

Report sees strength in a united San Diego-Baja economy

By **ELIZABETH MALLOY**, The Daily Transcript

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The economies of San Diego County and Baja California have a lot in common, according to a recent report, and if the two regions work together, their industries could prove stronger in the global market.

San Diego Dialogue, a nonprofit organization associated with ties to the University of California, San Diego, which released the report on Monday, aims to promote cooperation between San Diego County and Baja California. Titled "Borderless Innovation," ([PDF Format](#)) the report said the two regions have grown along the same industrial lines over the past decade, especially in the areas of biotech and pharmaceutical research, aerospace and defense, software and marine biotech. "Borderless Innovation" also contends that if the two areas form broader coalitions of interest, they could form one major player in the global economy.

"Over the last 20 years, each side of the San Diego-Baja California border region has grown in extraordinary ways," the report's introduction says, adding that each area has added more than 100,000 jobs and expanded research institutes. "In spite of this extraordinary parallel growth, there have been few deliberate efforts to identify the economic synergies in the cross border region or to develop integrated economic development strategies."

The report "identifies a number of untapped capabilities and opportunities, which could stimulate new kinds of industry partnerships and institutional alliances beneficial to both Baja California's economic growth and the continued competitiveness of San Diego's high tech economy."

The San Diego-Baja California region has the potential to better compete in the global economy, spurring local growth and prosperity, if a broad coalition of interests can overcome previously fragmented efforts and take the steps necessary to collaborate in creating a new Innovation Corridor of the Californias.

Co-authored by Kenn Morris, MBA; Nathan Owens, MA; and Mary L. Walshok, Ph.D, "Borderless Innovation" describes the complementary institutions, organizations, technology clusters and other elements that, when properly coordinated and leveraged, could be the impetus for even greater economic growth, according to the report.

One finding is a need for strong collaborative marketing efforts related to the high-value technology and innovation clusters in the region. Another is leadership from both sides of the border must collaborate on expanding research, technical assistance, professional and work force education to assure sustainable growth and competitiveness. The cross border region needs new social and institutional mechanisms with shared leadership as well, and co-investment and well-orchestrated programs to build competitive capacity for this innovation corridor.

"The report provides a sound roadmap for strengthening the bi-national economy as well as the economy of California as a whole," said Nick Bollman, president and CEO of California Center for Regional Leadership.

Some other similarities between the regions, according the report, are populations of approximately 3 million on each side of the border with high employment; skilled work forces; added-value industries in technology and science; growing manufacturing and technical capabilities in Baja California, including in aerospace and defense; and educational institutions on both sides of the border offering degrees in technology.

"Borderless Innovation" acknowledges, however, that there are a number of challenges to promoting growth and cooperation between San Diego County and Baja California. Those listed include: security at the border and the cost of delays at the most frequently crossed border in North America (60 million cross-border trips annually, with an average wait time of 45 minutes, translates to an economic loss estimated at \$2 billion to \$2.5 billion a year, according to SANDAG); expansion of the global economy; infrastructure, including ports; and the need to increase the number of science and engineering degrees in the region were all listed. Another challenge was referred to as "the challenge of trust."

"Were the region to develop a strategy to support an Innovation Corridor of the Californias, it would require a significant amount of collegiality and trust among civic leaders, policy makers, educational institutions and the private sector," the report said. "This means sharing timely and relevant information, frequent interactions and a commitment to one another's future and quality of life. ... Only with this level of trust can the region achieve its

deepest integration and most promising competitive opportunities."

To address these challenges, the report closes with 10 recommendations for redefining the cross border region as one with the potential for borderless innovation and catalyzing a new vision for "transforming clusters of opportunity into clusters of prosperity, which improves the quality of life for all."

The recommendations were to: (1) Create a cross border innovation and competitiveness center as the catalytic agent; (2) Launch a cross border program to foster scientific and technology relationships and communication; (3) Provide ongoing research and analytical reports on cross border clusters; (4) Work with Baja California to establish cross border clinical research as a precursor to growing a transregional biopharmaceutical industry; (5) Promote private investor networks in the region; (6) Promote "smart border" technologies and infrastructure; (7) Expand existing cross border education and research linkages and create new ones; (8) Harmonize economic, health and educational data to provide consistent reports; (9) Convene a high-level working group to assess the feasibility of a California model based on the Costa Rican INBio model for balancing conservation and development; and (10) Explore broader, nontechnological economic linkages.

Founded in 1991, San Diego Dialogue was established to develop ways of increasing competitiveness, innovation, prosperity and the quality of life for people and communities on both sides of the greater San Diego/ Baja California border by promoting regional collaboration and innovation. Though self-funded, Dialogue is affiliated with the Division of Extended Studies and Public Programs at the University of California, San Diego.

Related Resource:

[Borderless Innovation](#) (PDF Format)

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