

INAUGURAL EVENT

April 29, 2014

UNIVERSITY OF TEXAS AT EL PASO

EL PASO NATURAL GAS CONFERENCE CENTER







REGIONAL CONTEXT

For more than a thousand years, the Paso del Norte region has been a vibrant and strategic center of trade between communities to both the north and the south of the river valley. Over the course of these many centuries, this region would at times lie entirely within one political dominion and then, during other periods, remain divided among different political structures. Today, the latter case prevails and the region is now shared between two federal sovereigns, three state governments, several counties, and a multitude of municipalities.

In more recent decades, the communities in the Paso del Norte region have experienced, concurrent with the increases in global trade, an explosion of economic and industrial development along with a related increase in population. The two photos below taken by the US Department of the Interior in 1982 show large open tracts of yet undeveloped land.¹ At this time, the region's combined population was a mere 1,208,008.²



According to analyses from the Border Region Modeling Project, the current regional population stands at 2,463,584³ and the differences are clear in the image taken in 2013.⁴



Indeed, as an OECD Report from 2010 states, the Paso del Norte 'borderplex' constitutes the largest metropolitan area on the U.S.-Mexico border and one of the largest cross-border metroplexes in the world. 5

Such growth in this globally strategic yet delicate region has put tremendous pressure on the governmental institutions that manage and regulate certain key areas vital to economic development. The pressure has strained the region's natural resources, infrastructure, schools, public health services, and businesses, leading to increased financial and social costs which act as an impediment to optimal economic vibrancy. Moreover, the distinct ways in which these key areas are managed and regulated by the varying governments in the region adds an extra layer of complexity and, therefore, greater costs on economic activity.

THE ROLE OF THE HUNT INSTITUTE

Undoubtedly, these issues are urgent and complex, yet careful stakeholder analysis and research can provide a way forward, by finding ways not only to understand more fully the legal and regulatory structures which govern these key areas, but also by discovering ways that they can be effectively, efficiently, and beneficially managed across the region's jurisdictions. Such an undertaking is the fundamental purpose of the Hunt Institute for Global Competitiveness: to disseminate data and analytical research in these key areas in order to help the entire Paso del Norte region to develop even further and maximize its globally competitive potential.

Because of the considerable presence of multiple governments and institutions in the Paso del Norte region, as compared with others, broad based economic growth will require not just a robust data collection and harmonization project across the jurisdictions, but methods which can evaluate the effects and opportunities that these various legal and regulatory structures create. Consequently, the primary, though not exclusive, analytical frameworks that the Hunt Institute will employ for its research and publications will derive from Institutional Economics and Law and Economics which analyze the economic impact and influence legal and regulatory structures engender.

This approach, namely, analyzing our regional economy through the Institutional Economics and Law and Economics approaches will solidly establish at UTEP, and in the region, methods that are practiced and thriving at schools such as the University of Chicago, the University of California at Berkeley, and Columbia University, among others. But most importantly, the cross-border analytical approach of the Hunt Institute will also constitute an innovation in these frameworks as they traditionally deal within one jurisdiction at a time, or with comparisons at the macro-level. For the first time in the world, a sustained, dedicated, and institutionalized effort to analyze a cross-border region economically will take place here in the Paso del Norte region.



WORK FLOW

MISSIONThe Hunt Institute for Global Competitiveness works to foster the economic
and social well being of the communities in the Paso del Norte Region by
serving as a multi-disciplinary research platform for the creation and
application of theoretical and practical mechanisms for optimal and globally
competitive trans-boundary cooperation.

<u>VISION</u> The Hunt Institute for Global Competitiveness is committed to facilitating, producing, and disseminating the highest quality research regarding transboundary economic and social development through the continued engagement of regional leaders within government, academia, and the private and public sectors.

Taking the Mission Statement and Vision into account, the Hunt Institute will conduct activities according to two principal objectives: data generation and economic analysis.

The first objective of the Hunt Institute is to serve as a centralized, regional depository of data, information, and knowledge about the economy and institutions in the region. Consequently, the Hunt Institute will maintain, firstly, a publicly accessible database of official data sources from the various jurisdictions in the Paso del Norte region. These data will be organized according to five key areas:

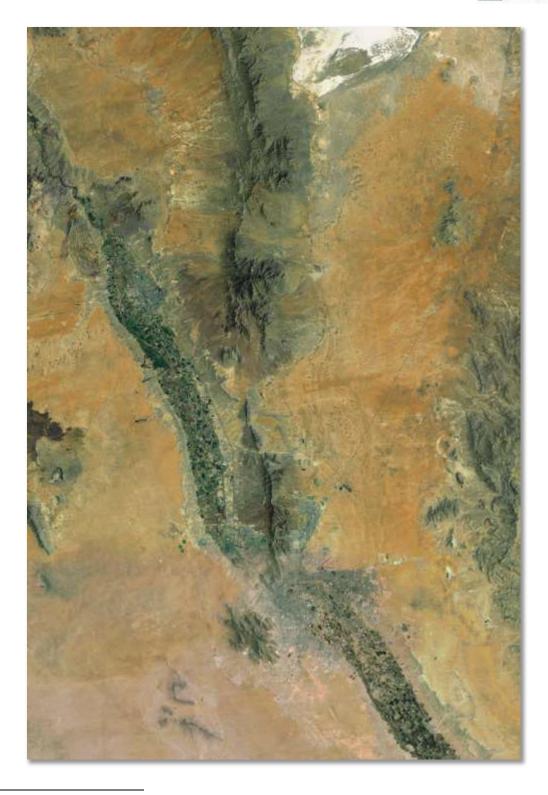
- 1. Business and Economic Development
- 2. Education
- 3. Energy and Natural Resource Management
- 4. Public Health
- 5. Infrastructure and Urban Planning

Due to the often divergent manner in which certain data sets are defined or calculated across jurisdictions, the Hunt Institute will also establish a particular set of harmonized transboundary indicators so that the region can more easily be understood as one economic entity.

The second objective of the Hunt Institute is to publish economic analyses of the region according to its five key research areas. The process for the Institute's analysis is to consult with stakeholders in the private, public, and academic sectors, across the region, to determine the most pressing needs. Indeed, the stakeholders form both the originating motivation for the precise formulation of the Institute's research projects as well as the ultimate destination of such research. Then, once the analysis is complete, it will be published and shared with the same stakeholders either as a white paper or a peerreviewed scholarly work. As with the Institute's databases, these papers will also be publicly available on its website so that they may foster a broad and open discussion among interested parties about how best to achieve an even greater globally competitive economic development for the Paso del Norte region as a whole.

CONTACT DETAILS

HUNT INSTITUTE FOR GLOBAL COMPETITIVENESS 500 W. University Avenue. Kelly Hall building. Office 423 University of Texas at El Paso, El Paso, TX, 79968, USA +1 (915) 747-7974; huntinstitute@utep.edu http://huntinstitute.utep.edu



 ¹ US Dept. of the Interior, US Geological Survey: Smeltertown, New Mexico-Texas-Chihuahua and Ciudad Juárez, Texas-Chihuahua. Courtesy of the University of Texas Libraries, The University of Texas at Austin.
 ² www.elpasotexas.gov/_documents/demographics/el%20paso%20ciudad%20juarez%20facts /historical %20population%20el%20paso-ciudad%20juarez.pdf
 ³ Fullerton, Tom. Border Region Modeling Project, UTEP Business Report, November 2013.

⁴ Google Earth, Digital Globe 2014.
⁵ Regional Stakeholders Committee (2009), "The Paso del Norte Region, US-Mexico: Self-Evaluation Report", OECD Reviews of Higher Education in Regional and City Development, IMHE, http://www.oecd.org/edu/imhe/regionaldevelopment