas are within the state. The northern portion of the Sierra Madre Occidental — one of two major mountain ranges in northern México — makes up the southwestern part of the state, with elevations in excess of 1,500 meters.

Most of the rest of the state is at a mid-elevation of 600-to-1,500 meters, though numerous mountain peaks rise higher. With annual rainfall in excess of 50 centimeters, the mountains are forested. Most of the rest of the state receives between 25 and 50 centimeters of rainfall annually and is covered by the Chihuahuan Desert, which is not as hot and arid as the deserts in Sonora. The northeastern portion of the state is drier, with elevations declining to the Río Bravo. Farming occurs along some of the rivers. Other than the Río Bravo, the most important is the Río Conchos, which runs from east of the city of Chihuahua to Ojinaga, where it joins the Río Bravo.

In general, the western portion of the border region is semiarid and at a mid-elevation. The elevation and rainfall decline to the southeast. A biosphere reserve and two areas protected for flora and fauna are within the border region.

The area was first explored in 1528 but little settlement occurred until the 17th century due to resistance by Native Americans, especially the Conchos. The early settlements were in the southern part of the state; the first mission was established in 1569. Mining was a primary reason that the Spanish settled this area. The origin of “Chihuahua” is uncertain, but it probably derived from a Nahuatl Native American term for “place where the waters of the rivers meet.”

In the border region of Chihuahua, early explorations were limited. The first settlement occurred with the establishment of a mission in 1659 in Juárez, along the Río Bravo. Several border region municipios saw their first settlements during the 1700s, but it was not until the mid-1800s that each of the municipios had a settlement.

### **Population of Chihuahua**

The population of the state in the first census in 1895 was 265,546, second to Nuevo León among the six border states. Population gains began to accelerate in the 1930s. The population gain exceeded 350,000 in each decade from the 1950s through 2000s, peaking at more than 600,000 in the 1990s. During these decades, Chihuahua ranked from first to sixth among the border states on the amount of population growth. The population reached 3,406,465 in 2010 (see Chart 12), second in the border region behind Nuevo León.

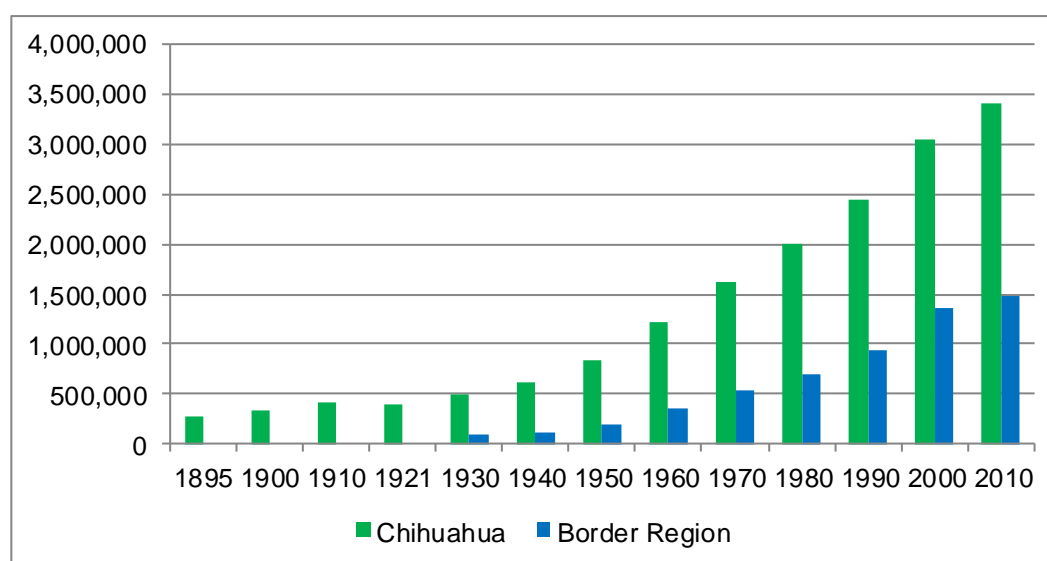
In 1930 and 1940, a little less than 17 percent of the state's residents lived in the border region; the share was up to 44.7 percent in 2000 but dipped to 43.4 percent in 2010 (see Chart 13). As a share of the population change, the border region accounted for between 39-and-56 percent from the 1940s through 1980s and 70 percent during the 1990s, but the share dropped to 32 percent in the 2000s. Population growth in the border region slowed during the 2000s, likely due to the violence associated with the drug cartels.

Juárez is the state's largest population center with 1,332,131 residents in 2010. The major population center outside of the border region is the city of Chihuahua — the capital in the central part of the state, with a municipio population of about 794,000. Cuauhtémoc, Delicias, and Hidalgo del Parral have populations of between 100,000 and 151,000. The latter is in the southern part of the state while the other two are in the center.

### Transportation and Trade in the Border Region of Chihuahua

The transportation network in the border region of Chihuahua includes several federal highways. Route 2 travels east from Tijuana through Juárez before ending about 80 kilometers southeast of Juárez. It connects to U.S. Interstate 10 in Juárez. Route 24 travels north from Route 2 to the border crossing at Palomas and a spur road leads to the border crossing in San Jerónimo. Both of these link to state highways in New Mexico. Route 10 travels southeast from Janos, joining Route 45 a little south of the border region. Route 45 travels south from Juárez through the city of Chihuahua and joins Route 49 farther south. This entire route is a freeway. Route 16 travels southwest from Ojinaga to the city of Chihuahua, then west through Hermosillo to the Gulf of California at Bahia Kino. It is a freeway in the stretch near Chihuahua. It connects to a U.S. highway in Presidio.

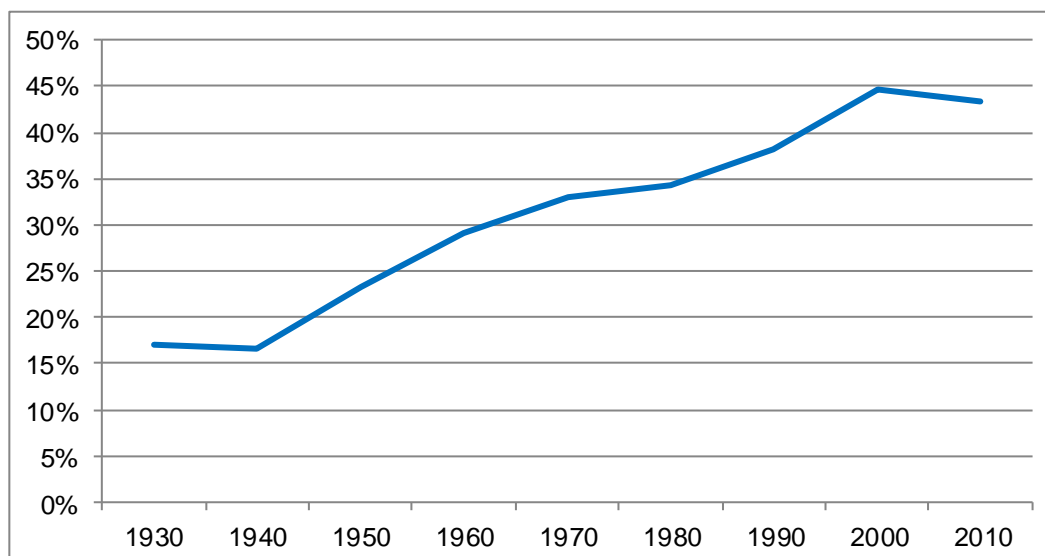
**CHART 12**  
**NUMBER OF RESIDENTS OF CHIHUAHUA**



Note: The border region population is not available prior to 1930.

Source: Instituto Nacional de Estadística y Geografía, decennial census.

**CHART 13**  
**BORDER REGION SHARE OF THE POPULATION OF CHIHUAHUA**



Source: Instituto Nacional de Estadística y Geografía, decennial census.

Ferromex rail lines in Chihuahua include a route from Juárez south to central México, largely traveling along Routes 45 and 49. At the border, it connects to a major east-west route in the United States. Ferromex also operates a line from Ojinaga southwest to the Gulf of California at Los Mochis, Sinaloa.

Ten border crossings are present, with six of the seven municipios along the international border having at least one crossing: Janos, Ascensión, Juárez, Guadalupe, Praxedis G. Guerrero, and Ojinaga. Manuel Benavides does not have a crossing. Combining the data for the crossings in Chihuahua and comparing those totals to those of the other border states, cross-border commercial truck traffic from Chihuahua ranked third in 2012; cross-border train traffic also ranked third, though the number of loaded rail containers ranked fourth; and cross-border crossings of individuals also ranked fourth. The ranks were lower on a per capita basis, using the population of the border region of each state. The per capita number of trucks and trains ranked fourth, and the per capita number of individuals crossing the border was lowest.

Based on the value of traded goods crossing the border in 2013, Chihuahua ranked a distant second to Tamaulipas on both imports and exports. On a per capita basis, imports ranked second but exports ranked third. The ratio of the export-to-import value was 1.17 in 2013, ranking fourth. The net export value was the lowest, though only marginally less than in Sonora. The per capita net figure ranked fourth.

Between 2004 and 2013, the value of imports entering Chihuahua rose more than average, ranking second. The increase in the value of exports ranked third. Between 1997 and 2012, the percent change in the number of trucks crossing the border from Chihuahua was about equal to the border region total, with a below-average increase in loaded truck containers and an above-average increase in empty containers. The percent changes in the use of rail were erratic over

time, with a below-average change from 1997 to 2001, an large increase from 2001 through 2007, and a large decline from 2007 to 2012. The number of individuals crossing the border dropped more than the border region total throughout the 1997-to-2012 period.

A very high percentage of the cross-border traffic uses the crossings in Juárez Municipio.

### **Economy of Chihuahua**

The overall location quotient in Chihuahua ranges from 0.9 to 1.3 across the three measures (see Table 12), with wide differences in the figures for the agriculture and secondary categories. In contrast, the LQs are comparable across the measures in the trade and services categories, agreeing that the LQ is a little below 1 in each case.

Within the secondary category, each of the four sectors — mining, utilities, construction, and manufacturing — has a LQ above 1 based on 2009 economic census employment. The LQs based on value added are considerably lower except in utilities. Two services sectors — information, and real estate and rental — have a LQ greater than 1 based on both measures.

Excess employment is by far the highest in manufacturing, with a moderate value in the information sector. Based on value added, the manufacturing excess is relatively small. Agriculture provides the largest value added excess; real estate and rental has a moderate figure, with a small excess in information.

Within manufacturing, 13 of the 21 subsectors provide excess employment. The amounts are significant in four: computers and electronics, electrical equipment, transportation equipment, and the miscellaneous subsector. Aggregating the subsectors into the 12 subcategories available from the value added series, the two datasets agree that the excess is greatest in the grouping that includes machinery, electronics, electrical equipment, and transportation equipment, with a particularly high figure based on employment. The wood products and miscellaneous subcategories provide moderate excesses based on both measures. Mining other than oil and gas provides an excess based on both measures.

The employment excesses in subsectors of other sectors are small compared to those in manufacturing. Among those activities with more than a modest tradable share, data processing, trucking, and mining other than oil and gas provide the largest excesses.

Manufacturing and agriculture are the primary economic base activities in Chihuahua, with contributions from data processing, trucking, and mining.

### **Economy of the Border Region of Chihuahua**

The economy in the border region of the state differs from that of the rest of the state, with a much higher location quotient in the border region in mining and manufacturing and a considerably lower figure in agriculture. The transportation and warehousing and information sectors have substantially higher LQs in the border region. In each of the other sectors, the location quotient in the border region is similar to or less than the figure in the balance of the state. Excess employment in the border region is by far the highest in manufacturing, followed

**TABLE 12**  
**LOCATION QUOTIENTS BY SECTOR, CHIHUAHUA**

	Value Added*	State Employ- ment**	Employ- ment***	Border Region Employ- ment**	Employ- ment***	Balance of State Employ- ment**	Employ- ment***
TOTAL	0.89	1.00	1.29	1.01	1.58	0.99	1.07
Primary (Agriculture)	1.78	0.77		0.22		1.19	
Secondary	0.88	1.40	2.21	1.78	3.24	1.11	1.43
Mining	0.52		1.76		0.05		3.07
Utilities	1.43		1.17		0.45		1.72
Construction	0.73		1.10		0.64		1.45
Manufacturing	1.08		2.45		3.87		1.36
Trade	0.87	0.93	0.96	0.91	0.90	0.94	1.00
Wholesale			0.90		0.68		1.07
Retail			0.97		0.94		0.99
Services	0.85	0.87	0.91	0.85	0.95	0.88	0.88
Transportation and Warehousing	0.66		1.15		1.56		0.83
Information	1.10		2.13		3.45		1.11
Finance and Insurance	0.64		0.21		0.21		0.21
Real Estate and Rental	1.10		1.05		0.93		1.14
Professional, Scientific & Technical Services	0.53		0.78		0.74		0.81
Management of Companies	0.05		0.54		0.00		0.95
Administrative Support	0.50		0.85		0.60		1.04
Educational Services	1.22		0.76		0.73		0.77
Health Care & Social Assistance	0.84		1.18		1.24		1.14
Arts, Entertainment and Recreation	0.44		0.84		0.88		0.81
Accommodation and Food Services	0.66		0.81		0.86		0.78
Other Services	0.88		0.97		0.91		1.01
Government	0.84						

Note: a blank indicates that the data are not available

\* Value Added component of Gross Domestic Product, 2012

\*\* Employment, 2010 Census

\*\*\* Employment, 2009 Economic Census

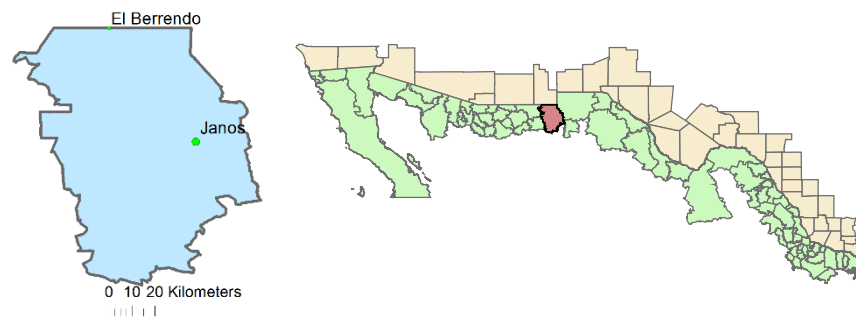
Source: Instituto Nacional de Estadística y Geografía.



by transportation and warehousing and information. Thus, manufacturing is the primary economic base activity in the border region, with contributions from transportation and warehousing, and information, while the rest of the state has a somewhat more diversified economy, particularly in agriculture.

Most of the municipios in the border region are lightly populated. All of these municipios have a nonagricultural location quotient that is lower, in some cases much lower, from the 2009 economic census than from the 2010 census, indicating that a disproportionate share of the working residents either are self-employed or work in another municipio. In contrast, a few municipios, primarily Juárez, have higher LQs based on the 2009 economic census, suggesting that they attract workers who live in other municipios.

### Janos Municipio



Janos Municipio is in the northwestern corner of Chihuahua, west of Ascensión Municipio and east of Agua Prieta and Bavispe municipios of Sonora. Its northern border is shared with Hidalgo County, New Mexico. About 95 percent of the municipio is within 100 kilometers of the international border.

With a land area of 7,426 square kilometers, Janos Municipio ranks 11th among the 78 border region municipios. About 70 percent of the municipio is a federally protected area, the Janos biosphere preserve. The municipio is at a mid-elevation, with mountains.

The Spanish arrived in the area in 1580. A town was formed in 1640, but was destroyed by Native Americans in 1680. A presidio was built in 1686, allowing a town to be settled in 1717. The municipio is named after the Janos tribe of Native Americans.

### Population and Transportation Infrastructure

Janos Municipio had 2,234 residents in 1930 and 10,953 in 2010, ranking at the middle of the border region municipios. Most of the population gain occurred from the 1960s through 1980s.

The town of Janos is the largest population center, with 2,738 residents in 2010 — 25 percent of the municipio total. It is in the east-central part of the municipio along the Río Casas Grandes. Monte Verde, located in the west-central part near the border with Sonora, had a population of 1,087. Janos is at the junction of Routes 2 and 10; the latter runs southeast through Nuevo Casas

Grandes to Route 45, a freeway connecting the cities of Chihuahua and Juárez. The municipio does not have rail or air service.

There is one border crossing in Janos Municipio, between El Berrendo and Antelope Wells. The border crossing is combined with the Columbus-Palomas crossing (in Ascensión Municipio) into one U.S. port of entry. Thus, it is not possible to quantify the amount of traffic through El Berrendo but is believed to be slight. El Berrendo and Antelope Wells each have few inhabitants. El Berrendo is roughly 60 road kilometers to the northwest of the town of Janos, with the last stretch via dirt roads. The other closest crossings are in Agua Prieta (160 highway kilometers northwest) and Palomas (125 highway kilometers northeast). See the discussion in the Ascensión Municipio section for information on the traffic and trade through the two crossings.

### **Economy**

The overall location quotient in Janos Municipio is 1.0 based on the 2010 census but only 0.1 based on the 2009 economic census, suggesting that most working residents are either self-employed or commute to another municipio for work. Using each dataset, the LQ is very low in the secondary, trade, and services categories. The location quotients are very low for the sectors affected by cross-border traffic: retail trade, wholesale trade, and transportation and warehousing. Using the 2010 census, the LQ for agriculture is a high 4.3, with considerable excess employment. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Janos Municipio has the lowest median age and one of the lowest educational attainments of the border region municipios. Its poverty rate is very high, but it compares more favorably on employment-related measures.

**JANOS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	22	77
Mean Years of Schooling, Age 25 or Older	5.6	74
Labor Force Participation Rate, Age 20 to 64	61.8	44
Unemployment Rate, Age 20 to 64	2.2	9
Employment-to-Population Ratio	38.0	21
Poverty Rate	63.3	75

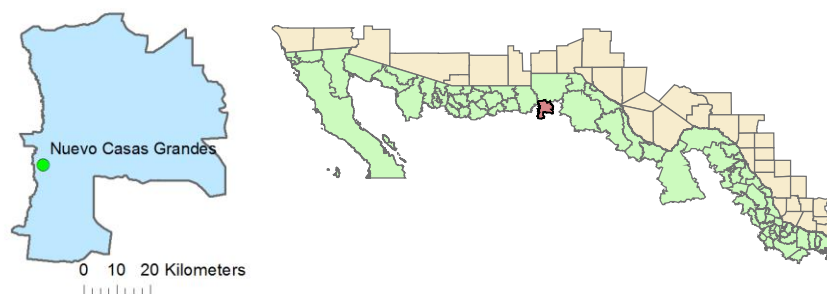
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Nuevo Casas Grandes Municipio**

Nuevo Casas Grandes Municipio is in northwestern Chihuahua, southeast of Janos Municipio and south of Ascensión Municipio. A little less than half of the municipio is within 100 kilometers of the international border; it does not border the United States.

With a land area of 2,647 square kilometers, Nuevo Casas Grandes Municipio ranks 28th among the 78 border region municipios. Much of the municipio is on a mid-elevation (1,200 meters) mesa; mountains also are present.



The ruins of the Native American community of Casas Grandes (now known as Paquimé) is located in the west-central part of the municipio along the Río Casas Grandes. The city of Nuevo Casas Grandes, translated as “New Big Houses,” is located a few kilometers north. The city began to develop in the 1870s with the construction of a train station along the line being built that loops southwest from Ciudad Juárez then back to the southeast and the city of Chihuahua.

### **Population and Transportation Infrastructure**

Nuevo Casas Grandes Municipio had 4,985 residents in 1930 and 59,337 in 2010, ranking 19th among the border region municipios. In most decades, the population gain has been near 5,000, but the increase was 14,700 in the 1960s and 12,300 during the 1980s.

The city of Nuevo Casas Grandes is the largest population center, with 55,553 residents in 2010 — 94 percent of the municipio total. It is in the west-central part of the municipio along the Río Casas Grandes and Route 10, about 60 highway kilometers from Janos. It is another 60 kilometers of poor road to the nearest border crossing at El Berrendo and a total of 190 highway kilometers from the Palomas crossing.

The railroad line through Nuevo Casas Grandes has been supplanted by a Ferromex line that runs directly between the cities of Juárez and Chihuahua. Aeropuerto Nacional de Nuevo Casas Grandes is a general aviation facility.

### **Economy**

The overall location quotient in Nuevo Casas Grandes Municipio is slightly less than 1 based on the 2010 census but is nearly 1.2 based on the 2009 economic census. Using each dataset, the LQ exceeds 1 in the trade category and is less than 1 in services. The secondary category has a LQ of 0.9 based on the 2010 census but 1.5 based on the 2009 census. Using the 2010 census, the LQ for agriculture is 0.8.

At the sectoral level from the 2009 census, the location quotients exceed 1 in manufacturing, wholesale trade, retail trade, and two services sectors that generally are not tradable. Excess employment in manufacturing is considerably higher than in retail trade; the figures in the other sectors are lower. Thus, manufacturing is the primary economic base activity, with a contribution from trade.

As seen in the following table of selected indicators, Nuevo Casas Grandes Municipio ranks from above-to-below average among the border region municipios on socioeconomic measures.

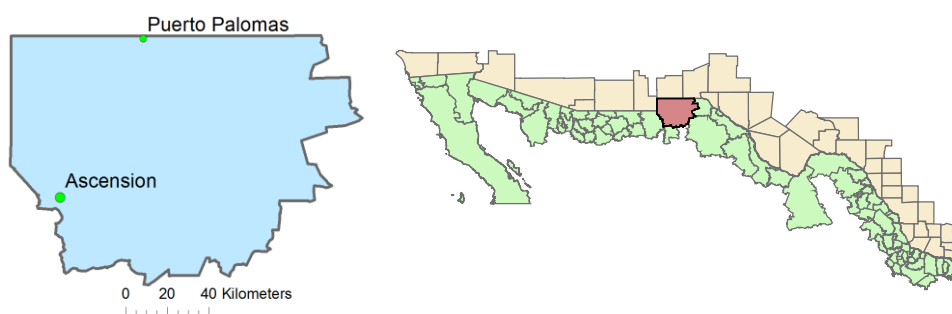
### NUEVO CASAS GRANDES MUNICIPIO INDICATORS

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.3	18
Labor Force Participation Rate, Age 20 to 64	66.0	21
Unemployment Rate, Age 20 to 64	5.4	53
Employment-to-Population Ratio	36.9	31
Poverty Rate	39.2	34

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Ascensión Municipio



Ascensión Municipio is in northwestern Chihuahua, east of Janos Municipio, north of Nuevo Casas Grandes Municipio, northwest of Ahumada Municipio, and west of Juárez Municipio. Its northern border is shared with New Mexico: the western two-thirds with Luna County and the balance with Doña Ana County. The northern part of its western boundary is with Hidalgo County, New Mexico. Nearly all of the municipio is within 100 kilometers of the international border.

With a land area of 12,875 square kilometers, Ascensión Municipio is fifth largest among the 78 border region municipios. Much of the municipio is on a mid-elevation (1,300 meters) mesa; mountains also are present. An extensive area of sand dunes is in the eastern part of the municipio. The Río Casas Grandes meanders through the central and western part of the area.

The area was settled in 1872 by Mexicans who had been living in New Mexico, on lands transferred to the United States in the Gadsden Purchase of 1853. The municipio is named for the Christian celebration of the Ascension.

### Population and Transportation Infrastructure

Ascensión Municipio had 2,758 residents in 1930 and 23,975 in 2010, ranking 27th among the border region municipios. Population growth was greatest in the 1980s (4,400) and 1990s (5,600). The gain in the 2000s was 2,036.

The city of Ascensión is the largest population center, with 13,456 residents in 2010 — 56 percent of the municipio total. It is in the southwestern part of the municipio near the Río Casas Grandes on Route 2, some 35 kilometers northeast of Janos. The border crossing at Palomas is about 95 highway kilometers to the northeast. Palomas, which is in the north-central part of the municipio, had 4,866 residents in 2010. The municipio does not have rail or air service.

### **Border Crossings and Trade Values**

The border crossing at Palomas (Puerto Palomas de Villa) is with Columbus, Luna County. This crossing is combined with the very lightly used crossing between Janos Municipio and Hidalgo County, New Mexico into the Columbus U.S. port of entry. See the Luna County, New Mexico section for details.

The number of passengers and pedestrians entering the United States through Janos and Ascensión municipios ranked 16th among the 21 sets of municipios with border crossings in 2012. The number of trucks crossing the border also ranked 16th.

Considering the population of Ascensión and Janos municipios, the per capita number of trucks crossing the border ranked 16th (loaded containers ranked ninth and empty containers ranked 19th). The per capita number of passengers and pedestrians ranked 14th. Between 2000 and 2012, a strong increase in the per capita number of trucks was realized; the percent increase ranked second among the 21 municipios with crossings. The per capita decline in the number of individual crossings was not quite as large as the average.

In 2013, the value of imports passing through Ascensión and Janos municipios ranked 19th among the 21 sets of municipios. Exports ranked 16th and net exports ranked 12th. The ratio of the export-to-import value was very high at 2.05, the second highest. The ranks were nearly the same on a per capita basis. Between 2004 and 2013, the inflation-adjusted import value fell; the percent change ranked 17th. The real export value rose, but by less than average, and ranked 10th.

### **Economy**

The overall location quotient in Ascensión Municipio is 0.9 based on the 2010 census but only 0.5 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Using each dataset, the LQ is considerably less than 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is high at 3.0, with substantial excess employment.

At the sectoral level from the 2009 census, no sector has a LQ above 1. In line with the below-average per capita volumes of cross-border traffic and trade values, the location quotients for the affected sectors — retail trade, wholesale trade, and transportation and warehousing — are far below 1 in Ascensión Municipio. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Ascensión Municipio has one of the lowest median ages and ranks third-lowest on the poverty rate, but is closer to the middle of the border region municipios on employment-related measures.

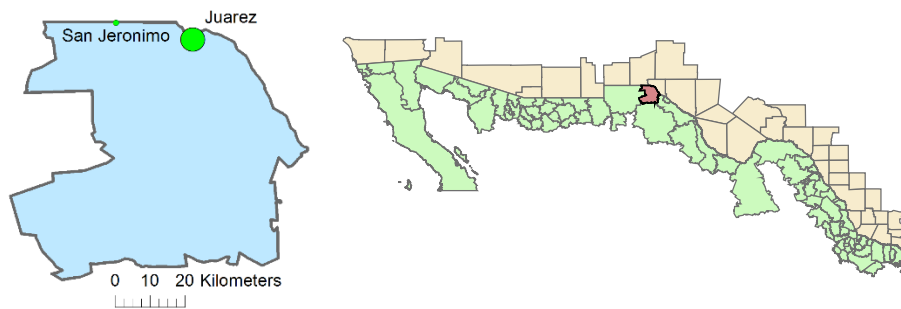
### ASCENSIÓN MUNICIPIO INDICATORS

	Value	Rank*
Median Age	23	73
Mean Years of Schooling, Age 25 or Older	6.2	64
Labor Force Participation Rate, Age 20 to 64	64.7	26
Unemployment Rate, Age 20 to 64	5.1	50
Employment-to-Population Ratio	34.5	48
Poverty Rate	64.6	76

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Juárez Municipio (Juárez Urban Area)



Juárez Municipio is in north-central Chihuahua, east of Ascensión Municipio, north of Ahumada Municipio, and northwest of Guadalupe Municipio. Its northern border is shared with Doña Ana County, New Mexico and its longer northeastern boundary is with El Paso County, Texas, separated by the Río Bravo. The entire municipio is within 100 kilometers of the international border.

With a land area of 3,561 square kilometers, Juárez Municipio is 22nd largest among the 78 border region municipios. It has the second-highest population density. Much of the municipio is on a mid-elevation (1,125 meters) plain; mountains also are present. A federally protected area for flora and fauna is in the southeastern portion of the municipio, extending into Guadalupe Municipio.

The area was claimed by Spain in 1598. A search for passage through the Rocky Mountains resulted in the establishment of a mission in 1659. Growth of the area was spurred by the arrival of the railroad in 1882. In 1888, the city name was changed from Paso del Norte to Juárez to honor Benito Juárez, the Mexican president during the invasion by France in the 1860s. During the period of French occupation, the president kept the federal government functioning, moving it to Chihuahua.

## **Population and Transportation Infrastructure**

Juárez Municipio is coincident with the Juárez metropolitan area and with the Mexican portion of the El Paso-Juárez urban area defined for this study. Juárez Municipio had 43,138 residents in 1930. It began to grow rapidly in the 1950s, adding about 145,000 people per decade from the 1950s through 1970s. The population gain was 231,000 in the 1980s and peaked at 420,000 in the 1990s but dropped off to 113,314 in the 2000s. The municipio had 1,332,131 residents in 2010, second only to Tijuana among the border region municipios.

Ciudad Juárez is the largest population center, with 1,321,004 residents in 2010 — 99 percent of the municipio total. It is in the north-central part of the municipio directly across the Río Bravo from El Paso, Texas. Route 2 enters the southern part of the city from the west, then runs southeast from the city along the Río Bravo. Route 45, a freeway, and a Ferromex rail line run south to the city of Chihuahua and beyond.

Aeropuerto Internacional Abraham González is a major passenger and cargo facility. With its five airlines, it is second to Tijuana in the border region of México in passenger traffic.

## **Border Crossings and Trade Values**

Juárez Municipio has five border crossings. One crossing is between the communities of San Jerónimo, west of the city of Juárez, and Santa Teresa, New Mexico and is a separate U.S. port of entry. See the Doña County, New Mexico section for details. The other four crossings are between the cities of Juárez and El Paso and make up another port of entry. See the El Paso County, Texas section for details. Two of these four crossings are limited to northbound traffic and are not open to commercial trucks. In addition, a Ferromex rail line meets the Union Pacific Railroad's Sunset Route in Juárez.

Combining the data for 2012 from the two ports of entry, the number of passengers and pedestrians entering the United States through Juárez Municipio was second highest among the 21 municipios with border crossings, behind only Tijuana Municipio. The number of trucks crossing the border from Juárez Municipio ranked second to the Nuevo Laredo Municipio. Of the seven active rail crossings between the United States and México, the number of trains was the third highest through Juárez Municipio.

Considering the population of Juárez Municipio, the ranks were lower. The per capita number of trucks ranked sixth (eighth for loaded truck containers and fifth for empty containers), the per capita number of trains ranked fifth (fourth for loaded rail cars), and the per capita number of passengers and pedestrians was second lowest. Between 2000 and 2012, the per capita percent change in the number of trucks was barely negative, ranking fifth among the 21 municipios. The per capita percent change in the number of trains was positive and ranked second (the change in both loaded and empty rail cars was the greatest). However, the per capita number of individual crossings dropped more than average, ranking 14th.

In 2013, the value of both imports and exports passing through Juárez Municipio ranked second among the 21 municipios, behind Nuevo Laredo. Net exports ranked fourth. The ratio of the export-to-import value was 1.18, the 10th highest. On a per capita basis, the ranks were a little lower. The per capita value of imports and exports each ranked fourth, behind Nuevo Laredo,

Piedras Negras, and Nogales. Per capita net exports ranked sixth. Between 2004 and 2013, the inflation-adjusted percent change in the import value was above average, ranking sixth, while the figure for the export value was at the average, ranking fifth.

### **Economy**

The overall location quotient in Juárez Municipio is nearly 1 based on the 2010 census but is a high 1.7 based on the 2009 economic census, suggesting that many of those employed in Juárez Municipio live in another municipio. Using each dataset, the LQ considerably exceeds 1 in the secondary category (1.9 based on the 2010 census and 3.5 based on the 2009 census), but the LQs in the trade and services categories are slightly below 1. Using the 2010 census, the LQ for agriculture is near zero.

At the sectoral level from the 2009 census, manufacturing has a LQ greater than 4. The transportation and warehousing and information sectors also have high LQs. The high per capita volume of truck traffic across the border probably contributes to the location quotient for transportation and warehousing being considerably above 1 in Juárez Municipio, though the wholesale trade LQ is below 1. The retail trade LQ of less than 1 is consistent with the low per capita number of individuals crossing the border.

Excess employment is by far the highest in manufacturing. Thus, manufacturing is the primary economic base activity, with contributions from transportation and warehousing — likely linked to cross-border trade — and information.

As seen in the following table of selected indicators, Juárez Municipio mostly ranks above average among border region municipalities on socioeconomic measures.

**JUARÉZ MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.7	12
Labor Force Participation Rate, Age 20 to 64	70.9	9
Unemployment Rate, Age 20 to 64	5.6	56
Employment-to-Population Ratio	37.3	29
Poverty Rate	37.7	31

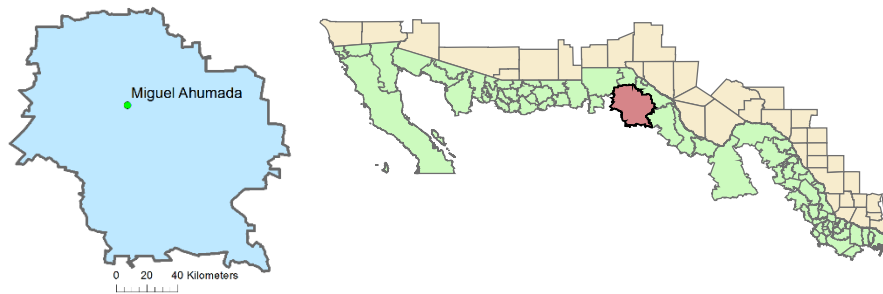
\* Among 78 border region municipalities; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Ahumada Municipio**

Ahumada Municipio is in north-central Chihuahua, bordered by Ascensión, Juárez, Guadalupe, and Coyame del Sotol municipios. Not quite half of the large municipio is within 100 kilometers of the international border. It does not border the United States.





With a land area of 16,919 square kilometers, Ahumada Municipio is third largest among the 78 border region municipios. It has the sixth-lowest population density. The municipio includes plains, mesas, and mountains, with various small waterways and marshy areas. The city of Miguel Ahumada is at a mid-elevation of 1,200 meters.

The first Spanish settlement was a mission established in 1721, followed by a presidio in 1758. The arrival of the railroad in 1882 stimulated growth. The municipio is named for Miguel Ahumada, a governor of Chihuahua.

### **Population and Transportation Infrastructure**

Ahumada Municipio had 4,955 residents in 1930. Growth from the 1940s through 1970s pushed the population to a peak of 12,100 in 1980. The population was down to 11,457 in 2010, ranking 37th among the border region municipios.

The city of Miguel Ahumada (or Villa Ahumada) is the largest population center, with 8,575 residents in 2010 — 75 percent of the municipio total. It is in the north-central part of the municipio along Route 45 and the Ferromex rail line that connect the cities of Juárez and Chihuahua. It is 135 highway kilometers from the border crossings in Juárez. The municipio does not have air service.

### **Economy**

The overall location quotient in Ahumada Municipio is nearly 1.0 based on the 2010 census but only 0.6 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Using each dataset, the LQ is below 1 in the trade and services categories. The secondary category has a LQ of 1.3 based on the 2010 census but only 0.6 based on the 2009 census. Using the 2010 census, the LQ for agriculture is 2.0. Excess employment is greater in agriculture than in the secondary category.

At the sectoral level from the 2009 census, only the accommodation and food services sector has a LQ above 1; its excess employment is slight. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Ahumada Municipio compares favorably among the border region municipios on employment-related measures but is below average on the poverty rate and years of schooling.

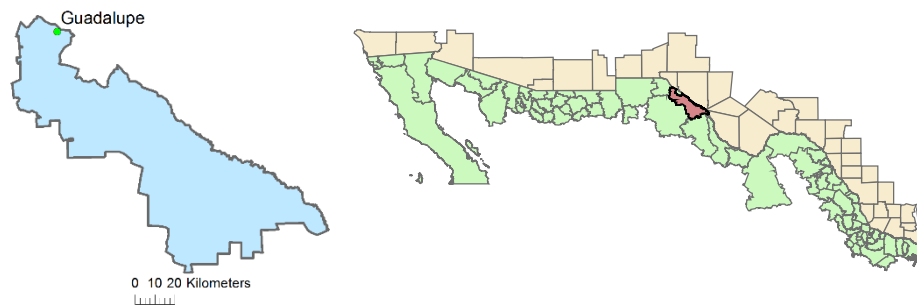
### AHUMADA MUNICIPIO INDICATORS

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	6.4	61
Labor Force Participation Rate, Age 20 to 64	65.2	22
Unemployment Rate, Age 20 to 64	2.8	11
Employment-to-Population Ratio	37.7	26
Poverty Rate	44.1	49

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Guadalupe Municipio



Guadalupe Municipio is in northeastern Chihuahua, southeast of Juárez Municipio and north of Ahumada and Coyame del Sotol municipios. The Río Bravo, which is its northeastern boundary, separates it from Texas; the northwestern segment of the border is with El Paso County, most of the rest of the border is with Hudspeth County, and the eastern end borders Presidio County. The entire municipio is within 100 kilometers of the international border.

With a land area of 5,988 square kilometers, Guadalupe Municipio is 14th largest among the 78 border region municipios. The municipio includes the mid-elevation (1,100 meters) Río Bravo valley and mountains to the southwest (to 2,200 meters). A federally protected area for flora and fauna is in the northern portion of the municipio, extending into Juárez Municipio.

The area was settled in 1849 by Mexicans who were living north of the Río Bravo when the Mexican-American War ended in 1848.

### Population and Transportation Infrastructure

Guadalupe Municipio had 4,927 residents in 1930. The population reached 10,032 in 2000, with growth occurring primarily from the 1940s through 1950s. The population was down to 6,458 in 2010, ranking 46th among the border region municipios. Like neighboring Praxedis G. Guerrero Municipio, the 2000-to-2010 drop in population was substantial.

The town of Guadalupe is the largest population center, with 3,022 residents in 2010 — 47 percent of the municipio total. It is in the northwestern part of the municipio along Route 2 and the Río Bravo, about 50 kilometers from Ciudad Juárez. Most of the rest of the residents of the municipio live in the same vicinity; most of the municipio is sparsely settled. The municipio does not have rail or air service, but is relatively close to those services in Juárez Municipio.

### **Border Crossings and Trade Values**

There is one border crossing in the northwestern part of the municipio, between the towns of Guadalupe and Tornillo, El Paso County. This border crossing is combined with the crossing between Fort Hancock, Texas and Praxedis G. Guerrero Municipio into one U.S. port of entry (Fabens). Trucks are not allowed at either of these crossings. See the El Paso County, Texas section for details.

The number of passengers and pedestrians entering the United States through Guadalupe and Praxedis G. Guerrero municipios ranked 18th among the 21 sets of municipios with border crossings in 2012. Considering the combined population of the municipios, the per capita number of individuals crossing the border was second highest among the 21 sets of municipios. The percent decline between 2000 and 2012 in the per capita number of individual crossings was smaller than average, ranking second.

In 2013, the import value ranked 18th among the 21 sets of municipios with a crossing; the rank was 14th on a per capita basis. The export value was zero. Net exports ranked 15th. Between 2004 and 2013, the inflation-adjusted value of imports decreased slightly, with the percent change ranking 15th.

### **Economy**

The overall location quotient in Guadalupe Municipio is low at 0.8 based on the 2010 census and only 0.4 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Using each dataset, the LQs in the trade and services categories are considerably below 1. The LQ in the secondary category is slightly above 1 based on the 2010 census but is less than 0.2 based on the 2009 census. Using the 2010 census, the LQ for agriculture is slightly greater than 1. Excess employment is similar but small in the secondary and agriculture categories.

At the sectoral level from the 2009 census, only utilities has a LQ above 1; its excess employment is minimal. Despite a high per capita number of individuals crossing the border, the location quotient for retail trade is considerably below 1. Guadalupe Municipio has a limited economic base.

As seen in the following table of selected indicators, Guadalupe Municipio compares unfavorably among the border region municipios on socioeconomic measures.

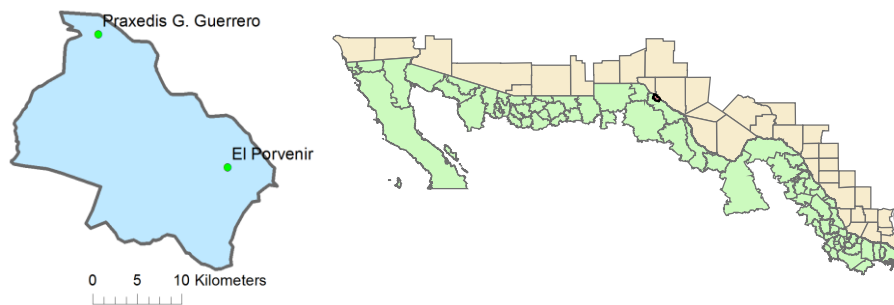
### GUADALUPE MUNICIPIO INDICATORS

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	6.1	67
Labor Force Participation Rate, Age 20 to 64	57.9	60
Unemployment Rate, Age 20 to 64	5.1	49
Employment-to-Population Ratio	30.7	69
Poverty Rate	51.6	66

\* Among 78 border region municipalities; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Praxedis G. Guerrero Municipio



Praxedis G. Guerrero Municipio is in northeastern Chihuahua, surrounded in México by Guadalupe Municipio. The Río Bravo, which is its northeastern boundary, separates it from Texas; the northwestern segment of the border is with El Paso County and the balance is with Hudspeth County. The entire municipio is within 100 kilometers of the international border.

With a land area of only 374 square kilometers, Praxedis G. Guerrero Municipio is the fourth smallest of the 78 border region municipalities. The municipio primarily consists of the mid-elevation (near 1,100 meters) Río Bravo valley.

The area was settled in 1849 as San Ignacio by Mexicans who were living north of the Río Bravo when the Mexican-American War ended in 1848. The name was changed in 1983 to honor the revolutionary war leader who was killed in action.

#### Population and Transportation Infrastructure

Praxedis G. Guerrero Municipio had 5,551 residents in 1930. The population has gone up and down since then, with the peak at 8,905 in 2000. The population was down to 4,799 in 2010, ranking 52nd among the border region municipalities. Like neighboring Guadalupe Municipio, the 2000-to-2010 drop in population was substantial.

The town of Praxedis G. Guerrero, in the northwestern part of the municipio, is the largest population center, with 2,128 residents in 2010 — 44 percent of the municipio total. The border

crossing town of El Porvenir, 20 kilometers to the southeast, had 1,253 residents. These towns are along Route 2 and the Río Bravo. The municipio does not have rail or air service.

The border crossing from El Porvenir to Fort Hancock, Hudspeth County is combined with the crossing in Guadalupe Municipio into one U.S. port of entry. See the discussion in the Guadalupe Municipio section.

### **Economy**

The overall location quotient in Praxedis G. Guerrero Municipio is low at about 0.8 based on both the 2010 census and the 2009 economic census. Using each dataset, the LQ slightly exceeds 1 in the secondary category and is low in services. The LQ in the trade category is only 0.5 based on the 2010 census but more than 1.1 based on the 2009 census. Using the 2010 census, the LQ for agriculture is 1.8. Excess employment is considerably greater in agriculture than in the secondary and trade categories.

At the sectoral level from the 2009 census, manufacturing, utilities, retail trade, and two services sectors have a LQ above 1. The high retail trade figure is consistent with the large per capita number of individuals crossing the border. Excess employment is higher in manufacturing than retail trade. Agriculture is the primary economic base activity, with contributions from manufacturing and cross-border retail trade.

As seen in the following table of selected indicators, Praxedis G. Guerrero Municipio compares unfavorably among the border region municipios on socioeconomic measures.

**PRAXEDIS G. GUERRERO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	5.8	70
Labor Force Participation Rate, Age 20 to 64	56.7	64
Unemployment Rate, Age 20 to 64	5.6	57
Employment-to-Population Ratio	30.7	68
Poverty Rate	41.7	44

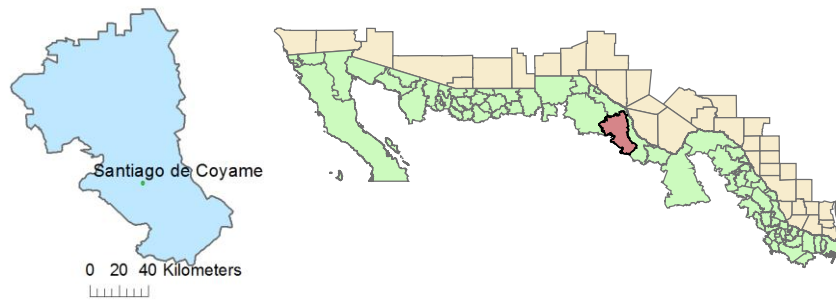
\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Coyame del Sotol Municipio**

Coyame del Sotol Municipio is in northeastern Chihuahua, south of Guadalupe Municipio, east of Ahumada Municipio, and west of Ojinaga Municipio. About 95 percent of the municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 11,641 square kilometers, Coyame del Sotol Municipio is the sixth largest of the 78 border region municipios. It has the lowest population density. The municipio is at a mid-elevation (1,200 meters) west of the Río Bravo valley, with numerous mountains. The Río Conchos flows through the southern part of the municipio.



The area was explored in 1715. A mission was established in 1752, followed by a presidio in 1780. “Coyame” is from an Apache word for “arroyo” and “Sotol” is a flowering plant.

### **Population and Transportation Infrastructure**

Coyame del Sotol Municipio had 2,650 residents in 1930. The population peaked at 4,232 in 1950 and has since declined to 1,681 in 2010 — 12th lowest of the border region municipios.

The community of Santiago de Coyame (known simply as Coyame) is the largest population center, with 709 residents in 2010 — 42 percent of the municipio total. It is located in the south-central part of the municipio along Route 16, which connects Ojinaga to the city of Chihuahua. It is 85 highway kilometers west of the border crossing at Ojinaga. San Pedro, southeast of Coyame on a secondary road, had 235 residents. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Coyame del Sotol Municipio is about 1 based on the 2010 census but is only 0.3 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Using each dataset, the LQs are substantially below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is very high at 4.2, with considerable excess employment.

At the sectoral level from the 2009 census, two services sectors have a LQ above 1, but have little excess employment. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Coyame del Sotol Municipio has one of the higher median ages and ranges from above-to-considerably below average among the border region municipios on socioeconomic measures.

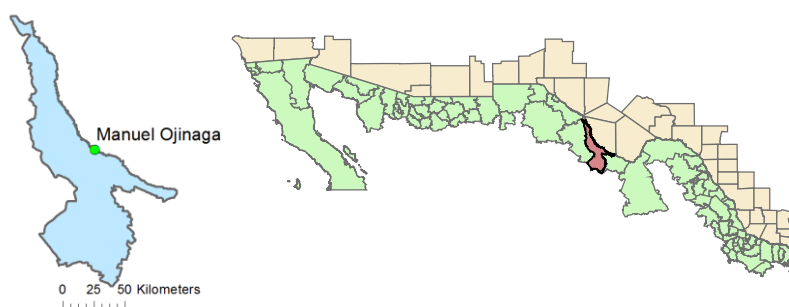
### COYAME DEL SOTOL MUNICIPIO INDICATORS

	Value	Rank*
Median Age	32	13
Mean Years of Schooling, Age 25 or Older	5.6	73
Labor Force Participation Rate, Age 20 to 64	61.9	42
Unemployment Rate, Age 20 to 64	4.5	38
Employment-to-Population Ratio	38.7	15
Poverty Rate	57.9	72

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Ojinaga Municipio



Ojinaga Municipio is in northeastern Chihuahua, east of Coyame del Sotol Municipio and west of Manuel Benavides Municipio. The Río Bravo, which is its northeastern boundary, separates it from Presidio County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of 6,796 square kilometers, Ojinaga Municipio is the 12th largest of the 78 border region municipios. The municipio has a long border with Texas and extends south away the river into a semiarid region with mountains. The Río Conchos flows into the Río Bravo near the city of Ojinaga, which is at an elevation of 840 meters. The portion of the Río Bravo in the northeastern part of the municipio is part of a federally protected area for flora and fauna.

The area was explored as early as 1535. It was first settled in 1715. It is named after General Manuel Ojinaga, who became governor of Chihuahua.

### Population and Transportation Infrastructure

Ojinaga Municipio had 12,333 residents in 1940, after the Manuel Benavides Municipio was split off. The population peaked at 26,421 in 1980. After a population decline during the 1980s, the population rebounded to 26,304 in 2010, ranking 26th among the border region municipios. The population gain during the 2000s was 1,997.

The city of Ojinaga (also known as Manuel Ojinaga) is the largest population center, with 22,744 residents in 2010 — 86 percent of the municipio total. It is located across the Río Bravo from Presidio, Texas in the central part of the municipio. Route 16 and a Ferromex rail line run to the southwest, connecting Ojinaga to the city of Chihuahua. The municipio does not have air service.

### **Border Crossings and Trade Values**

A border crossing connects the towns of Ojinaga and Presidio. A rail crossing is currently out of service due to damage to the bridge crossing the Río Bravo. The border crossing is a separate U.S. port of entry. See the Presidio County, Texas section for details.

The number of passengers and pedestrians entering the United States through Ojinaga Municipio ranked 15th among the 21 municipios with border crossings in 2012. The number of trucks crossing the border also ranked 15th.

Considering the population of Ojinaga Municipio, the per capita number of trucks ranked 12th in 2012 (loaded containers ranked 15th and empty containers ranked eighth). The per capita number of passengers and pedestrians ranked fifth. Between 2000 and 2012, the percent change in the per capita number of trucks was positive and ranked fourth among the 21 municipios. However, the number of loaded truck containers dropped, ranking 13th, while the number of empty containers rose the most. The decrease in the per capita number of individual crossings was less than average, ranking fourth.

In 2013, the value of imports passing through Ojinaga Municipio ranked 12th; the value of exports ranked 15th. The net export value was negative, ranking 19th. The ratio of the export-to-import value was 0.28, ranking 16th. The ranks were nearly the same on a per capita basis. Between 2004 and 2013, the inflation-adjusted percent change in import value rose, but at only half the average rate, ranking 10th. The real value of exports fell considerably, with the percent change ranking 17th.

### **Economy**

The overall location quotient in Ojinaga Municipio is slightly less than 1 based on the 2010 census and 0.8 based on the 2009 economic census. Using each dataset, the LQ slightly exceeds 1 in the trade category but is below 1 in the secondary and services categories. Using the 2010 census, the LQ for agriculture is 1.2. Excess employment is greater in agriculture than trade.

At the sectoral level from the 2009 census, the LQ exceeds 1 in retail trade and three services sectors, including two impacted by tourists: accommodation and food services, and arts, entertainment and recreation. The relatively high per capita number of individuals crossing the border may contribute to the retail trade location quotient being a little above 1 in Ojinaga Municipio. However, the LQs for wholesale trade and transportation and warehousing are considerably below 1, consistent with the low per capita trade values. Excess employment in the retail trade and tourist-related services sectors is less than that from agriculture. Thus, agriculture is the primary economic base activity, with a contribution from tourism.

As seen in the following table of selected indicators, Ojinaga Municipio ranks just above the average border region municipio except on the poverty rate.



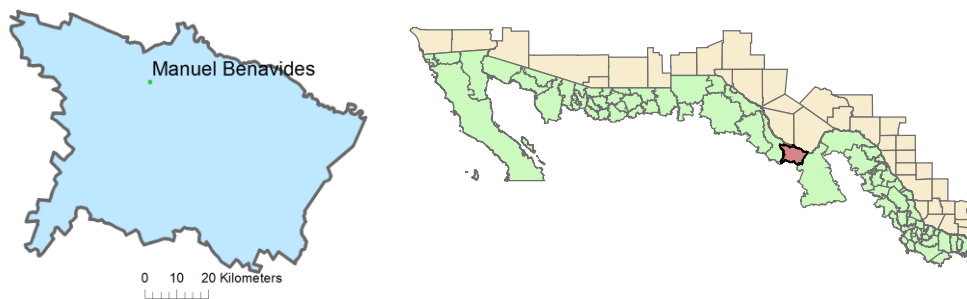
### OJINAGA MUNICIPIO INDICATORS

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	7.4	37
Labor Force Participation Rate, Age 20 to 64	64.0	30
Unemployment Rate, Age 20 to 64	3.6	24
Employment-to-Population Ratio	36.3	34
Poverty Rate	51.8	67

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Manuel Benavides Municipio



Manuel Benavides Municipio is in the northeastern corner of Chihuahua, east of Ojinaga Municipio and west of Ocampo Municipio of Coahuila. The Río Bravo, which is its northeastern boundary, separates it from Brewster County, Texas, but there is no border crossing. The entire municipio is within 100 kilometers of the international border.

With a land area of 5,031 square kilometers, Manuel Benavides Municipio is the 15th largest of the 78 border region municipios. It has the second-lowest population density. Other than near the Río Bravo, which is a federally protected area for flora and fauna (Cañon de Santa Elena), most of the municipio is a semiarid plain at a mid-elevation (1,000 meters) dotted with mountains.

The first Spanish settlement was a presidio established in 1772. The municipio — named for a locally born individual who died fighting in the Mexican Revolution — was created in 1937 from Ojinaga Municipio.

### Population and Transportation Infrastructure

Manuel Benavides Municipio had 4,896 residents in 1940. The population peaked at 5,509 in 1950, dropping to 1,601 in 2010, the 10th lowest of the border region municipios.

The community of Manuel Benavides is the largest population center, with 916 residents in 2010 — 57 percent of the municipio total. It is located in the north-central part of the municipio on a

secondary road about 20 kilometers from the Río Bravo. It is 90 kilometers from the Ojinaga border crossing. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Manuel Benavides Municipio is 0.9 based on the 2010 census. Little employment was reported in the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. The LQs are far below 1 in the secondary, trade, and services categories, but the LQ for agriculture is a high 3.7, with substantial excess employment. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Manuel Benavides Municipio, which has one of the higher median ages, ranks near the bottom of the border region municipios on most socioeconomic measures.

**MANUEL BENAVIDES MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	33	10
Mean Years of Schooling, Age 25 or Older	5.0	77
Labor Force Participation Rate, Age 20 to 64	55.4	72
Unemployment Rate, Age 20 to 64	6.9	67
Employment-to-Population Ratio	34.9	45
Poverty Rate	69.9	77

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## **COAHUILA**

The northern and northeastern borders of Coahuila are shared with the United States, entirely with Texas, separated by the Río Bravo. Coahuila has 38 municipios. Of the 13 municipios in the border region, seven share the international border.

With a land area of 151,563 square kilometers, Coahuila is the third largest of the six border states, accounting for 19 percent of the border states' land area and 8 percent of the national total. Much of the state is at a mid-elevation of 600-to-1,500 meters, with higher mountains. Mountains are present in most of the state, but the northeast is covered by plains, with elevations dropping to less than 400 meters along the Río Bravo. Other than in the mountains, annual rainfall in most of the state is between 25 and 50 centimeters, but is somewhat higher in the northeast. The northwestern end of the Sierra Madre Oriental mountain range is along the border with Nuevo León in the southeastern part of the state and is more heavily vegetated than the rest of the state. Farming occurs along some of the rivers. Other than the Río Bravo, the most important is the Río Sabinas and Río Salado, which flow into Nuevo León, largely south of the border region.

In general, the western portion of the border region is semiarid and at a mid-elevation. The elevation declines but rainfall increases to the southeast. A national park and two areas protected for flora and fauna are within the border region.

The formal name of the state is Coahuila de Zaragoza. The origin of "Coahuila" is derived from a Native American term for "place of the trees." The first settlement in the state was in 1577, far to the south of the border region. Saltillo was settled soon after. Colonization of much of the state was slow due to the demanding climate and the scarcity of water. Coahuila became a state in 1824, when it included part of Texas. Coahuila attempted to secede in 1840. In 1856, it was annexed by Nuevo León, which declared independence. Coahuila regained statehood in 1868.

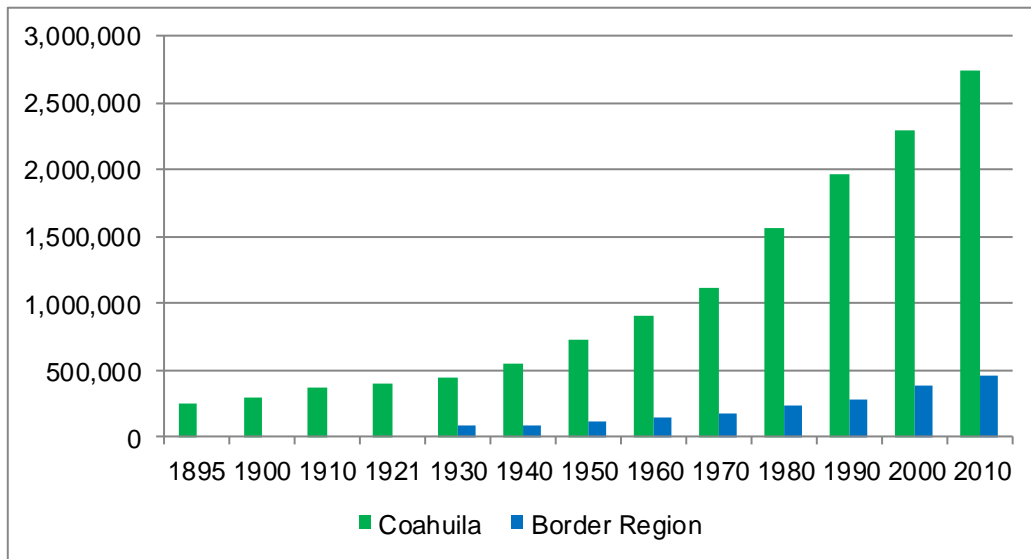
Within the border region, a few missions were established during the 1700s, but most municipios were not settled until well into the 1800s. Mining and agriculture were among the factors drawing settlers to the state.

### **Population of Coahuila**

The population of the state in the first census in 1895 was 242,021, ranking third among the six border states. Population gains began to accelerate in the 1930s, but Coahuila's gains during the 1950s and 1960s were the least of the border states. The population gain exceeded 325,000 in each decade from the 1970s through 2000s, peaking at 450,321 in the 2000s. During these decades, Coahuila's gain ranked between third and sixth among the border states. The population reached 2,748,391 in 2010 (see Chart 14), ranking fifth among the border states, greater than Sonora.

In 1930, 18.4 percent of the state's residents lived in the border region; the share dropped to 14.3 percent in 1990 but rose back to 16.5 percent in 2010 (see Chart 15). As a share of the population change, the border region accounted for between 9-and-19 percent in each decade from the 1930s through 2000s except for 32 percent during the 1990s.

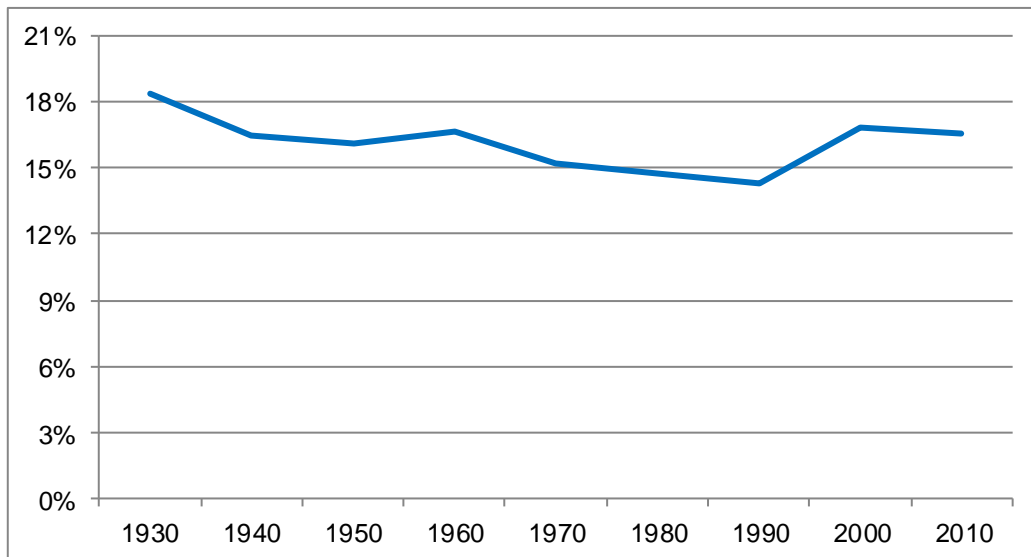
**CHART 14**  
**NUMBER OF RESIDENTS OF COAHUILA**



Note: The border region population is not available prior to 1930.

Source: Instituto Nacional de Estadística y Geografía, decennial census.

**CHART 15**  
**BORDER REGION SHARE OF THE POPULATION OF COAHUILA**



Source: Instituto Nacional de Estadística y Geografía, decennial census.

Piedras Negras (152,806 residents in 2010) and Acuña (136,755) are the most populous areas in the border region. The state's largest population centers are located outside the border region. Saltillo, the capital, is in the southeastern part of the state and had a 2010 population of about 715,000. Torreon, with 625,000 residents, is in the southwestern corner. Monclova, in the center of the state, also had more residents (215,000) than the largest population centers in the border region. Matamoros and San Pedro, both near Torreon, also had populations exceeding 100,000.

### **Transportation and Trade in the Border Region of Coahuila**

The transportation network in the border region of Coahuila includes several federal highways. Route 2 travels southeast from Acuña through Piedras Negras to the Gulf of México. It connects to a U.S. highway in Del Rio. Route 29 travels south from Acuña to Route 57, which travels south from Piedras Negras through Saltillo to central México. The stretch through the border region to Monclova is a freeway. It connects to U.S. highways in Eagle Pass. Route 53 branches off from Route 57 to Monterrey.

Ferromex operates a rail line from Piedras Negras to Saltillo and beyond. At the border, it connects to a spur line that in turn joins a major east-west route in the United States. A spur line travels into Acuña. Piedras Negras and Acuña each have an airport, the former with scheduled passenger service.

Only four international border crossings are present, two each in the municipios of Acuña and Piedras Negras. Five other municipios share the international border: Ocampo, Jiménez, Nava, Guerrero, and Hidalgo. Combining the data for the four crossings in Coahuila and comparing those totals to those of the other border states, cross-border commercial truck traffic and crossings of individuals from Coahuila each ranked last. However, cross-border train traffic ranked second. The ranks were higher on a per capita basis, using the population of the border region of each state: third for trucks, first for rail, and second for individuals.

Based on the value of traded goods crossing the border in 2013, Coahuila was last on both imports and exports. On a per capita basis, imports ranked third and exports second. The ratio of the export-to-import value was a high 1.88 in 2013, the highest of the border states. The net export value ranked third, but it was highest on a per capita basis.

Between 2004 and 2013, the value of imports crossing the border into Coahuila rose at an average rate but the value of exports soared. The percent change in the number of both trains and trucks crossing the border from Coahuila was the highest from 1997 through 2001, below average from 2001 to 2007, and above average from 2007 to 2012. The number of individuals crossing the border did not drop as much as the border region total from 1997 to 2007, but the percentage decline was larger than average between 2007 and 2012.

Cross-border traffic is greater in Piedras Negras than in Acuña, even on a per capita basis. The railroad crossing also is in Piedras Negras.

### **Economy of Coahuila**

The overall location quotient in Coahuila ranges from 1.0 to 1.4 across the three measures (see Table 13). Though the magnitude of the secondary category's LQs varies, each measure agrees it

**TABLE 13**  
**LOCATION QUOTIENTS BY SECTOR, COAHUILA**

	Value Added*	State Employ- ment**	Employ- ment***	Border Region		Balance of State	
				Employ- ment**	Employ- ment***	Employ- ment**	Employ- ment***
TOTAL	1.39	1.00	1.23	0.99	1.17	1.00	1.25
Primary (Agriculture)	0.99	0.46		0.35		0.49	
Secondary	2.00	1.42	1.78	1.70	1.74	1.37	1.75
Mining	0.45		4.39		7.12		3.85
Utilities	1.62		1.29		0.70		1.40
Construction	1.21		1.45		0.61		1.62
Manufacturing	3.15		1.77		2.05		1.72
Trade	0.96	0.96	1.03	0.92	0.94	0.97	1.05
Wholesale			0.98		0.72		1.03
Retail			1.04		0.98		1.05
Services	1.04	0.93	1.03	0.81	0.82	0.96	1.07
Transportation and Warehousing	1.64		0.45		0.83		0.98
Information	0.73		0.99		0.83		1.02
Finance and Insurance	0.84		0.20		0.24		0.19
Real Estate and Rental	1.16		1.09		0.87		1.13
Professional, Scientific & Technical Services	0.61		1.01		0.57		1.10
Management of Companies	0.10		0.00		0.00		0.00
Administrative Support	1.23		1.49		1.17		1.55
Educational Services	1.29		1.20		0.64		1.31
Health Care & Social Assistance	0.99		1.21		0.88		1.28
Arts, Entertainment and Recreation	0.73		0.99		0.47		1.09
Accommodation and Food Services	0.64		0.78		0.76		0.78
Other Services	0.69		1.08		0.96		1.11
Government	0.87						

Note: a blank indicates that the data are not available

\* Value Added component of Gross Domestic Product, 2012

\*\* Employment, 2010 Census

\*\*\* Employment, 2009 Economic Census

Source: Instituto Nacional de Estadística y Geografía.

is well above 1. The LQs are relatively comparable across the measures in the trade and services categories, agreeing that the LQ is about 1 in each case.

Within the secondary category, each of the four sectors — mining, utilities, construction, and manufacturing — has a LQ above 1 based on 2009 economic census employment, but the mining LQ is considerably less than 1 based on value added. Three services sectors — real estate and rental, administrative support, and educational services — have a LQ greater than 1 based on both measures.

Excess employment and value added are by far the highest in manufacturing. Based on value added, transportation and warehousing has a moderate excess, but this sector has no employment excess. Based on employment, moderate excesses are present in administrative support (which has a small excess based on value added) and mining (which has no value added excess).

Within manufacturing, 12 of the 21 subsectors provide excess employment. The majority of the excess is in transportation equipment. Amounts are moderate in clothing, primary metals, fabricated metal products, machinery, and electrical equipment. Aggregating the subsectors into the 12 subcategories available from the value added series, the two datasets agree that the excess is greatest in the grouping that includes machinery, electronics, electrical equipment, and transportation equipment, followed by the primary and fabricated metals group. A moderate employment excess, but no excess value added, is present in apparel manufacturing and mining other than oil and gas. The employment excesses in subsectors of other sectors include a moderately small amount in trucking.

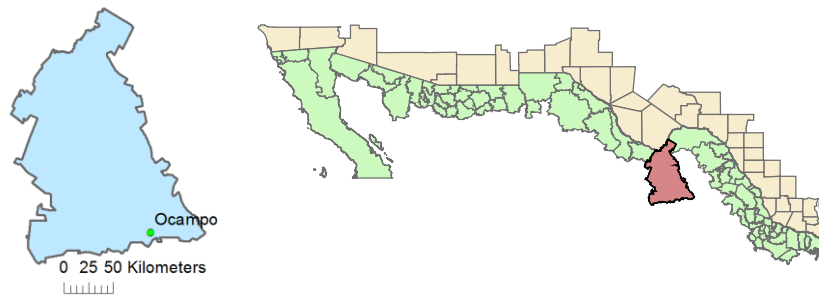
Thus, manufacturing, particularly of transportation equipment, is the primary economic base activity in Coahuila, with contributions from mining, transportation and warehousing, and administrative support.

### **Economy of the Border Region of Coahuila**

The economy in the border region of the state differs from that of the rest of the state, with a much higher location quotient in the border region in the mining sector and a higher figure in manufacturing. The location quotient in the border region is less than the figure in the balance of the state in almost all of the other sectors. Manufacturing is the primary economic base activity both in the border region and the rest of the state. Mining and administrative support contribute to the border region's economy, while the economy in the balance of the state is diverse.

Most of the municipios in the border region are lightly populated. Most of these municipios have a nonagricultural location quotient that is lower, in some cases much lower, from the 2009 economic census than from the 2010 census, indicating that a disproportionate share of the working residents either are self-employed or work in another municipio. In contrast, a few municipios — Sabinas, Acuña, Piedras Negras, and Nava — have higher LQs based on the 2009 economic census, suggesting that they attract workers who live in other municipios.

## Ocampo Municipio



Ocampo Municipio is in northwestern Coahuila, southwest of Acuña Municipio and southeast of Manuel Benavides Municipio of Chihuahua. The Río Bravo, which is its northern boundary, separates it from Brewster County, Texas. About 40 percent of the geographically large municipio is within 100 kilometers of the international border. There is no border crossing.

With a land area of 26,053 square kilometers, Ocampo Municipio is the second largest of the 78 border region municipios. It has the third-lowest population density. Other than the Río Bravo valley, the municipio is mountainous. Many of the communities are located at a mid-elevation (around 1,100 meters). The northern border region is sparsely settled. Two large federally protected areas for flora and fauna are within the municipio. Maderas (“forests”) del Carmen extends from the river to the southeast and into neighboring municipios. It includes mountain peaks as high as 2,720 meters. The Ocampo protected area is wholly within the municipio.

The area was first settled in 1828. The municipio is named for Melchor Ocampo, a lawyer, writer, and politician.

### Population and Transportation Infrastructure

Ocampo Municipio had 4,043 residents in 1930. The population reached 9,934 in 1970 and has fluctuated since then, peaking at 12,053 in 2000. The 2010 census count was 10,991, ranking 38th among the border region municipios.

The town of Ocampo is the largest population center, with 3,679 residents in 2010 — 33 percent of the municipio total. It is located in the southeastern part of the municipio on a secondary road, hundreds of kilometers from the nearest border crossings. Laguna del Rey had 2,651 residents. It is in the southwestern part of the municipio, also a long distance from the border. The municipio does not have rail or air service.

### Economy

The overall location quotient in Ocampo Municipio is a low 0.8 based on the 2010 census and only 0.6 based on the 2009 economic census, suggesting that some working residents are either self-employed or commute to another municipio for work. Using each dataset, the LQ is 1.3 in the secondary category but the LQs in the trade and services categories are well below 1. Using the 2010 census, the LQ for agriculture is 1.4.



At the sectoral level from the 2009 census, mining and manufacturing have LQs greater than 1, with more excess employment in manufacturing than mining, but with less than in agriculture. Thus, the economic base is somewhat limited. Agriculture and manufacturing are the primary economic base activities, with a contribution from mining.

As seen in the following table of selected indicators, Ocampo Municipio compares unfavorably to the border region municipios on socioeconomic measures.

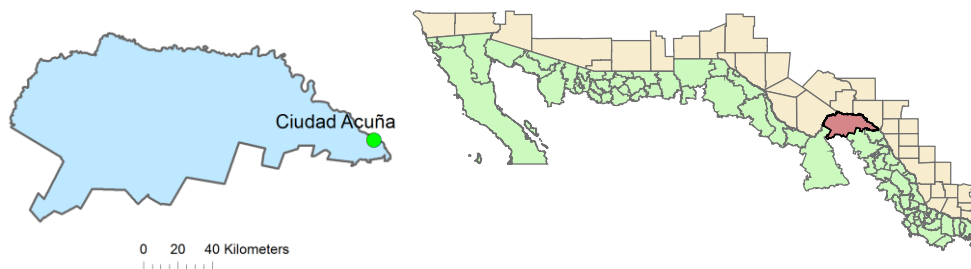
**OCAMPO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	6.7	53
Labor Force Participation Rate, Age 20 to 64	59.4	63
Unemployment Rate, Age 20 to 64	7.0	68
Employment-to-Population Ratio	30.8	67
Poverty Rate	46.2	53

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Acuña Municipio (Acuña Urban Area)**



Acuña Municipio is in north-central Coahuila, northeast of Ocampo Municipio and north of Zaragoza and Jiménez municipios. The Río Bravo, which is its extensive northern border, separates it from three Texas counties: Brewster in the west, Terrell in the center, and Val Verde in the east. The entire municipio is within 100 kilometers of the international border.

With a land area of 11,468 square kilometers, Acuña Municipio is the seventh largest of the 78 border region municipios. The city of Acuña is in the Río Bravo valley at an elevation of 280 meters. Other than near the river, the municipio is mountainous and sparsely settled. A federally protected area for flora and fauna extends into the municipio from neighboring Ocampo. Los Novillos (“young bulls”), a small national park, also is in the municipio.

The area, first settled in 1877, is named for Manuel Acuña, a poet from Coahuila.

## **Population and Transportation Infrastructure**

Acuña Municipio is coincident with the Mexican portion of the Del Rio-Acuña urban area defined for this study. Acuña Municipio had 7,098 residents in 1930. The population reached 136,755 in 2010, the 11th most populous of the border region municipios. Following decadal gains from 9,000 to 14,000, the population exploded during the 1990s, adding 54,151 residents; an additional 26,268 were added in the 2000s.

The city of Acuña is the largest population center, with 134,233 residents in 2010 — 98 percent of the municipio total. It is located in the eastern part of the municipio on the Río Bravo directly across from Del Rio, Texas. Amistad Dam, which forms the extensive Amistad Reservoir, is about 20 kilometers northwest. Acuña is on Route 2 and is the terminus of Route 29 that runs south to join Route 57, a freeway that connects Piedras Negras to the central part of Coahuila. A rail line follows Route 29, joining a main line traveling south from Piedras Negras. Aeropuerto Internacional de Ciudad Acuña is a general aviation facility.

## **Border Crossings and Trade Values**

An international border crossing connects the cities of Acuña and Del Rio and a second crossing that does not allow trucks is nearby, over Amistad Dam. The two border crossings are combined into one U.S. port of entry. See the Val Verde County, Texas section for details.

The number of passengers and pedestrians entering the United States through Acuña Municipio ranked 12th among the 21 municipios with border crossings. The number of trucks crossing the border ranked ninth.

Considering the population of Acuña Municipio, the per capita number of trucks crossing the border in 2012 ranked ninth (loaded containers ranked seventh and empty containers ranked 16th). The per capita number of passengers and pedestrians ranked 18th among the 21 municipios with crossings. Between 2000 and 2012, the per capita decline in the number of trucks was near average, with the percent change ranking ninth. The per capita decrease in individual crossings was larger than average, with the percent change ranking 16th.

In 2013, the value of both imports and exports passing through Acuña Municipio ranked ninth among the 21 municipios. Net exports were eighth highest. The ratio of the export-to-import value was 1.38, the seventh highest. On a per capita basis, the ranks were 10th for imports, sixth for exports, and seventh for net exports. Between 2004 and 2013, the inflation-adjusted percent increase in both imports and exports was below average, with the import figure ranking 12th and the export figure ninth.

## **Economy**

The overall location quotient in Acuña Municipio slightly exceeds 1 based on the 2010 census and is 1.3 based on the 2009 economic census, suggesting that some of those employed live in another municipio. Using each dataset, the LQ exceeds 2 in the secondary category, but the LQs in the trade and services categories are below 1. Using the 2010 census, the LQ for agriculture is very low at 0.1.

At the sectoral level from the 2009 census, manufacturing and administrative support have LQs greater than 2, with excess employment far higher in manufacturing. Despite the moderate per capita cross-border truck traffic and trade values, the location quotients for wholesale trade and transportation and warehousing are below 1 in Acuña Municipio. Thus, manufacturing is the primary economic base activity, with a contribution from administrative support.

As seen in the following table of selected indicators, Acuña Municipio compares favorably to the border region municipios on socioeconomic measures.

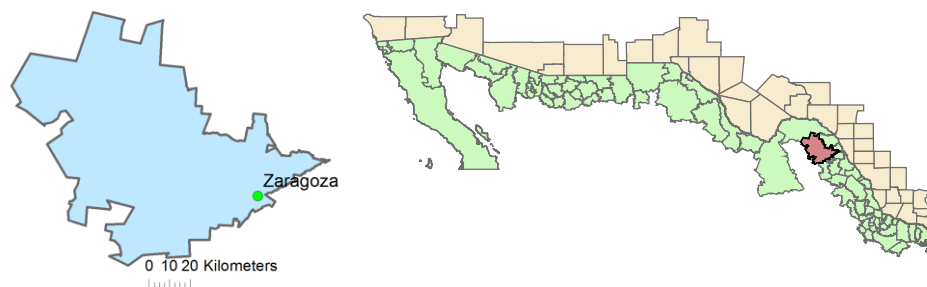
**ACUÑA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	24	65
Mean Years of Schooling, Age 25 or Older	8.1	26
Labor Force Participation Rate, Age 20 to 64	71.3	8
Unemployment Rate, Age 20 to 64	4.3	35
Employment-to-Population Ratio	38.9	11
Poverty Rate	29.8	11

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Zaragoza Municipio**



Zaragoza Municipio is in north-central Coahuila, southeast of Acuña Municipio and southwest of Jiménez and Piedras Negras municipios. About 90 percent of the municipio is within 100 kilometers of the international border but it does not border the United States.

With a land area of 7,939 square kilometers, Zaragoza Municipio is the 10th largest of the 78 border region municipios. The municipio is mountainous and sparsely settled. The city of Zaragoza is at an elevation of 360 meters.

The area was first settled in 1753. The municipio is named for General Ignacio Zaragoza, who led the defense of the city of Puebla against the French on 5 May 1862.

## Population and Transportation Infrastructure

Zaragoza Municipio had 6,937 residents in 1930. The population gradually rose to 12,702 in 2010, ranking 35th among the border region municipios. In each decade from the 1960s through 1990s, the population rose between 1,100 and 1,500.

The city of Zaragoza is the largest population center, with 10,461 residents in 2010 — 82 percent of the municipio total. It is located in the eastern part of the municipio on Route 29 and the rail line that parallels it. Route 57 is 10 kilometers southeast. The nearest border crossings are Piedras Negras, 65 highway kilometers to the northeast, and Acuña, 95 kilometers north. The municipio does not have air service.

## Economy

The overall location quotient in Zaragoza Municipio is slightly less than 1 based on both the 2010 census and the 2009 economic census. Using each dataset, the LQ considerably exceeds 1 in the secondary category (1.3 based on the 2010 census and 2.4 based on the 2009 census), but the LQs in the trade and services categories are well below 1. Using the 2010 census, the LQ for agriculture is 2.5.

At the sectoral level from the 2009 census, only manufacturing has a LQ greater than 1, but it is a high 2.9. Excess employment is similar in manufacturing and agriculture, the two primary economic base activities.

As seen in the following table of selected indicators, Zaragoza Municipio ranks in the middle of the border region municipios on socioeconomic measures.

**ZARAGOZA MUNICIPIO INDICATORS**

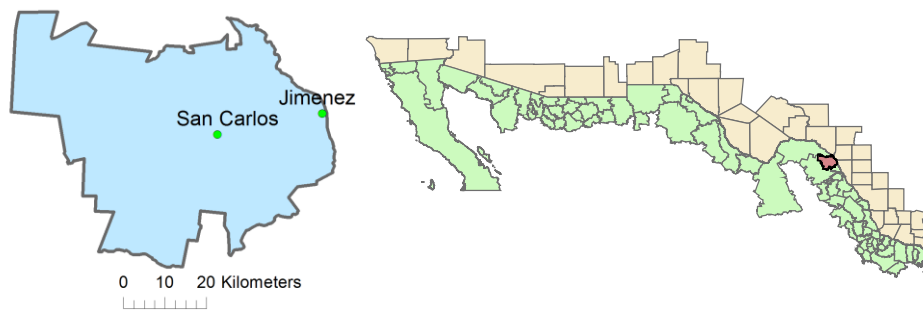
	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	7.2	38
Labor Force Participation Rate, Age 20 to 64	61.8	43
Unemployment Rate, Age 20 to 64	3.6	25
Employment-to-Population Ratio	35.0	43
Poverty Rate	37.1	29

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Jiménez Municipio

Jiménez Municipio is in northeastern Coahuila, southeast of Acuña Municipio, northwest of Piedras Negras Municipio, and north of Zaragoza Municipio. The Río Bravo, which is its northeastern boundary, separates it from the Texas: the western two-thirds from Kinney County and the balance from Maverick County. There is no border crossing. The entire municipio is within 100 kilometers of the international border.



With a land area of 2,201 square kilometers, Jiménez Municipio is the 33rd largest of the 78 border region municipios. The municipio is largely flat and semiarid at an elevation of around 250 meters. The Río San Diego joins the Río Bravo at the town of Jiménez.

The area was first explored in 1675. After settlement attempts during the 18th century failed, it was permanently settled in 1859. The municipio is named for Mariano Jiménez, a leader during the Mexican Independence.

### **Population and Transportation Infrastructure**

Jiménez Municipio had 6,453 residents in 1930. The population rose to 9,935 in 2010, ranking 41st among the border region municipios. Most of the population gain occurred in the 1930s, 1960s, and 1990s, with increases of 1,300 to 1,500.

The town of San Carlos, in the central part of the municipio, is the largest population center, with 3,126 residents in 2010 — 31 percent of the municipio total. Jiménez, in the east-central part of the municipio, had a population of 1,160. Jiménez is on Route 2 along the Río Bravo, 40 kilometers southeast of Acuña and 45 kilometers north of Piedras Negras. San Carlos, 25 kilometers west of Jiménez, is on Route 29 and the parallel rail line, 35 kilometers south of Acuña and 70 kilometers northwest of Piedras Negras. The municipio does not have air service.

### **Economy**

The overall location quotient in Jiménez Municipio is low at 0.8 based on the 2010 census and less than 0.3 based on the 2009 economic census. This suggests that many of the working residents are either self-employed or commute to another municipio. Using each dataset, the LQs in the trade and services categories are far below 1. The LQ in the secondary category exceeds 1 based on the 2010 census but is very low based on the 2009 census. Using the 2010 census, the LQ for agriculture is 1.6, with moderate excess employment. From the 2009 census, only the agriculture sector had a LQ of more than 1. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Jiménez Municipio compares unfavorably to the border region municipios on socioeconomic measures.

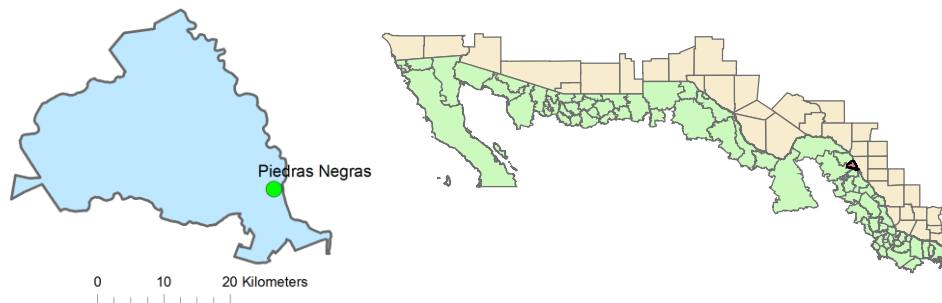
### JIMÉNEZ MUNICIPIO INDICATORS

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	5.6	72
Labor Force Participation Rate, Age 20 to 64	57.6	62
Unemployment Rate, Age 20 to 64	7.9	70
Employment-to-Population Ratio	30.5	70
Poverty Rate	48.2	59

\* Among 78 border region municipalities; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Piedras Negras Municipio (Piedras Negras Urban Area)



Piedras Negras Municipio is in northeastern Coahuila, southeast of Jiménez Municipio, east of Zaragoza Municipio, and north of Nava Municipio. The Río Bravo, which is its northeastern boundary, separates it from Maverick County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of only 475 square kilometers, Piedras Negras Municipio is the seventh smallest of the 78 border region municipalities. It has the third-highest population density. The municipio is largely flat and semiarid at an elevation of around 225 meters. It extends west for less than 20 kilometers from the Río Bravo.

The area was settled in 1849, just after the end of the Mexican-American War, by Mexican repatriates who had been living in Texas. The name of the municipio, which translates as “black stones,” is taken from the coal deposits in the area. The coal prompted the construction of a railroad that was completed in 1883, stimulating growth.

### Population and Transportation Infrastructure

Piedras Negras Municipio is the larger part (along with Nava Municipio) of the Piedras Negras metro area and of the Mexican portion of the Eagle Pass-Piedras Negras urban area defined for this study. Piedras Negras Municipio had 19,069 residents in 1930, rising to 152,806 in 2010, the 10th-most populous of the border region municipalities. The greatest population gain occurred in the 1970s at 33,592, but 25,000-to-30,000 people were added in both the 1990s and 2000s.

The city of Piedras Negras is the largest population center, with 150,178 residents in 2010 — 98 percent of the municipio total. It is along the Río Bravo across from Eagle Pass, Texas in the southeastern portion of the municipio. It is on Route 2, with Acuña 90 kilometers northwest and Nuevo Laredo 185 kilometers southeast. Route 57, a freeway to past Monclova, extends south to Saltillo and beyond.

A Ferromex rail line travels south to Monclova and Monterrey. Aeropuerto Internacional de Piedras Negras has scheduled air service, with flights primarily to Ciudad de México.

### **Border Crossings and Trade Values**

Two border crossings, one of which does not allow trucks, connect the cities of Piedras Negras and Eagle Pass, Texas. The Ferromex rail line meets a Union Pacific line at the border. The two border crossings are combined into one U.S. port of entry. See the Maverick County, Texas section for details.

The number of passengers and pedestrians entering the United States through Piedras Negras Municipio ranked ninth among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked eighth. Of the seven active rail crossings between the United States and México, the second-highest number of trains entered the United States from Piedras Negras Municipio.

Considering the population of Piedras Negras Municipio, the per capita number of trucks crossing the border in 2012 ranked fourth (loaded containers ranked fifth). The per capita number of trains was the highest (though loaded rail containers ranked second). The per capita number of passengers and pedestrians ranked ninth. Between 2000 and 2012, the per capita percent change in the number of trains was the highest. The declines in truck traffic and individual crossings were not as large as average, each ranking seventh.

In 2013, the value of trade passing through Piedras Negras Municipio ranked seventh on imports, sixth on exports, and third on net exports among the 21 municipios with crossings. The ratio of the export-to-import value was 2.02, the third highest. Ranks were higher on a per capita basis at second for both imports and exports and first for net exports. Between 2004 and 2013, the inflation-adjusted value of imports rose more than average, ranking fifth, while the real value of exports jumped, with the second-highest percent change.

### **Economy**

The overall location quotient in Piedras Negras Municipio is nearly 1 based on the 2010 census and 1.3 based on the 2009 economic census, suggesting that some workers live in another municipio. Using each dataset, the LQ considerably exceeds 1 in the secondary category (1.6 based on the 2010 census and 1.8 based on the 2009 census), is about 1.1 in trade, and is about 1 in services. Using the 2010 census, the LQ for agriculture is only 0.1.

At the sectoral level from the 2009 census, manufacturing has a LQ greater than 2 and figures greater than 1 are present in retail trade and six services sectors. The somewhat above average per capita number of individuals crossing the border may contribute to the location quotient for

retail trade being a little above 1. Despite the high per capita trade values, the LQs for wholesale trade and transportation and warehousing are only near 1.

Excess employment is by far the highest in manufacturing, followed by retail trade. Thus, manufacturing is the primary economic base activity. Cross-border retail trade may contribute.

As seen in the following table of selected indicators, Piedras Negras Municipio has the fourth-best educated populace of the border region municipios, with one of the lowest poverty rates. It ranks above average on employment-related measures.

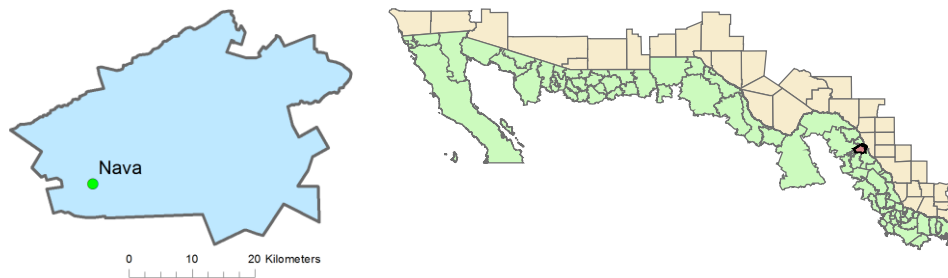
**PIEDRAS NEGRAS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	9.1	4
Labor Force Participation Rate, Age 20 to 64	68.0	15
Unemployment Rate, Age 20 to 64	4.3	33
Employment-to-Population Ratio	37.8	24
Poverty Rate	24.0	5

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Nava Municipio (Piedras Negras Urban Area)**



Nava Municipio is in northeastern Coahuila, south of Piedras Negras Municipio, east of Zaragoza and Morelos municipios, and north of Villa Unión and Guerrero municipios. The Río Bravo is at the eastern end of the municipio, separating it from Maverick County, Texas. There is no border crossing. The entire municipio is within 100 kilometers of the international border.

With a land area of 908 square kilometers, Nava Municipio ranks 63rd of the 78 border region municipios. The municipio is largely flat and semiarid at an elevation of around 325 meters.

The area was settled in 1801. The discovery of coal prompted the construction of a railroad from Piedras Negras to the southwest. It was completed in 1883. The municipio is named after the commanding general of the provinces, Pedro de Nava.



## Population and Transportation Infrastructure

Nava Municipio is part (with Piedras Negras Municipio) of the Piedras Negras metro area and of the Mexican portion of the Eagle Pass-Piedras Negras urban area defined for this study. Nava Municipio had 3,310 residents in 1930. The population rose to 27,928 in 2010, the 24th-most populous of the border region municipios. The greatest population gain occurred in the 1980s at 8,200; the increases were 6,100 in the 1990s and 4,900 during the 2000s.

The city of Nava is the largest population center, with 22,192 residents in 2010 — 79 percent of the municipio total. It is in the southwestern portion of the municipio along Route 57 and a Ferromex rail line, 35 kilometers southwest of Piedras Negras. The municipio does not have air service, but the airport at Piedras Negras is nearby.

## Economy

The overall location quotient in Nava Municipio is 0.9 based on the 2010 census and a little more than 1 based on the 2009 economic census, suggesting that some workers live in another municipio. Using each dataset, the LQ considerably exceeds 1 in the secondary category (1.9 based on the 2010 census and 2.2 based on the 2009 census), but the LQs in the trade and services categories are considerably below 1. Using the 2010 census, the LQ for agriculture is only 0.4.

At the sectoral level from the 2009 census, mining has an extremely high LQ and administrative support has a figure a little above 1. Excess employment is by far the highest in mining, which is the dominant economic base activity.

As seen in the following table of selected indicators, Nava Municipio has one of the lowest median ages of the border region municipios. It ranks from above-to-below average on socioeconomic measures.

**NAVA MUNICIPIO INDICATORS**

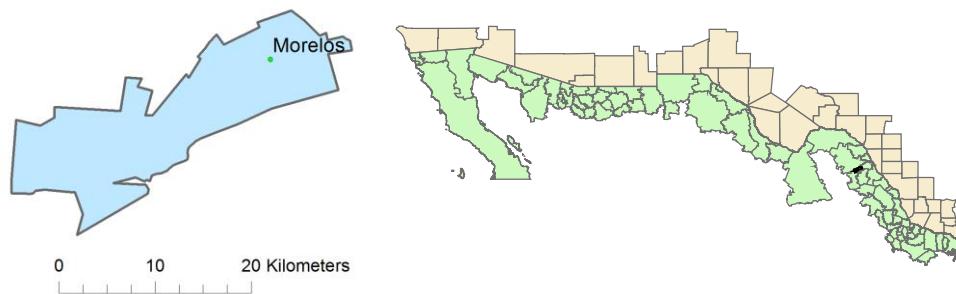
	Value	Rank*
Median Age	23	73
Mean Years of Schooling, Age 25 or Older	7.7	33
Labor Force Participation Rate, Age 20 to 64	60.1	52
Unemployment Rate, Age 20 to 64	4.3	34
Employment-to-Population Ratio	32.6	61
Poverty Rate	30.6	13

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Morelos Municipio

Morelos Municipio is in northeastern Coahuila, bordered by Zaragoza, Sabinas, Allende, and Nava municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.



With a land area of 639 square kilometers, Morelos Municipio ranks 67th of the 78 border region municipios. The municipio is hilly and semiarid at an elevation of around 320 meters.

The area was settled prior to 1826. The municipio is named after a leader during the Mexican Independence, José María Morelos y Pavón.

### **Population and Transportation Infrastructure**

Morelos Municipio had 2,691 residents in 1930 and 8,207 in 2010, ranking 44th among the border region municipios. The greatest population gains occurred in the 1960s and 1970s at just more than 1,000 in each decade. Decadal gains have been between 600 and 900 since then.

The city of Morelos is the largest population center, with 6,839 residents in 2010 — 83 percent of the municipio total. Most of the remaining residents (1,133 in 2010) live in Los Alamos, about 10 kilometers to the southwest via a secondary road. Morelos is in the northeastern portion of the municipio along Route 29, very close to Route 57 and a Ferromex rail line. It is 10 kilometers southwest of Nava. The Piedras Negras border crossing is less than 50 kilometers northeast. The municipio does not have air service, but is not far from the airport at Piedras Negras.

### **Economy**

The overall location quotient in Morelos Municipio is 0.9 based on the 2010 census but is only 0.6 based on the 2009 economic census, suggesting that some of the working residents are either self-employed or commute to other municipios to work. Using each dataset, the LQ is well below 1 in the trade and services categories. In the secondary category, the LQ is 1.7 based on the 2010 census but only 0.6 based on the 2009 census. Using the 2010 census, the LQ for agriculture is only 0.5.

At the sectoral level from the 2009 census, the LQ exceeds 1 in construction, transportation and warehousing, and real estate and rental. Excess employment is low in each. Morelos has a limited economic base.

As seen in the following table of selected indicators, Morelos Municipio ranks from above-to-below average among the border region municipios on socioeconomic measures.

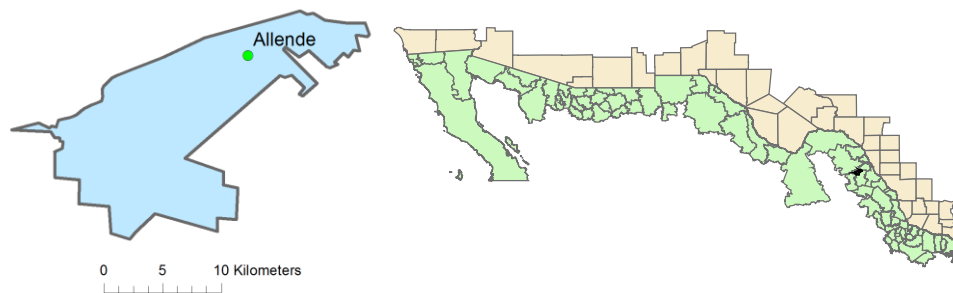
### MORELOS MUNICIPIO INDICATORS

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.0	28
Labor Force Participation Rate, Age 20 to 64	61.6	45
Unemployment Rate, Age 20 to 64	4.7	42
Employment-to-Population Ratio	33.9	52
Poverty Rate	31.2	15

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Allende Municipio



Allende Municipio is in northeastern Coahuila, between Morelos and Villa Unión municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of only 252 square kilometers, Allende Municipio is the second smallest of the 78 border region municipios. It has the ninth-highest population density. The municipio is largely flat and semiarid at an elevation of around 375 meters.

The area was settled prior to 1827. The municipio is named for Ignacio Allende, who fought in the War of Independence.

### Population and Transportation Infrastructure

Allende Municipio had 6,580 residents in 1930. The population grew to 22,675 in 2010, ranking 28th of the border region municipios. Population gains have ranged from 1,000 to 3,200 per decade (in the 1970s), with a 2000-to-2010 increase of 1,732.

The city of Allende is the largest population center, with 20,694 residents in 2010 — 91 percent of the municipio total. It is in the northeastern portion of the municipio on Route 29 and a Ferromex rail line, close to Route 57. It is about 10 highway kilometers southeast of Morelos, 20 kilometers southwest of Nava, and 60 kilometers southwest of the Piedras Negras border

crossing. The municipio does not have air service, but is not far from the airport in Piedras Negras.

### Economy

The overall location quotient in Allende Municipio is 0.9 based on the 2010 census and 0.7 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio. Using each dataset, the LQ is less than 1 in the trade and services categories. The secondary category has a LQ of 1.4 based on the 2010 census but only 0.7 based on the 2009 census. Using the 2010 census, the LQ for agriculture is only 0.4. At the sectoral level from the 2009 census, only retail trade has a LQ of 1. Thus, hardly any excess employment is present, indicating a limited economic base.

As seen in the following table of selected indicators, Allende Municipio has the lowest poverty rate of the border region municipios but ranks below average on employment-related measures.

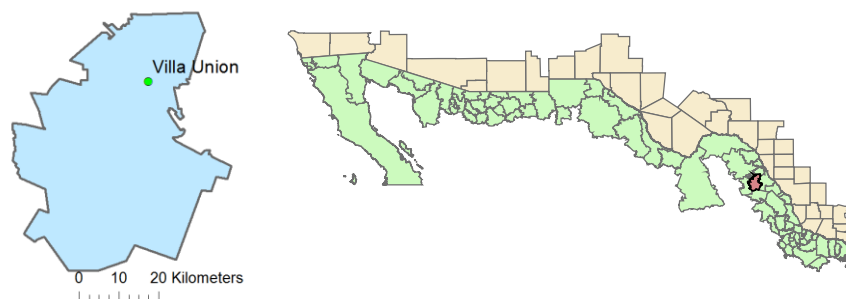
**ALLENDE MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	8.2	22
Labor Force Participation Rate, Age 20 to 64	60.5	51
Unemployment Rate, Age 20 to 64	5.2	51
Employment-to-Population Ratio	32.8	60
Poverty Rate	20.2	1

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Villa Unión Municipio



Villa Unión Municipio is in northeastern Coahuila, bordered by Allende, Sabinas, Juárez, Guerrero, and Nava municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,855 square kilometers, Villa Unión Municipio ranks 37th of the 78 border region municipios. The municipio is largely flat and semiarid at an elevation of around 380 meters.

The first Spanish settlement was a mission established in 1674, but it was later abandoned. A new mission was created in 1737. The municipio is named for the union of two municipios in 1927.

### **Population and Transportation Infrastructure**

Villa Unión Municipio had 4,078 residents in 1930 and 6,289 in 2010, ranking 48th of the border region municipios. The largest population gain was 775 in the 1930s; the increase in the 2000s was 130.

The town of Villa Unión is the largest population center, with 5,350 residents in 2010 — 85 percent of the municipio total. Located at the end of Route 29, the town is in the northern portion of the municipio, 20 kilometers southeast of Allende, Route 57, and a Ferromex rail line. It is about 80 road kilometers southwest of the Piedras Negras border crossing. The municipio does not have air service.

### **Economy**

The overall location quotient in Villa Unión Municipio is low at 0.8 based on the 2010 census and only 0.4 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio. Using each dataset, the LQs in the trade and services categories are well below 1. The LQ in the secondary category is 1.4 based on the 2010 census but only 0.5 based on the 2009 census. Using the 2010 census, the LQ for agriculture is 1.2, with moderate excess employment. At the sectoral level from the 2009 census, no sector has a LQ of 1. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Villa Unión Municipio ranges from above-to-below average among the border region municipios on socioeconomic measures.

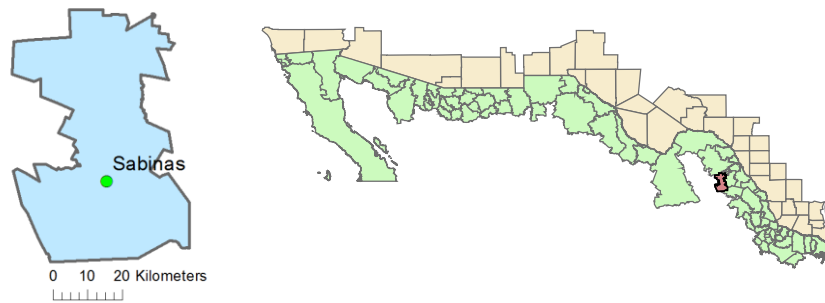
**VILLA UNIÓN MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	7.0	43
Labor Force Participation Rate, Age 20 to 64	55.9	69
Unemployment Rate, Age 20 to 64	2.5	10
Employment-to-Population Ratio	30.9	65
Poverty Rate	36.8	26

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Sabinas Municipio



Sabinas Municipio is in northeastern Coahuila, south of Morelos Municipio and west of Allende, Villa Union, and Juárez municipios. Approximately half of the municipio is within 100 kilometers of the international border. It does not border the United States.

With a land area of 1,976 square kilometers, Sabinas Municipio ranks 35th of the 78 border region municipios. The municipio is hilly in the north and east and semiarid at an elevation of around 330 meters.

The area was settled in 1878 as an agricultural community. A railroad through the area was completed in 1883. The municipio is named for the Río Sabinas.

### Population and Transportation Infrastructure

Sabinas Municipio had 14,297 residents in 1930 and 60,847 in 2010, ranking 18th among the border region municipios. Growth has been continuous, with the greatest population gain in the 1970s at just more than 10,000. The 2000-to-2010 increase was 8,468.

The city of Sabinas is the largest population center, with 54,905 residents in 2010 — 90 percent of the municipio total. Sabinas is in the south-central portion of the municipio along the Río Sabinas. On Route 57 and a Ferromex rail line, it is 130 highway kilometers southwest of the Piedras Negras border crossing. The municipio does not have air service.

### Economy

The overall location quotient in Sabinas Municipio is 0.9 based on the 2010 census but is a high 1.4 based on the 2009 economic census, suggesting that many of those employed in Sabinas Municipio live in another municipio. Using each dataset, the LQ exceeds 1 in the secondary category (1.2 based on the 2010 census and 2.2 based on the 2009 census) and the LQ in services is a little below 1. In the trade category, the LQ is slightly less than 1 based on the 2010 census but is 1.3 based on the 2009 census. Using the 2010 census, the LQ for agriculture is only 0.2.

At the sectoral level from the 2009 census, all four secondary sectors have a LQ greater than 1, with an extremely high figure in mining and a LQ near 2 in manufacturing. Wholesale and retail trade and three services sectors, including transportation and warehousing, have LQs above 1. Excess employment is the highest in manufacturing, followed by mining. Retail trade has the next highest figure, with lesser amounts in the other sectors. Thus, manufacturing and mining are the primary economic base activities, with contributions from other activities.

As seen in the following table of selected indicators, Sabinas Municipio has the eighth-best educated populace of the border region municipios, with one of the lowest poverty rates. It ranks from above-to-below average on employment-related measures.

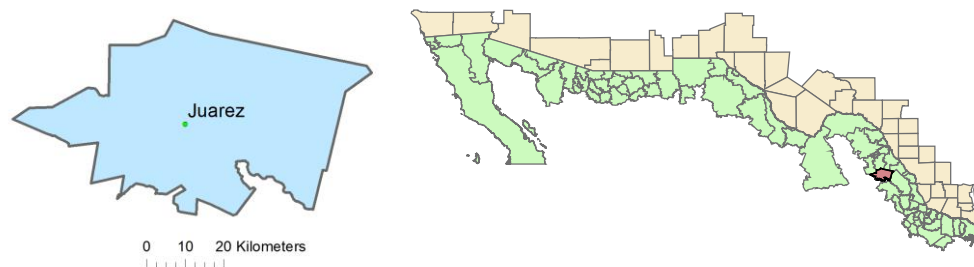
**SABINAS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	8.9	8
Labor Force Participation Rate, Age 20 to 64	64.1	28
Unemployment Rate, Age 20 to 64	5.4	54
Employment-to-Population Ratio	35.7	37
Poverty Rate	23.7	4

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Juárez Municipio



Juárez Municipio is in northeastern Coahuila, east of Sabinas Municipio, south of Guerrero and Villa Unión municipios, and west of Anahuac Municipio of Nuevo León. Approximately 90 percent of the municipio is within 100 kilometers of the international border but it does not border the United States.

With a land area of 1,599 square kilometers, Juárez Municipio ranks 42nd of the 78 border region municipios. It has the sixth-lowest population density. The municipio is mostly flat and semiarid at an elevation of around 270 meters. A large reservoir along the Río Sabinas is close to the major population centers.

The area was settled in 1886 due to the discovery of coal deposits. The municipio is named for Benito Juárez, Mexican president during the French occupation in the 1860s.

### Population and Transportation Infrastructure

Juárez Municipio had 1,725 residents in 1930. The population peaked at 2,673 in 1940 and was down to 1,599 in 2010, the ninth-least populous of the border region municipios. The population hardly dropped in the last two decades.

The community of Juárez is the largest population center, with 890 residents in 2010 — 56 percent of the municipio total. Juárez is in the center of the municipio along the Río Sabinas. It is near the junction of Sonora Routes 22 and 29 — 50 kilometers southeast of Sabinas and 180 road kilometers south of the Piedras Negras border crossing. The municipio does not have rail or air service.

## Economy

The overall location quotient in Juárez Municipio is 0.9 based on the 2010 census. Few employees were counted in the 2009 economic census, suggesting that many residents are either self-employed or commute to another municipio for work. Using each dataset, the LQs in the secondary, trade, and services categories are considerably below 1. Using the 2010 census, the LQ for agriculture is very high at 3.0, with substantial excess employment.

At the sectoral level from the 2009 census, only agriculture and utilities have a LQ greater than 1, with the excess employment minimal in utilities. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Juárez Municipio has one of the lowest unemployment rates but otherwise ranks below average among the border region municipios on socioeconomic measures.

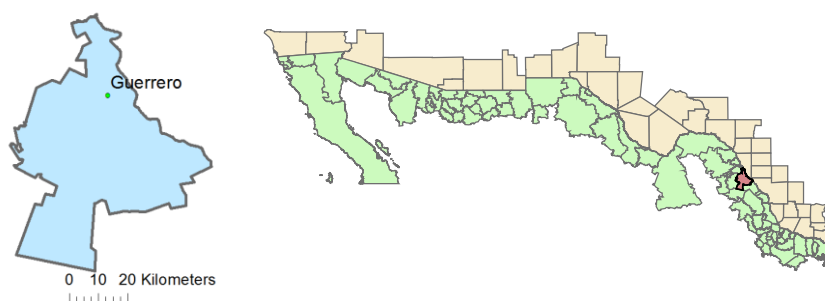
**JUÁREZ MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	6.5	58
Labor Force Participation Rate, Age 20 to 64	54.9	73
Unemployment Rate, Age 20 to 64	1.5	5
Employment-to-Population Ratio	34.0	51
Poverty Rate	47.1	55

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Guerrero Municipio





Guerrero Municipio is in northeastern Coahuila, east of Nava and Villa Unión municipios, north of Juárez Municipio, and northwest of Hidalgo Municipio. The Río Bravo, which is its northeastern boundary, separates it from the Texas: mostly from Maverick County and from Webb County at the eastern end. There is no border crossing. The entire municipio is within 100 kilometers of the international border.

With a land area of 2,927 square kilometers, Guerrero Municipio is the 26th largest of the 78 border region municipios. It has the sixth-lowest population density. The municipio is largely flat and semiarid at an elevation of around 220 meters.

The area was first settled in 1700 with the establishment of a mission. A presidio followed in 1703. The municipio is named for Vicente Guerrero, a general during the War of Independence.

### **Population and Transportation Infrastructure**

Guerrero Municipio had 3,326 residents in 1930. The population peaked at 3,449 in 1940, dropping to 2,050 in 2000. The figure was 2,091 in 2010, ranking 60th among the border region municipios.

The community of Guerrero is the largest population center, with 959 residents in 2010 — 46 percent of the municipio total. Guerrero, in the northern portion of the municipio, is on Route 2 not far from the Río Bravo, 50 kilometers southeast of Piedras Negras and 135 kilometers northwest of Nuevo Laredo. Santa Monica, with a population of 324, is southwest of Guerrero on a secondary road, about 15 kilometers east of Villa Unión. The municipio does not have rail or air service, but is not far from Piedras Negras.

### **Economy**

The overall location quotient in Guerrero Municipio is 0.9 based on the 2010 census but is only 0.4 based on the 2009 economic census, suggesting that many residents are either self-employed or commute to another municipio for work. Using each dataset, the LQs in the secondary, trade, and services categories are considerably below 1. Using the 2010 census, the LQ for agriculture is high at 2.7, with substantial excess employment.

At the sectoral level from the 2009 census, only utilities has a LQ greater than 1, but its excess employment is minimal. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Guerrero Municipio ranges from among the best to below average among the border region municipios on socioeconomic measures.

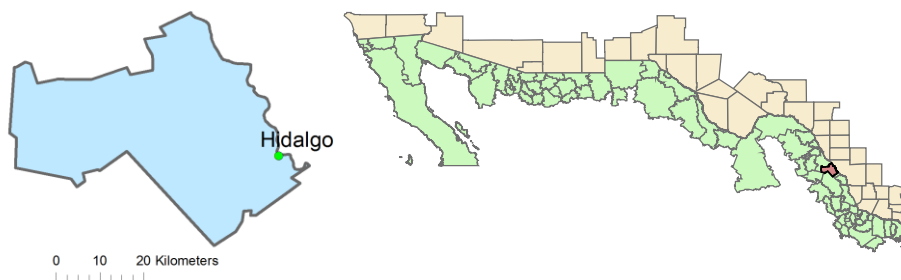
### GUERRERO MUNICIPIO INDICATORS

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	61.8	65
Labor Force Participation Rate, Age 20 to 64	58.9	57
Unemployment Rate, Age 20 to 64	1.8	6
Employment-to-Population Ratio	33.1	57
Poverty Rate	29.8	10

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Hidalgo Municipio



Hidalgo Municipio is in the northeastern corner of Coahuila, southeast of Guerrero Municipio and northwest of Anáhuac Municipio of Nuevo León. The Río Bravo, which is its northeastern boundary, separates it from Webb County, Texas. There is no border crossing. The entire municipio is within 100 kilometers of the international border.

With a land area of 1,130 square kilometers, Hidalgo Municipio is the 56th largest of the 78 border region municipios. The municipio is largely flat and semiarid at an elevation of around 150 meters. Much of the area is near the Río Bravo.

The area was settled prior to 1886. The municipio is named for Miguel Hidalgo y Costilla, a padre who called for independence in 1808.

### Population and Transportation Infrastructure

Hidalgo Municipio had 586 residents in 1930. The population was 1,852 in 2010, ranking 64th among the border region municipios. The population rose by between 400 and 500 in the 1980s and 2000s.

The community of Hidalgo (or Villa Hidalgo) is the largest population center, with 1,638 residents in 2010 — 88 percent of the municipio total. Hidalgo, in the southeastern portion of the municipio, is on Route 2 along the Río Bravo in the eastern part of the municipio, about 20

kilometers northwest of the Columbia border crossing in Nuevo León. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Hidalgo Municipio is low at 0.8 based on the 2010 census and only 0.5 based on the 2009 economic census, suggesting that many residents are either self-employed or commute to another municipio for work. Using each dataset, the LQ is below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is 1.3.

At the sectoral level from the 2009 census, mining has an extremely high LQ, with greater excess employment than agriculture. The figure for utilities is greater than 1, but excess employment is minimal. The economic base is limited; mining is the primary activity, with a contribution from agriculture.

As seen in the following table of selected indicators, Hidalgo Municipio has the lowest median age among the border region municipios, which contributes to the very low employment-to-population ratio. It ranks closer to average on the other measures.

**HIDALGO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	22	77
Mean Years of Schooling, Age 25 or Older	6.8	51
Labor Force Participation Rate, Age 20 to 64	60.9	50
Unemployment Rate, Age 20 to 64	4.7	43
Employment-to-Population Ratio	29.6	73
Poverty Rate	40.1	38

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## **NUEVO LEÓN**

Only a very short segment of Nuevo León shares a border with the United States, with the Río Bravo separating Nuevo León from Texas. Otherwise, the northeastern and eastern border of Nuevo León is with Tamaulipas. Nuevo León has 51 municipios. Of the 16 municipios in the border region, only one shares the international border.

With a land area of 64,220 square kilometers, Nuevo León is the smallest of the six border states, accounting for 8 percent of the border states' land area and 3 percent of the national total. The Sierra Madre Oriental mountain range runs through the state from the south to the northwest. The southern part of the state is high elevation, above 1,500 meters, while the west-central portion is at a mid-elevation of 600-to-1,500 meters. Elevations drop considerably to the north and east, to less than 300 meters; most of the border region is at this low elevation. To the northeast of the mountains is a plain that slopes down to the Río Bravo. Precipitation throughout the state is between 50-and-100 centimeters annually, with higher amounts in the mountains, where woodlands are present. Northeast of the mountains is a low-grass savannah.

In general, the border region is flat and at a low elevation, sloping downward to the east towards the Río Bravo. The mountains barely reach into the border region in its central portion. Grazing land dominates the border region. The Río Salado runs through the northwestern part of the border region.

Nuevo León was explored as early as 1535. It began as the "New Kingdom of León," an administrative territory of the Viceroyalty of New Spain, named after a region in Spain. The first colonization efforts began in the late 1500s, with Monterrey among the early communities. Hostilities with Native Americans slowed the settlement by the Spanish, especially in the northern part of the state. Nuevo León became a Mexican state in 1824, but tried to secede twice, in 1840 and 1856. The construction of a railroad from México City to Monterrey in the late 1800s spurred growth.

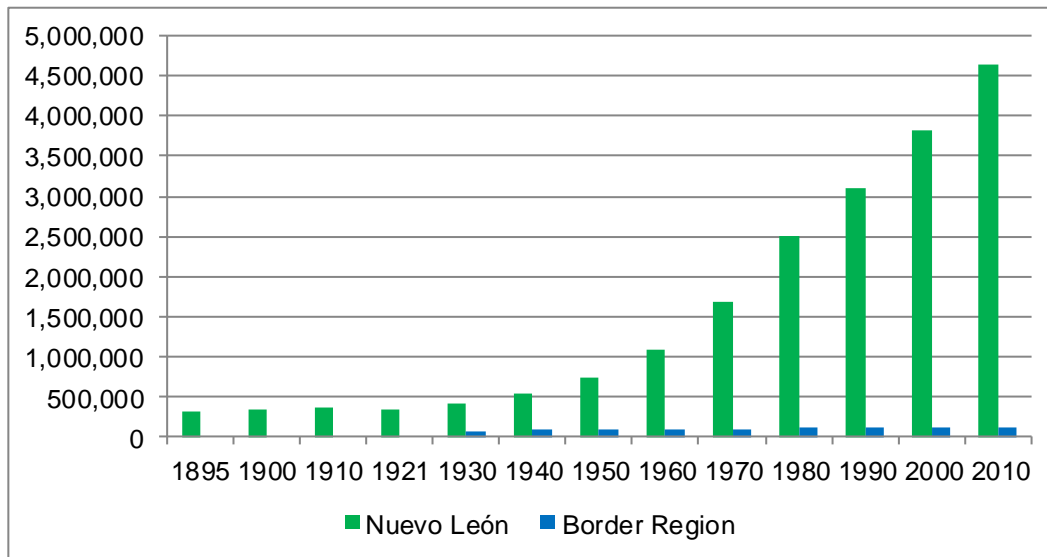
The first settlement in the border region occurred in 1582, in response to the discovery of mineral deposits in Cerralvo. The majority of the border region municipios were settled in the late 1600s or early 1700s, due either to the establishment of a mission or a ranch.

### **Population of Nuevo León**

The population of the state in the first census in 1895 was 311,665, the most of the six border states. Growth was limited in the early 1900s, with Chihuahua and Coahuila surpassing it in population. Population gains in Nuevo León began to accelerate in the 1920s. The population gain exceeded 585,000 in each decade from the 1960s through 2000s, peaking at 818,355 in the 1970s and 819,317 in the 2000s. In each decade except for the 1990s (when surpassed by Baja California), the population gain was the largest of the border states. The population in Nuevo León once again became the greatest among the border states in 1970. It reached 4,653,458 in 2010 (see Chart 16), more than 1.2 million higher than in each of the other border states.

However, none of the 16 border region municipios are very populous. In 1930 and 1940, 16.1 percent of the state's residents lived in the border region but the share dropped to only 2.3 percent in 2010 (see Chart 17). As a share of the state's population change, the border region

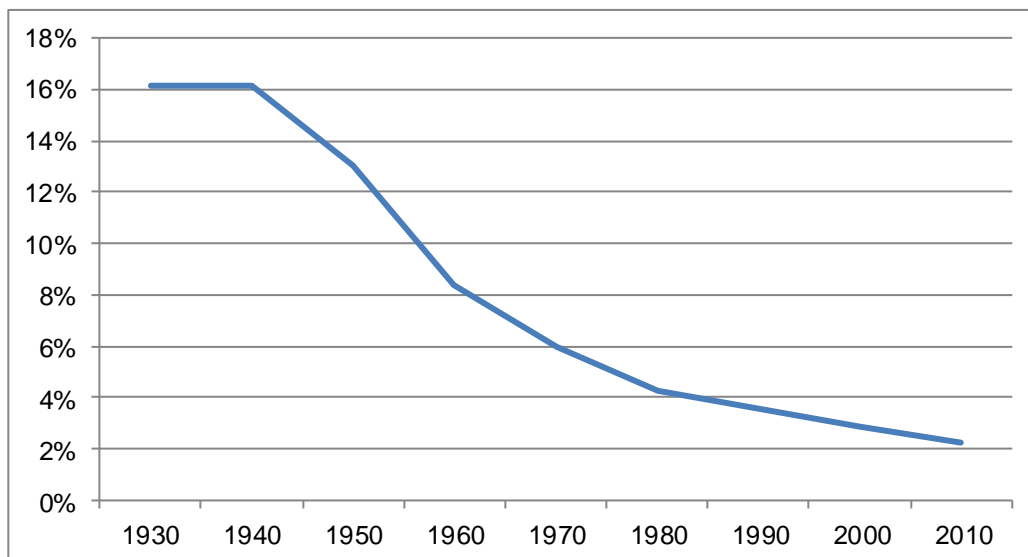
**CHART 16**  
**NUMBER OF RESIDENTS OF NUEVO LEÓN**



Note: The border region population is not available prior to 1930.

Source: Instituto Nacional de Estadística y Geografía, decennial census.

**CHART 17**  
**BORDER REGION SHARE OF THE POPULATION OF NUEVO LEÓN**



Source: Instituto Nacional de Estadística y Geografía, decennial census.

accounted for less than 1 percent in each decade from the 1950s through 2000s. The border region population dipped during the 1950s and 2000s.

Sabinas Hidalgo, with 34,671 residents in 2010, is the largest population center within the border region. Nine municipios outside the border region had populations in excess of 100,000. Monterrey, the capital, is in the west central part of the state, surrounded by other large cities. The greater Monterrey area had a 2010 population of 4.08 million, 88 percent of the state total.

### **Transportation and Trade in the Border Region of Nuevo León**

The transportation network in Nuevo León includes Federal Route 2, which follows the Río Bravo from Acuña, Coahuila to the Golfo de México. A spur crosses the border in Colombia, connecting to a local road in Texas. Three federal highways travel between Monterrey and Tamaulipas, passing through the border region: Route 40 (a freeway) from Reynosa, Route 54 from Mier, and Route 85 (a freeway) from Nuevo Laredo. Route 30 travels east-west from Route 85 through Sabinas Hidalgo to Monclova, Coahuila and Route 57. Another stretch of Route 30 runs west from Nueva Ciudad Guerrero, Tamaulipas to Pará.

A Kansas City Southern de México rail line travels from Nuevo Laredo to Monterrey. Once it is into Nuevo León, it parallels Nuevo León Route 1 the entire way. There are no significant airports in the border region of Nuevo León, but service is available in Nuevo Laredo and Monterrey.

There is only one international border crossing in Nuevo León; only the Anáhuac Municipio is along the international border. Since this border crossing is included in the Nuevo Laredo U.S. port of entry, no data are available on the cross-border traffic through Nuevo León.

### **Economy of Nuevo León**

The overall location quotient in Nuevo León is high at 1.7 based on value added and 1.5 based on employment from the 2009 economic census. However, the LQ is much lower based on employment from the 2010 census (see Table 14). The LQs vary considerably across the measures in the secondary, trade, and services categories, but agree that the LQ is greater than 1 in each case. In contrast, the agriculture LQ is very low.

The LQ is considerably greater than 1 in most sectors; only in agriculture and mining are the LQs much below 1. Thus, the state has an unusually strong and diverse economy. Manufacturing provides the greatest excess employment and excess value added by a wide margin. Other sectors with substantial amounts of excess value added and employment include trade (wholesale); transportation and warehousing; administrative support; construction; professional, scientific and technical services; and finance and insurance.

Excess employment is present in 17 of the 21 manufacturing subsectors; unlike the other border states, it is not predominantly in one or two subsectors. Instead, a moderate amount is present in primary metal products, fabricated metal products, machinery, electrical equipment, transportation equipment, and nonmetallic mineral products. Aggregating the subsectors into the 12 subcategories available from the value added series, the two datasets agree that the excess is greatest in the grouping that includes machinery, electronics, electrical equipment, and

**TABLE 14**  
**LOCATION QUOTIENTS BY SECTOR, NUEVO LEÓN**

	Value Added*	State Employ- ment**	Employ- ment***	Border Region		Balance of State	
				Employ- ment**	Employ- ment***	Employ- ment**	Employ- ment***
TOTAL	1.72	1.04	1.48	0.93	0.80	1.04	1.50
Primary (Agriculture)	0.31	0.22		1.29		0.19	
Secondary	1.86	1.36	1.80	1.01	0.88	1.36	1.82
Mining	0.30		0.44		1.74		0.41
Utilities	2.12		1.34		0.00		1.38
Construction	2.18		1.88		0.24		1.92
Manufacturing	2.44		1.85		0.99		1.87
Trade	1.90	1.04	1.14	0.78	0.97	1.05	1.15
Wholesale			1.79		0.63		1.82
Retail			1.00		1.04		1.00
Services	1.72	1.11	1.54	0.83	0.63	1.12	1.56
Transportation and Warehousing	2.37		2.00		1.28		2.02
Information	1.61		1.43		0.22		1.46
Finance and Insurance	2.25		1.99		0.17		2.03
Real Estate and Rental	1.37		1.50		0.68		1.52
Professional, Scientific & Technical Services	2.30		1.93		0.28		1.97
Management of Companies	3.48		2.13		0.00		2.18
Administrative Support	1.97		2.12		0.26		2.17
Educational Services	1.52		1.56		0.17		1.59
Health Care & Social Assistance	1.29		1.48		0.75		1.49
Arts, Entertainment and Recreation	1.69		1.65		0.59		1.68
Accommodation and Food Services	0.92		0.94		0.77		0.94
Other Services	1.28		1.15		1.10		1.15
Government	0.89						

Note: a blank indicates that the data are not available

\* Value Added component of Gross Domestic Product, 2012

\*\* Employment, 2010 Census

\*\*\* Employment, 2009 Economic Census

Source: Instituto Nacional de Estadística y Geografía.

transportation equipment, followed by the grouping of primary and fabricated metal products. Three other groupings also provide substantial excess value added: nonmetallic mineral products, food and beverages (especially based on value added), and the grouping including petroleum and coal products, chemical products, and plastic and rubber products. The employment excesses in subsectors of other sectors include moderate figures in trucking, wholesaling of agricultural goods, and credit intermediation.

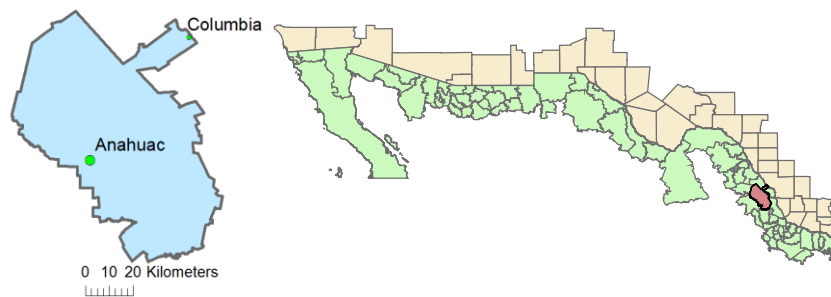
Thus, Nuevo León has a diverse economic base. Manufacturing is the largest contributor.

### **Economy of the Border Region of Nuevo León**

The economy in the border region of the state is very different from that of the rest of the state. In the agriculture and mining sectors, the LQ in the border region is much greater than in the rest of the state. In most of the other sectors, the location quotient in the border region is considerably less than the figure in the balance of the state and far below 1. Excess employment in the border region is highest in agriculture, with only modest amounts in other sectors. Thus, the border region's economy is highly dependent on agriculture while the economy in the balance of the state is diverse and very strong.

Most of the municipios in the border region are lightly populated. Nearly all of these municipios have a nonagricultural location quotient that is lower, in some cases much lower, from the 2009 economic census than from the 2010 census, indicating that a disproportionate share of the working residents either are self-employed or work in another municipio.

### **Anáhuac Municipio**



Anáhuac Municipio is the northern-most extension of Nuevo León, the only one of its municipios to border the Río Bravo and the United States — Webb County, Texas. Hidalgo and Juárez municipios of Coahuila are to the north and northwest. Nuevo Laredo and Guerrero municipios of Tamaulipas are to the east. The Lampazos de Naranjo and Vallecillo municipios of Nuevo León are to the south. The entire municipio is within 100 kilometers of the international border.

With a land area of 4,573 square kilometers, Anáhuac Municipio is the 17th largest of the 78 border region municipios. The municipio is largely flat and semiarid at an elevation of around 335 meters, crossed by the Río Salado from the northwest to southeast.



The first Spanish settlement was a mission established in the area in 1698. Anáhuac Municipio was created from Lampazos de Naranjo Municipio in 1934. It is named for a geographical feature, the plateau of Anáhuac; the word derives from the Nahuatl language.

### **Population and Transportation Infrastructure**

Anáhuac Municipio had 12,969 residents in 1940 and 20,376 in 1950 but the population dropped during the 1950s and 1960s to 13,711 in 1970. (These population figures include the small Colombia Municipio, which was consolidated with Anáhuac Municipio in 1978.) The population subsequently increased to 18,524 in 2000. The figure was 18,480 in 2010, ranking 29th among the border region municipios.

The city of Anáhuac is the largest population center, with 16,628 residents in 2010 — 90 percent of the municipio total. Anáhuac is located on the Río Salado in the west-central part of the municipio. The Kansas City Southern de México railroad from Nuevo Laredo to Monterrey runs through the city. Located on a secondary highway, it is about 75 kilometers southwest of the border crossings in Nuevo Laredo and nearly 100 road kilometers southwest of the border crossing in Colombia. Nuevo León Route 1 reaches the border in Colombia, a community of 514 people along the Río Bravo in the northeastern extension of the municipio, close to Route 2. The municipio does not have air service.

The international border is only about 15 kilometers long, but it includes a border crossing at Colombia. This crossing is combined with the three crossings in Nuevo Laredo Municipio into one U.S. port of entry. It is not possible to quantify the amount of activity through the Colombia crossing. See the Nuevo Laredo Municipio, Tamaulipas section for details.

### **Economy**

The overall location quotient in Anáhuac Municipio is 0.9 based on the 2010 census and 0.8 based on the 2009 economic census. Using each dataset, the LQ exceeds 1 in the secondary category, but is well below 1 in trade and services. Using the 2010 census, the LQ for agriculture is 1.4. Excess employment is similar in agriculture and the secondary sector.

At the sectoral level from the 2009 census, manufacturing, transportation and warehousing, and other services have LQs greater than 1. Like Nuevo Laredo Municipio, the location quotients in Anáhuac Municipio for sectors affected by cross-border traffic are slightly below 1 for retail trade, further below 1 for wholesale trade, and above 1 for transportation and warehousing.

Excess employment is the highest in agriculture, followed by manufacturing. Thus, agriculture and manufacturing are the primary economic base activities, with a contribution from transportation and warehousing, possibly linked to cross-border trade.

As seen in the following table of selected indicators, Anáhuac Municipio ranks from average to below average among the border region municipios on socioeconomic measures.

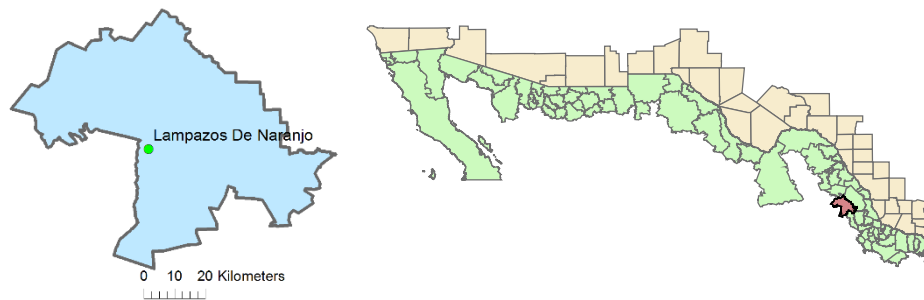
### ANAHUAC MUNICIPIO INDICATORS

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	7.2	40
Labor Force Participation Rate, Age 20 to 64	62.5	38
Unemployment Rate, Age 20 to 64	5.3	52
Employment-to-Population Ratio	33.2	56
Poverty Rate	45.3	51

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Lampazos de Naranjo Municipio



Lampazos de Naranjo Municipio is in northern Nuevo León, bordering Anáhuac, Sabinas Hidalgo, and Vallecillo municipios. Coahuila is to the west. A little less than half of the municipio is within 100 kilometers of the international border. It does not border the United States.

With a land area of 3,429 square kilometers, Lampazos de Naranjo Municipio is the 23rd largest of the 78 border region municipios. The municipio includes a mountain range but otherwise is flat and semiarid at an elevation of around 335 meters.

The first Spanish settlement was a mission established in 1698. The municipio is named for a local plant (“lampazos”) and for General Francisco Naranjo, a leader of the resistance against the French occupation in the 1860s.

### Population and Transportation Infrastructure

After losing part of its territory when Anáhuac Municipio was created in 1934, Lampazos de Naranjo Municipio had 5,521 residents in 1940. The population has fluctuated since then, with a low of 3,669 in 1960 and a high of 5,682 in 1980. The figure was 5,349 in 2010, ranking 51st among the border region municipios.

The town of Lampazos de Naranjo is the largest population center, with 5,026 residents in 2010 — 94 percent of the municipio total. It is located in the west-central part of the municipio, along

the Kansas City Southern de México railroad from Nuevo Laredo to Monterrey. It is 20 kilometers north of Route 30 and 45 kilometers southwest of the city of Anáhuac via a secondary road. The border crossings in Nuevo Laredo are about 140 road kilometers to the northeast. The municipio does not have air service.

### Economy

The overall location quotient in Lampazos de Naranjo Municipio is 0.9 based on the 2010 census and only 0.7 based on the 2009 economic census, suggesting that some residents are either self-employed or commute to another municipio for work. Using each dataset, the LQ is less than 1 in the trade and services categories. The figure for the secondary category is 1.3 based on the 2010 census, but only 0.5 based on the 2009 census. Using the 2010 census, the LQ for agriculture is 1.1.

At the sectoral level from the 2009 census, mining has a very high location quotient, transportation and warehousing has a figure of 2.6, retail trade has a figure of 1, and one services sector also has a LQ greater than 1. Excess employment is similar in mining and transportation and warehousing, somewhat higher than in agriculture, but none of the amounts are large. These are the primary activities, but the economic base is limited.

As seen in the following table of selected indicators, Lampazos de Naranjo Municipio ranks below average among the border region municipios on socioeconomic measures.

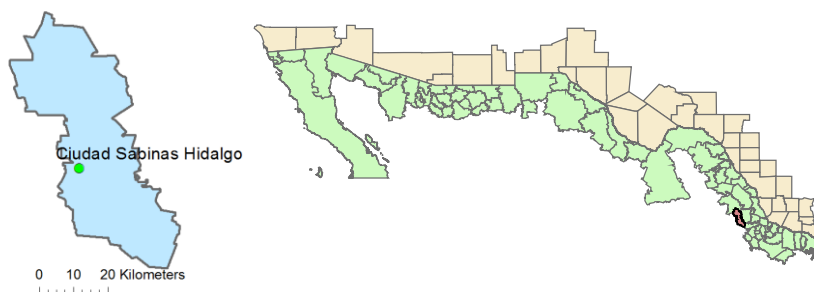
**LAMPAZOS DE NARANJO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	6.8	50
Labor Force Participation Rate, Age 20 to 64	59.4	55
Unemployment Rate, Age 20 to 64	6.0	61
Employment-to-Population Ratio	33.8	53
Poverty Rate	48.7	60

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Sabinas Hidalgo Municipio



Sabinas Hidalgo Municipio is in north-central Nuevo León, south of Lampazos de Naranjo and Vallecillo municipios and west of Agualeguas Municipio. About 65 percent of the municipio is within 100 kilometers of the international border. It does not border the United States.

With a land area of 1,542 square kilometers, Sabinas Hidalgo Municipio is the 45th largest of the 78 border region municipios. The municipio is on a plain at an elevation of around 315 meters, with some mountains.

The first settlement in the area was in 1693. The municipio is named for the large number of juniper trees along the Río Sabinas and for Miguel Hidalgo y Costilla, a padre who called for independence in 1808.

### **Population and Transportation Infrastructure**

Sabinas Hidalgo Municipio had 9,219 residents in 1930 and 34,671 in 2010, ranking 21st among the border region municipios. The greatest population gains occurred in the 1960s and 1970s.

The city of Sabinas Hidalgo is the largest population center, with 33,068 residents in 2010 — 95 percent of the municipio total. It is located in the west-central part of the municipio, along the Río Sabinas. It is on Route 85 about 140 highway kilometers southwest of the border crossings in Nuevo Laredo and is the terminus of Route 30, which runs west to Monclova. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Sabinas Hidalgo Municipio is 1.0 based on the 2010 census and slightly above 1 based on the 2009 economic census. The LQ is greater than 1 based on one of the two datasets in each of the trade and services categories. The figure for the secondary category is 1.1 based on the 2010 census and 1.4 based on the 2009 census. Using the 2010 census, the LQ for agriculture is only 0.6.

At the sectoral level from the 2009 census, the location quotient exceeds 1 in manufacturing, wholesale trade, retail trade, transportation and warehousing, and in two additional services sectors. Excess employment is highest in manufacturing, followed by retail trade. Lesser amounts are present in the other sectors. Thus, manufacturing is the primary economic base activity, with contributions from trade and transportation and warehousing.

As seen in the following table of selected indicators, Sabinas Hidalgo Municipio compares favorably among the border region municipios on socioeconomic measures.

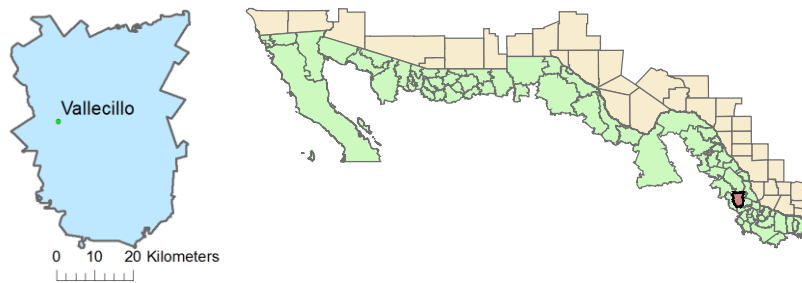
### SABINAS HIDALGO MUNICIPIO INDICATORS

	Value	Rank*
Median Age	28	24
Mean Years of Schooling, Age 25 or Older	8.4	20
Labor Force Participation Rate, Age 20 to 64	65.1	23
Unemployment Rate, Age 20 to 64	3.3	20
Employment-to-Population Ratio	37.8	22
Poverty Rate	27.2	8

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Vallecillo Municipio



Vallecillo Municipio is in north-central Nuevo León, bordering Anáhuac, Lampazos de Naranjo, Sabinas Hidalgo, Agualeguas, and Parás municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,766 square kilometers, Vallecillo Municipio is the 38th largest of the 78 border region municipios. The municipio is on a plain at an elevation of around 275 meters, surrounded by low hills.

The discovery of lead and silver deposits in 1766 led to the settlement of the area. “Vallecillo” can be translated as “small valley.”

### Population and Transportation Infrastructure

Vallecillo Municipio had 3,212 residents in 1930. The population peaked at 4,103 in 1940 and was only 1,971 in 2010, ranking 63rd among the 78 border region municipios.

The community of Vallecillo is the largest population center, with 622 residents in 2010 — 32 percent of the municipio total. It is located in the west-central part of the municipio, on Route 85 about 110 highway kilometers southwest of the border crossings in Nuevo Laredo and about 25 kilometers northeast of Sabinas Hidalgo. Palo Alto, southeast of Vallecillo via a secondary road, had a population of 284. The municipio does not have rail or air service.

## Economy

The overall location quotient in Vallecillo Municipio is nearly 1.0 based on the 2010 census but only 0.2 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are far below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is very high at 3.7, with substantial excess employment.

At the sectoral level from the 2009 census, the location quotient exceeds 1 in transportation and warehousing, and in the other services sector, but the excess employment is small. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Vallecillo Municipio ranges from below-to-above average among the border region municipios on socioeconomic measures.

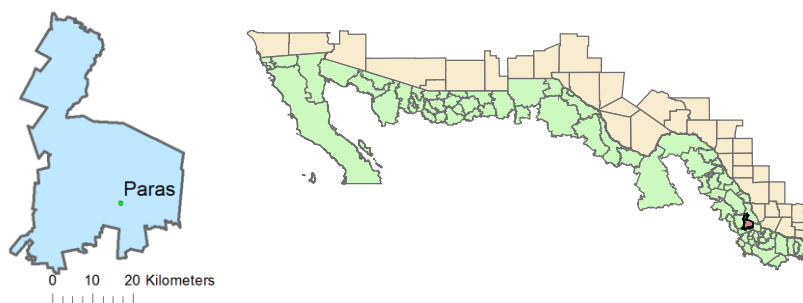
**VALLECILLO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	31	15
Mean Years of Schooling, Age 25 or Older	5.9	69
Labor Force Participation Rate, Age 20 to 64	60.9	48
Unemployment Rate, Age 20 to 64	0.8	1
Employment-to-Population Ratio	37.6	27
Poverty Rate	36.2	24

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Parás Municipio



Parás Municipio is in northeastern Nuevo León, east of Vallecillo Municipio, north of Agualeguas Municipio, and west of Guerrero and Mier municipios of Tamaulipas. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,173 square kilometers, Parás Municipio is the 55th largest of the 78 border region municipios. It has the 10th-lowest population density. The municipio consists of plains and low hills at an elevation of around 165 meters.

The area was settled prior to 1851. The municipio is named for José María Parás y Ballesteros, the first constitutional governor of Nuevo León.

### **Population and Transportation Infrastructure**

Parás Municipio had 1,539 residents in 1930. The population peaked at 2,256 in 1940 and was only 1,034 in 2010, the fifth lowest of the border region municipios.

The community of Parás is the largest population center, with 788 residents in 2010 — 76 percent of the municipio total. It is located in the south-central part of the municipio, on the section of Route 30 that runs east into Tamaulipas. The border crossing at Guerrero/Falcon Dam is 30 kilometers east; the crossing from Miguel Alemán to Roma is an additional 30 kilometers southeast. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Parás Municipio is low at 0.8 based on the 2010 census and only 0.6 based on the 2009 economic census, suggesting that some residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are far below 1 in the secondary and services categories, but the figure for trade exceeds 1 based on the 2009 census. Using the 2010 census, the LQ for agriculture is high at 2.3, providing moderate excess employment.

At the sectoral level from the 2009 census, the location quotient exceeds 1 in construction, wholesale trade, retail trade, and one services sector, but the excess employment is small in each case. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Parás Municipio has one of the oldest median ages. Its rank among the border region municipios on socioeconomic measures ranges from above average to near the bottom.

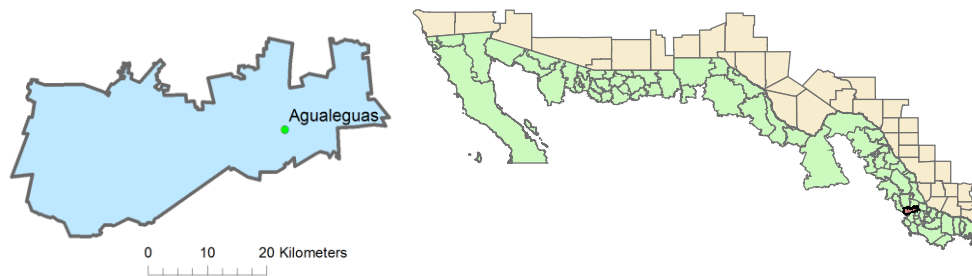
**PARÁS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	35	4
Mean Years of Schooling, Age 25 or Older	7.0	45
Labor Force Participation Rate, Age 20 to 64	50.4	77
Unemployment Rate, Age 20 to 64	4.1	30
Employment-to-Population Ratio	29.2	75
Poverty Rate	31.5	16

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Agualeguas Municipio



Agualeguas Municipio is in north-central Nuevo León, bordered by Vallecillo, Sabinas Hidalgo, Parás, Cerralvo, and General Treviño municipios. It is west of Mier Municipio of Tamaulipas. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 979 square kilometers, Agualeguas Municipio is the 59th largest of the 78 border region municipios. The municipio consists largely of plains and low hills at an elevation of around 180 meters, with mountains in the west.

The area was explored in 1646 and a mission was established in 1675. A village was established in 1821. The municipio is named for the original inhabitants, the Gualegua Tribe.

### Population and Transportation Infrastructure

Agualeguas Municipio had 4,318 residents in 1930. The population peaked at 5,541 in 1940 and was only 3,443 in 2010, ranking 56th among the border region municipios. The population dropped by 947 between 2000 and 2010.

The town of Agualeguas is the largest population center, with 1,995 residents in 2010 — 58 percent of the municipio total. It is located in the eastern part of the municipio at the junction of Nuevo León Routes 3 and 4, 10 kilometers from Route 54 and the town of General Treviño, and 55 kilometers from the border crossing from Miguel Alemán to Roma. Parás is 20 kilometers north; the crossing at Guerrero/Falcon Dam is 50 kilometers northeast. The municipio does not have rail or air service.

### Economy

The overall location quotient in Agualeguas Municipio is 0.9 based on the 2010 census but only 0.5 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is high at 2.6, with substantial excess employment.

At the sectoral level from the 2009 census, the location quotient considerably exceeds 1 in mining and is about 1 in retail trade, but the excess employment is small in each case. Thus, the economic base is limited; agriculture is the primary activity, with a contribution from mining.



As seen in the following table of selected indicators, Agualeguas Municipio has one of the oldest median ages. While it ranks below average among the border region municipios on employment-related measures, the poverty rate is relatively low.

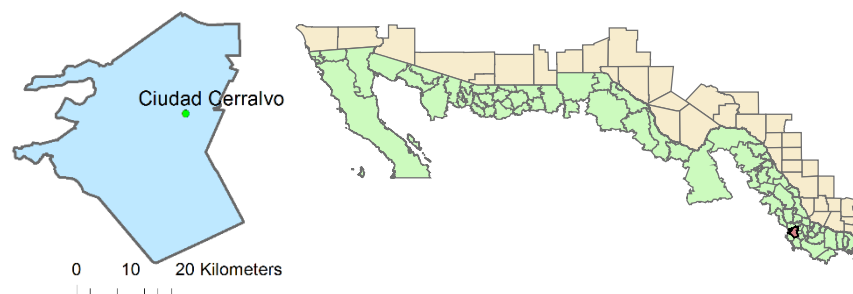
**AGUALEGUAS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	36	3
Mean Years of Schooling, Age 25 or Older	6.6	55
Labor Force Participation Rate, Age 20 to 64	56.6	66
Unemployment Rate, Age 20 to 64	6.1	62
Employment-to-Population Ratio	33.0	59
Poverty Rate	32.4	17

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Cerralvo Municipio



Cerralvo Municipio is in north-central Nuevo León, bordered by Agualeguas, Dr. González, Los Ramones, Los Herreras, Melchor Ocampo, and General Treviño municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,007 square kilometers, Cerralvo Municipio is the 57th largest of the 78 border region municipios. The municipio consists largely of plains at an elevation of around 345 meters, with some mountains. The small Parque Nacional El Sabinal is a few kilometers from the city of Cerralvo.

Mineral deposits were discovered in the area in 1577, with settlement occurring five years later. The municipio is named after the 15th viceroy of New Spain.

### Population and Transportation Infrastructure

Cerralvo Municipio had 5,243 residents in 1930. The population peaked at 9,343 in 2000 and was down to 7,855 in 2010, ranking 45th among the border region municipios.

The city of Cerralvo is the largest population center, with 7,169 residents in 2010 — 91 percent of the municipio total. It is located in the east-central part of the municipio on Route 54. The town of General Treviño is 20 kilometers to the northeast and the border crossing from Miguel Alemán to Roma is 60 kilometers northeast. The municipio does not have rail or air service.

## Economy

The overall location quotient in Cerralvo Municipio is 1.0 based on the 2010 census but only 0.8 based on the 2009 economic census, suggesting that some residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are below 1 in the secondary and services categories, while the LQ for trade equals 1 based on the 2009 census. Using the 2010 census, the LQ for agriculture slightly exceeds 1.

At the sectoral level from the 2009 census, the location quotient is very high in mining and exceeds 2 in transportation and warehousing and in arts, entertainment and recreation. It is above 1 in retail trade and another services sector. Excess employment is highest in mining, followed by transportation and warehousing. These are the primary economic base activities, with a contribution from agriculture.

As seen in the following table of selected indicators, Cerralvo Municipio ranks from above average to average among the border region municipios on socioeconomic measures.

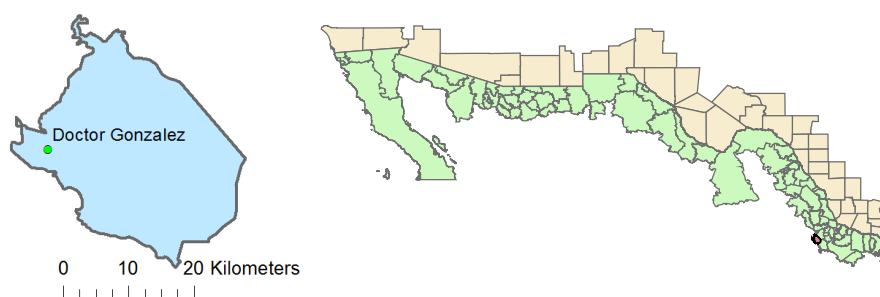
**CERRALVO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	29	20
Mean Years of Schooling, Age 25 or Older	6.7	52
Labor Force Participation Rate, Age 20 to 64	63.6	34
Unemployment Rate, Age 20 to 64	3.2	17
Employment-to-Population Ratio	38.2	20
Poverty Rate	36.4	25

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Doctor González Municipio



Dr. González Municipio is in central Nuevo León, south of Cerralvo Municipio and west of Los Ramones Municipio. Approximately 45 percent of the municipio is within 100 kilometers of the international border. It does not border the United States.

With a land area of only 616 square kilometers, Dr. González Municipio is the 10th smallest of the 78 border region municipios. The municipio consists of mountains and plains at an elevation of around 400 meters.

The area was first settled in 1694 and used for cattle ranching. The municipio is named after Dr. José Eleuterio González.

### **Population and Transportation Infrastructure**

Dr. González Municipio had 2,848 residents in 1930. The population reached 3,330 in 1950, then fell for three decades. It then rose to 3,345 in 2010, ranking 57th among the border region municipios.

The town of Dr. González is the largest population center, with 2,092 residents in 2010 — 63 percent of the municipio total. It is located in the west-central part of the municipio on Route 54. The town of Cerralvo is 50 kilometers to the northeast and the border crossing from Miguel Alemán to Roma is 110 kilometers northeast. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Dr. González Municipio is close to 1 based on the 2010 census but only 0.7 based on the 2009 economic census, suggesting that many residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are considerably below 1 in the trade and services categories, while the LQ in the secondary category equals 1.3. Using the 2010 census, the LQ for agriculture is 1.8. Excess employment is a little greater in agriculture than the secondary category.

At the sectoral level from the 2009 census, the location quotient is 1.7 in manufacturing and slightly above 1 in accommodation and food services, with excess employment minimal in the latter sector. The economic base is limited; agriculture and manufacturing are the primary activities.

As seen in the following table of selected indicators, Dr. González Municipio ranks from above-to-below average among the border region municipios on socioeconomic measures.

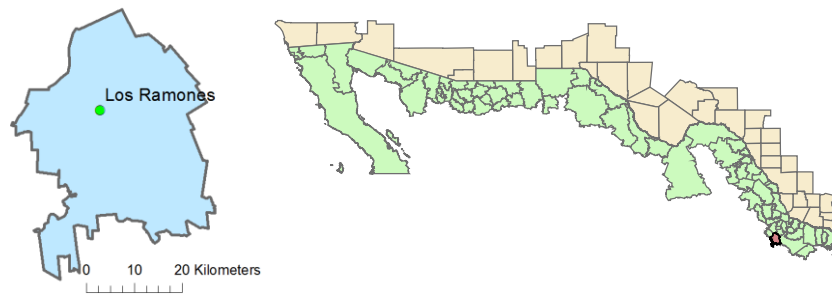
### DOCTOR GONZÁLEZ MUNICIPIO INDICATORS

	Value	Rank*
Median Age	28	24
Mean Years of Schooling, Age 25 or Older	6.3	62
Labor Force Participation Rate, Age 20 to 64	64.0	31
Unemployment Rate, Age 20 to 64	3.4	22
Employment-to-Population Ratio	36.3	33
Poverty Rate	28.0	9

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Los Ramones Municipio



Los Ramones Municipio is in central Nuevo León, bordered by Cerralvo, Dr. González, China, and Los Herreras municipios. Approximately 55 percent of the municipio is within 100 kilometers of the international border. It does not border the United States.

With a land area of 1,342 square kilometers, Los Ramones Municipio ranks 47th among the 78 border region municipios. The municipio primarily is flat at an elevation of around 225 meters, with hills in the northeast.

The area was first settled in the late 1700s. It was named after Juan Ignacio and Buenaventura Ramón, brothers who were leaders in the Mexican War of Independence.

#### Population and Transportation Infrastructure

Los Ramones Municipio had 7,945 residents in 1930. The population peaked in 1950 at 10,604 and was down nearly 50 percent by 2010 to 5,359, ranking 50th among the border region municipios. The population dropped by 878 during the 2000s.

The town of Los Ramones is the largest population center, with 1,169 residents in 2010 — 22 percent of the municipio total. It is located in the central part of the municipio on a secondary road 10 kilometers from Route 40. The Kansas City Southern de México rail line from Reynosa to Monterrey passes through the town. The border crossings in Reynosa are 160 kilometers to the

northeast. The town of Cerralvo is 50 kilometers to the north and the border crossing from Miguel Alemán to Roma is 110 kilometers northeast. The municipio does not have air service.

### Economy

The overall location quotient in Los Ramones Municipio is 0.9 based on the 2010 census but only 0.2 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are considerably below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is very high at 3.0, with substantial excess employment. At the sectoral level from the 2009 census, no sector had a location quotient of 1. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Los Ramones Municipio has one of the highest median ages. It ranks from above-to-below average among the border region municipios on socioeconomic measures.

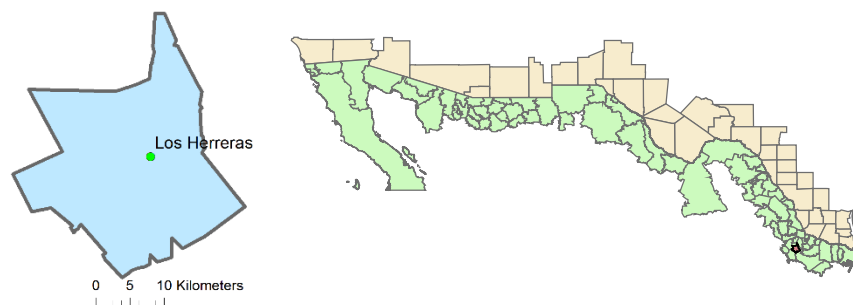
**LOS RAMONES MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	35	4
Mean Years of Schooling, Age 25 or Older	5.7	71
Labor Force Participation Rate, Age 20 to 64	56.2	68
Unemployment Rate, Age 20 to 64	3.4	21
Employment-to-Population Ratio	33.4	55
Poverty Rate	41.5	43

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Los Herreras Municipio



Los Herreras Municipio is in northeastern Nuevo León, bordering Cerralvo, Los Ramones, China, Los Aldamas, and Melchor Ocampo municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of only 498 square kilometers, Los Herreras Municipio is eighth smallest of the 78 border region municipios. The municipio primarily is flat at an elevation of around 280 meters, with some hills.

The area was first settled in the mid-1600s. It was renamed after José Martín and Rafael Herrera, brothers who were leaders in the Mexican War of Independence.

### **Population and Transportation Infrastructure**

Los Herreras Municipio had 3,779 residents in 1930. The population peaked in 1970 at 4,141 and was down by half by 2010 to 2,030, ranking 61st among the border region municipios. The population fell by 765 between 2000 and 2010.

The town of Los Herreras is the largest population center, with 1,565 residents in 2010 — 77 percent of the municipio total. It is located in the central part of the municipio on Nuevo León Route 13, about halfway between Highways 54 and 40. The latter leads to the border crossings in Reynosa, 150 kilometers to the northeast, and the former to the town of Cerralvo (35 kilometers to the northwest) and the border crossing from Miguel Alemán to Roma (100 kilometers northeast).

The Kansas City Southern de México rail line from Reynosa to Monterrey passes through the town. The municipio does not have air service.

### **Economy**

The overall location quotient in Los Herreras Municipio is 0.9 based on the 2010 census but only 0.5 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Based on both datasets, the LQs are considerably below 1 in the secondary, trade, and services categories. Using the 2010 census, the LQ for agriculture is 1.9, with moderate excess employment. At the sectoral level from the 2009 census, transportation and warehousing has a location quotient of more than 1, but has little excess employment. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Los Herreras Municipio has the highest median age. It ranks from average to below average among the border region municipios on socioeconomic measures.

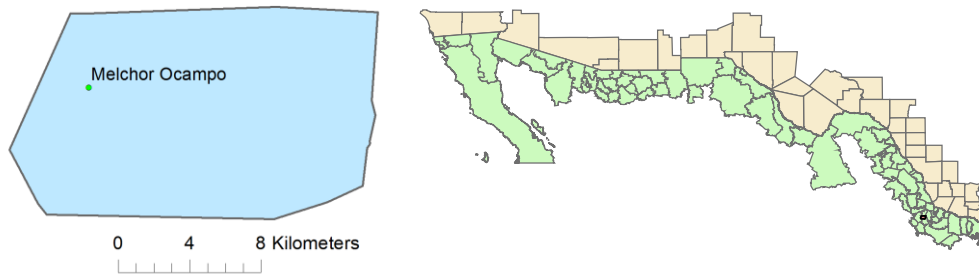
**LOS HERRERAS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	41	1
Mean Years of Schooling, Age 25 or Older	6.1	68
Labor Force Participation Rate, Age 20 to 64	56.5	67
Unemployment Rate, Age 20 to 64	4.7	41
Employment-to-Population Ratio	33.1	58
Poverty Rate	39.3	36

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Melchor Ocampo Municipio



Melchor Ocampo Municipio is in northeastern Nuevo León, bordering Cerralvo, Los Herreras, and General Treviño municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of only 208 square kilometers, Melchor Ocampo Municipio is the smallest of the 78 border region municipios. The municipio primarily is flat at an elevation of around 145 meters.

The area was first settled in 1702. It was renamed for the 19th-century lawyer, scientist, and politician.

### Population and Transportation Infrastructure

Melchor Ocampo Municipio had 926 residents in 1930. The population peaked in 1990 at 1,641 and was down by nearly half by 2010 to 862, the third-least populous of the border region municipios.

The community of Melchor Ocampo is the largest population center, with 579 residents in 2010 — 67 percent of the municipio total. It is located in the northwestern part of the municipio less than 10 kilometers from Cerralvo and Route 54. The border crossing from Miguel Alemán to Roma is 70 kilometers northeast. The municipio does not have rail or air service.

### Economy

The overall location quotient in Melchor Ocampo Municipio is slightly above 1 based on the 2010 census but only 0.4 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Few workers were reported in the 2009 census. The LQ from the 2010 census exceeds 1 in agriculture and in the services category, with excess employment greater in services, though the figure is small. Since few workers were reported in the 2009 economic census, the nature of the services cannot be determined. The economic base is limited.

As seen in the following table of selected indicators, Melchor Ocampo Municipio has the one of the highest median ages. It ranks quite high among the border region municipios on most of the socioeconomic measures.

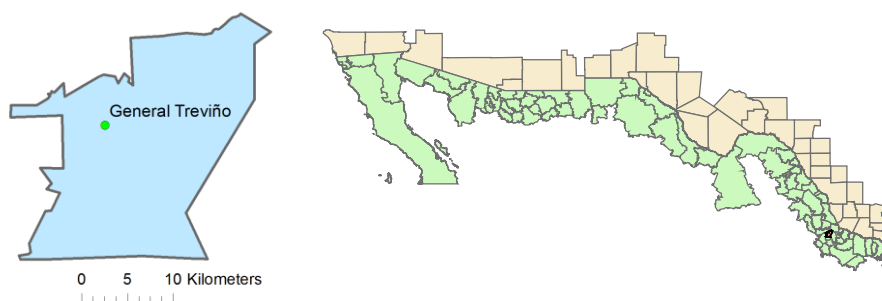
### MELCHOR OCAMPO MUNICIPIO INDICATORS

	Value	Rank*
Median Age	35	4
Mean Years of Schooling, Age 25 or Older	7.0	44
Labor Force Participation Rate, Age 20 to 64	67.0	18
Unemployment Rate, Age 20 to 64	1.4	3
Employment-to-Population Ratio	39.2	7
Poverty Rate	23.3	3

\* Among 78 border region municipalities; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### General Treviño Municipio



General Treviño Municipio is in northeastern Nuevo León, bordering Agualeguas, Cerralvo, Melchor Ocampo, and Los Aldamas municipios. It is south of Mier Municipio of Tamaulipas. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of only 388 square kilometers, General Treviño Municipio is the fifth smallest of the 78 border region municipalities. The municipio primarily is flat at an elevation of around 190 meters.

Settlement began in 1688, when land was granted for a ranch. The area was renamed for Jerónimo Treviño, governor of Nuevo León in the late 1860s.

### Population and Transportation Infrastructure

General Treviño Municipio had 2,108 residents in 1930. The population peaked in 1940 at 2,291 and was down to 1,277 in 2010, the sixth-least populous of the border region municipalities. The population dropped between 400 and 500 in each of the last two decades.

The town of General Treviño is the largest population center, with 1,019 residents in 2010 — 80 percent of the municipio total. It is located in the northwestern part of the municipio on Route 54, 20 kilometers northeast of Cerralvo. The border crossing from Miguel Alemán to Roma is 55 kilometers northeast. The municipio does not have rail or air service.



## Economy

The overall location quotient in General Treviño Municipio is low at 0.8 based on the 2010 census and only 0.4 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Few workers were reported in the 2009 census. The LQ from the 2010 census is 1.7 in agriculture, though excess employment is limited, and considerably below 1 in the other categories. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, General Treviño Municipio has the one of the highest median ages. It ranks from very high to very low among the border region municipios on socioeconomic measures.

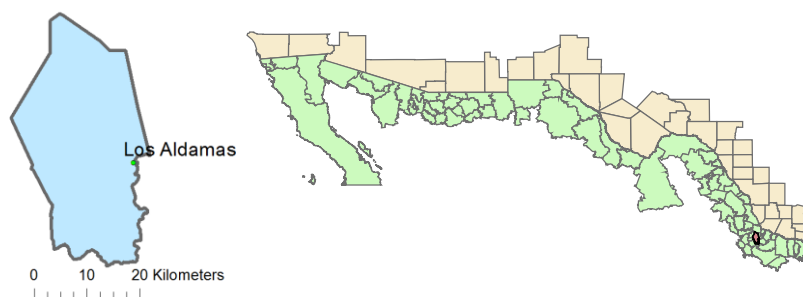
**GENERAL TREVIÑO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	35	4
Mean Years of Schooling, Age 25 or Older	6.4	60
Labor Force Participation Rate, Age 20 to 64	50.8	76
Unemployment Rate, Age 20 to 64	0.9	2
Employment-to-Population Ratio	30.3	71
Poverty Rate	25.9	6

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## Los Aldamas Municipio



Los Aldamas Municipio is in northeastern Nuevo León, bordering General Treviño, Melchor Ocampo, Los Herreras, China, and Dr. Coss municipios. It is south of Mier Municipio, and west of Miguel Alemán Municipio, both of Tamaulipas. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of only 697 square kilometers, Los Aldamas Municipio is the 13th smallest of the 78 border region municipios. The municipio primarily is flat at an elevation of less than 200 meters.

The first Spanish settlement was a mission founded in 1760 along the Río San Juan. The area was renamed in 1825 for Juan and Ignacio Aldama, heroes of the Mexican War of Independence.

### **Population and Transportation Infrastructure**

Los Aldamas Municipio had 3,332 residents in 1930. The population peaked in 1970 at 4,713 and was down to only 1,374 in 2010, the seventh-least populous of the border region municipios. The population dropped by 1,676 during the 1990s and by 1,090 during the 2000s.

The community of Los Aldamas is the largest population center, with 545 residents in 2010 — 40 percent of the municipio total. Nearby Aldama had 490 residents. The communities are located on secondary roads in the east-central part of the municipio between Routes 54 and 40, about 15 kilometers north of the town of Doctor Coss. The border crossings in Reynosa are about 130 kilometers northeast. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Los Aldamas Municipio is low at 0.8 based on the 2010 census and only 0.2 based on the 2009 economic census, suggesting that most working residents are either self-employed or commute to another municipio for work. Few workers were reported in the 2009 census. The LQ from the 2010 census is 1.9 in agriculture, with moderate excess employment, and considerably below 1 in the other categories. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Los Aldamas Municipio has the second-highest median age. It is considerably below average among the border region municipios on socioeconomic measures.

**LOS ALDAMAS MUNICIPIO INDICATORS**

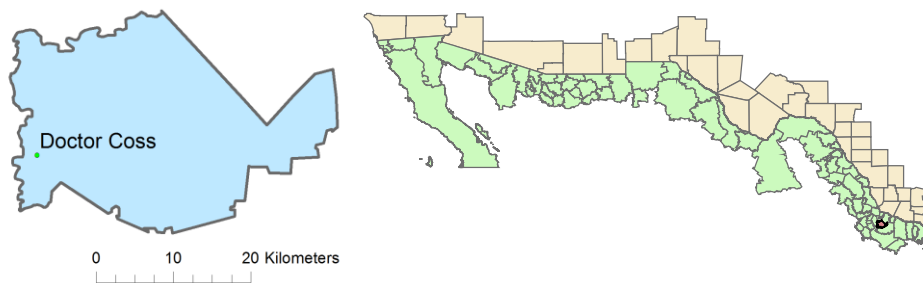
	Value	Rank*
Median Age	37	2
Mean Years of Schooling, Age 25 or Older	5.4	76
Labor Force Participation Rate, Age 20 to 64	53.8	74
Unemployment Rate, Age 20 to 64	6.3	64
Employment-to-Population Ratio	29.9	72
Poverty Rate	43.8	46

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Doctor Coss Municipio**

Dr. Coss Municipio is in northeastern Nuevo León, southeast of Los Aldamas Municipio and northwest of General Bravo Municipio. It is south of Miguel Alemán and Camargo municipios of Tamaulipas. The entire municipio is within 100 kilometers of the international border but does not border the United States.



With a land area of 721 square kilometers, Dr. Coss Municipio ranks 65th among the 78 border region municipalities. The municipio primarily is flat at an elevation of around 135 meters.

The area was first settled in 1745. The area was renamed in 1882 for Dr. José María Coss, a 19th century politician.

### **Population and Transportation Infrastructure**

Dr. Coss Municipio had 3,525 residents in 1930. The population peaked in 1970 at 4,587 and was down by more than half to 1,716 in 2010, the 13th-least populous of the border region municipalities. The population fell by between 500 and 1,000 in each of the last four decades.

The community of Dr. Coss is the largest population center, with 790 residents in 2010 — 46 percent of the municipio total. It is located on a secondary road in the western part of the municipio 15 kilometers north of the town of General Bravo and Route 40. The border crossings in Reynosa are about 120 kilometers northeast. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in Dr. Coss Municipio is a low 0.7 based on the 2010 census and only 0.1 based on the 2009 economic census, suggesting that most working residents are either self-employed or commute to another municipio for work. Few workers were reported in the 2009 census. The LQ from the 2010 census is 2.1 in agriculture, with moderate excess employment, and considerably below 1 in the other categories. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, Dr. Coss Municipio has one of the highest median ages. It ranges from near the bottom to above average among the border region municipalities on socioeconomic measures.

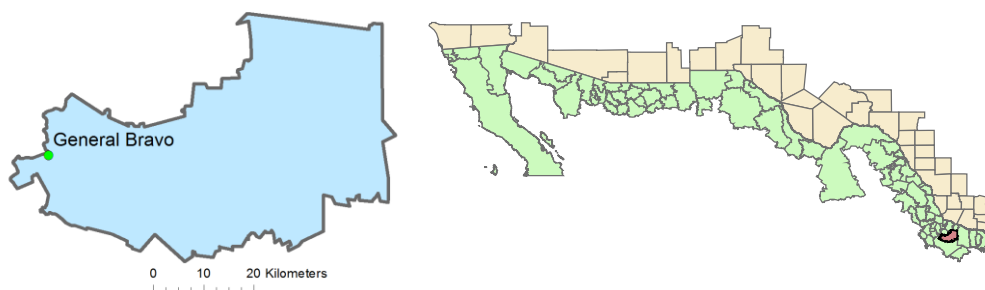
### DR. COSS MUNICIPIO INDICATORS

	Value	Rank*
Median Age	35	4
Mean Years of Schooling, Age 25 or Older	5.5	75
Labor Force Participation Rate, Age 20 to 64	46.4	78
Unemployment Rate, Age 20 to 64	3.1	14
Employment-to-Population Ratio	26.0	77
Poverty Rate	39.3	35

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### General Bravo Municipio



General Bravo Municipio is in the northeastern corner of Nuevo León, southeast of Dr. Coss Municipio and north of China Municipio. It is south of Gustavo Díaz Ordaz Municipio, and west of Reynosa Municipio, both of Tamaulipas. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 1,895 square kilometers, General Bravo Municipio ranks 36th among the 78 border region municipios. The municipio primarily is flat at an elevation of around 150 meters.

The area was first settled as a ranch around 1790. It was renamed for Nicolás Bravo Rueda, a hero of the Mexican War of Independence and a president of México.

### Population and Transportation Infrastructure

General Bravo Municipio had 3,974 residents in 1930. The population peaked in 1980 at 6,807 and was down to 5,527 in 2010, ranking 49th among the border region municipios. The population dropped by 960 during the 1990s and by another 272 during the 2000s.

The town of General Bravo is the largest population center, with 3,927 residents in 2010 — 71 percent of the municipio total. It is located on Route 40 at the western edge of the municipio about 100 kilometers southwest of the border crossings in Reynosa. The municipio does not have rail or air service.

## Economy

The overall location quotient in General Bravo Municipio is slightly above 1 based on both the 2010 census and the 2009 economic census. From the 2010 census, the LQ is about 1 in agriculture and the secondary category. From the 2009 census, the figure exceeds 1 in the trade and services categories. At the sectoral level, the LQ is above 1 in retail trade and in four services sectors, including accommodation and food services and administrative support, which are partially tradable. Administrative support provides the most excess employment. The economic base appears to consist mainly of administrative support and tourism.

As seen in the following table of selected indicators, General Bravo Municipio ranges from considerably above-to-below average among the border region municipios on socioeconomic measures.

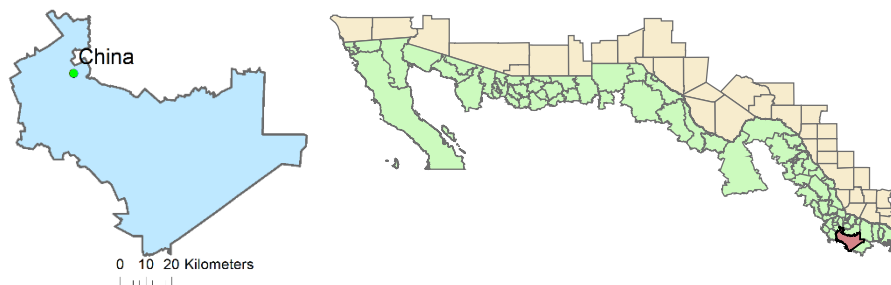
**GENERAL BRAVO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	29	20
Mean Years of Schooling, Age 25 or Older	6.6	56
Labor Force Participation Rate, Age 20 to 64	62.0	40
Unemployment Rate, Age 20 to 64	2.0	7
Employment-to-Population Ratio	38.4	18
Poverty Rate	31.0	14

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## China Municipio



China Municipio is in northeastern Nuevo León, bordering Los Aldamas, Los Herreras, Los Ramones, and General Bravo municipios. It is west of Reynosa and Méndez municipios of Tamaulipas. Approximately three-fourths of the municipio is within 100 kilometers of the international border but it does not border the United States.

With a land area of 4,292 square kilometers, China Municipio ranks 19th among the 78 border region municipios. The municipio primarily is flat at an elevation of around 140 meters.

The area was first settled as a ranch around 1710. “China” derives from the original name, which honored the first saint of México, who served as a missionary in the country of China.

### **Population and Transportation Infrastructure**

China Municipio had 5,588 residents in 1930. The population peaked in 1990 at 12,404 and was down to 10,864 in 2010, ranking 40th among the border region municipios. The population fell by 864 during the 1990s and by 676 during the 2000s.

The town of China is the largest population center, with 8,997 residents in 2010 — 83 percent of the municipio total. It is located at the junction of Routes 35 and 40 in the northwestern part of the municipio next to a large reservoir on the Río San Juan. It is 10 kilometers southwest of the town of General Bravo and about 110 kilometers southwest of the border crossings in Reynosa. The municipio does not have rail or air service.

### **Economy**

The overall location quotient in China Municipio is close to 1 based on the 2010 census but only 0.8 based on the 2009 economic census, suggesting that some working residents are either self-employed or commute to another municipio for work. The LQs in the secondary, trade, and services categories are below 1, except for a slightly higher than 1 figure in trade based on the 2009 census. From the 2010 census, the LQ is 1.6 in agriculture, but excess employment is not substantial.

At the sectoral level from the 2009 census, the LQ slightly exceeds 1 in retail trade and in two of the services sectors, but excess employment is small. Thus, the economic base is limited; agriculture is the primary activity.

As seen in the following table of selected indicators, China Municipio ranges from above-to-below average among the border region municipios on socioeconomic measures.

**CHINA MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	30	18
Mean Years of Schooling, Age 25 or Older	6.7	54
Labor Force Participation Rate, Age 20 to 64	59.4	54
Unemployment Rate, Age 20 to 64	3.1	15
Employment-to-Population Ratio	37.0	30
Poverty Rate	45.4	52

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

## **TAMAULIPAS**

Tamaulipas shares a long border with Texas separated by the Río Bravo; the state extends far to the northwest along its northern border. Tamaulipas has 43 municipios. Of the 11 municipios in the border region, nine share the international border.

With a land area of 80,175 square kilometers, Tamaulipas is the third smallest of the six border states, accounting for 10 percent of the border states' land area and 4 percent of the national total. Most of the state is a low-lying plain, sloping down to the Río Bravo in the north and to the Golfo de México in the east. Vegetation is largely low-grass savannah, with marshland near the coast. The Sierra Madre Oriental Mountains are in the southwestern part of the state, rising to peaks in excess of 3,000 meters. In the northern portion of the state, annual precipitation is between 50-and-100 centimeters; higher amounts are received in the south.

In general, the border region is at a low elevation and largely flat. Much of the land is used for agriculture.

Tamaulipas was explored by the Spanish in various campaigns between 1517 and 1522. Native Americans were hostile and mineral deposits were not found, limiting Spanish interest in the area. The name is derived from a Huastec Native American term of uncertain meaning. The first settlement was in 1554 in Tampico, in the far southern part of the state. Missions began to be established in the early 1600s and cattle and sheep ranching began in the 1600s, but unrest among the Native Americans slowed the colonization. Tamaulipas became a Mexican state in 1824, including territory north of the Río Bravo that was lost to Texas in 1836 and to the United States in 1848.

Though the coastal area of the border region was explored as early as 1519, explorations in the border region were limited. The border region had few non-Native American inhabitants until the mid-1700s, when several communities along the Río Bravo were founded.

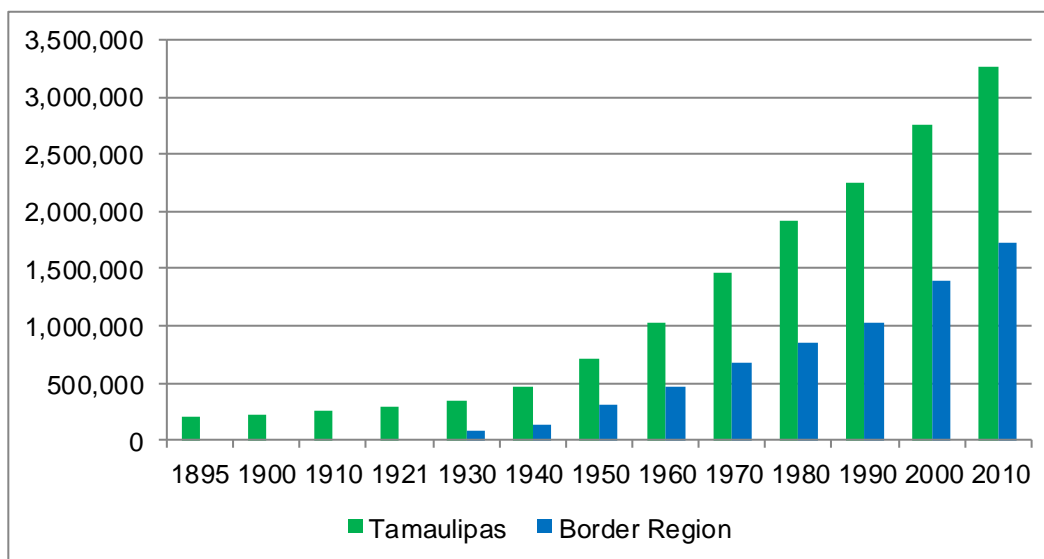
### **Population of Tamaulipas**

The population of the state in the first census in 1895 was 209,106, the fourth-most populous of the six border states. It moved up a rank in 1960, with Chihuahua and Nuevo León more populous. Population gains in Tamaulipas began to accelerate in the 1930s. The population gain exceeded 300,000 in each decade from the 1950s through 2000s, peaking at a little more than 500,000 in the 1990s and 2000s. During this period, its population gain among the border states ranked from second to fifth. The 2010 population was 3,268,554 (see Chart 18).

In 1930, 23 percent of the state's residents lived in the border region but the share rose quickly to 46 percent in 1960. It was still at that level in 1990 before advancing to 53 percent in 2010 (see Chart 19). As a share of the state's population change, the border region accounted for more than half in each decade except the 1960s and 1970s, including shares of 73 percent in the 1990s and 67 percent in the 2000s.

Three large population centers are located in the border region: Reynosa-Río Bravo with 727,150 residents in 2010, Matamoros with 489,193 residents, and Nuevo Laredo with 384,033. In the rest of the state, Victoria — the capital in the southwestern part of the state — had 321,953

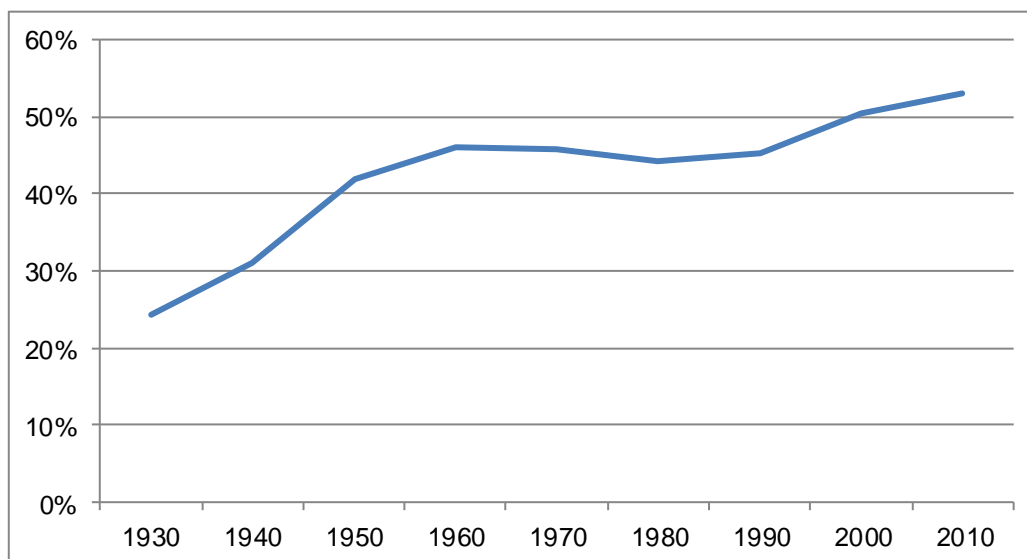
**CHART 18**  
**NUMBER OF RESIDENTS OF TAMAULIPAS**



Note: The border region population is not available prior to 1930.

Source: Instituto Nacional de Estadística y Geografía, decennial census.

**CHART 19**  
**BORDER REGION SHARE OF THE POPULATION OF TAMAULIPAS**



Source: Instituto Nacional de Estadística y Geografía, decennial census.



residents, El Mante in the far south had 115,792, and the greater Tampico area in the southeastern corner had 706,771 within Tamaulipas.

### **Transportation and Trade in the Border Region of Tamaulipas**

The transportation network in Tamaulipas includes several federal highways. Route 2 follows the Río Bravo from the Gulf of México to Acuña, Coahuila. Three highways travel southwest to Monterrey and beyond: Route 85 (a freeway) from Nuevo Laredo, Route 54 from Mier, and Route 40 (a freeway) from Reynosa. Route 30 runs west from Nueva Ciudad Guerrero to Parás, Nuevo León. Route 97 heads south from Reynosa, joining Routes 101 and 180 (which are a freeway through the border region). These highways travel south from Matamoros, branching to connect to Victoria and Tampico.

A Kansas City Southern de México rail line also travels from Nuevo Laredo to Monterrey. Union Pacific and Kansas City Southern both operate rail lines leading out of Laredo. Another Kansas City Southern de México rail line travels from Matamoros to Monterrey, passing through Reynosa. It crosses the border in Matamoros, where it connects to a Union Pacific line.

There are 16 border crossings, with eight of the nine municipios along the international border having at least one crossing: Nuevo Laredo, Guerrero, Miguel Alemán, Camargo, Gustavo Díaz Ordaz, Reynosa, Río Bravo, and Matamoros. Mier does not have a crossing.

Combining the data for the 16 crossings in Tamaulipas (and the one crossing in Nuevo León) and comparing those totals to those of the other border states, cross-border commercial truck traffic into Tamaulipas was by far the highest in 2012. One-half of the trucks crossing the border, including 54 percent of the loaded containers, came from Tamaulipas. Cross-border rail traffic also was predominantly from Tamaulipas, accounting for 46 percent of the trains and 60 percent of the loaded rail containers. Tamaulipas ranked second to Baja California in the number of individuals crossing the border, accounting for one-fourth of the border region total. On a per capita basis, using the population of the border region of each state, Tamaulipas still ranks first on the number of trucks crossing the border, but the rank drops to second for trains and fourth for individuals.

Based on the value of traded goods crossing the border in 2013, Tamaulipas ranked first by a wide margin on both imports and exports. On a per capita basis, Tamaulipas still ranked first by a wide margin. The ratio of the export-to-import value was 1.11 in 2013, the lowest of the border states. The net export value was barely the highest, but the per capita net figure ranked third.

Between 2004 and 2013, the value of imports crossing the border into Tamaulipas rose slightly more than the average of the border region. The percent change in exports was a little below average. Between 1997 and 2012, the percent change in the number of trucks crossing the border from Tamaulipas was about equal to the border region total, though the increase in loaded containers was above average. The use of rail did not quite keep pace with the border region total. The number of individuals crossing the border dropped a little more than the border region total.

Nuevo Laredo had by far the highest amount of cross-border commercial traffic and also had the largest number of individuals crossing the border. Reynosa and Matamoros were close behind on the number of individuals; a significant amount of commercial traffic also crossed the border in those cities.

### **Economy of Tamaulipas**

The overall location quotient in Tamaulipas is similar across the three measures at 1.0 or a little higher (see Table 15). The LQ varies considerably across the measures in the secondary category and in agriculture, but is near 1 on each measure in the trade and services categories.

Based on both value added and employment from the economic census, the LQ is at least 1 in each of the sectors — mining, utilities, construction, and manufacturing — within the secondary category. The LQ exceeds 1 on both measures in transportation and warehousing, and real estate and rental.

Manufacturing provides the greatest excess employment by a wide margin, but provides minimal excess value added. Transportation and warehousing provides the greatest amount of excess value added, followed by real estate and rental, and construction. Construction provides the second-highest excess employment.

Excess employment is present in 12 of the 21 manufacturing subsectors, with the most in electronic equipment, followed by transportation equipment and electrical equipment. Aggregating the subsectors into the 12 subcategories available from the value added series, the employment excess is by far the greatest in the grouping of machinery, electronics, electrical equipment, and transportation equipment, but this subcategory provides only moderate excess value added. Excess value added is greatest in the apparel grouping. Each measure indicates that a small-to-moderate excess exists in oil and gas mining.

The employment excesses in subsectors of other sectors are small compared to those in manufacturing. Among those activities with more than a modest tradable share, trucking and transportation support services provide the most.

Thus, manufacturing and transportation and warehousing are the most important economic base activities in Tamaulipas. Oil and gas mining also contributes.

### **Economy of the Border Region of Tamaulipas**

The economy in the border region of the state is different from that of the rest of the state. In the agriculture, utilities, and construction sectors, the LQ in the border region is less than in the rest of the state but it is much higher in the mining and manufacturing sectors. Among the services sectors, the location quotient in the border region also ranges from higher to lower than in the balance of the state. Based on employment, manufacturing dominates the economy of the border region. Manufacturing does not provide excess employment in the balance of the state, which has relatively modest amounts of excess employment in several sectors.

Some of the municipios in the border region are lightly populated. These municipios have a nonagricultural location quotient that is lower from the 2009 economic census than from the

**TABLE 15**  
**LOCATION QUOTIENTS BY SECTOR, TAMAULIPAS**

	Value Added*	State Employ- ment**	Employ- ment***	Border Region Employ- ment**	Employ- ment***	Balance of State Employ- ment**	Employ- ment***
TOTAL	1.02	1.00	1.17	1.01	1.39	0.98	0.92
Primary (Agriculture)	1.22	0.59		0.32		0.89	
Secondary	1.05	1.21	1.70	1.50	2.48	0.88	0.81
Mining	1.05		1.21		2.14		0.17
Utilities	1.58		1.50		0.90		2.18
Construction	1.00		1.69		1.39		2.02
Manufacturing	1.02		1.73		2.74		0.58
Trade	0.97	0.94	0.98	0.95	0.96	0.93	1.01
Wholesale			0.95		0.85		1.06
Retail			0.99		0.98		1.00
Services	0.99	1.03	0.93	0.97	0.96	1.09	0.89
Transportation and Warehousing	1.56		1.31		1.50		1.00
Information	0.82		1.09		0.84		1.37
Finance and Insurance	0.69		0.22		0.23		0.21
Real Estate and Rental	1.17		1.06		1.24		0.85
Professional, Scientific & Technical Services	0.72		0.87		0.81		0.94
Management of Companies	0.04		0.02		0.00		0.04
Administrative Support	0.48		0.72		0.89		0.53
Educational Services	1.11		0.96		0.78		1.16
Health Care & Social Assistance	1.18		0.99		1.05		0.92
Arts, Entertainment and Recreation	0.45		0.65		0.55		0.76
Accommodation and Food Services	0.79		0.94		0.93		0.94
Other Services	0.96		1.20		1.27		1.13
Government	0.81						

Note: a blank indicates that the data are not available

\* Value Added component of Gross Domestic Product, 2012

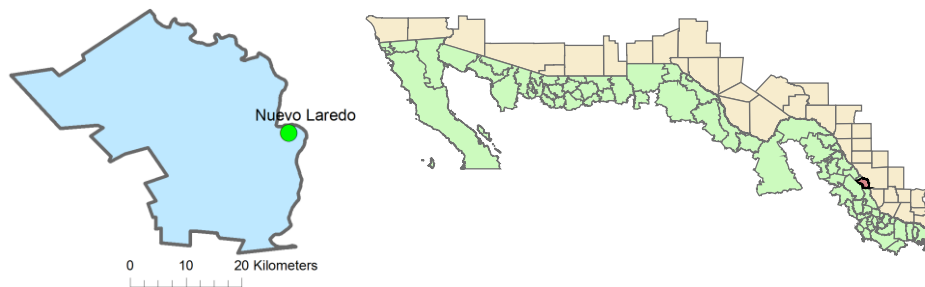
\*\* Employment, 2010 Census

\*\*\* Employment, 2009 Economic Census

Source: Instituto Nacional de Estadística y Geografía.

2010 census, indicating that a disproportionate share of the working residents either are self-employed or work in another municipio. In contrast, Matamoros and Reynosa municipios have higher LQs based on the 2009 economic census, suggesting that they attract workers who live in other municipios.

### **Nuevo Laredo Municipio (Nuevo Laredo Urban Area)**



Nuevo Laredo Municipio is the northwestern-most extension of Tamaulipas, north of Guerrero Municipio and east of Anáhuac Municipio of Nuevo León. The northeastern boundary is the Río Bravo, which separates it from Webb County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of 1,202 square kilometers, Nuevo Laredo Municipio is the 54th largest of the 78 border region municipios. It has the fourth-highest population density. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation.

Laredo, on the north side of the Río Bravo, was settled in 1755. When Laredo became part of the United States at the end of the Mexican-American War, some residents crossed the river to establish Nuevo Laredo in 1848. The origin of the name “Laredo” is uncertain.

### **Population and Transportation Infrastructure**

Nuevo Laredo Municipio is coincident with the Nuevo Laredo metro area and with the Mexican portion of the Laredo-Nuevo Laredo urban area defined for this study. Nuevo Laredo Municipio had 23,128 residents in 1930 and 384,033 in 2010, the seventh-most populous among the border region municipios. The largest population gains were in the last two decades, at 91,447 in the 1990s and 73,118 between 2000 and 2010.

The city of Nuevo Laredo is the largest population center, with 373,725 residents in 2010 — 97 percent of the municipio total. Nuevo Laredo is located on the Río Bravo in the east-central part of the municipio. Route 2 runs through Nuevo Laredo from northwest to southeast. Route 85, a freeway, runs southwest to Monterrey and connects to Interstate 35 in Laredo.

Kansas City Southern de México operates a railroad that runs southwest and then south from Nuevo Laredo to Monterrey; it connects with a Kansas City Southern line in Laredo, Texas. Aeropuerto Internacional Quetzalcóatl has scheduled air service, primarily to Ciudad de México.

## **Border Crossings and Trade Values**

In addition to the railroad crossing, three border crossings connect the cities of Nuevo Laredo and Laredo, only one of which is open to trucks. The three crossings are combined with the crossing from Anáhuac Municipio, Nuevo León into one U.S. port of entry. See the Webb County, Texas section for details.

The number of passengers and pedestrians entering the United States through Anáhuac and Nuevo Laredo municipios ranked fourth among the 21 sets of municipios with border crossings in 2012. The number of trucks crossing the border was highest by a wide margin. The rail crossing was the busiest of the seven active rail crossings between the United States and México.

Considering the combined population of Anáhuac and Nuevo Laredo municipios, the per capita number of trucks crossing the border in 2012 was the highest of the 21 municipios by a very wide margin. The per capita number of trains was second highest, but Laredo ranked first for loaded rail containers. The per capita number of passengers and pedestrians ranked 10th. Between 2000 and 2012, a slight decline in the per capita number of trucks ranked fifth highest among the 21 sets of municipios. The slight per capita gain in the number of trains ranked third. The per capita decrease in individual crossings was near average, ranking 10th.

In 2013, the value of both imports and exports passing through Anáhuac and Nuevo Laredo municipios was the highest by far of the 21 sets of municipios. Net exports ranked second. The ratio of the export-to-import value was a subpar 1.10, ranking 12th. On a per capita basis, export and import values still were highest by a wide margin; net exports ranked third. Between 2004 and 2013, the inflation-adjusted percent change in import value was greater than average, ranking fourth, and the real percent change in export value was near average and ranked seventh.

## **Economy**

The overall location quotient in Nuevo Laredo Municipio is a little less than 1 based on the 2010 census but a little more than 1 based on the 2009 economic census. The LQs in the secondary and services categories are above 1 based on both datasets, and the figure for trade exceeds 1 based on the 2010 census. From the 2010 census, the LQ is near zero in agriculture. Excess employment is three times as much in services as in trade, with a lesser amount in the secondary category.

At the sectoral level from the 2009 census, the LQ exceeds 1 in construction, manufacturing, retail trade, and four of the services sectors, including a very high 4.2 in transportation and warehousing. The very high per capita truck and rail traffic and trade values are responsible for the high figure in the transportation and warehousing sector. The strong transportation infrastructure on both sides of the border and the direct connection to Monterrey, a major manufacturing center, account for the strength of the transportation and warehousing sector. However, the wholesale trade LQ does not exceed 1 in Nuevo Laredo Municipio.

Excess employment is highest in transportation and warehousing, followed by manufacturing. These are the primary economic base activities in Nuevo Laredo Municipio.

As seen in the following table of selected indicators, Nuevo Laredo Municipio ranks above average among the border region municipios on socioeconomic measures.

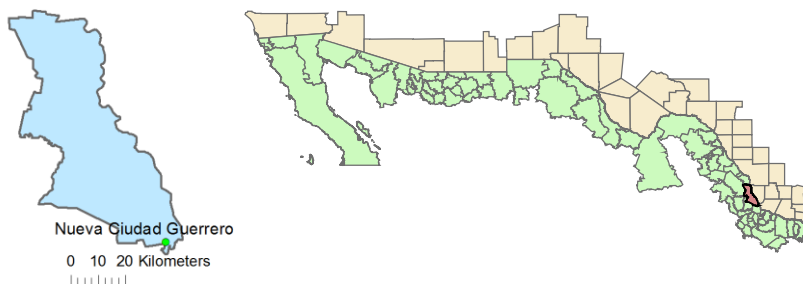
**NUEVO LAREDO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	8.8	11
Labor Force Participation Rate, Age 20 to 64	67.5	16
Unemployment Rate, Age 20 to 64	4.3	32
Employment-to-Population Ratio	35.8	36
Poverty Rate	37.6	30

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Guerrero Municipio



Guerrero Municipio is in northwestern Tamaulipas, south of Nuevo Laredo Municipio and north of Mier Municipio. Anáhuac and Parás municipios of Nuevo León are to the west. The eastern boundary is the Río Bravo, which separates it from Zapata County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of 2,427 square kilometers, Guerrero Municipio is the 31st largest of the 78 border region municipios. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation. The Río Salado joins the Río Bravo in the northern part of the Presa Falcón (“Falcon Reservoir”). The construction of Falcon Dam in 1952 flooded the town of Guerrero.

The area was settled in 1750. It is named for Vicente Guerrero, who fought in the War of Independence and was second president of México.

### Population and Transportation Infrastructure

Guerrero Municipio had 3,220 residents in 1930. The number of residents increased by more than 1,100 in the 1950s to 4,237 and has changed little since then. The population was 4,477 in 2010, ranking 55th among the border region municipios.

The city of Nueva Ciudad Guerrero is the largest population center, with 4,312 residents in 2010 — 96 percent of the municipio total. It is located on Route 2 and the Río Bravo at the southern end of the Presa Falcón in the southeastern corner of the municipio. Route 30 heads west. The municipio does not have rail or air service.

A border crossing from Nueva Ciudad Guerrero to Falcon Heights, Texas passes over Falcon Dam. It does not allow trucks. The border crossing from Miguel Alemán to Roma is 30 kilometers southeast via Route 2. It is more than 125 kilometers north to the crossings in Nuevo Laredo.

### **Border Crossings and Trade Values**

The border crossing over the dam is combined with the crossing from Miguel Alemán Municipio into the Roma U.S. port of entry. See the Starr County, Texas section for details.

The number of passengers and pedestrians entering the United States through Guerrero and Miguel Alemán municipios in 2012 ranked 14th among the 21 sets of municipios with border crossings. The number of trucks crossing the border ranked 17th.

Considering the combined population of the Guerrero and Miguel Alemán municipios, the per capita number of trucks still ranked 17th but the per capita number of passengers and pedestrians was third highest. Between 2000 and 2012, the decrease in the per capita number of trucks was larger than average, with the percent change ranking 17th. The decline in individual crossings also was greater than average, ranking 20th.

In 2013, the value of imports passing through Guerrero and Miguel Alemán municipios ranked 16th among the 21 sets of municipios. The export value was minimal, ranking 18th; net exports ranked 17th. The ratio of the export-to-import value was only 0.05, ranking 19th. On a per capita basis, the import rank was higher at ninth but the export rank remained 18th and net exports were second lowest. Between 2004 and 2013, the inflation-adjusted values of both imports and exports fell. The percent change ranked 16th for imports and 18th for exports.

### **Economy**

The overall location quotient in Guerrero Municipio is a little less than 1 based on both the 2010 census and the 2009 economic census. Due to an insufficient sample from the 2010 census, employment by category is not available.

The 2009 economic census indicates that several sectors have a LQ greater than 1. The high per capita number of individuals crossing the border may contribute to a location quotient above 1 for retail trade. However, the LQs for wholesale trade and transportation and warehousing are extremely low, consistent with the low per capita truck traffic and trade values.

Excess employment is by far the greatest in agriculture, the primary economic base activity. Tourism contributes, reflected by small excesses in retail trade and accommodation and food services.

As seen in the following table of selected indicators, Guerrero Municipio ranks near average among the border region municipios on employment-related measures but has the highest poverty rate.

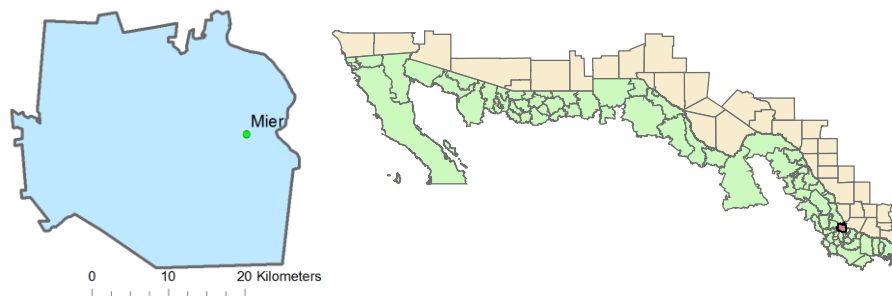
**GUERRERO MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	29	20
Mean Years of Schooling, Age 25 or Older	7.0	46
Labor Force Participation Rate, Age 20 to 64	63.0	36
Unemployment Rate, Age 20 to 64	4.5	37
Employment-to-Population Ratio	35.4	40
Poverty Rate	73.3	78

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Mier Municipio



Mier Municipio is in northwestern Tamaulipas, south of Guerrero Municipio and northwest of Miguel Alemán Municipio. Parás, Agualeguas, General Treviño, and Los Aldamas municipios of Nuevo León are to the west and south. The northeastern boundary is the Río Bravo, which separates it from Starr County, Texas. The entire municipio is within 100 kilometers of the international border but there is no border crossing.

With a land area of 929 square kilometers, Mier Municipio is the 61st largest of the 78 border region municipios. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation.

The area was settled in 1753. It was a steamboat stop in the 1800s. It is named for Francisco Mier y Torre, governor of the New Kingdom of León, who traveled through the area. Through 1950, Mier Municipio included the area that became Miguel Alemán Municipio.

### Population and Transportation Infrastructure

Mier Municipio had 5,194 residents in 1960. The population rose to 6,788 in 2000 but dropped during the 2000s to 4,762 in 2010, ranking 53rd among the border region municipios.



All of the residents of the municipio lived in the town of Mier in 2010. It is located at the junction of Routes 2 and 54, near the Río Bravo in the east-central part of the municipio. Route 54 travels southwest to Monterrey, which is 150 kilometers away. The border crossing from Miguel Alemán to Roma is about 15 kilometers east via Route 2; the crossing at Nueva Ciudad Guerrero is 15 kilometers to the northwest. The municipio does not have rail or air service.

### Economy

The overall location quotient in Mier Municipio is 0.9 based on the 2010 census and 0.8 based on the 2009 economic census. The LQs are less than 1 in each of the four categories. At the sectoral level from the 2009 census, the LQ exceeds 1 in utilities, retail trade, and three services sectors, including tourism-related accommodation and food services, and arts, entertainment and recreation. The economic base is limited, with tourism the primary activity.

As seen in the following table of selected indicators, Mier Municipio generally ranks near average among the border region municipios on socioeconomic measures, though the unemployment rate was high.

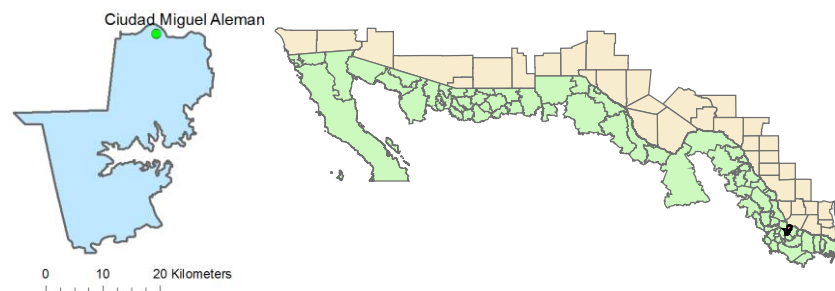
**MIER MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	31	15
Mean Years of Schooling, Age 25 or Older	7.8	29
Labor Force Participation Rate, Age 20 to 64	62.0	41
Unemployment Rate, Age 20 to 64	6.3	65
Employment-to-Population Ratio	35.6	39
Poverty Rate	41.3	42

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Miguel Alemán Municipio



Miguel Alemán Municipio is in northwestern Tamaulipas, southeast of Mier Municipio and west of Camargo Municipio. The Los Aldamas and Dr. Coss municipios of Nuevo León are to the south and west. The northern boundary is the Río Bravo, which separates it from Starr County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of only 636 square kilometers, Miguel Alemán Municipio is the 11th smallest of the 78 border region municipios. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation. A large reservoir, Presa Marte R. Gómez, on the Río San Juan is south of the city of Miguel Alemán.

The area was known as San Pedro de Roma and was part of Mier Municipio until 1950. It was renamed in honor of the then-current Mexican president, Miguel Alemán Valdés.

### **Population and Transportation Infrastructure**

Miguel Alemán Municipio had 12,872 residents in 1960. The population rose to 27,015 in 2010, ranking 25th among the border region municipios. The population rose by between 1,300 and 1,700 in the 1970s, 1980s, and 2000s. The greatest gains were in the 1960s (5,300) and 1990s (4,400).

The city of Miguel Alemán is the largest population center, with 19,997 residents in 2010 — 74 percent of the municipio total. It is located on Route 2 and the Río Bravo across from Roma, Texas in the northern part of the municipio. It is 90 kilometers northwest of Reynosa. The municipio does not have rail or air service.

A border crossing between the cities of Miguel Alemán and Roma is combined with the crossing over Falcon Dam into the Roma U.S. port of entry. See the Guerrero Municipio section for the discussion of traffic and trade values.

### **Economy**

The overall location quotient is about 1 in Miguel Alemán Municipio based on both the 2010 census and the 2009 economic census. The LQs are greater than 1 in the services category and the figure for trade exceeds 1 based on the 2009 census. Based on the 2010 census, the LQ for agriculture is 0.6.

At the sectoral level from the 2009 census, the LQ exceeds 1 in retail trade and in five of the services sectors, including accommodation and food services, which is partially tradable. The high per capita number of individuals crossing the border may contribute to a location quotient above 1 for retail trade. The LQs for wholesale trade and transportation and warehousing are less than 1, consistent with the low per capita truck traffic and trade values.

Excess employment is the highest in retail trade, followed by accommodation and food services. Cross-border shopping and tourism appear to be the primary economic base activities.

As seen in the following table of selected indicators, Miguel Alemán Municipio generally ranks above average among the border region municipios on socioeconomic measures, though the poverty rate was worse than average.

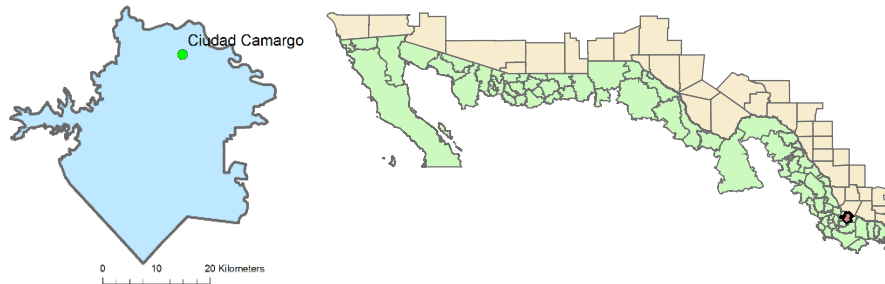
### MIGUEL ALEMÁN MUNICIPIO INDICATORS

	Value	Rank*
Median Age	27	28
Mean Years of Schooling, Age 25 or Older	8.0	27
Labor Force Participation Rate, Age 20 to 64	66.7	19
Unemployment Rate, Age 20 to 64	3.6	23
Employment-to-Population Ratio	39.1	8
Poverty Rate	44.0	48

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Camargo Municipio



Camargo Municipio is in northwestern Tamaulipas, east of Miguel Alemán Municipio and west of Gustavo Díaz Ordaz Municipio. Dr. Coss Municipio of Nuevo León is to the south. The northern boundary is the Río Bravo, which separates it from Starr County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of 931 square kilometers, Camargo Municipio ranks 60th among the 78 border region municipios. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation. A large reservoir, Presa Marte R. Gómez, on the Río San Juan is southwest of the city of Camargo.

The area was settled in 1749 at the confluence of the Río San Juan and Río Bravo. Until 1968, Camargo Municipio included the area that became Gustavo Díaz Ordaz Municipio.

#### Population and Transportation Infrastructure

Camargo Municipio had 15,416 residents in 1970. The population rose to 16,787 in 2000 before dropping to 14,933 in 2010, ranking 33rd among the border region municipios.

The city of Santa Rosalía de Camargo is the largest population center, with 40,721 residents in 2010 — 84 percent of the municipio total. It is located on Route 2 near the Río Bravo across from Rio Grande City, Texas in the north-central part of the municipio. It is 65 kilometers

northwest of Reynosa. The municipio does not have rail or air service, but is not far from Reynosa.

### **Border Crossings and Trade Values**

A border crossing between the cities of Camargo and Rio Grande City is combined with the very lightly used ferry crossing between Gustavo Díaz Ordaz Municipio and Hidalgo County, Texas into the Rio Grande City U.S. port of entry. See the Starr County, Texas section for details.

The number of passengers and pedestrians entering the United States through Camargo and Gustavo Díaz Ordaz municipios ranked 17th among the 21 sets of municipios with border crossings in 2012. The number of trucks crossing the border ranked 14th, with loaded truck containers ranking 10th and empty containers 15th.

Considering the population of Camargo and Gustavo Díaz Ordaz municipios, the per capita number of trucks ranked third, behind Nuevo Laredo and Nogales. The per capita number of passengers and pedestrians ranked 13th. Between 2000 and 2012, the per capita percent change in the number of trucks was positive, ranking third among the 21 sets of municipios. The per capita decrease in individual crossings was larger than average, with the percent change ranking 18th.

In 2013, the value of imports passing through Camargo and Gustavo Díaz Ordaz municipios ranked 17th; the export value ranked 13th. Net exports ranked 10th. The ratio of the export-to-import value was a very high 3.38, the highest of the 21 municipios. The import rank was the same on a per capita basis, while the ranks for exports (11th) and net exports (eighth) were a little higher. Between 2004 and 2013, the inflation-adjusted percent change in imports was significantly negative, ranking 19th. The real percent change in exports was positive, but less than the average and ranked 11th.

### **Economy**

The overall location quotient is slightly below 1 in Camargo Municipio based on both the 2010 census and the 2009 economic census. The LQ exceeds 1 in the secondary category based on the 2009 census and in agriculture based on both datasets.

At the sectoral level from the 2009 census, the LQ exceeds 1 in utilities, manufacturing, retail trade, and two of the services sectors that are largely nontradable. The retail trade figure is relatively high despite a below-average per capita number of individuals crossing the border. The LQs for wholesale trade and transportation and warehousing are considerably below 1, consistent with the below-average per capita trade values.

Excess employment is the highest in agriculture, followed by manufacturing, which are the primary economic base activities.

As seen in the following table of selected indicators, Camargo Municipio ranks a little below average among the border region municipios on socioeconomic measures.

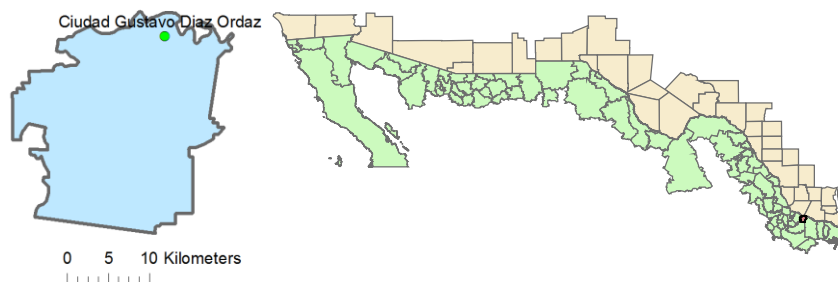
### CAMARGO MUNICIPIO INDICATORS

	Value	Rank*
Median Age	28	24
Mean Years of Schooling, Age 25 or Older	6.9	47
Labor Force Participation Rate, Age 20 to 64	62.5	39
Unemployment Rate, Age 20 to 64	5.5	55
Employment-to-Population Ratio	35.1	41
Poverty Rate	44.3	50

\* Among 78 border region municipalities; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Gustavo Díaz Ordaz Municipio



Gustavo Díaz Ordaz Municipio is in northern Tamaulipas, east of Camargo Municipio and west of Reynosa Municipio. General Bravo Municipio of Nuevo León is to the south. The northern boundary is the Río Bravo, which separates it from Texas: the western half from Starr County and the remainder from Hidalgo County. The entire municipio is within 100 kilometers of the international border.

With a land area of only 431 square kilometers, Gustavo Díaz Ordaz Municipio is the sixth smallest of the 78 border region municipalities. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation.

In 1968, Gustavo Díaz Ordaz Municipio was created out of Camargo Municipio. It was named after the then-current president of México.

#### Population and Transportation Infrastructure

Gustavo Díaz Ordaz Municipio had 18,261 residents in 1970 but the population has declined since then to 15,775 in 2010, ranking 31st among the border region municipalities. The declines included 1,459 in the 1990s and 471 during the 2000s.

The city of Gustavo Díaz Ordaz is the largest population center, with 11,523 residents in 2010 — 73 percent of the municipio total. It is located on the Río Bravo just north of Route 2 in the north-central part of the municipio. The Kansas City Southern de México rail line from

Matamoros to Monterrey runs by the city. The municipio does not have air service, but is not far from Reynosa.

The border crossing with lightly populated Los Ebanos, Texas consists of a hand-pulled ferry. The ferry crossing is combined with the Rio Grande City crossing into one U.S. port of entry. Thus, it is not possible to quantify the amount of traffic using the ferry. See the Camargo Municipio section for the discussion of traffic and trade values. The nearest border crossings other than the ferry are 30 kilometers northwest in Camargo and 40 kilometers southeast in Reynosa.

### **Economy**

The overall location quotient is slightly below 1 in Gustavo Díaz Ordaz Municipio based on the 2010 census but less than 0.8 based on the 2009 economic census, suggesting that some working residents are either self-employed or commute to another municipio. Based on both datasets, the LQ is below 1 in the secondary, trade, and services categories. Based on the 2010 census, the LQ is 1.8 in agriculture, with moderate excess employment.

At the sectoral level from the 2009 census, the LQ exceeds 1 in three services sectors, but excess employment is slight and tradability is limited. The location quotients are considerably below 1 for the wholesale trade, and transportation and warehousing sectors; the LQ for retail trade is near 1. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Gustavo Díaz Ordaz Municipio ranges from a little above average to below average among the border region municipios on socioeconomic measures.

**GUSTAVO DÍAZ ORDAZ MUNICIPIO INDICATORS**

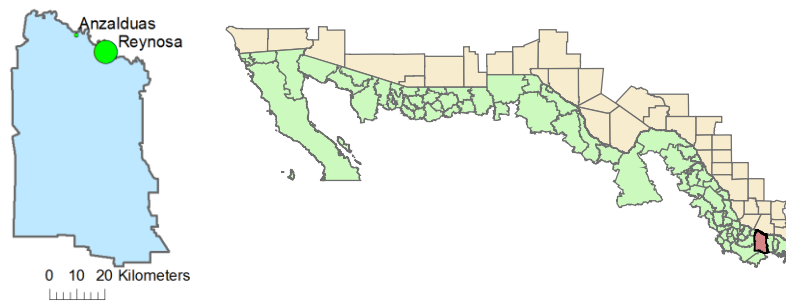
	Value	Rank*
Median Age	28	24
Mean Years of Schooling, Age 25 or Older	7.2	39
Labor Force Participation Rate, Age 20 to 64	60.9	49
Unemployment Rate, Age 20 to 64	3.8	28
Employment-to-Population Ratio	36.1	35
Poverty Rate	49.4	61

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Reynosa Municipio (Reynosa Urban Area)**

Reynosa Municipio is in north-central Tamaulipas, east of Gustavo Díaz Ordaz Municipio, north of Méndez Municipio, and west of Río Bravo Municipio. General Bravo and China municipios of Nuevo León are to the west. The northern boundary is the Río Bravo, which separates it from Hidalgo County, Texas. The entire municipio is within 100 kilometers of the international border.



With a land area of 3,139 square kilometers, Reynosa Municipality ranks 24th among the 78 border region municipalities. It has the fifth-highest population density. The municipality is largely flat and semiarid, sloping down to the Río Bravo at a low elevation.

The area was first explored in 1686 and was settled in 1749. The town of Reynosa was relocated in 1802 due to flooding. It is named after the city in Spain. Reynosa Municipality experienced two boundary changes during the middle of the 20th century. In 1953, Valle Hermoso Municipality was created from portions of Reynosa and Matamoros municipalities. In 1962, Río Bravo Municipality was split off from Reynosa Municipality.

### **Population and Transportation Infrastructure**

Reynosa Municipality is the larger part (along with Río Bravo Municipality) of the Reynosa-Río Bravo metro area and of the Mexican portion of the McAllen-Reynosa urban area defined for this study. In 1970, Reynosa Municipality had 150,786 residents; the population rose substantially to 608,891 in 2010, the fourth-most populous of the border region municipalities. The largest population gain occurred during the 2000s, when 188,428 residents were added. The gain in the previous decade was 137,796.

The city of Reynosa is the largest population center, with 589,466 residents in 2010 — 97 percent of the municipality total. It is located on the Río Bravo and Route 2 in the north-central part of the municipality, across the river from various Texas cities, including Mission, Hidalgo, McAllen, and Pharr. Route 2 is a freeway between Reynosa and Matamoros. Route 40, another freeway, runs southwest to Monterrey and Route 97 runs south to its juncture with Routes 101 and 180, which extend to Victoria, the capital of Tamaulipas, and Tampico.

The Kansas City Southern de México rail line from Monterrey to Matamoros goes through Reynosa. Aeropuerto Internacional General Lucio Blanco, in Reynosa, is served by multiple carriers and is the fourth-busiest passenger airport in the border region of México.

### **Border Crossings and Trade Values**

Three border crossings are in Reynosa Municipality. The Anzalduás crossing to Mission, Texas is northwest of the city of Reynosa and does not allow trucks; the community of Anzalduás had 618 residents in 2010. The other two crossings are in the city of Reynosa, connecting it to the Texas cities of Hidalgo and Pharr. The three border crossings are combined into the Hidalgo/Pharr U.S. port of entry. See the Hidalgo County, Texas section for details.

The number of passengers and pedestrians entering the United States through Reynosa Municipio ranked fifth from among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked fourth.

Considering the population of Reynosa Municipio, the ranks were lower: 19th for the per capita number of passengers and pedestrians and fifth for the per capita number of trucks (fourth for loaded containers and sixth for empty containers). Between 2000 and 2012, the percent change in the per capita number of trucks was near average, ranking ninth, but the decrease in the number of individual crossings ranked 19th.

In 2013, the value of imports passing through Reynosa Municipio ranked fourth; the export value ranked fifth and the net export value was sixth. The ratio of the export-to-import value was 1.54, the sixth highest of the 21 municipios. On a per capita basis, the export rank also was fifth while the import rank was lower at seventh and the net export rank was higher at fourth. Between 2004 and 2013, the inflation-adjusted percent change in export value was average, ranking sixth, while the real increase in the import value was below average but ranked ninth.

### **Economy**

The overall location quotient is slightly above 1 in Reynosa Municipio based on the 2010 census but is nearly 1.8 based on the 2009 economic census, suggesting that residents of other municipios commute into Reynosa Municipio to work. Based on both datasets, the LQ is considerably above 1 in the secondary category (2.0 based on the 2010 census and 3.8 based on the 2009 census) and below 1 in the trade and services categories. Based on the 2010 census, the LQ is only 0.2 in agriculture.

At the sectoral level from the 2009 census, the LQ is 6 in mining, more than 4 in manufacturing, and exceeds 1 in construction and in four services sectors. Two are these — professional, scientific and technical services; and administrative support — likely are partially tradable. Despite the relatively high per capita truck traffic and trade values, the location quotients for wholesale trade and transportation and warehousing are below 1.

Excess employment is by far the highest in manufacturing, followed by mining. Thus, manufacturing is the primary economic base activity, with contributions from mining and some services.

As seen in the following table of selected indicators, Reynosa Municipio compares favorably among the border region municipios on socioeconomic measures.



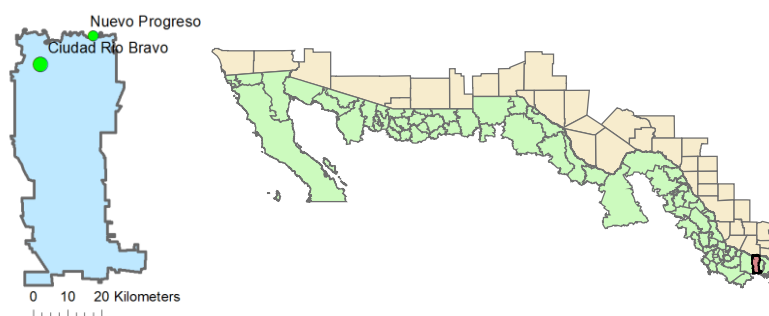
### REYNOSA MUNICIPIO INDICATORS

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	9.0	7
Labor Force Participation Rate, Age 20 to 64	72.0	4
Unemployment Rate, Age 20 to 64	3.1	13
Employment-to-Population Ratio	38.9	12
Poverty Rate	33.7	20

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Río Bravo Municipio (Reynosa Urban Area)



Río Bravo Municipio is in north-central Tamaulipas, east of Reynosa Municipio and west of Valle Hermoso and Matamoros municipios. The northern boundary is the Río Bravo, which separates it from Hidalgo County, Texas. The entire municipio is within 100 kilometers of the international border.

With a land area of 1,584 square kilometers, Río Bravo Municipio ranks 43rd among the 78 border region municipios. It has the 10th-highest population density. The municipio is largely flat and semiarid, sloping down to the Río Bravo at a low elevation.

Named after the river, Río Bravo Municipio was split off from Reynosa Municipio in 1962.

### Population and Transportation Infrastructure

Río Bravo Municipio is part (with Reynosa Municipio) of the Reynosa-Río Bravo metro area and of the Mexican portion of the McAllen-Reynosa urban area defined for this study. In 1970, Río Bravo Municipio had 71,389 residents; the population was 118,259 in 2010, the 12th-most populous of the border region municipios. The population increased between 10,000 and 14,000 in each of the last four decades.

The city of Río Bravo is the largest population center, with 95,647 residents in 2010 — 81 percent of the municipio total. It is located just south of the Río Bravo on Route 2, a freeway, in the northwestern part of the municipio, 25 kilometers southeast of Reynosa. The Kansas City

Southern de México rail line from Monterrey to Matamoros runs through the city. Air service is available nearby at the southeast edge of Reynosa.

### **Border Crossings and Trade Values**

Río Bravo Municipio has two border crossings. The crossing from the city of Río Bravo to Donna, Texas does not allow trucks. The other crossing is between Nuevo Progreso and Progreso, Texas. Nuevo Progreso, about 20 kilometers northeast of Río Bravo on Route 2, had 10,178 residents in 2010. The two border crossings are combined into the Progreso U.S. port of entry. See the Hidalgo County, Texas section for details.

The number of passengers and pedestrians entering the United States through Río Bravo Municipio ranked 11th from among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked 10th.

Considering the population of Río Bravo Municipio, the per capita number of passengers and pedestrians ranked 12th and the per capita number of trucks ranked 14th. Between 2000 and 2012, the percent change in the per capita number of trucks was the greatest of the 21 municipios. The decline in individual crossings was smaller than average, ranking third.

In 2013, the value of both imports and exports passing through Río Bravo Municipio ranked 14th. Net exports were negative, ranking 16th. The ratio of the export-to-import value was 0.79, ranking 13th. On a per capita basis, the ranks were lower for imports (18th) and exports (17th); net exports ranked 14th. Between 2004 and 2013, the inflation-adjusted import value rose less than average but ranked eighth while the real export value soared, with by far the highest percent increase among the 21 municipios.

### **Economy**

The overall location quotient is 1 in Río Bravo Municipio based on the 2010 census but only 0.8 based on the 2009 economic census, suggesting that some working residents are either self-employed or commute to another municipio. The LQ is above 1 in the secondary category based on the 2010 census and slightly above 1 in the trade category based on the 2009 census. Based on the 2010 census, the LQ is 0.8 in agriculture.

At the sectoral level from the 2009 census, the LQ exceeds 1 in retail trade (despite the relatively low per capita number of individuals crossing the border) and in two services sectors that are largely not tradable. The LQs for wholesale trade and transportation and warehousing are considerably below 1, consistent with the low per capita trade values.

Excess employment is the highest in retail trade. Río Bravo Municipio has a limited economic base, probably due to its proximity to the larger Reynosa.

As seen in the following table of selected indicators, Río Bravo Municipio compares favorably among the border region municipios on employment-related measures but is below average on the poverty rate.

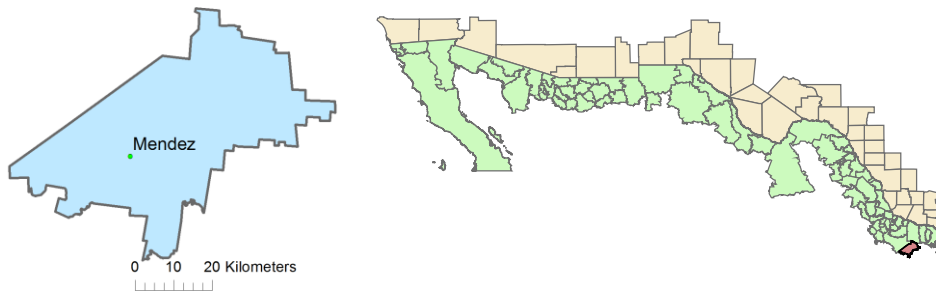
### RÍO BRAVO MUNICIPIO INDICATORS

	Value	Rank*
Median Age	25	49
Mean Years of Schooling, Age 25 or Older	7.8	32
Labor Force Participation Rate, Age 20 to 64	67.0	17
Unemployment Rate, Age 20 to 64	3.1	16
Employment-to-Population Ratio	38.5	17
Poverty Rate	48.1	58

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Méndez Municipio



Méndez Municipio is in north-central Tamaulipas, south of Reynosa Municipio. China Municipio of Nuevo León is to the northwest. Approximately 45 percent of the municipio is within 100 kilometers of the international border; it does not border the United States.

With a land area of 2,519 square kilometers, Méndez Municipio ranks 30th among the 78 border region municipios. The terrain of the municipio is varied, ranging from plains in the northeast to mountains in the center to foothills in the south, with a fertile valley in the southeast, through which a tributary of the Río Conchos flows. The elevation of the largest population center is around 150 meters.

Settled before 1869, the municipio is named after the mid-19th century General Tamaulipeco Pedro José Méndez.

#### Population and Transportation Infrastructure

Méndez Municipio had 2,450 residents in 1930. The population reached 5,337 in 2000 before dropping to 4,530 in 2010, ranking 54th among the border region municipios.

The community of Méndez (Villa de Méndez) is the largest population center, with 864 residents in 2010 — 19 percent of the municipio total. It is located at the junction of two secondary roads in the central part of the municipio, about 170 road kilometers southwest of Matamoros. The

community of Pedro José Méndez had 461 residents. The municipio does not have rail or air service.

### Economy

The overall location quotient is 1 in Méndez Municipio based on the 2010 census but only 0.2 based on the 2009 economic census, suggesting that many working residents are either self-employed or commute to another municipio for work. Few workers were reported in the 2009 census. The LQ is far below 1 in the secondary, trade, and services categories, but is a very high 4.2 in agriculture, with considerable excess employment. Thus, the economic base is limited; agriculture is the dominant activity.

As seen in the following table of selected indicators, Méndez Municipio has the lowest educational attainment of the border region municipios and one of the highest poverty rates, but one of the lowest unemployment rates.

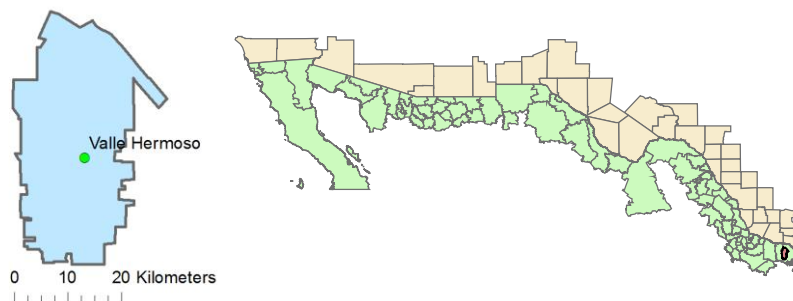
**MÉNDEZ MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	30	18
Mean Years of Schooling, Age 25 or Older	4.9	78
Labor Force Participation Rate, Age 20 to 64	56.7	65
Unemployment Rate, Age 20 to 64	1.5	4
Employment-to-Population Ratio	37.5	28
Poverty Rate	58.4	73

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### Valle Hermoso Municipio



Valle Hermoso Municipio is in northeastern Tamaulipas, between Río Bravo and Matamoros municipios. The entire municipio is within 100 kilometers of the international border but does not border the United States.

With a land area of 900 square kilometers, Valle Hermoso Municipio ranks 64th among the 78 border region municipios. The municipio is a flat, semiarid scrubland, at a low elevation.

Valle Hermoso (“beautiful valley”) Municipio was created in 1953 from territory of the Matamoras and Reynosa municipios.

### **Population and Transportation Infrastructure**

Valle Hermoso Municipio had 42,984 residents in 1960. The population rose to 63,170 in 2010, the 17th-most populous of the border region municipios. The largest population gains were in the 1970s and 1990s at between 6,000 and 7,200. The gain during the 2000s was 4,597.

The city of Valle Hermoso is the largest population center, with 48,918 residents in 2010 — 77 percent of the municipio total. It is located on Tampico Route 99 in the center of the municipio, about 45 kilometers southwest of Matamoras. The municipio does not have rail or air service, but is not far from Matamoras.

### **Economy**

The overall location quotient is 1 in Valle Hermoso Municipio based on the 2010 census and 1.1 based on the 2009 economic census. Based on both datasets, the LQ is above 1 in the trade category and below 1 in the services category. The figure exceeds 1 in the secondary category based on the 2009 census. Based on the 2010 census, the LQ is 1.3 in agriculture.

At the sectoral level based on the 2009 census, the LQ is greater than 1 in utilities, manufacturing, wholesale trade, retail trade, and one largely nontradable services sector. Excess employment is similar in manufacturing, retail trade, and agriculture. Thus, manufacturing and agriculture are the primary economic base activities, with a contribution from trade.

As seen in the following table of selected indicators, Valle Hermoso Municipio ranks above average among the border region municipios on employment-related measures but below average on the poverty rate.

**VALLE HERMOSO MUNICIPIO INDICATORS**

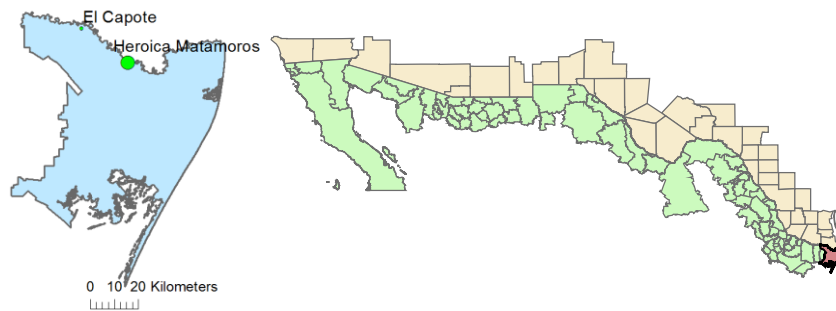
	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	7.8	30
Labor Force Participation Rate, Age 20 to 64	64.7	25
Unemployment Rate, Age 20 to 64	3.7	27
Employment-to-Population Ratio	37.8	23
Poverty Rate	49.9	63

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).

### **Matamoras Municipio (Matamoras Urban Area)**

Matamoras Municipio is in the northeastern corner of Tamaulipas, east of Río Bravo and Valle Hermoso municipios. The Gulf of México is to the east. Its northern boundary is the Río Bravo, which separates it from Cameron County, Texas. The entire municipio is within 100 kilometers of the international border.



With a land area of 4,634 square kilometers, Matamoros Municipio ranks 16th among the 78 border region municipios. It has the eighth-highest population density. The municipio is flat and semiarid, at a very low elevation. The coastal area has many lagoons and is subject to flooding. A federally protected area for flora and fauna is located in the northeastern part of the municipio, covering the delta of the Río Bravo.

The area was explored as early as 1519, but the first settlement was not until 1749, as a cattle raising operation. The location was strategic during various conflicts, including the Mexican War of Independence and the American Civil War. The community declared itself to be an international free trade zone in 1858, after which it became an important port. It was named after Mariano Matamoros, a hero during the War of Independence. The boundaries of Matamoros Municipio were changed in 1953 when Valle Hermoso Municipio was created.

### **Population and Transportation Infrastructure**

Matamoros Municipio is coincident with the Matamoros metro area and with the Mexican portion of the Brownsville-Matamoros urban area defined for this study. In 1960, Matamoros Municipio had 143,043 residents; the population increased considerably to 489,193 in 2010, the fifth-most populous of the border region municipios. The population rose 114,848 in the 1990s and 71,052 in the 2000s.

The city of Matamoros is the largest population center, with 449,815 residents in 2010 — 92 percent of the municipio total. It is located along the Río Bravo on Route 2, a freeway, in the north-central part of the municipio. Another freeway (Routes 101 and 180) runs southwest from Matamoros, leading to Victoria, the capital of Tamaulipas, and Tampico.

The Kansas City Southern de México rail line runs from Matamoros to Reynosa (about 100 kilometers away) and on to Monterrey. It connects to a Union Pacific line in Brownsville. Aeropuerto Internacional General Servando Canales provides scheduled passenger service, mostly to Ciudad de México.

### **Border Crossings and Trade Values**

Matamoros Municipio has four border crossings. One crossing (Lucio Blanco-Los Indios) is at El Capote (407 residents in 2010), northwest of the city of Matamoros. The other three are between the cities of Matamoros and Brownsville, Texas; trucks are not allowed at two of these crossings. The four border crossings are combined into the Brownsville U.S. port of entry. See the Cameron County, Texas section for details.

The number of passengers and pedestrians entering the United States through Matamoros Municipio was sixth highest among the 21 municipios with border crossings in 2012. The number of trucks crossing the border ranked seventh. Of the seven active rail crossings between the United States and México, Matamoros Municipio ranked fifth on the number of trains crossing the border.

Considering the population of Matamoros Municipio, the ranks were lower for the number of trains and individuals crossing the border in 2012. The per capita number of passengers and pedestrians ranked 16th and the per capita number of trucks ranked 10th (12th for loaded containers and seventh for empty containers). The per capita number of trains ranked fourth (loaded rail containers ranked fifth). Between 2000 and 2012, per capita cross-border traffic of each type decreased more than average, with trucks ranking 15th, trains sixth, and individuals 14th.

In 2013, the value of imports passing through Matamoros Municipio ranked sixth among the 21 municipios with crossings; exports ranked eighth. The net export value was negative, the lowest of the 21 municipios. The ratio of the export-to-import value was 0.68, ranking 15th. The import and export ranks were nearly the same on a per capita basis; net exports ranked 18th. Between 2004 and 2013, the inflation-adjusted import value rose only half as much as the border region total, but ranked 11th. Real exports dropped slightly, with the percent change ranking 14th.

### **Economy**

The overall location quotient in Matamoros Municipio is 1 based on the 2010 census but 1.4 based on the 2009 economic census, suggesting that residents of other municipios commute into Matamoros Municipio to work. The LQs in the trade and services categories are below 1 based on both datasets, but the figures for the secondary category are 1.5 based on the 2010 census and 2.7 based on the 2009 census. From the 2010 census, the LQ is only 0.4 in agriculture.

At the sectoral level from the 2009 census, the LQ exceeds 2 in construction and 3 in manufacturing, with figures above 1 in agriculture and three services sectors that are largely nontradable. The LQs are below 1 in the retail trade, wholesale trade, and transportation and warehousing sectors despite the moderate per capita trade values. Excess employment is by far the highest in manufacturing, which is the primary economic base activity.

As seen in the following table of selected indicators, Matamoros Municipio generally ranks above average among the border region municipios on socioeconomic measures, but had a high unemployment rate.

### **MATAMOROS MUNICIPIO INDICATORS**

	Value	Rank*
Median Age	26	40
Mean Years of Schooling, Age 25 or Older	8.7	13
Labor Force Participation Rate, Age 20 to 64	69.7	12
Unemployment Rate, Age 20 to 64	5.6	58
Employment-to-Population Ratio	38.5	16
Poverty Rate	37.0	27

\* Among 78 border region municipios; lowest value is assigned a rank of 1 for the unemployment rate and poverty rate; highest value is assigned a rank of 1 for the other indicators.

Sources: Consejo Nacional de Evaluación de la Política de Desarrollo Social (2010 poverty rate) and Instituto Nacional de Estadística y Geografía (2010 Census, other indicators).