



Extend Our Reach: Think Global, Act Local in RioPlex

Brownsville, Texas, August 14, 2024. As part of the Northeast Chapter's "Extend Our Reach" campaign, we held the "U.S.-Mexico Leader Summit: Binational High-Level Dialogue" in Brownsville, TX, featuring prominent binational leaders such as **Roberto Velasco**, Head of the North America Unit at SRE; **Altagracia Gómez**, Coordinator of the Business Advisory Council; **John Cowen**, Mayor of Brownsville; Minister **Judith Arrieta**, Consul General of Mexico in Brownsville; **Adriana Cruz**, Executive Director of Economic Development and Tourism at the Office of Governor **Greg Abbott**; along with Congress members and Mayors from various Texas cities.

Executives from U.S. companies in Mexico, Texas-based businesses, and members of Congress from both countries exchanged valuable ideas to drive economic growth and prosperity in [the RioPlex region](#).

[U.S.-Mexico Leader Summit: Binational High-Level Dialogue](#) | Conversation Highlights

Economic Growth and Society

Economic growth has the potential to profoundly transform society. As the economy expands, new job opportunities are created, incomes rise, and the quality of life improves. This growth is reflected not only in macroeconomic figures but also in the well-being of communities. Investment in infrastructure, education, and healthcare, driven by a growing economy, can reduce inequalities and promote greater social cohesion. Moreover, a dynamic economic environment fosters innovation and entrepreneurship, creating a virtuous cycle of sustainable development. In summary, economic growth is not just an end in itself but a powerful tool for positive social change.

Impact of NAFTA, 1994

The North American Free Trade Agreement (NAFTA), which came into effect in 1994, has been a crucial factor in Mexico's economic transformation. According to **Lorenzo Barrera**, President of AmCham Northeast Chapter, NAFTA put Mexico on the global trade map, allowing the country to integrate more deeply into the world economy.

This influx of foreign investment not only boosted economic growth but also fostered the transfer of technology and knowledge, enhancing the competitiveness of Mexican companies. Additionally, preferential access to the U.S. and Canadian markets enabled Mexican companies to expand their exports and participate in global supply chains.

NAFTA also had a significant impact on employment and income levels in Mexico. Job creation in sectors such as advanced manufacturing, automotive, and electronics contributed to improved living standards and the development of a more robust middle





class. This integration advanced further with the [USMCA](#) (United States-Mexico-Canada Agreement), which also includes important progress in legislative harmonization.

Texas-Mexico Relations

Trade relations between Texas and Mexico have historically been strong and continue to evolve in a context of economic and political changes. One of the main challenges is the need to adapt to new regulations and trade policies arising from the implementation of the [USMCA](#). These regulations require rigorous compliance and constant adaptation by businesses to remain competitive in the global market.

On the other hand, the opportunities are vast. Texas, with its rapidly growing economy, has become a hub of innovation and advanced technology. According to **Glenn Hammer**, President and CEO of the Texas Business Association, Texas is on a "rocket ship" due to its strong trade relations. This growth offers Mexican companies the possibility to expand and collaborate in emerging sectors such as aerospace technology and renewable energy.

Furthermore, the fact that 81% of goods from Mexico enter the United States through Texas underscores the strategic importance of this relationship. Businesses have the opportunity to leverage this logistics infrastructure to improve operational efficiency and reduce costs.

Economic Transformation: Texas has experienced a remarkable economic transformation in recent decades, shifting from a predominantly agricultural economy to becoming a hub of innovation and advanced technology. According to **Joaquin Spamer**, President of Grupo CIL and AmCham's "Extend Our Reach" representative in Texas, the state has left behind its agricultural past and now stands at the "gateway to the future," with significant advancements in sectors like aerospace technology and renewable energy.

This shift has been driven by a combination of factors, including business-friendly policies, robust infrastructure, and a highly skilled workforce. Investment in research and development has allowed Texas to position itself as a leader in cutting-edge technology, attracting companies and talent from around the world.

The aerospace sector, in particular, has seen exponential growth, with companies like **SpaceX** establishing operations in the state. This development has not only created high-quality jobs but also fostered collaboration between the public and private sectors to drive innovation.

Moreover, Texas has leveraged its abundance of natural resources to lead in renewable energy production. The state is one of the largest producers of wind energy in the United States and is heavily investing in solar energy. These initiatives not only contribute to environmental sustainability but also diversify the economy and make it more resilient to market fluctuations.





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About AMCHAM

AMERICAN CHAMBER OF COMMERCE OF MEXICO was founded in 1917 as an independent, non-partisan, and non-profit organization affiliated with two of the most active and important business organizations in the world: the United States Chamber of Commerce and the Association of American Chambers of Commerce of Latin America (AACCLA).

Today, the more than 1,450 companies that make up **AMCHAM/MEXICO** represent 21% of the national GDP and generate 2.5 million direct formal jobs and six million indirect jobs, significantly contributing to Mexico's social and economic development, while also strengthening the bilateral relationship between Mexico and the United States. One of its priorities is to positively influence public policies and the binational business environment, as well as to strengthen the rule of law, particularly in areas that affect competitiveness, the business environment, and the safety of business operations.

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