



**Comments to the United States Department of Commerce  
regarding the U.S.-Mexico High Level Economic Dialogue (HLED)  
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The following comments are in response to the U.S. Department of Commerce Federal Register Notice published November 25, 2013 requesting stakeholder input on the U.S.-Mexico High Level Economic Dialogue (HLED).

We strongly support the commitment of the U.S. government to deepen economic cooperation with Mexico and believe that the HLED has the potential to be an effective platform to achieve this important goal. Indeed, with a half-trillion dollars in bilateral trade each year, the especially deep and mutually beneficial nature of industrial integration between the United States and Mexico, and the important way in which economic cooperation reinforces security cooperation in the bilateral relationship, the success of the HLED is key to U.S. economic and strategic interests.

Already, the HLED has proven itself an important vehicle for building momentum on the issues of competitiveness and connectivity, which have been important part of the bilateral agenda for many years. Special recognition is merited for the role the Department of Commerce and Department of State have played in developing creative new initiatives on entrepreneurship, innovation and educational partnerships. By facilitating the development of ideas, businesses and products, these efforts will help ensure that the North American economy moves forward as a dynamic and competitive platform for the creation of manufactured goods and services. As a result, jobs will be created in both the United States and Mexico.

In order to ensure the success and sustainability of the U.S.-Mexico High Level Economic Dialogue, we recommend special attention be given to the following four issues:

- **High-level engagement from across the U.S. Government.**

The role played by Vice President Biden, Secretary of Commerce Penny Pritzker and U.S. Trade Representative Michael Froman over the past 6 months in the HLED has been essential in both lending credibility to the process and in engaging the interest of President Peña Nieto and cabinet secretaries in Mexico. The speech given by the Vice President in Mexico City in November helped to not only reaffirm the importance of the bilateral economic relationship but also to place it in the broader context of the partnership between the U.S. and Mexico. Having the support of the Vice President, Secretary Pritzker and Ambassador Froman was essential in setting the agenda for the inaugural meeting of the HLED, and in giving the process a higher media visibility. We believe that such leadership from the White House and Cabinet will be crucial to ensuring continued momentum in the process and support from political and economic elites in both countries.

- **Institutionalization of the HLED.**

In order to maintain the long-term viability of the initiative, it is clear that individual leadership and one meeting per year between negotiators from the two countries will not be enough. A deeper institutionalization of the HLED through an increased use of task forces and working groups would be of benefit in ensuring that the dialogue continues, and that the socialization process between the two governments reaches its full potential. The experience of the Mexico-U.S. Entrepreneurship and Innovation Council (MUSEIC), an organization dedicated to encouraging bilateral cooperation between SMEs in both countries on issues of entrepreneurship and innovation is illustrative here. The intense and frequent interactions between both sides through issue-specific sub-committees have been highly fruitful already and suggest a model that could be replicated for the HLED.

- **Expanded and ongoing outreach with the private sector, civil society, academia, the U.S. Congress, and state and local governments.**

Testament to the breadth and depth of U.S.-Mexico ties are the myriad binational relationships developed outside of formal diplomatic channels. Through tourism, commerce, migration, academic partnerships and collaboration between state and local governments on both sides of the border, the U.S.-Mexico relationship is largely built and run by private citizens and subnational governments. The HLED should draw on this strength by developing a robust and ongoing set of mechanisms to engage each of these groups, as well as the U.S. Congress. As a result, the projects developed and implemented within the HLED will be better designed and will come with built-in

stakeholder support. In order to be successful, the HLED needs to be both top-down (i.e. strong leadership support) and bottom-up. Previous bilateral initiatives that have failed to engage such a broad range of stakeholders have achieved less as a result.

- **A special focus on opportunities for collaboration in the U.S.-Mexico border region.**

As the U.S. and Mexican governments seek to design collaborative projects that have a positive economic impact for both countries, the border region is especially rich in opportunities. While economic growth anywhere in the U.S. or Mexico has a positive spillover effect in the other country, these spillovers are greatest along the border. At the same time, collaborative projects that might require airfare and hotel costs as well as other logistical challenges when implemented in the nations' interiors can be easier to implement and cheaper in the border region. Special efforts should be made to identify potential educational partnerships, binational economic development opportunities, and programs to support entrepreneurs in the border region. Focus should also be placed on facilitating the flow of positive, licit commerce and travel so that the border does not act as a speed bump in the growth of the regional economy.

## **Conclusion**

Mexico and the United States share an economic space and an economic future. The HLED is an important and potentially fruitful element in moving that future forward and maximizing the benefits for both countries. As such, we consider that it should be both consolidated through high-level engagement and institutionalization, and broadened to include a greater dialogue with the private sector and civil society and an expanded focus on border affairs.