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Economic Update on El Paso del Norte (Part 1)

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The twin border cities of El Paso, Texas, and Ciudad Juárez, Chihuahua, were known in the 16th century as the single city of El Paso del Norte. Since those days, El Paso del Norte has changed in every aspect: geographic, demographic, political, cultural and economic. As a result, today the two cities are characterized by totally distinct economies. Further, they clearly represent the economic differences that exist along the entire U.S.–Mexico border.

This article, the first of two parts, will focus on the demographic profile of El Paso del Norte by comparing census data for the two cities. Part 2 will look at this unique region’s labor force, employment and income characteristics.

DEMOGRAPHIC PROFILE

The 2000 census figures show the cross-border El Paso del Norte region with a total population of nearly 1.9 million, up from just under 1.4 million recorded in the 1990 census. Over the period 1990–2000, the region’s population grew at an average annual rate of 3.7 percent, double the U.S. rate of 1.3 percent and almost twice Mexico’s 2 percent rate.

The El Paso del Norte region is the second largest community along the U.S.–Mexico border, based on 2000 census figures. The largest “borderplex” community is San Diego–Tijuana, with a population of more than 4 million (*Table 1*).¹ McAllen–Reynosa, along the Texas–Mexico border, and Calexico–Mexicali, along the California–Mexico border, are the third and fourth largest borderplex communities, respectively; almost 1 million people live in each of these areas. Brownsville–Matamoros, with 750,000 people, and Laredo–Nuevo Laredo, with 500,000, are next. The remaining communities along the U.S.–Mexico border have populations

Table 1
Population Along U.S.—Mexico Border, 2000

	Population	Borderplex	Hispanics	Percent share
San Diego, California	2,813,833	4,026,065	750,965	27
Tijuana, Baja California	1,212,232			
El Paso, Texas	679,622	1,898,439	531,654	78
Ciudad Juárez, Chihuahua	1,218,817			
McAllen, Texas	569,463	989,926	503,100	88
Reynosa, Tamaulipas	420,463			
Calexico, California	142,361	906,963	102,817	72
Mexicali, Baja California	764,602			
Brownsville, Texas	335,227	753,368	282,736	84
Matamoros, Tamaulipas	418,141			
Laredo, Texas	193,117	504,032	182,070	94
Nuevo Laredo, Tamaulipas	310,915			
Nogales, Arizona	38,381	198,168	31,005	81
Nogales, Sonora	159,787			

SOURCES: U.S. population figures are from U.S. Census Bureau and are for counties. Mexico population data are from XII Censo General de Población y Vivienda 2000, Instituto General de Estadística, Geografía e Informática.

under half a million. For example, the Nogales–Nogales region, along the Arizona–Mexico border, has a 2000 population of less than 200,000.

El Paso del Norte’s 2000 population is almost evenly distributed by gender. Males account for 49.5 percent and females 50.5 percent of the total population. Also, the region’s population is predominantly young. In 2000, about 47 percent of the population was under 25 years old. A decade earlier, however, the region’s population was even younger; a majority—52 percent—was under age 25.

El Paso, Texas

El Paso ranked 23rd in population among all U.S. cities in 2000, down a notch from 22nd in 1990 (*Table 2*). In 2000, El Paso’s population approached 680,000, up from just under 592,000 in 1990. The city’s average annual population growth during this 10-year period was 1.5 percent, lower than the state average of 2.3 percent but higher than the national average of 1.3 percent.

El Paso’s population is younger than that of the nation as a whole. In 2000, 43 percent of El Paso’s population was under the age of 25; the corresponding figure for the United States was 35 percent. The percentage of El Paso’s population under 25 dropped 2 points in the last 10 years, from 45 percent to 43 percent. Ten years ago 36 percent of the U.S. population was under 25.

The gender distribution of El Paso’s 2000 pop-

ulation shows females in the majority, with 52 percent, and males with 48 percent.

Ciudad Juárez, Chihuahua

Ciudad Juárez ranked as Mexico’s fifth largest city in 2000. The top four cities were Mexico City, Guadalajara, Monterrey and Puebla. Tijuana, which like Juárez borders the United States, was the sixth largest city.

Ciudad Juárez’s population exceeded 1.2 million in 2000, up from 800,000 in 1990 (*Table 2*). The average annual growth over the 10-year period was 5.3 percent. Juárez experienced much higher population growth than the state of Chihuahua and than Mexico as a whole. Chihuahua’s average annual population growth during 1990–2000 was 2.5 percent; the corresponding figure for Mexico was 2 percent.

Both Juárez and Mexico have seen a slight upward shift in the age of their populations over the past 10 years. Fifty percent of Juárez’s population was under the age of 25 in 2000, compared with 53 percent for all of Mexico. In 1990, both Juárez and Mexico had a higher—and similar—proportion of people under age 25: 57 percent for Juárez and 58 percent for Mexico.

In 2000, the gender distribution of Juárez’s population showed an almost even split between males (50.3 percent) and females (49.7 percent). In 1990, the city’s population was also almost evenly divided, but then females held a slight majority (50.5 percent).

Table 2
El Paso del Norte Demographic Population Profile

	2000	1990	Percent change, 1990–2000
El Paso, Texas			
Population			
Total	679,622	591,610	15
Male	327,771	287,602	
Female	351,851	304,008	
Percent under 25 years of age	43%	45%	
National percent under 25 years of age	35%	36%	
National rank			
As a county	75	79	
As an MSA	64	66	
As a city	23	22	
Ciudad Juárez, Chihuahua			
Population			
Total	1,218,817	798,499	53
Male	612,799	395,163	
Female	606,018	403,336	
Percent under 25 years of age	50%	57%	
National percent under 25 years of age	53%	58%	
National rank			
As a city	5	6	

NOTES: El Paso figures are for El Paso County. 1990 figures for population under 25 years of age for Ciudad Juárez and Mexico are Federal Reserve Bank of Dallas El Paso Branch estimates.

SOURCES: Federal Reserve Bank of Dallas El Paso Branch, with data from the U.S. Census Bureau and the Instituto General de Estadística, Geografía e Informática; 2000 U.S. Census and XII Censo General de Población y Vivienda 2000.

DEMOGRAPHIC COMPOSITION

El Paso, Texas

Over 78 percent of El Paso's population in 2000 was Hispanic or Latino, up from 70 percent in 1990 (*Table 3*). In contrast, Hispanics made up 12.5 percent of the U.S. population and 32 percent of the Texas population. As expected, Mexicans are the largest group within El Paso's Hispanic population; in 2000, they represented almost two-thirds of the city's population. Mexicans represent just 7.3 percent of the nation's population and 24.3 percent of the Texas population.

Whites are the second largest group in El Paso, at 17 percent in 2000; whites make up 69.6 percent and 52.4 percent, respectively, of the national and state populations. Blacks and Asians account for 3.1 percent and 1 percent, respectively, of El Paso's population. These groups constitute 11.6 percent and 3.8 percent, respectively, of the nation's population and 11.3 percent and 2.7 percent, respectively, of the state's population.

Although Hispanics represent about 78 percent of the total population in El Paso, other U.S. border cities have even higher concentrations of Hispanics (see *Table 1*). For instance, in Laredo, Hispanics account for over 94 percent of total population. McAllen, Brownsville and Nogales also have His-

panic populations that exceed El Paso's. San Diego, on the other hand, has a much lower Hispanic population—about 27 percent in 2000.

The high concentration of Mexicans in El Paso is virtually unchanged from 1990. Puerto Ricans and Cubans have 0.6 percent and 0.1 percent shares, respectively, also with little change during the last decade. In 2000, only about 22 percent of the El Paso population was not Hispanic or Latino; in 1990, the figure was just over 30 percent.

Clearly, El Paso's population is predominantly Hispanic and becoming more so. During the last decade, the Hispanic population share increased by over 8 percentage points. El Paso's Hispanic population is expected to remain high and may even increase as a share of total population if this recent trend persists.

Ciudad Juárez, Chihuahua

Like all Mexican border cities, Juárez attracts a great deal of migration from the interior, and the 2000 data point to an increasing rate of in-migration. In 2000, about 32 percent of the city's population originated outside the state of Chihuahua, up from less than 29 percent in 1990 (*Table 3*). The top five states that sent migrants to Ciudad Juárez were Durango, Coahuila, Veracruz, Zacatecas and Distrito Federal, Mexico's capital city.

Durango occupies the first place throughout the period with more than 120,000 people in 2000, up from 78,000 in 1990. Coahuila ranked second, with about 76,000 people in 2000 and 45,000 in 1990. Veracruz showed the most dramatic change, however, moving from ninth to third during the 1990s with a dramatic 1,200 percent increase. More than 45,000 migrants from Veracruz lived in Ciudad Juárez in 2000, up from about 3,400 in 1990—an average increase of more than 100 percent per year.

The remaining two states, Zacatecas and Distrito Federal, either lost share or maintained the same share. Zacatecas, with 43,000 people in 2000, lost a percentage point during the last decade. The Distrito Federal share remained unchanged at 1.7 percent.

Coincident with increasing migration from other states, the share of native Chihuahuans in Juárez dropped from 66 percent in 1990 to 59 percent in 2000. But while in-migration from other Mexican states went up over 3 percentage points, the number of foreign-born inhabitants rose only slightly.

LITERACY RATES

Opposite literacy patterns are seen along the U.S.–Mexico border. Unfortunately, due to differences in time frame as well as in selection criteria

regarding literacy rate estimates, comparisons between both sides of the border are practically impossible. Nevertheless, it is still useful to explore how U.S. border counties as well as Mexican border municipalities compare with their respective state and national levels.

With the exception of San Diego, the United States' most populated border counties show much lower literacy rates than corresponding state and national levels, according to 1992 estimates (the latest available).² At 80 percent, San Diego has the highest literacy rate, followed by El Paso and Nogales at 64 percent and 61 percent, respectively (*Table 4*).

Mexico's most populated border municipalities present an interesting contrast. In 1990, Nogales had the highest literacy rate, 97.2 percent. Ciudad Juárez and Tijuana were next with 96.3 percent and 95.6 percent, respectively. Mexico's overall literacy rate was 87.4 percent (1990) versus 77–79 percent for the United States (1992), but again it is important to note the differing criteria.

SUMMARY

The two border cities that make up El Paso del Norte are demographically alike in some ways and strikingly different in others. Ciudad Juárez,

Table 3
El Paso del Norte Population Composition

	2000	Percent share	1990	Percent share
El Paso, Texas				
Total population	679,622	100.0	591,610	100.0
Hispanic or Latino	531,654	78.2	411,619	69.6
Mexican	447,065	65.8	391,847	66.2
Puerto Rican	4,286	.6	4,007	.7
Cuban	534	.1	454	.1
Other	79,769	11.7	15,311	2.6
White	115,535	17.0	151,313	25.6
Black	20,809	3.1	20,525	3.5
Asian	6,633	1.0	5,820	1.0
Other	4,991	.7	2,333	.4
Ciudad Juárez, Chihuahua				
Total population	1,218,817	100.0	798,499	100.0
In-state origin	717,819	58.9	526,669	66.0
Out-of-state origin	390,125	32.0	228,505	28.6
Durango	120,074	9.9	78,031	9.8
Coahuila	76,458	6.3	45,013	5.6
Veracruz	45,225	3.7	3,441	.4
Zacatecas	42,971	3.5	36,000	4.5
Distrito Federal	21,056	1.7	13,716	1.7
Other	84,341	6.9	52,304	6.6
Other country	31,276	2.6	16,376	2.1
Not specified	79,597	6.5	26,949	3.4

SOURCES: Federal Reserve Bank of Dallas El Paso Branch, with data from U.S. Census Bureau and the Instituto General de Estadística, Geografía e Informática; 2000 and 1990 U.S. census and XII and XI Censos Generales de Población y Vivienda 2000 y 1990.

Table 4
Literacy Rates Along U.S.—Mexico Border

U.S. Border Literacy Rates		Mexico Border Literacy Rates		
	1992 (Percent)		2000 (Percent)	1990 (Percent)
National	77–79	National	90.5	87.4
California	76	Baja California	96.3	95.1
San Diego	80	Tijuana	96.9	95.6
Calexico	59	Mexicali	96.4	95.1
Arizona	82	Sonora	95.5	94.1
Nogales	61	Nogales	97.8	97.2
New Mexico	80	Chihuahua	95.1	93.7
Texas	77	Ciudad Juárez	97.3	96.3
El Paso	64	Coahuila	96.0	94.4
Eagle Pass	41	Piedras Negras	96.7	95.5
Laredo	52	Nuevo León	96.6	95.2
McAllen	54	Tamaulipas	94.8	93.0
Brownsville	56	Nuevo Laredo	96.1	95.1
		Reynosa	96.0	94.0
		Matamoros	95.8	94.2

NOTES: Estimates are at the county level with a confidence interval of 95 percent. The sample includes people age 16 or older. A literate person can usually perform the following:

- Sign one's name.
- Identify a country in a short article.
- Locate one piece of information in a sports article.
- Locate the expiration date information on a driver's license.
- Total a bank deposit entry.

NOTES: Literacy rates are at the municipal level. The sample includes people age 15 or older. A literate person can perform the following:

- Read and write a message.

SOURCES: United States: Literacy rate estimates were obtained from www.casas.org/lit/litcode/Search.cfm. For a comprehensive analysis of the estimation procedure and methodology, see Stephen Reder and Barry Edmonston (2000), *Demographic and Literacy Development in a Decade*, Working Paper no. 2000–09 (Washington, D.C.: Department of Education, National Center for Education Statistics). Mexico: Instituto Nacional de Estadística, Geografía e Informática; XII and XI Censos Generales de Población y Vivienda 2000 and 1990.

on the Mexican side, is growing considerably faster than El Paso, Texas, and faster than both its state of Chihuahua and Mexico as a whole. Between 1990 and 2000, Ciudad Juárez grew 53 percent versus 15 percent for El Paso.

Both border cities have a predominantly young population. Forty-three percent of El Paso's population and 50 percent of Ciudad Juárez's are under 25. However, Ciudad Juárez is close to Mexico's average age, while El Paso's population is considerably younger than that of the United States. Both cities had a smaller percentage of population under 25 in 2000 than they did in 1990.

El Paso's population is 78 percent Hispanic and trending upward; nearly two-thirds are of Mexican origin. Corresponding figures for people of Mexican origin are 7.3 percent for the United States and 24.3 percent for Texas. Ciudad Juárez has seen increasing in-migration from other Mexican states. The largest 1990–2000 percentage increase—1,200 percent—has come from Veracruz.

The two cities of the El Paso del Norte region show opposing literacy patterns. El Paso has a lower literacy rate than the state and national levels. In contrast, Ciudad Juárez's literacy rate is

higher than its state and national counterparts. This pattern is consistent along the U.S.—Mexico border.

—Roberto Coronado and Lucinda Vargas

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NOTES

¹ However, El Paso–Juárez is the largest borderplex community when you focus on the definition of two contiguous border communities. In the case of San Diego–Tijuana, the immediate border community of Tijuana is San Ysidro. According to the San Diego Association of Governments, the population of San Ysidro is 36,179; thus, the total San Ysidro–Tijuana border community population would be 1,248,411. This is considerably less than the El Paso–Juárez borderplex population of 1.9 million.

² Although Mexican literacy statistics are available for 2000, we use 1990 data to compare more closely with the 1992 U.S. data, which are the latest available. The next literacy rate estimates for the United States are expected to be released by 2003.

Border Research Network

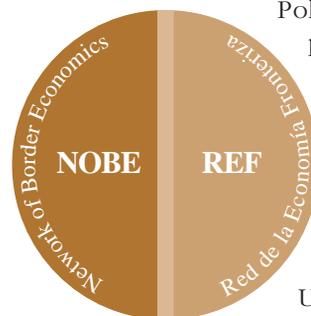
The Network of Border Economics/Red de la Economía Fronteriza (NOBE/REF) was founded in 1998 to establish a permanent network of researchers on economic topics related to the U.S.–Mexico border. The founding members were San Diego State University, El Colegio de la Frontera Norte and the El Paso Branch of the Federal Reserve Bank of Dallas.

NOBE/REF has four objectives:

- Create an electronic clearinghouse (web site) of border-related economic studies.
- Create a set of border economic indicators.
- Establish collaborative efforts on economic modeling for the entire U.S.–Mexico border region.
- Obtain external funding for border-related research projects involving members.

By the end of 1998, NOBE/REF was well established as a binational consortium of researchers. The group hosted its first international research forum on June 22–23, 2001, in Tijuana.

The conference drew 125 participants from the United States, Mexico, Canada, Israel, Peru and Poland. Thirty research papers were presented.



Current membership is approximately 180, divided about equally between U.S. and Mexican researchers and organizations.

El Paso Electric Co., University of Texas at El Paso and Universidad Autónoma de Ciudad Juárez have sponsored past meetings. Banco de México is an active member of the network as well.

Individuals and institutions involved in economic research on border-related topics are encouraged to become part of this network. For more information, visit the NOBE/REF web site at www.nobe-ref.org. For membership information, contact NOBE/REF via e-mail at nobe@nobe-ref.org or call Roberto Coronado, Federal Reserve Bank of Dallas El Paso Branch, at (915) 521-8235.

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THE BORDER ECONOMY

The Border Economy, published earlier this year by the Research Department of the Federal Reserve Bank of Dallas, contains articles on the Texas–Mexico border dealing with job growth, wages, education, housing, infrastructure, immigration and maquiladoras.

Copies of *The Border Economy* are available by calling the El Paso Branch at (915) 521-8235, or you can access *The Border Economy* online at www.dallasfed.org under the Publications heading.

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