Repertoires of Development in Economic Divergence on The
U.S. – Mexico Border

by
Seth Daniel Pipkin

B.A., Brown University, 2002
M.C.P, MIT, 2006

Submitted to the Sloan School of Management
in Partial Fulfillment of the Requirements for the Degree of

Doctor of Philosophy
at the
MASSACHUSETTS INSTITUTE OF TECHNOLOGY

September 2012

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Author: _____________________________ / Seth D. Pipkin

Sloan School of Management, June 28, 2012

Certified by: __________________________

Michael J. Piore
David W. Skinner Professor of Political Economy
Thesis Supervisor

Accepted by: __________________________

Ezra W. Zuckerman Sivan
Nanyang Technological University Professor of Technological Innovation,
Entrepreneurship, and Strategic Management
Director, Ph.D. Program, MIT Sloan School of Management
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Abstract

This dissertation represents a new approach to the age-old social science problem of the underlying causes of economic development. It focuses on two initially very similar cross-border pairs of cities (McAllen, TX – Reynosa, Tamaulipas and Brownsville, TX – Matamoros, Tamaulipas) along the U.S. – Mexico border. The comparison of these two cross-border city pairs reveals that differences in patterns of local behavior led one small city on the US side, McAllen, to successfully exploit the opportunities offered by NAFTA after 1994. A review of relevant economic and demographic data as well as one year of in-depth field investigation show that the differences in local outcomes cannot be explained by established causes. Their pre-NAFTA endowments were essentially the same, and McAllen and Brownsville pursued very similar economic development policies. Rather, I trace the economic divergence to the means by which local elites introduced and contested their projects. These differences and similarities enable us to speak of a community’s “repertoire,” a term borrowed from Tilly (1977, 1993, 2006) and Swidler (1986) to characterize a group’s means pursuing and contesting goals with each other. Insofar as they pertain to patterns of communications and trust, repertoires relate to the network literature; however, in the cases observed here, the repertoires seem to predate the key networks of interaction, and, in a sense, to produce rather than to reflect them, suggesting that they are the underlying causal mechanism upon which we need to focus.

While very similar for much of their early history, the two US-side cities’ repertoires diverged around the 1930s. This took place when a region-wide shift in demographics and industrial base overturned the political boss structure that was common throughout South Texas. Insurgents in McAllen were left to their own devices and defeated their local boss after twenty years of struggle, in the process instituting a new local repertoire based on the “progressive,” technocratic, pro-business politics they had brought with them from the 2
American Midwest. Meanwhile, their peers in Brownsville overturned their political boss in half the time, albeit by allying with local pre-existing boss opponents who knew only the old polarized, parochial approach to politics. Thus the long-term history of these cities offers the possibility that repertoires can change dramatically when new resource flows are harnessed by groups who are able to articulate a set of political practices without interruption or cooptation from those steeped in a prevailing repertoire. Although the differences among the two cities’ repertoires were apparently inconsequential to their growth patterns during the era of industrial agriculture (1930s-1980s), the opening to global capital in the 1990s provided a venue where McAllen’s “collective, constructive and cosmopolitan” repertoire far outperformed Brownsville’s set of “atomized, antagonistic, and atypical” practices and understandings.

Despite the consistency of these practices over time, there is significant variety in actors’ ongoing attempts to come to grips with and solve their problems in uncertain situations. Significant, sustained deviations from local repertoire occur in both McAllen and Brownsville in the present day. In McAllen, the political and social isolation of its local physicians led them to stymie the construction of a medical school in their city, a project which had been a major goal of nearly every other element of the local political and economic elite. Similarly, in Brownsville, the completion of a multi-use education, research, and business development center (called the ITEC) demonstrates that exceptions can arise and produce more than momentary, fleeting effects. Furthermore, the ITEC was the project of the University of Texas at Brownsville, whose involvement in many cases of Brownsville politics-as-usual raises the possibility that organizations are capable of deploying multiple distinct repertoires.

These observations taken together suggest the following contributions: first, that economic development can be as much an outcome of locally ingrained cultural practices, tools and techniques as of traditionally defined factors such as geography, human capital, institutions, and policies. Moreover, these local cultures are not simply reducible to other apparent causes of development. Second, it demonstrates that to assess constraints and opportunities in local economic development, repertoires should be taken into account by observing actors in their everyday experiences and experiments across different institutions. Finally, this research shows that repertoires of development are subject to change through groups’ ongoing experiences of learning to communicate and coordinate with each other, and that understanding the contingencies therein can help us to better grasp the causes of economic stability and change.

Thesis Supervisor: Michael J. Piore
Title: David W. Skinner Professor of Political Economy
Acknowledgements

The completion of such a lengthy project carries with it a certain sense of liberation. At the same time, all the peaks and valleys, twists and turns can render ambiguous what it all means. I am reminded of the words of Shunryu Suzuki, who, in reference to the experience of accomplishment, said, "Before you attain it, it is something wonderful, but after you obtain it, it is nothing special. It is just you yourself, nothing special." Likewise, in this slow, ongoing intellectual journey, I have come across many points where, in anticipating a next step, I saw something wonderful, only to pass through and find myself. Nothing special.

Extraordinarily special, by contrast, are the individuals without whom I could not have possibly undertaken this journey. First and foremost I owe gratitude to my committee, those mentors who were most closely involved with this project.

To Michael Piore, my committee chair, for teaching me to own my work.

To Richard Locke, for always believing, regardless of the many undeniable reasons to doubt.

To Paul Osterman, for helping me to get all of this started, and for never missing the key gaps.

To Susan Silbey, for setting such a high standard for honesty, and for listening.

To the many other faculty persons and academics who have read and supported my work and thinking over the years: Lucio Baccaro, Emilio Castilla, Robert Harrison, Patrick Heller, Tom Kochan, Michele Lamont, Louis Menand, James Samstad, Bishwapiya Sanyal, Ben Schneider, Andrew Schrank, Ofer Sharone, Judith Tendler, and John Van Maanen. For taking a discerning yet ultimately sympathetic view to my works-in-progress.

To those students who came before me, set an example, and at times, set me straight: Matthew Amengual, Rodrigo Canales, Salo Coslovsky, Zev Eigen, John-Paul Ferguson, Ruthanne Huisng, Natasha Iskander, Roberto Pires, Sean Safford, Gustavo Setrini, and Kyoung-Hee Yu.

To my friends and contemporaries who talked and shared as we muddled through together: Alan Benson, Phech Colatat, Greg Distelhorst, Joelle Evans, Ryan Hammond, Gabi Kruks-Wisner, Jason Jackson, Heidi Maldonado, Akshay Mangla, Timea Pal, Kate Parrot, Federico Pérez, Aruna Ranganathan, Ben Rissing, Francisco Ruiz, Hiram Samel, Ivette Salom, Alvaro Santana-Acuña, Enying Zheng – my classmates, study-group mates, and informal network of mutual grad student therapists. To the seminars – the Institute for Work and Employment Research and the Economic Sociology Working Group at MIT, as well as the Harvard Workshops on Culture and Social Analysis and History, Culture and
Society – which allowed me the chance to air out and fine-tune my ideas in a public setting. To Shiben Banerji, always down the hall, literally or otherwise, with advice far wiser than I deserved. To Jigar Bhatt and Bruno Baroni, who lived to tell the tale. To Alberto Fuentes, with whom I look forward to carrying on in homage to the greats. To Ian Gray: ever true, Brother Jack Acid. To Chris Muller, for the salad days at VP. To Dmitri Seals: tenacious.

My deepest thanks are due to all of those who participated in this research, from the Texas-Mexico border and elsewhere. You offered a generosity and forthrightness far greater than I could have asked, and I hope that this work offers some useful contribution in turn. Also, a special thanks to David Arizmendi and Blanca Juarez, who were always prepared to help in case I got in over my head.

Finally, to my mother, father, and brother, Nancy, Jack and Scot, for somehow remaining confident that nothing on Earth could deter me, and to Jemma, for offering the patience, love, and generosity without which I would have surely had no solid ground on which to stand.

I dedicate this work to all my teachers who passed before I could thank them for their formative help, especially: Paul Herzfeld, Gerald Herzfeld, Philip Schlossberg, Robert Litchfield, and Alice Amsden.
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No treatise by me concerning [knowledge of the matters with which I concern myself] exists or ever will exist. For it does not admit of exposition like other branches of knowledge; only after long partnership and in a common life devoted to this very thing does the truth flash upon the soul, like a flame kindled by a leaping spark, and thereafter sustain itself.

Plato, The Seventh Letter
Chapter 1: Introduction

Background and the cases

In 1980, the Texas-Mexico border South of San Antonio was comprised of a string of small, isolated, mostly agricultural towns. The largest “twin cities” along this chain – McAllen/Reynosa and Brownsville/Matamoros – were no exception. With some of the lowest incomes and highest unemployment rates in the entire United States, the Lower Rio Grande Valley (or, “the Valley”) had long been written off as a “no man's land,” more the province of the developing world than the United States (Texas Comptroller of Public Accounts 1998). At the same time, shifts in the global division of labor were moving manufacturing out of the United States, and building momentum for modernization and growth in exactly the kind of places like the Valley, where the production and movement of goods could be readily coordinated across two nation-states with vastly different strengths and factor endowments.

By 1994, these shifts crystallized in the North American Free Trade Agreement (NAFTA), which radically redesigned the economic relationship between the United States and Mexico and gave a massive boost to foreign investment flows in search of lower-cost production opportunities. Suddenly, the Valley was a hot spot on the map of global development. However, these changes brought entirely different impacts to the cities of the
region, even ones as similar as McAllen was to Brownsville, and Reynosa was to Matamoros.

While these cross-border city pairs were evenly matched in terms of the main established causes of development – geography, population size, demographics, industry mix, local institutional structures, and even the policies they were practicing – McAllen and Reynosa grew faster than Brownsville and Matamoros by a factor of two or more by nearly every key metric. From the enactment of NAFTA to 2000, the Brownsville metropolitan statistical area (MSA) saw the creation of a little less than 16,000 jobs, while McAllen’s added over 50,000 (US Bureau of Labor Statistics). Over a similar time period (1990-2003), the gap between Brownsville’s neighbor Matamoros and McAllen’s neighbor Reynosa in maquiladora (foreign-owned export manufacturing) employment creation was nearly the same: approximately 15,000 jobs added in Matamoros, compared to nearly 48,000 in Reynosa (INEGI). Between 1998 and 2008, Reynosa’s GDP per worker nearly quadrupled, while Matamoros’ increased by about 70% (ibid.). McAllen-Reynosa’s share of US-Mexico truck traffic almost doubled between 1995 and 2009, from 6 to 10%, seemingly eating

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1 The maquiladora program is a nickname that has come into standard usage (individual factories either registered under this legal program or following its general model can be referred to as maquiladoras or simply maquilas). Technically speaking, the word describes factories that were allowed duty drawbacks in Mexico’s “Border Industrialization Program,” initiated in 1965 to create employment in border areas affected by the cancellation of a U.S. guest worker program. Most broadly, maquiladoras are factories where foreign companies deliver inputs to be assembled and then exported by Mexican workers. They adhere closely to the model that NAFTA expanded into a much broader program of economic relations between the U.S. and Mexico – roughly speaking, integrated production with high value-added, high-wage work on the U.S. side, and manual, low-wage work on the Mexico side. This longer history of maquiladoras underscores the fact that NAFTA was an inflection point on a curve that had already started moving on the U.S.-Mexico border; however, it is fair to treat NAFTA as an exogenous shock, even if McAllen and Brownsville had already begun on its trajectory, because of the magnitude of NAFTA’s overnight impact.

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Brownsville-Matamoros’ lunch as their share dropped from 8 to 4% (US Bureau of Transportation Statistics).

While McAllen and Reynosa rapidly turned into a cross-national manufacturing dynamo, McAllen rose as the destination of choice for affluent border-crossers from both sides. During the 1990s and 2000s, hundreds of restaurants opened in McAllen and its metro-area retail sales skyrocketed to some of the highest per-capita rates in the country, despite the low per-capita incomes of its residents (Texas Comptroller of Public Accounts). Meanwhile, Brownsville, which sits next to the Gulf of Mexico and the tourist destination of South Padre Island, registered less than half the rate of increase in its retail and luxury industries. While the population difference between the two metro areas was 25% in 1980, the McAllen MSA now has almost double the residents of Brownsville’s (US Census Bureau). The lopsidedness of the post-NAFTA comparison extends also to areas such as higher education, where enrollments in the McAllen area increased by about 35,000, compared to about 10,000 in Brownsville.² Today, the McAllen metro area is clearly the center of gravity for a burgeoning urban corridor running 200 miles from Laredo to Brownsville, and Reynosa has also eclipsed its regional peers in establishing its economic and demographic centrality during the same time period. The question is, how could this occur if, on the eve of NAFTA, McAllen and Reynosa had no more than Brownsville and Matamoros in the way of the classic factors of development?

²This is a rough estimate arrived at by referencing enrollment data (1994-present) at the main institutions of higher education in the two city-areas: University of Texas Pan-American and South Texas College in the McAllen MSA, and University of Texas at Brownsville, Texas Southmost College, and Texas State Technical College in the Brownsville MSA.
Repertoires of development: A different approach, with some elaborations

Most theories of development treat the economy as a series of ingredients to be mixed together by a cook. From this view, what the cook needs to successfully make an economy grow are the right ingredients and the right recipe. This study outlines a different approach based on the premise that the outcome can depend just as much on how the cook knows how to use ingredients, interpret instructions, and negotiate the use of the kitchen as on the ingredients and recipe. As such, this approach complements, rather than contradicts, others.

Part of the difference in perspective is motivated by changes currently underway in the global economy. As the designations “advanced” versus “developing” fragment away from large-scale, unambiguous national boundaries towards smaller, often more malleable regional and local ones (Economist 2011, World Bank 2011), and as localities become more internationally integrated (Sassen 1994, Storper 1997), it becomes more important to study development in a way that is true to the everyday work of its practitioners across multiple, patchwork environments. In other words, development is more uncertain today because people are less confident in the old recipes as well as the relevant unit of their application; furthermore, the work of development involves shifts between institutional and geographic venues that in and of themselves can produce great uncertainty.
Following from this logic, this study begins with the agents of development themselves – the business elites, politicians, and professionals who design and carry out the initiatives to attract employers, build infrastructure, and fund projects. From this vantage point, it becomes clear that McAllen-Reynosa's success inheres in practices whereby locals intuitively worked together on the premise of individual gains rooted in the long-term benefit of a "Greater McAllen," and who dealt with defection and counter-proposals by widening the sphere of benefits. Beyond relations among locals, these practices also involved locals' presentation of themselves to the outside world as a cosmopolitan, forward-thinking set, a small border town whose denizens traded their cowboy boots for Italian suits, showed up to meetings on-time or early, and scrupulously followed The Wall Street Journal.

In Brownsville, elites had a different way of doing things. Most projects, while generally rooted in the same policy ideas as those being attempted in McAllen, were seen as objects of contention between individual parties with conflicting goals; "Greater Brownsville" was never in sight because disagreeing parties were accusing each other of being the agent of a small clique that wanted to prosper at the expense of the whole. When these disagreements came about, the only way to resolve them was for one side to win. And finally, with ample experience of such rancor and fragmentation, Brownsville wove this pattern into a view of itself as an atypical, "love it or hate it" kind of place.
These bundled-together behaviors and understandings constitute very distinct local norms even as the two city-areas shared a common, distinctive border culture. Yet their contrasting practices of development are also a form of culture. I refer to the distinct patterns of collaboration and conflict in McAllen and Brownsville as “repertoires” (Tilly 1977, 1993, 2006 and Swidler 1986). McAllen’s political repertoire can be briefly described as “collective” in the level at which actors aggregate interest, “constructive” in how conflicts are dealt with, and “cosmopolitan” in its way of presenting itself to the world. Likewise, along these same dimensions, Brownsville’s repertoire can be described as “atomized, antagonistic and atypical.”

McAllen’s and Brownsville’s repertoires are strikingly consistent across a diverse array of development projects, equivalent in their basic premises and designs, which McAllenites and Brownsvillians carried out nearly simultaneously during the NAFTA era (early 1990s to present). Ranging from employer recruitment to retail development, infrastructure building, higher education, planning, and other policy areas, all displayed the same basic traits of “collective, constructive and cosmopolitan” McAllen and “atomized, antagonistic and atypical” Brownsville. Moreover, in each of these cases, the consistent deployment of McAllen’s repertoire over time rendered projects tractable, tied together actors in mutual cooperation and learning, tightly interwove projects to maximize their use and coherence in the broader McAllen context, and won over former detractors as allies. In Brownsville, in contrast, as these projects were attempted, actors’ use of their repertoire led to disagreement, fragmentation of resources, short tenures, minimal building of local
bureaucratic and technical know-how, marooned projects, and acrimony between participants. Over time, the effects of these individual project outcomes would accumulate, both in terms of economic impact and on actors’ perceptions of their perceived possible next moves. The difference between local repertoires, while visible before NAFTA, had much greater impact on the economy in an era where development would depend upon enticing international capital with the promise of minimum risk and maximum coordination for the sake of investors’ needs.

Thus, the first and most fundamental contribution of this study can be described as follows: repertoires, as bundles of political claim-making practices, are a fundamental cause of development insofar as they constitute a group’s ability to: 1) identify and to solve problems, and 2) to make meaningful use of resources, institutions and policies in the ongoing affairs of the community. This offers a distinct set of implications for policymakers, researchers, and anyone with a stake in how development unfolds, particularly in terms of defining and assessing a community’s assets and goals. In particular, it focuses our attention on how cultural practices evolve over time, thus suggesting historically-minded ethnographic work as a method of identifying these capacities and their causes.

Beyond these contributions to the theoretical and methodological tools used in the study of economic development, this study further elaborates the conceptual application of repertoires through historical investigation and case examples of exceptions to repertoire. In terms of the question of where the observed repertoires come from, the origins of
Brownsville's repertoire can be traced all the way back to 1850, when the city was founded amidst a conflict over whether it would be dominated by an oligarchy of large merchants and landowners. This conflict spurred the formation of two political parties, the oligarchic "Reds" vs. the "Blues," who were mostly small merchants and professionals, and local politics became a constant show of spectacle due to the existential nature of their struggle. Either the oligarchs would get to continue their program of government for the sake of an absolute agenda or they would not. The climax reached a peak during post-Civil War Reconstruction, where the Blues finally gained the upper hand. Depending on one's point of view, this came too late – years of the Reds' policies, particularly those isolating it from railroad transit, had by then caused Brownsville to fall far enough behind other cities (e.g. Laredo, Corpus Christi) that it would become economically isolated and stagnate for two generations.

During this period of isolation, the repertoire initiated by the Reds and the Blues continued, only it was applied to issues of political patronage and cross-county affiliations instead of the old issues of steamboats and land titles. Although McAllen did not exist yet, the county in which it is located (Hidalgo) was settled, and was assimilated into Brownsville's political machine network. The McAllen area, a political and economic periphery to Brownsville, was just as economically polarized as its neighbor, and this set the political mold in which McAllen took form. This only changed in the early 1900s with the arrival of railroads, industrialized agriculture, and vast numbers of Midwestern farmers, thus ending the region's isolation.
Upon encountering the patronage politics so prevalent both in McAllen and Brownsville, the new population in both towns rebelled. Both succeeded as well, but by different means: while the farmers in Brownsville could dislodge political boss Jim Wells in half the time it took to do the equivalent in McAllen, they did so with the help of existing rivals from the Blue-Red political tradition. McAllen, on the other hand, was so machine-dominated that there were effectively no rivals to the machine besides the farmers themselves. What McAllen’s farmers paid for in time and effort, once victorious, they gained in autonomy to designate how politics should be run in their city. McAllen’s political repertoire transformed because actors with a different way of doing things were able to define for themselves an alternative political program at a time when the region’s industrial and demographic map was being redrawn. Brownsville’s repertoire, meanwhile, persisted with only incremental changes along the way. Today, one observes a surprising degree of continuity in the patterns of political claim-making and conflict throughout Brownsville’s history, while the same cannot be said of McAllen.

This does not mean that actors in McAllen and Brownsville act based on their repertoires without exception. Nor does it mean that Brownsville’s political and economic fate is set until the arrival of a “perfect storm” of exogenous change and political insurgency. We can look to cases where groups deviate from local repertoire in both cities to set the stage for future research on repertoire contingency and change. In McAllen’s medical community, for example, we see a case where it is possible for a group to consistently deploy a completely
different repertoire from the local norm in ways that decisively impact local economic development projects (in this case, a medical school). Furthermore, Brownsville is capable of collaborative projects that are complex, stand the test of time, and mutually reinforce a broad collection of actors. Its university-initiated, multi-use business development, education, and technology research center (ITEC) provides one such example. Furthermore, the case of this center shows that organizations or groups are not necessarily limited to only one political repertoire; while the University of Texas at Brownsville has at times been one of the fiercest combatants on Brownsville's "atomized, antagonist and atypical" battlefield, it nevertheless found room to initiate and convene over ITEC by a different set of practices.

In summary, beyond the fundamental conclusions regarding repertoires as a distinct but complementary theoretical and methodological approach to the study of economic development, we can make five further summary statements based on the observed repertoire histories and exceptions:

1. Repertoires thrive and are disseminated through practice in institutional spaces that govern the use of resources.

2. The arrival and recognition of new resources represents a political opportunity;

3. But forming or importing new repertoires also depends on the discursive context.

4. Where and with what affiliations one practices politics should, by default, be the most likely factor determining one's primary repertoire;

5. Nevertheless, actors can learn to deploy new and different repertoires if they can practice in alternatively structure political spaces.
In the chapters that follow, these more general principles are induced along with considerations of more specific causal variables and contingencies that should be pursued in future research.

**Plan of the dissertation**

The argument outlined above will begin with an overview of development theory in Chapter Two. This chapter will introduce the most recognized causes of economic development before discussing how culture comprises a different causal factor, and the specific approach to culture as patchwork collections of symbols and practices, as opposed to coherent worldviews of “ultimate ends.” Beyond discussing the independent nature of a repertoire approach to culture, this chapter will also establish a scope for repertoires as necessary “hows” by which actors make use of classic developmental “whats” in their courses of policy design and implementation. This theoretical discussion will also motivate the methods of empirical research, the description of which finishes the chapter.

Chapter Three begins with an introduction to the Lower Rio Grande Valley / *Frontera de Tamaulipas* border region, setting the stage for a matched-case comparison between city pairs whose post-NAFTA economic divergence cannot be accounted for by standard theories. After reviewing the nature and the scope of the economic divergence between the city pairs, we will introduce the political repertoires of McAllen and Brownsville as the main causal factor driving this outcome by starting with examples of how locals
understand them, and then outlining their most basic traits as they were induced by the analysis of field data.

Next, Chapter Four makes the case for the causal role of repertoires with a case-by-case comparison of several development projects that, while constituting the same policies, were enacted in entirely different ways and produced completely different economic results in McAllen-Reynosa as opposed to Brownsville-Matamoros. With alternative explanations previously eliminated, it becomes clear that time and again, actors behave in patterned ways whose logics are driven by their repertoires. We know this is so because the case studies illustrate repeated invocations of repertoires across individuals, projects, and moments in time, showing both the logic of their patterned invocation as well as the repertoires' cumulative impacts on the cities' development trajectories.

That two city-regions so similar in makeup and so geographically proximal could form political repertoires so distinct from each other begs for an account of their origins. This is the purpose of Chapter Five, which begins with the founding of Brownsville's repertoire and divides its major shifts into three eras, with McAllen receiving the same repertoire in the second era, and Brownsville and McAllen experiencing the same major structural shifts in the third era. However, as the parallel processes of overturning the political machines in McAllen and Brownsville show, the presence of a “free space” for McAllen's political dissidents, born in part out of their inability to find local allies, eventually led them to kick out the old regime and start with a clean slate. In Brownsville, in contrast, the presence of
well-established rivals to the machine offered its previously equivalent dissidents a path to victory by assimilation, which they took. This leads to a tentative conclusion that even as individual practices can naturally shift without necessitating major struggles or extraordinary circumstances, repertoires will likely endure until resistance builds at a greater scale than everyday individual choices and normal resource flows can provide.

Chapter Six offers contemporary cases of sustained, group-level exception to repertoire. It covers the process by which McAllen’s medical community successfully blocked the city from being able to receive state funding for the eventual construction of a medical school, and makes a preliminary examination of this community’s background as a means to help focus future inquiry on how groups may form alternative repertoires. For a case of an exception to repertoire in Brownsville, we review the case of the International Technology, Education and Commerce (ITEC) Center, a successful, coordinated, multi-use facility for education, research, and business incubation situated in a formerly abandoned mall. We then consider how the University of Texas at Brownsville, which coordinated the ITEC venture, often practices a more standard Brownsville repertoire, opening possibilities for future research regarding how organizational actors may acquire and deploy multiple repertoires.

Finally, the Conclusion reviews the contributions of the preceding chapters towards theory, method, and policy prescription for local economic development, as well as broader theories of economic development. It proposes that the shifting ground of development
itself through ongoing processes of globalization recommends an empirical, ground-level focus on the analysis of culture as the means which actors learn the "hows" that they can apply to the "whats" of development.
Chapter 2: Culture, Political Repertoires, and the Fundamental Causes of Development

The purpose of this chapter is to demonstrate how culture fits alongside the classic fundamental causes of economic development as an autonomous while also intercausal force. It is independent because culture follows a structuring dynamic that is not the same as those of geography and resource endowments, formal institutional rules, or policy design. At the same time, culture is intercausal because it involves a set of categories and practices that are “burdened with the world” (Sahlins 1985, p.138); i.e., actor’s perceptions are always being interrupted, put at risk, and called into question by ongoing, unpredictable events in a broader world. Action thus always alters cultural meanings, and therefore we cannot understand structure without understanding how actors have learned how to cope with such realities.

To establish an appropriate space for the causality of culture in economic development, we must first review the basic workings of the alternative explanations of economic development. Once we have compared these to the kind of cultural argument this study has to offer, we can then accomplish two final goals for this chapter: first, to offer a conceptualization of what it means for culture to act as a “how” of action intercausally with the “whats” that have historically been examined as independent causes of development. Then we can proceed to mark out the grounds for an empirical examination of how cultural
understandings and practices come to be bound to objects and actors in the economy, thereby forming a distinct channel of systematic influence on economic and political outcomes.

Established causes of development

The multifarious uses of the term “economic development” over time far exceed what can be addressed in this study (Arndt 1989); what we are concerned with right now is a general concept that dates to post-World War II, where “development” was established as a qualitative change in the economy (usually from agriculture to manufacturing), usually implying a technology-driven division of labor overseen by a modern, rationalized bureaucracy.3 Other measures of development include incomes, lifespans, and other material indicators of human wellbeing, with the implicit assumption that there will always be a clear dividing line within these spectra for entities to receive the label of “developed” or “developing.”4 Regardless of questionable assumptions, this general way of defining development has also constrained to a great extent the building of theories to explain it.

The number of distinct theories of economic development being enormous, I will only focus on a few highlights below. The two main criteria, whose reasons I will explain below, for organizing the following theories are, first, a priority on theories that leave room

3 As Albert Hirschman (1981, p. 2) notes, the initial development of development economics "happened as a result of an a priori unlikely conjunction of distinct ideological currents." The point here is therefore not so much to present a coherent theoretical paradigm, but rather, a broad program united under the premise that developing countries are categorically different from "modernized" ones, and the task of the scholar is to "help" to reproduce in developing countries the technological advancements already achieved by the advanced ones. This program, despite internal contradictions as well as noteworthy exceptions (e.g. Gerschenkron 1962, Amsden 1992), should be taken to constitute the "mainstream modernization" approach under discussion here.

4 There is also, as we will discuss further in the conclusion, the inconvenient fact that the classic approach to development has generally relied on the nation-state as the unit of analysis, while subsequent events have largely decoupled the contours of economic development from the boundary lines of nations.
for agency, and second, a disregard for distinctions between a theorist's chosen territorial unit of analysis. I leave out all of the theories that make the cause of development exogenous to voluntary human action - e.g. most forms of Marxism (including the Wallersteinian world system approach), neoclassical growth models such as Solow-Swan, and staged "modernization" approaches à la Rostow's famous "take-off" approach. I omit these not because they are all wrong (though some are), but because the cases observed demand a theory which allows some power in the hands of the policymaker and/or the businessperson (and sometimes even the average citizen, the outside reformer, or the activist) to willfully set off or contribute to economic transformation. Furthermore, I will not make major distinctions between approaches that emerged focusing on a larger vs. smaller unit of analysis in economic change, because the literature which specifies "the local" as its unit of analysis of economic development refers to the same causal processes as the literatures on nations, regions, and the global economy. 

Presented below is a schematic view of the causal factors of economic development.

Geography/resource endowments

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5 Although proponents of a "humanist Marxist" perspective have ample material to which they can point (e.g. Tucker 1978 p.76, Marx 2002 (1845), VI 2a) proving Marx's respect for individual human will, Edmund Wilson illustrates why Marxist theory marginalizes such sympathies: "The Marxist Will, which once resolved to change the world, has been transformed into the invisible power which supplies the motive force to run the escalator; and if you simply take your stand on the bottom step, the escalator will get you to the top, that is, to the blessed condition of the synthesis." (Wilson 2003 (1940), p.194)

6 See e.g. the range of local economic development theories reviewed in such textbooks on the subject as Blair and Carroll 2008, Blakely and Leigh 2009. This choice is also in keeping with empirical observations of the increasing autonomy of localities to enact "entrepreneurial" growth strategies and thereby take on powers and roles normally associated with the nation-state (Eisinger 1988, Sassen 1994, Brenner 2004).
To make a geography/material resources argument, one must assert that a stock or asset – whether climate, soil, rainfall, proximity to other physical locations, or even a stock of human capital – is determinative of long-run economic outcomes. Such arguments are most commonly made in reference to geographic location. This “luck of the draw” approach to long-term outcomes drives the famous “Guns, Germs and Steel” hypothesis that the major differences in power and technology across societies today can ultimately be attributed to initial endowments in flora and fauna, as well as the logistics of transporting them from one place to another (Diamond 1997). Although Diamond himself has agreed that such a basic approach to causality is really only appropriate at the largest and broadest of temporal and geographic scales (McNeill, Diamond 1997), this approach has nonetheless also been applied to shorter-term divergences, whether since 1800 or within the postwar period, with models emphasizing such factors as the disease profiles of different regions and transportation costs (Gallup et al. 1998, Acemoglu, Johnson and Robinson 2001). Insofar as it fits the criterion of allowing agency into the picture, it does so narrowly, primarily by emphasizing to policy makers the importance of the proper presence of resources, in sometimes recommending the accumulation of human capital as part of a local resource base, and at other times prompting the search for geographic complementarities with other places.

Resource-based arguments generally have no shortage of detractors. Some contest the causal impact of resources on the basis of alternative arguments about the proper specifications of comparison (see e.g. Rodrik et al. 2002, Stijns 2005), amounting to a
critique of specification of models and omitted variables, often institutions. Others point to more recent case examples where increased resource endowments (especially primary resources such as oil) are cited as both boons and banes for development (Sachs and Warner 2001, Mehlum et al. 2006). Perhaps the primary appeal of a resource-based argument is that citing distributions of such things as plants, animals, minerals, and water as culprits for constraining human action carries a fair amount of intuitive weight.\footnote{Sometimes even too much so – as Gallup et al. note, one of the reviewers of their paper responded by saying, “Fine, but we knew all this in seventh-grade geography.” (Gallup et al. 1998, p.54)} Fortunately for our purposes, as we will see in much greater detail in Chapter Three, the cases presented here reveal no predominant geographic advantage for one vs. the other. We will be examining pairs of cities barely sixty miles apart, governed by the same states and nations, with largely indistinguishable demographics, prior industries, and natural resources.

\textit{Institutions}

At last count, there were at least three, if not four “new institutionalisms” (Hall and Taylor 1996, Schimdt 2008); yet the application of a framework centering on variations in formal institutional structures as a crucial factor in long-run growth outcomes is primarily the province of what is often referred to as “rational choice institutionalism.”\footnote{The other “institutionalisms” (historical, sociological, and "discursive"), if anything, bear a closer relationship to the approach used in this dissertation. They tend to consider local context much more than rational choice institutionalism, and are usually not as wedded to focusing on institutional structures or formal rules \textit{per se} as a main source of outcome variation. Because of these differences, and because more qualitative/culturally-oriented institutionalisms tend to focus much less frequently on differences in economic performance as the main outcome of concern, it seems fitting to make the contrast with rational choice institutionalism, even though, as we will see further below, this category in itself is at times a moving target.} This branch of
research emerged from the conceptual fusion of classical economic premises with the empirical realities of aggregated institutions such as firms and political parties (Coase 1937, Williamson, Hall and Taylor 1996). Since then, it has been employed in the analysis of how institutional “rules of the game” (e.g. property laws, court systems) influence long-term market outcomes (North 1990, La Porta et al. 1997, Acemoglu, Johnson and Robinson 2004). The basic approach is to posit that economic development can only occur when “transaction costs” among individuals are minimized, and that such minimization is primarily the result of differences between the formal rules of law, property and political representation and legislation.

More recently, and, relevant to the historical investigation in Chapter Five, Acemoglu and Robinson (and sometimes Johnson) have advanced a further iteration of the institutional approach (Acemoglu, Johnson and Robinson 2004, Acemoglu and Robinson 2012). According to their formulation, institutions are indeed a fundamental cause of long-run growth capable of explaining more than resource endowments alone; however, they posit that institutional reforms can be blocked or even negated when the distribution of resources among groups is overly imbalanced. Hence, the model is expanded from one causal element (formal institutional rules, which they refer to as “de jure” power) to two, possibly three (rules + resource distributions, or “de facto” power + historical “critical junctures”), with resource distributions generating political dynamics that can interfere with the transparent use of formal rules. This twist, captured in Acemoglu and Robinson’s dichotomy of “extractive” vs. “inclusive” institutions, opens up greater room in a rational-
institutionalist approach to re-assert the role of the state as corrective to markets which fail to maintain classical assumptions of actors’ equality in the marketplace.

Therefore, a rational institutionalist approach relates to our cases in two important ways: first, by positing that the actual design of institutions is a key factor in determining economic outcomes. As we will see in Chapter Three, the McAllen-Reynosa and Brownsville-Matamoros cases effectively control for this variable, leaving their recent divergence to be accounted for by other factors, which should prompt a reconsideration of how actors make use of their institutions. Second, with Acemoglu and Robinson’s de facto/de jure power approach, we would expect for the most resource-monopolized of the American cities to be the one to develop the most monopolistic political dynamics. As we will see in Chapter five, this will turn out to not be the case, leaving us to seek other means of explaining why McAllen, which was dominated for twenty years by one party winning all elections with 90% of the vote (versus Brownsville, where two strong political factions contended with each other for over 50 years), opened up into a more inclusive, collaborative political repertoire after it experienced the same technological and demographic shift as Brownsville did in the first decades of the twentieth century. The preliminary answer which this study offers is that we can address the under-specification of such structural elements as institutional rules and resource distributions by focusing on learned skills, habits, and practices as a key intermediary influence in rule-following.

*Policy choice*
A third general approach to economic divergence suggests that we train our attention
towards savvy interventions which bring the “right” factors – the right forms of capital, the
right industries, the right workforce – to effectively eliminate market failures and induce
economies of agglomeration and productivity growth. On the national level, this approach
can be seen across a variety of major policy prescriptions over the years, whether the “Big
Push” approach (Rosenstein-Rodan 1943), “Import-Substituting Industrialization”
(Hirschman 1968, Baer 1972, Waterbury 1999), or “The Washington Consensus”
(Williamson 1990, 2004).

At the local level, the policy-centric approach is perhaps best exemplified by the work of
Michael Porter, who theorizes policy choice as a matter of maximizing on four axes of a
“competitiveness diamond” (raw materials, local competitive environment, consumer
demand, and supply networks) to produce “firm sophistication” and “quality of business
environment” (Porter 2000). While Porter’s work is undeniably broad-ranging in terms of
what is taken into account, there are many similar works that hone in more specifically on
one or more policy issues cited as crucial to development outcomes, such as product-
specific “life cycles” (Vernon 1966), highly skilled labor forces (Florida 2002), or novel
product niches (Kim and Maubourgne 2005).

What these all have in common is that they posit that economic divergence vs. convergence
hinges on certain actors taking up the role of price-makers and re-arranging factors of
production. This casts the challenge to local governments as competing with one another.
for whatever they can determine to be the factor whose augmentation will best catalyze productivity and competitiveness, which more often than not adds to an ever-expanding menu of trends to chase. It is important to point out this relationship between this body of scholarship and its audience of practitioners because what is conspicuously absent from such application of theory is a way to formulate how local capacities will best realize and integrate the "next big thing" with what is already present in a locality, both in terms of existing resources and established group routines. This "trend-chasing" prospect has brought some to critique the approach as really positing business only as the proximal cause of productivity growth and economic linkages, as opposed to other institutional actors also being able to directly impact such outcomes (Harrison and Glasmeier 1997).

In agreement with such a critique, I also extend it beyond citing more institutions to add to the list of productivity-generators. Based on the investigation below, I am asserting the necessity of directly examining a layer of practice not explicitly accounted for in theories that posit policies as their own solution to economic bottlenecks. This layer of practice, which involves how people have learned to understand and make claims about the relationships between people and objects, has the power to determine outcomes anywhere on a spectrum from anomalously productive use of few resources to anomalously wasteful use of considerable ones. Likewise, with a policy, the research must take into account actors’ preparedness to put it into use with each other – the terms on which they are able to cooperate across local organizations, to make new policy fit with old ones, to empower the enforcers of policies, etc.
One of the more remarkable aspects of the controlled comparison offered in this dissertation is that we have a case of economic divergence where even policies are held constant. As we will see in the next two chapters, both McAllen and Brownsville, as the “entrepreneurial” American localities of their respective city pairs, enacted the same economic development policies, seeking the same basic industries, malls, and increases in international infrastructure, not to mention the same basic organizational modes of pursuing these.

With policies controlled for, this study focuses more on the gap between what a policy says and what policymakers do. This in itself is a topic that has received attention in the past. For example, Pressman and Wildavsky (1973) take a largely structuralist approach to policy implementation by positing an inverse relationship between the number of decision-making entities involved and a successful outcome. This of course makes their theory more applicable to cases of policy implementation across jurisdictional lines, which to a degree is true of the cases examined here, but is not really the same matter-at-hand as Wildavsky’s evaluation of “how great expectations in Washington are dashed in Oakland.” In a sense, the way Pressman and Wildavsky posed their question guaranteed an answer that would feature the number of implementing agencies as key to policy implementation. The fact that economic development projects of such structural diversity as those examined in Chapter Four show such consistency of implementation within the cities suggests that Pressman and Wildavsky’s work represents just one avenue of inquiry into the issue.
Perhaps closer in concept to this study is a body of research focused on the concept of “loose coupling,” which broadly refers to a tension between rational organizational design and the pragmatics of everyday coping. Originally brought to the fore by scholars in organization studies (Weick 1976) and neoinstitutional sociology (Meyer and Rowan 1977), such scholarship suggests that the complexity of organizations and their institutionalized processes will require that adaptations be made in organizational subunits and/or by “on-the-ground” practitioners, opening up considerable space for contingency in filling “the gap” between the written rule and its application in an unstable world (Lipsky 1980, Silbey 2011). This study builds on these contributions by historicizing how actors’ prior shared experiences shape patterns in the management of such uncertainty. This, I will argue in the conclusion, is a major, but as-yet underexplored connecting point between sociological work which focuses on group epistemology as a collective accomplishment and theories of the political economy both in its synchronic functioning and diachronic transformations.

*Civic structure / networks*

A “civic structure” approach posits that the institutional and economic performance of a social unit – be it a city, industry, region or country – is dependent upon patterns of affiliation between individuals and/or organizations. From this perspective, cultural norms and meanings are epiphenomenal to network structure, leaving the main measures of the “strength” of civic structure to rates of membership in associational life, such as social
clubs, voter turnout, and newspaper readership (Putnam et al. 1993). Similarly, other researchers who have pursued this line of thinking have emphasized the need for “cross-cutting” affiliations (i.e. more interconnection between groups, as opposed to just the aggregate level of individual participation in groups) (Locke 1995, Saxenian 1996, McDermott 2002), or “polycentric” organizational networks, in which the collapse of one nexus on the map of affiliational ties need not result in the total collapse of inter-organizational cooperation (Safford 2009). These studies, which focus closely on economic performance at the local level, draw from a broader set of premises drawing from the social “embeddedness” of action as a structurally-derived phenomenon, with structure defined in a very specific fashion: who knows whom. At bottom, such patterns matter insofar as they guide flows of resources and information.

Many of these studies are quite persuasive that affiliational patterns ultimately constrain and enable actors as they search for collaborators in attaining their goals and solving their problems; however, what affiliational structures cannot tell us is which goals, which problems, and actors’ means of mobilizing them in their networks (Emirbayer and Goodwin 1994). Such is the focus of this study, in which I draw from field research and documentary data to illustrate how actors’ ready-at-hand techniques of goal definition and problem resolution are constitutive of the collective action which takes place within and across network boundaries. As far as boundary-crossing is concerned, this will receive
more attention in Chapter Four, where we will see how actors' techniques and habits
guided them in the process of producing new network affiliations.⁹

Such observations may also be useful to scholars who focus on a subtopic of actors'
patterns of affiliation, that being the commitment of groups to deliberation as a possible
determinant of the efficacy of collective action (see e.g. Fung and Wright 2003, Ansell and
Gash 2008, Briggs 2008). This project has faced the same problem since at least the time of
John Dewey: that is, if society's problems are best solved when everyone is in the room
together, how do we know that they will align around a collaborative project rather than
separating into clusters in the room's corners, or talk in pairs, or simply talk past one
another? As Chapter Six discusses, such a problem befell Brownsville when a group of its
leaders attempted to resolve coordination problems by creating a super-organizational
structure that would force existing parties to pool resources and plan projects together. Yet
this plan so far has fallen prey to the same elite cliques vs. populist debates and
factionalizations that Brownsville has suffered from for decades. This study's
documentation of the shifts and deviations in McAllen's and Brownsville's repertoires
therefore helps reveal the circumstances under which spaces of deliberation can come to
be used accordingly.

**Cultural repertoires in development**

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⁹ In this sense, this study parallels Vaisey and Lizardo (2010). Where it differs is that I do not posit two
autonomous, biologically distinct "circuits" of culture à la Kahneman's positing of “fast” and "slow" brain
systems (Kahnemann 2011). I make the less sophisticated argument that what people learn to practice will
guide their approach to future undertakings, and that we can understand this reasonably well by observing
the deployment, diffusion, and transformation of their techniques over time.
“Economic growth occurs whenever people take resources and rearrange them in ways that make them more valuable. A useful metaphor for production in an economy comes from the kitchen. To create valuable final products, we mix inexpensive ingredients together according to a recipe. The cooking one can do is limited by the supply of ingredients...Human history teaches us...that economic growth springs from better recipes...” (Paul Romer, “Economic Growth,” The Concise Encyclopedia of Economics, 2008)

“The recipe is a blueprint but also a red herring, a way to do something and a false summing up of a living process that can be handed on only by experience, a knack posing as knowledge..."What's the recipe?" you ask the weary pro chef, and he gives you a weary-pro-chef look, since the recipe is the totality of the activity, the real work. The recipe is to spend your life cooking.” (Adam Gopnik, “What’s the Recipe?”, The New Yorker, 2009)

The aforementioned theories were not introduced to be summarily discarded, but because they are influential and are important facets of the full context of the phenomenon of economic development. What must be added to these facets, however, is an understanding of how culture, as a loosely bound system of shared meanings, guides actors’ abilities to recognize and mobilize their material resources, institutions, policies, and network affiliations with specific techniques and toward specific ends. In short, this dissertation examines the relationship between the cultural “hows” and the classic “whats” of economic growth and development.

To do so does not require a review of all of the major debates regarding definitions of culture, nor all of the arguments that have been made against its causal power in development. The definition of culture which best fits the patterns of behavior which I discuss in the following chapters can be drawn from two especially instructive invocations from two different authors, William H. Sewell, Jr. and Ann Swidler:

“[Culture comprises] the ‘rules of social life’...not only the array of binary oppositions that make up a given society's fundamental tools of thought, but also the various conventions,
In short, we may describe culture as people's shared understandings of the meaningful relationships between things in the world, and how action involving them occurs. The understandings, conventions, habits, rituals and tools which individuals accumulate need not form a logically coherent whole, nor does any one element of culture necessarily need to be held by every member of a particular group; yet these elements of culture are observable in action and can be operationalized as causal variables. This operationalization stands in opposition to other characterizations of culture that conceive of it as a coherent, all-inclusive, static, and situation-independent set of definitions of individuals' goals for action. Examples of such an approach include Parsons (1935), and Harrison and Huntington (1999).

In the cases at hand, McAllen and Brownsville's elites displayed different ways of tying together resources, of announcing and discussing the value and scope of benefit of their projects, and of resolving disputes created by conflicts that arose in the course of their actions. These different local practices and understandings guided remarkably distinct and consistent patterns of policy implementation. But we must distinguish between that and any assertion that McAllenites pursued one master set of "ultimate ends," while Brownsville's pursued another. Rather, these two city-areas overlap almost entirely with respect to notions such as "worldview" and "identity," which is why they are generally
treated as analytically equivalent in analyses of South Texas-Mexican culture, economics, and politics (see e.g. Paredes 1958, Montejano 1989, Arreola 2002).

Yet these important overlaps notwithstanding, it is clear that every city and every county in the U.S. has its own jurisdiction for carrying out a certain set of distinct governmental powers – e.g. budgeting, running elections, planning public infrastructure, permitting, etc. This institutional autonomy provides the start of a space where cultural differentiation becomes possible. As such, McAllenites and Brownsvillians may share a culture of “Friday night lights” school-based sports competition, *pachangas* (cookouts), the foodways and folkways of northern Mexican ranching, and *conjunto* music, but when it comes to a city commissioners’ meeting, anyone who has ever been to both McAllen’s and Brownsville’s will be quick to describe with some curiosity and titillation how they differ: McAllen, with its big-screen-televised video introductions of its City Commissioners, complete with fanfare soundtrack, followed by an orderly, technocratic, almost somnolescent procession through the agenda; and Brownsville, with shouting matches both amongst officials and between the officials and public attendees, jokes, outbursts, demonstrations, and failed attempts to use procedure to rein in the proceedings.

**The place of cultural repertoires**

The quotes and distinctions made above lead us to press further into what it means to conceptualize culture as inhering in individuals who through their experiences build up “repertoires” of practices, skills and habits. The repertoire approach to culture has
probably been expounded upon to the greatest academic impact by Ann Swidler, whose influential 1986 paper introduces repertoires as comprising the atomic elements actors utilize in forming “strategies of action.” That is to say, in Swidler’s view, culture, rather than providing individuals with the ultimate ends that they seek, imbues people with different tools and styles of navigating their way through uncertainty; people cobble together pathways based on finding the most amenable combinations of one’s ready-at-hand tools and the social environment. They are provisional, partial, and the subject of processes of ongoing modification. In this way, divergences in outcomes come not from deep-seated, psychological proclivities, but rather from these very patched-together, contingent searches for meaningful coherence in often very complex and uncertain circumstances. As Swidler puts it:

“If one asked a slum youth why he did not take steps toward a middle-class path of success (or indeed asked oneself why one did not pursue a different life direction), the answer might well be not ‘I don’t want that life,’ but instead, ‘Who, me?’ One can hardly pursue success in a world where the accepted skills, style, and informal know-how are unfamiliar. One does better to look for a line of action for which one already has the cultural equipment.” (Swidler 1987 p. 275)

Transposed to the context of local communities of political and economic elites, what this approach suggests is that as actors inherit histories and accumulate firsthand experiences in the administration of their local institutions together, they cohere around certain accepted skills, styles, and pieces of know-how. Thus, two local elite communities administering the same project – an upgrade of a sewage treatment plant, say – can easily show no difference in what they see as the ostensible goal, or the materials and organizations involved in realizing it, while they may nevertheless pursue entirely different
lines of action towards this goal. These lines of action will be informed by how they have learned to introduce, discuss, and debate plans with each other, and they may hold crucial implications for whether and how the sewage plant gets upgraded, as well as how the experience of working on this project together is integrated narratively into their ongoing stream of interactions from project to project. This interpretation also falls very close to the work of Charles Tilly and associates such as Sidney Tarrow and Douglas McAdam, who specifically apply the concept to political claim-making (Tilly 1986, Tilly 1993, McAdam et al. 2001, Tilly 2006). The main inversion here is that, unlike Swidler, who wants to shift the focus of cultural analyses of poverty from intentions and preferences to habits and skills, and unlike Tilly, whose repertoires constrain the choices of political claimants independent of identity and interest (Tilly 1993 p.267), I focus on repertoires as the tools employed by the elites in their roles as the de facto managers of economic development policy design and implementation.

*Below contrasting causes: Culture, "Ideas," Interests, and Structure*

Despite claims to the contrary, some may find the above specification of repertoires conspicuously similar to a more everyday notion of an “idea”: that is, maybe (as

10Tilly only went so far as to say that repertoires and interests are "partly independent" (ibid). This ambiguity, which cannot be fully resolved in this study, points to a major issue of philosophy that is also relevant to social science methodology: the inadequacy of language to ever fully capture experience, but also language’s power to guide and define experience at the same time. A cursory overview of the cases offered in this study shows that actors in McAllen and Brownsville at least had constructed their basic interests in the same way: "grow the city," along with "use the resources made accessibly by NAFTA to do so." The difference was that in McAllen, the repertoire told them how to pursue this interests in a different manner than in Brownsville; hence, actors’ available practices and descriptions both constrained and influenced how they acted on that same interest, to the point where common interests among actors in Brownsville could be rendered unrecognizable by the roles and practices inscribed in their shared repertoire (c.f. the concluding chapter of this document, including the prefatory quote from C. Wright Mills).
interviewees would sometimes offer) McAllen’s elites had all of these different routine ways of building policy implementation out of political claim-making with each other because they were perhaps of a more “American” macro-cultural bent, which would bring along with it all of the baggage of Protestant ethics, acquisitiveness, and broadly liberal democratic politics. In the context of the border, this could then be contrasted to a more “Mexican” idea-set, which some might think would entail an authoritarian bent and a distinct lack of interest in modernization. Of course, at this level, we again have the macro-cultural view that has been discounted on account of extensive empirical observation that such characterizations fall apart into pluralist fragmentation and improvisation when we view actual “Mexicans” and “Americans.”

Nevertheless, we may say that broad ideas and values, such as “economic growth is a community’s highest priority” or “free, unregulated markets are the best means to satisfying human needs,” can be taken up at the group level without needing to force these groups into crude, static stereotypes. Such an approach would prioritize the appearance, contest over, and persistence of ideas as “ultimate ends” or sets of categories, prisms by which actors will view the world and thereby adopt their preference sets. Such an approach has been put forward in neoinstitutional political science (Hall 1993, Blyth 2002) as the answer to why political paradigms seemingly hold publics in their sway despite not providing material benefits to large swaths of their adherents. A similar argument can also be found in heterodox economics, where McCloskey (2011) claims that a new “valuation” prioritizing the role of the bourgeoisie in society (as opposed to older valuations
prioritizing aristocracies and monarchic and/or ecclesiastic hierarchies) as an explanation for why Britain and Holland initiated the industrial revolution. Similar approaches have been adopted by sociologists who have imported the “conventionalism” approach advanced by Boltanski and Thevenot (2006), which posits that actors internalize macro-value structures by which they determine the appropriateness of a given action in a situation. In the literature on “organizational logics,” just such values are offered as the underpinnings of organizational routines and patterns of conflict (Thornton and Ocasio 1999).

What unites all of these loosely related literatures and intellectual agendas regarding ideas – not to mention those described above regarding resources, institutions, and policies – is that they take the actionable content of these guiding principles, dualisms, rules and resources to be self-evident. It should be clear by now that the slippage appearing across the classic causes of development (as well as the less-classic cause of “ideas”) comes from a common adherence to classic approaches to social structure itself as a sort of Kubrickian monolith that provides actors with a clear map of where they must be going, and actors dutifully follow its singular messages. This is akin to claiming that the grammatical structure of a language defines the sentences that can be uttered with it. It is also where the distinction of repertoires as an independent causal force becomes critical. Repertoires do not tell actors their ultimate destinations, but rather, a menu of moves that can be evaluated in terms of how salient they appear in light of a shared experience with other players. To offer a simplified version of one of many suitable examples in this study, when
an actor in McAllen trying to build a bridge gets confronted by a crucial partner who is against the idea, s/he immediately tries to find out what could make the proposition agreeable to the disputant; in Brownsville, when this has occurred, the bridge-builders generally tried to get their bridge built by circumventing the opposing authority. One basic type of decision, two radically different moves with very different implications for ensuing interactions.

Take chess as a well-worn analogue; in this case, “ideas” as ultimate ends and principles would represent a goal such as “Trap the opponent’s king” or “minimize the number of pieces your opponent takes from you.” Repertoires, on the other hand, constitute the moves that can be made with the various pieces: pawns only move one space at a time, knights in a pattern of 3 linear squares plus one square at a right angle, etc. This means that many, and possibly infinite games are possible under the same ultimate ends and category structures via the flexibility of repertoires; furthermore, that the same repertoires can be deployed under variations in game rule structure – for example, one can play chess with a timed element or without, or with different initial positions assigned to the pieces, all with the same array of pieces and possible moves assigned to them.

The term “idea” has colloquial meanings of such broad connotations as to make it impossible to say “repertoires are not ideational”; however, it is important to distinguish the aforementioned invocations of “ideas” in the literature as ends-oriented factors and categorical distinctions, as opposed to repertoires as tools of linking structural elements
(including ultimate ends and categories) together in practice. Such a distinction allows us to preserve a definition of structure in which the meaning and use of a “what” is underdefined without a context of agents who associate it with a certain, or several certain “hows” (Sewell 1992).

Another basic social science concept which bears distinguishing from a repertoire is that of interest. In his work on the concept cited above, Tilly only went so far as to say that repertoires and interests are “partly independent” (Tilly 1993 p.267). The work of this study cannot offer an absolute set of criteria to distinguish the two, but this work does offer some observations that may help clarify Tilly’s ambiguity. To begin with, it is worth noting that the concept of “interest” itself can be used rather loosely across the social sciences; in his landmark work *Economy and Society* (1922), Weber offers thorough definitions of practically every basic social science concept but “interest.” In general, the scholarship which has attempted to complete Weber’s definitional map has generally posed an interest as that which motivates action (Swedberg 2005 pp.129-131).

Following from Weber’s well-known “switchmen” analogy for the forces involved in human action (Weber, Mills and Gerth 1958, Ch. XI), Schluchter has commented that “Interests are [a] direct [influence on action] insofar as they constitute motivations. However, motives are always mediated historically; they are interpreted and institutionalized” (Schluchter 1985 p.25). This in particular offers a clearer space to delineate for repertoires: as a mechanism mediating the expression of interests.
As the discussion in chapters Three and Four will establish, actors in McAllen and Brownsville had generally constructed their interests as regards economic development in the same way: something along the lines of "grow the city by attracting outside employers and following the general model of development dictated by NAFTA." As much as individuals in Brownsville, both elite and otherwise, were quick to surmise that some of their city's elites were anti-growth, I was never able to get any names of who these individuals were, and never found anyone who espoused such a view him- or herself. Likewise, although McAllen's projects play out in entirely different group processes than Brownsville's, there is no shortage there of instances of patrón culture; it just happens that how such cultural tendencies play across actors and institutional spaces works differently in McAllen than in Brownsville. That is to say, in McAllen, particularist actions get absorbed into universalist trajectories, whereas in Brownsville, little or no such mitigation of conflict takes place. The only apparent explanation, which is well-evidenced in the following pages, is that the overarching tendencies of the political maneuvers that Brownsvillians knew how to make and interlink with each other were not as conducive to growth under a NAFTA paradigm as those practiced by their neighbors in McAllen. In other words, McAllen-based elites spent their lives learning different overall playbooks and proclivities for the same game as their peers in Brownsville.

This also suggests one further point on the relationship between repertoires and interests – a micro-macro distinction. As evidenced in the chapters to follow, at the micro level, it
seems much easier for repertoires and interests to shape each other – as occurred, for example, in McAllen’s change of repertoire during the political struggles of the 1910s and ‘20s. In that case, the insurgents’ political repertoire of tactics iterated with their understandings of their interests in the context of their back-and-forth struggles with the political boss. Originally, the insurgents mainly sought better public services and access to government officials; but as they were shut out of the process by a very foreign style of governance, they began to brand their political struggle as a fight for democracy against tyranny. The appearance of this motive influenced their tactics, such as staging mass gatherings and engaging in political journalism. In the broader scale of interactions over time, their repertoire shows great continuity with the one still operating in McAllen today, and yet this can be easily distinguished from whatever interests motivate the projects of one generation versus another.

Nevertheless, at the level of individual interactions, there can be much greater fluidity. At the micro level, then, we see much more room for a Goffmanian “dramaturgy” (1959) or a pragmatist model of “creative action” (Joas 1997), both of which explore how under circumstances where actors may be negotiating with each other as to what exactly their interactions are about, understandings of means and ends, structure and action can in fact become quite responsive to the most momentary and improvised gestures and interpretations. With a much broader set of observations in view, repertoires and interests begin to look more distinct. This relationship can be illustrated with a three dimensional Venn diagram (see Figure 1 below).
Methods

Chapters Four and Six are largely guided by data gathered in a series of interviews (see Appendix B) conducted during one year of field research in the cities under study. Of the 102 total separate interviews involving 91 unique interviewees, 84 were conducted during field research between July 2009 and July 2010. Before field research began, I had identified McAllen as an outlier case due to its phenomenal rate of growth for the past 20 or so years. Eventually, after considering comparison to cities such as Laredo and others outside of Texas, it became clear that a two-case comparison between McAllen-Reynosa and Brownsville-Matamoros offered considerable benefits: the cities were very close to
each other and of the most comparable size and initial conditions of any two pairs across the border. Furthermore, their recent divergence was more extreme than other possible comparisons, offering the chance to observe the maximum possible variation on whatever not-controlled-for influences were at play.

Field research commenced with interviews of those who were most influential in and informed on local development in both cities. I undertook this with basic grounded theory principles of analyzing data as we went along (constant comparison) and using ongoing insights from the data to influence future sampling choices (theoretical sampling) (Glaser and Strauss 1967, Charmaz 2006). Beyond the aforementioned semi-structured interviews, I also attended city government meetings, local business conferences, and issue-based summits.

As my field research carried on, I found that the differences in how McAllen and Brownsville developed lay in how they were executing similar projects undertaken at similar times. Thus the focus shifted toward process traces of similar economic development projects across the cities (for a full list of matched-comparison economic development projects, see Appendix C). This suggested the need to look beyond the interview data to secondary sources such as newspapers and original organizational documents in order to piece together the timelines that were often hazy in interviewees' recollections. As the interviews became more specific to certain project sequences and how
actors negotiated through these with each other, the documentary evidence helped to produce process trace analyses that were less susceptible to retrospective bias.

These data sets and methods of analysis led to the primary finding that will be discussed in greater detail below. They also contribute to the preliminary findings of Chapter Five, which focuses on when actors show patterned behavior that is exceptional to the normal local repertoire. While this chapter is based on the same data and analysis techniques of Chapter Three, it does not claim to be the final word on the causes and contingencies of such exceptions and their future influence on repertoires; rather, it is intended to be suggestive of the research possibilities of future investigations of these and other cases to develop a more robust theory of repertoires as independent cause of economic outcomes.

Chapter Five differs from Chapters Three and Five insofar as it follows historical sources, both secondary and primary, through the political histories of McAllen and Brownsville to examine the origin stories and shifts over time in their repertoires. While I cannot claim to have applied a formal historiographical method to this chapter, I did my utmost to replicate the methods of my field research with the accounts available at hand. While this could surely benefit from future efforts with comprehensive archival sources (e.g. complete state tax rolls at the individual level, full archives of documents of key political figures), the hope is that the initial foray comprised by Chapter Four nonetheless adds clarity to the phenomenon and the development of its theory as well. In this sense, Chapters Four and Five are of a piece both theoretically and analytically: they leverage the initial field study,
which focused on the phenomenon of repertoires and their relationship to economic
growth outcomes, into a broader analysis of the initiation and persistence of and deviation
from such patterned practices.
Chapter 3: A case of economic divergence, a difference in repertoire

The Setting

Geography and brief background

Our region of focus is an historically isolated portion of the US-Mexico border, the US portion of which is known as the Rio Grande Valley, and the Mexico portion of which is usually referred to as la frontera de Tamaulipas. The chosen location is significant both because of the transnational issues raised by the cities’ border location, and by the fact that this particular part of the border was so isolated until recently. In terms of the Rio Grande Valley and Tamaulipas, local economic projects produced only halting spurts of growth separated by long periods of contraction for most of the region’s history. The US side had been largely cut off from its national economy after the Port of Brownsville’s post-Civil War loss of priority status\(^{11}\) as well as Brownsville elites’ intransigence over the advent of national railroad transit networks (Graf 1942). Furthermore, the Mexico side historically suffered inattention because of the Mexican diplomatic principle, “let there be a desert between strength and weakness” (Kearney & Knopp 1995).

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\(^{11}\) See Chapter Four for a more in-depth discussion.
It was only well after World War II that the region began to industrialize. By the time NAFTA went into force in 1994, this area, with its demographics and the geographic ease with which firms might take advantage of splitting their production across its national...
borderline made it a site of globalized growth waiting to happen. As we will see below, this study primarily details the manner in which U.S.-based elites took advantage of an entrepreneurial model of local economic development in their country (Eisinger 1988) to recruit Mexican actors into their economic development coalitions once NAFTA brought the attention of global capital.

As Figure 2 above shows, neither McAllen-Reynosa nor Brownsville-Matamoros had an absolute advantage in location; beyond being only 50 miles from each other, McAllen and Brownsville are essentially the same distances from San Antonio, Houston, and other major points North. While Reynosa sits in closer proximity to Mexico's major industrial city Monterrey than to Matamoros, a quick look at the map also reveals that Nuevo Laredo/Laredo is clearly the geographic gateway between Monterrey and metropolitan Texas; from that perspective, Reynosa seems to be second in convenience, but not much better off than third-place Matamoros. Furthermore, whatever advantage McAllen and Reynosa had in relation to Monterrey was counterbalanced by Brownsville and Matamoros' placement on the Gulf of Mexico, with a deepwater port operating in Brownsville since 1936 (Garza and Long 2010), closer proximity to the tourist destination of South Padre Island, and rail transit between the two cities.

Demographics and Labor Market

From the perspective of demographics, the city pairs looked equivalent before their period of divergence. Both the McAllen and Brownsville metropolitan statistical areas (MSAs)
counted under 500,000 people and were among the lowest-income in the United States, ranking just above those located in Puerto Rico. Education and poverty were correspondingly low and high, respectively. Overall, McAllen was still more agrarian than Brownsville by the end of the 1980s, which also helps to account for the extremely high unemployment rate at the time. Reynosa and Matamoros were, if anything, even more similar in population size, and their income inequality and education levels were nearly exactly the same.

Table 1: Selected demographics for McAllen and Brownsville, 1990

<table>
<thead>
<tr>
<th></th>
<th>McAllen</th>
<th>Brownsville</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (city)</td>
<td>84,021</td>
<td>98,962</td>
</tr>
<tr>
<td>Population (MSA)</td>
<td>383,545</td>
<td>260,120</td>
</tr>
<tr>
<td>% Hispanic origin</td>
<td>85.2</td>
<td>81.9</td>
</tr>
<tr>
<td>% over 25 y.o. with ≥ HS ed</td>
<td>46.6</td>
<td>50</td>
</tr>
<tr>
<td>Median HH income (2000 USD)</td>
<td>22,006</td>
<td>22,841</td>
</tr>
<tr>
<td>% working agriculture</td>
<td>12.8</td>
<td>6.4</td>
</tr>
<tr>
<td>% working manufacturing</td>
<td>12.5</td>
<td>14.5</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>22.7</td>
<td>12.9</td>
</tr>
<tr>
<td>% pop. &lt; poverty</td>
<td>41.5</td>
<td>39</td>
</tr>
</tbody>
</table>


Table 2: Selected Demographics for Reynosa and Matamoros, 1980 and 2000

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reynosa</td>
<td>211,412</td>
<td>32%</td>
<td>.44</td>
<td>23.8%</td>
</tr>
<tr>
<td>Matamoros</td>
<td>238,840</td>
<td>36%</td>
<td>.41</td>
<td>21.8%</td>
</tr>
</tbody>
</table>

Sources: INEGI, Margulis and Buitran 1986

In an overall analysis of employment by sector, we see extreme similarity between McAllen and Brownsville, as well as Reynosa and Matamoros:

12 Previous data unavailable

58
Table 3: US metro area employment by industry category, 1990

<table>
<thead>
<tr>
<th>Industry Category</th>
<th>McAllen</th>
<th>Brownsville</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining, Logging, Construction</td>
<td>5.1</td>
<td>3.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.5</td>
<td>14.5</td>
</tr>
<tr>
<td>Trade, Transportation, Utilities</td>
<td>26.3</td>
<td>22.0</td>
</tr>
<tr>
<td>Information</td>
<td>0.4</td>
<td>1.7</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>4.5</td>
<td>5.1</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>4.9</td>
<td>5.8</td>
</tr>
<tr>
<td>Education and Health</td>
<td>8.8</td>
<td>11.1</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>8.0</td>
<td>9.4</td>
</tr>
<tr>
<td>Other Services</td>
<td>3.1</td>
<td>3.3</td>
</tr>
<tr>
<td>Government</td>
<td>26.3</td>
<td>23.8</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor Statistics

Table 4: Mexico *municipio* employment by sector, Matamoros and Reynosa, 1989 and 1980

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural and extractive</td>
<td>2.1</td>
<td>17.6</td>
</tr>
<tr>
<td>Extractive</td>
<td>--</td>
<td>14.3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>36.7</td>
<td>14.5</td>
</tr>
<tr>
<td>Construction</td>
<td>9.7</td>
<td>9.9</td>
</tr>
<tr>
<td>Commerce (wholesale and retail)</td>
<td>14.4</td>
<td>18.9</td>
</tr>
<tr>
<td>Services (inc. transportation and government)</td>
<td>32.6</td>
<td>32.5</td>
</tr>
<tr>
<td>Transportation</td>
<td>3.6</td>
<td>2.1</td>
</tr>
<tr>
<td>Government</td>
<td>3.4</td>
<td>3.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95.5</strong></td>
<td><strong>93.4</strong></td>
</tr>
</tbody>
</table>

Sources: Margulis and Tuiran 1986, Browning and Zenteno 1993

The main economic difference between the two Mexican cities on the eve of NAFTA was that Matamoros was highly manufacturing-oriented, whereas Reynosa was far more based in primary commodities, especially natural gas. Since the 1950s, this had been the main

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13 The two cities are not included in the same census years on this measure. The inclusion of this data is meant to give the best estimates available, though they should not be taken as precise or precisely matched.
engine of Reynosa's economy, and by 1978 it comprised an estimated 69% of all the value added in Reynosa, and 14% for the entire state of Tamaulipas (Margulis and Buitran 1986 p.58). Matamoros was already more established in the types of business that were to benefit from the NAFTA boom, having been a test city for the maquiladora program before its full implementation along the border in 1965, and subsequently seeing 18 Fortune 500 firms set up within its industrial parks by 1987 (Sklair 1989 p.120).

Institutions and Policies

This data shows that neither cross-border metro area pair had any absolute advantage in location, demographics, or industrial mix, and that if any imbalancing advantage was present, it was Brownsville and Matamoros whose manufacturing- and international transit-oriented economies stood to gain the most from NAFTA. Two other factors worth examining here are formal institutions and policies.

First, in the case of institutions, we have local governments in the same states (Brownsville and McAllen in Texas, Matamoros and Reynosa in Tamaulipas). In terms of economic development policy, McAllen and Brownsville have been consistently in-step; in the late 1980s, when Leslie Sklair traveled the US-Mexico border to investigate how economic development was being undertaken, he observed an overall equivalence in maquiladora development in both areas – promotional push coming from public actors on the US side seeking private supporters on the Mexico side (Sklair 1989 p.118). Moreover, the policies in the intervening period, which are the substance of the economic development projects in
upcoming chapters, show striking similarity—e.g., through economic development corporations, the search for employers interested in cross-border industries, projects to boost border trade infrastructure, the attraction of retail and tourism by recruiting national chains of stores and restaurants, and attempts to upgrade workforce skills through higher education. As regards the Mexico side, there was little if any significant local autonomy for economic development policy until the late 1990s, leaving Matamoros and Reynosa under a fairly similar blanket approach from their state government (OECD 2002). As such, the differences are not in institutional structure or types of policy pursued.

**The shift to a NAFTA model and economic divergence**

_NAFTA’s promise and demands_

In 1993, a Texas-based regional economic analyst named Ray Perryman attempted to project local-level gains in employment that would result from the upcoming North American Free Trade Agreement (NAFTA). According to his models, the whole border region stood to gain substantially. But it was Brownsville that was predicted to grow monstrously—according to his input/output modeling, which was based on the assets and infrastructure already existing, Brownsville’s county (Cameron) GDP would triple by the year 2000. Its population would increase by 500,000, and the local jobs whose existence were accountable to trade would increase from approximately 60,000 to over 100,000. By comparison, the model predicted Hidalgo County, where McAllen is based, to gain about
3,500 trade-related jobs in the same time span (Gonzalez 1993). But the actual local results in McAllen and Brownsville look little like the econometric predictive picture.

Certainly the potential impact of NAFTA on growth on the US-Mexico border was great; from 1985 to 2010, total trade between the two countries increased approximately sixfold in real terms, from $66.4 billion to $393 billion (US Census 2011). Part of a process already years in the making, NAFTA was a great leap for Mexico, in terms of the scale at which it would embrace trade openness and integration with the American economy (Pastor and Wise 1994). The country's exports doubled, while foreign investment tripled, by the year 2000 (Lichfield 2000). As a result, the treaty shifted Mexico's growth pattern more heavily towards its northern states than ever before, to rates of about 4-5% per year vs. 1-2% in the country's South (Economist 2006), while the border region in South Texas experienced a job creation boom at several times the pace of the United States average (López 2006).

The Economist assessed the transformative effect of the trade growth between the countries on the border region as follows:

"The [Rio Grande] Valley used to be an agricultural backwater, where children would rise with their parents and work the fields until dusk. When it rained, raw sewage would flood the dirt roads. Education was a luxury. Today, the Valley is a connected, dynamic, NAFTA-driven economy of 3m people (2m in [Tamaulipas], 1m in Texas) of whom 90% are Latino. The same children who worked the fields now attend college, work in high-tech maquiladoras, or serve the needs of the fast-growing supply, retail and tourist industries. A society of white landowners and Mexican peons has given way to an urban Latino middle class." (Economist 1997)

Moreover, the kind of development NAFTA posed to bring was different from those previously experienced on this part of the border. First, the kind of investment involved was global multinational capital. To succeed in channeling these resource flows, cities
would have to make an appeal to very large global firms. Not only were these firms capable of bringing previously unseen amounts of capital to the region, but they were highly concerned about the minimization of their risk, as well as ease of access to cheap labor, infrastructure, and specialized workforce skills. Second, related to the issue of workforce skills, one of the main sectors that would be spurred by NAFTA was advanced manufacturing and related supply logistics. This meant that new employers would be keen to see candidate locations for their investments demonstrate how well-adapted to firm-specific technologies – whether related to certain automotive components, electronics, or custom mass-manufacturing processes – the workforce could be, as well as how disciplined and dependable they were. This represented a much more exacting kind of demand, spanning more institutions, than the region’s pre-existing employers were making.

The issues of the source of capital and the kinds of industries it was investing in were also involved in a third defining characteristic of the investment NAFTA would bring: global supply chains. The fact that these companies were choosing sites for chains of production spanning continents would place specific demands on the amount and kind of coordination regarding firm’s inputs and outputs. In short, NAFTA brought capital that wanted tight coordination, discipline, and accommodation across the border in a wide array of local infrastructural, legal, labor market, and educational institutions. This constituted an array of demands that were previously unknown to local governments whose previous notions of economic development pertained more to hosting light industry on the US side and
exporting produce, not convening advanced industrial sites that were operated in tightly controlled global supply chains.

**Divergent local economic outcomes**

The ability of McAllen and Reynosa to allay companies' concerns and attract their investment turned out to be entirely different from that of Brownsville and Matamoros. From NAFTA's inception until the end of the year 2000, Brownsville's metro area added a total of 15,826 jobs to its economy, or a 15.5% increase. In the same period, McAllen's added 51,023 jobs for an increase of 36.3%. From 2000-2010, the McAllen metro area added another 78,111 jobs, representing an increase of almost 41%. The Brownsville MSA, in contrast, added 22,271 jobs, for an increase of just under 19% for the most recent decade (Bureau of Labor Statistics 2011).

The McAllen-Reynosa area saw a far greater increase in aggregate business activity than did Brownsville and Matamoros. An index created by the Federal Reserve Bank of Dallas to measure overall local business activity illustrates the point well. Known as the "Metro Business Cycle Index," this measure combines nonfarm employment, unemployment, real retail sales, and gross wages paid for all of the metropolitan statistical areas in Texas. As Figure 4 below shows, not only does McAllen rise far above Brownsville, but it exceeds the mean of its Texas peers, while Brownsville remains a relative laggard.

64
Table 5: Predicted vs. actual NAFTA-driven job increases, 1994-2000

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Brownsville</td>
<td>40,000</td>
<td>15,826</td>
</tr>
<tr>
<td>McAllen</td>
<td>3,500</td>
<td>51,023</td>
</tr>
</tbody>
</table>

Source: Gonzalez 1993 (citing study prepared by Perryman Consultants, Inc.), Bureau of Labor Statistics

Figure 4: US metro area business cycle indices, 1980-2011

Source: Federal Reserve Bank of Dallas
Table 6: Formal employment and productivity growth in Mexican cities, 1998-2008

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td># formally employed</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>workers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reynosa</td>
<td>106,115</td>
<td>134,905</td>
<td>170,412</td>
</tr>
<tr>
<td>Matamoros</td>
<td>99,149</td>
<td>105,223</td>
<td>113,565</td>
</tr>
<tr>
<td>GDP per formally</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>employed worker</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(thousands of pesos)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reynosa</td>
<td>195.1</td>
<td>406.3</td>
<td>755.3</td>
</tr>
<tr>
<td>Matamoros</td>
<td>152.3</td>
<td>240.1</td>
<td>263.3</td>
</tr>
</tbody>
</table>

Source: INEGI

The divergence between McAllen-Reynosa and Brownsville-Matamoros was almost as marked as the overall changes wrought by NAFTA itself. While both MSAs counted about $1 billion in retail sales in 1984, by 2008 McAllen had reached over $8 billion, while Brownsville grossed about $3.5 billion. On the Mexico side, in the crucial maquiladora manufacturing sector, Reynosa increased employment almost 400% between 1990 and 2006, reaching about 100,000 employed, while Matamoros increased about 38% over that period, employing about 55,000 in 2006 (INEGI 2006). Hand in hand with that divergence was the available space and infrastructure for industry. From 1980 to 2000, Reynosa saw the construction of approximately 10 industrial parks, while that period saw Matamoros end with the same three it had at the outset (BEDC 2007). The shift in center of gravity is further conveyed by growth in value-added, where Reynosa maquilas increased at almost twice the rate of those in Matamoros from 1990-2006 (Cañas et al 2011).

At the same time that McAllen and Reynosa saw far more growth in business and employment than their neighbors, their economies were also seemingly more intertwined. For each unit of increased output in Reynosa, McAllen was receiving more benefit than

66
Brownsville would due to an equivalent increase in output in Matamoros. According to estimates from researchers at the El Paso branch of the Dallas Federal Reserve (ibid.), the difference was threefold – i.e., a 10% unit increase in Reynosa correlated to a corresponding 6.6% increase in employment in McAllen, whereas a parallel unit increase in output led to about a 2.2% increase in Brownsville employment (ibid). In general, such impacts are remarkably high when one takes into account overall estimates of a border average of 1-2% increase in US-side employment resulting from 10% increase in corresponding Mexico-side output (Hanson 2001).

By the mid-2000s, McAllen and Reynosa had become the major player in the border economy South of San Antonio, combining strong border transit, booming retail and leisure industries, and the most robust cross-national production and logistics local economy on the border. Local attention mounted as media outlets such as Laredo’s KGNS asked “What’s McAllen’s secret to success?” (Garcia 2009). Their reporter focused on retail, concluding that McAllen succeeded where other border cities failed by providing a safe, clean, and American-style environment for Mexican shoppers. In terms of the quality of the difference, one interviewee from this study characterized it particularly well:

“If you had visited McAllen, you know, ten years ago, it was nothing. It was like Brownsville. But McAllen, the last ten years, I mean, is like - unbelievable. I was in a Starbucks this morning in McAllen - the world was there...all these people...people shoveling, boom, boom, boom, boom, boom, all these people in construction, people in maquilas, people working in the airport...[the maquila managers], all those Koreans...and people from...the US, and Canadians, and French - they will buy homes, they will be members of Cimarron [Country Club], ok? They will need, they will come and buy, [and] the Mexicans come and spend their money

14 Recently, the city government of Laredo requested that the Texas Department of Transportation remove references to Nuevo Laredo in its highway signage so as to “distance” themselves from their neighbor (Pro B News 2011). McAllen has never gone so far as to hide Reynosa under a rug; instead, it prefers to play Reynosa up to the right audiences while keeping its own image as pristine as possible.
here. If they have a little money, the come and spend a little money. They have a lot of money, they come and spend a lot of money here!

**Repertories in the eyes of participants**

Visitors to both McAllen and Brownsville are usually quick to note a different “feel.” Some of this difference comes simply from the very different shape of recent development in the two cities – McAllen a modern American retail mecca, and Brownsville (especially in its downtown) with relatively little recent investment, looking outdated and parochial. Most interviewees for this study, however, were usually quick to talk about patterns of political behavior driving the different atmospheres of the areas. One observer, a journalist who had worked long-term in both areas, said that upon her arrival in Brownsville, she quickly coined a term – “Planet Brownsville” – for her newfound sense of alienation from the rest of the world. Explaining further, she said it was “completely different” from everywhere else and “a state of mind...On a business level, they’re twenty years behind the times.” When I asked her for stories of why, she would talk about boondoggles – unmet promises, swindles, and corruption. When I asked about the presence or absence of such phenomena in McAllen, she got more specific: “It’s all in McAllen [as well], but it seems to be condensed [in Brownsville] because the same players all the time, they’re incestuous, they’re in, they’re out, sliding, recycling the same old corruptions.” McAllen had “more room to move.” When I asked if this had to do with differences in local voting populations or interest groups, she said, “They’re alike, but there’s more competition in McAllen – they keep each other in check.”
These impressions were frequently expressed, albeit in different words, by many interview participants. For McAllen, a major theme was cooperation intermingled with competition, rooted in an openness toward all ideas and individuals so long as they contributed to McAllen's overall growth. Brownsville interviewees, when asked about cooperation in their city, would frequently state flatly: "There is none." Several even went so far as to offer, or to recount the suggestions of others for "a few funerals" as the only viable route toward making it otherwise. Those from Brownsville who did talk more about cooperation would sometimes even catch themselves mid-way in a story, noting that it could as easily be a story about failure to cooperate. Such was the case when an economic development professional told me the story of Titan Tire, one of the failed business incentives cases described in the next chapter. Interviewees from Brownsville sometimes spoke about cooperation as the major mountain for them to climb, as in, they were hopeful that their next effort would finally establish cooperation in their sphere of work. A side-by-side comparison between the cities' two mayors' comments during interviews for this project on how politics work helps add depth to this:

<table>
<thead>
<tr>
<th>Brownsville Mayor Pat Ahumada, interview on May 6, 2010:</th>
<th>McAllen Mayor Richard Cortez, interview on July 5, 2010:</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;The system here is corrupt. In a totalitarian system, you get eliminated when you go against the powers. In democracy, they criminalize you and hit you in the pocket book. That's how government runs - it's all money, me, and special interest... &quot;It's all who you know. I'm an obstacle. They wanted to criminalize me so bad, they were licking their chops. Not one commissioner</td>
<td>&quot;McAllen is friendly to business, open to business. Some cities around us frowned on new businesses coming in to compete with locals, and we flourished and they didn't. We attracted multiple services and goods providers and they didn't. Consumers want diversity of products and price competition. I became a disciple of [McAllen's] 100-year-old philosophy. Our city is prosperous.&quot;</td>
</tr>
</tbody>
</table>
congratulated me when I got acquitted [in a trial for check fraud].

"...[McAllen has] their ducks in a row. See -- and Brownsville has more to offer than McAllen, but...as an investor, where do I want to go? ...Where's my risk? So if I don't see shenanigans that go down over there...[and in McAllen,] there's a higher standard of professionalism.

"...I think [in McAllen], the business community works there in a more cohesive way. They have their disagreements, which is healthy, and they debate, which is healthy -- that shouldn't be personal. You see, here, they take it all personal [sic]."

"We became an economic powerhouse for primarily two reasons: first, on the border, [there were] goods and services that Mexicans wanted, and McAllen [sold them] better than most...And at the same time, we had good bankers...[who] took great risks, [and] loaned businesses money, so McAllen became a business powerhouse because we had excess consumers along with our normal consumers, and we had very good bankers that complemented and helped those entrepreneurs.

"We're a multicultural community. We don't frown on people who look, talk, [or] sound different. You bring value, [it] doesn't matter where you come from, you're welcome in McAllen. That feeling makes people say 'Gollee, you know, I like it here.'"

The mayor of Brownsville's speculations about the mindset of potential investors was very close to interviewees who described their processes of choosing where to establish new operations (such as maquiladoras) along the border. One interviewee, a site selector for a large textile and bedding housewares firm who chose Reynosa over Matamoros as the site for their operations in 2005, summed up the point of view of many others when he said:

"Brownsville just had that old control feel. I'm the jefe who has been here for twenty years and nobody comes in and out of my town unless I saw so. We just had no interest in that. We were in survival mode. We had too much global competition to worry about playing games and turf battles and trying to figure all that out.

"So even though, if you just looked at pure financials, Brownsville and Matamoros might have been financially a better deal, it was just not compelling enough to overcome some of these reputations. The eyeball test, you know, where you walk in and say you know, you say you have all these great things but we just don't see them.

"In Brownsville I felt, you know, they made the basic pitch but we were going to have to do most of the work...We were still going to have to do more analysis on this building option versus that building option, whereas in McAllen they did a very good job of giving us easier shopping options.

"I know Brownsville has an ongoing situation of political figures in the news for improper activities and behaviors and so forth. And that does matter. That really does matter."

--Interview on February 17, 2010 (emphasis added)
This connection between political dynamics and local investment climate was specifically characterized in 2002 by an editor of the Brownsville Herald (and later government relations director for McAllen in the Texas State Legislature), who wrote an op-ed piece on the occasion of Brownsville's hiring a new Economic Development Corporation president under the headline "Missing Out on A Good Chance":

"Brownsville has the opportunity to become a great city. And the chance to do so is staring city elected and appointed leaders in the face.

...Brownsville doesn't have to do everything McAllen does, but let's just look at its model for success for a minute and you'll end up scratching your head as to why Brownsville doesn't have over $100 million in the bank. In McAllen, first and foremost, leaders communicate. The City Manager has lunch and/or breakfast once a week with key leaders such as the EDC chief, Chamber President and others. In addition, the community college President, City Commissioners, Maquila Association, the County Judge, state and federal elected leaders and the like are in constant communication. Brownsville must learn from this.

"...Officials [in McAllen] publicly say Brownsville poses no threat to what they are trying to do. Privately, they've expressed port and bridge envy. Where would McAllen be if it also had a port and two more bridges? What about putting South Padre Island 40 miles closer to McAllen? Leaders there salivate at the logistical advantages Brownsville enjoys. Brownsville must realize what it has [and] then actually get it together..."

-- Teclo J. Garcia, April 14, 2002

Overview and summary

This chapter presented the evidence of the pre-NAFTA similarities between McAllen and Brownsville, as well as Reynosa and Matamoros. They reveal a closely controlled case comparison, which is why it is surprising that after the trade agreement went into effect, McAllen and Reynosa grew at such a greater pace than Brownsville and Matamoros. The answer that arises from the interview data and descriptions above is that actors in McAllen behaved in a certain way that made their city more capable of integrating its institutions, both internally and across the border, to satisfy the wants and needs of the kinds of investors that NAFTA brought to the area. These investors were mainly global firms that wanted to use the provisions of NAFTA to build cross-border sites of production.
Eventually, McAllen’s approach to politics and business won out in attracting investors and consumers, and this would greatly impact both its own and Reynosa’s economic trajectories on through the present day.

The quotes above cite perceived differences along many axes between McAllen and Brownsville. Professionalism vs. particularism, isolation vs. the embrace of cosmopolitan trends, and cooperation vs. rivalry are but a few key ones. In Brownsville, perhaps the central challenge during project execution is recognizing interests as falling under a common aegis, and working from that basis. With the failure of that premise, actors do not trust each other’s agendas and actively try to thwart each other. They judge allegiances frequently in a personalistic manner, and if a fresh face comes to town, he or she can only be an actively participating member of the economic development community insofar as he or she is adopted by a faction. If a project is ever able to get off the ground, it will be lucky to do so with the support it needs to function in the long run, and it will usually have to survive in isolation of other possibly relevant institutions, projects or resources. As a result of the contentious politics and uneven commitments to projects, economic development professionals – elected or appointed – are likely to have shorter career spans, and professionalism and institutional know-how suffer further. Looking back at these processes, Brownsvillians come to adopt an image of themselves as corrupt, incompetent, and intrinsically different from the cosmopolitan actors enmeshed in the global economy.
In McAllen, in contrast, the confidence of there being in the long run a share of the pie for all in a booming “Greater McAllen” fuels interest in projects without necessarily prompting scrutiny of the benefits to particular individuals in the short-term. If individuals dispute a project that has momentum behind it, those already behind the project will ask their detractors to name their price of cooperation and hold them to it. Outsiders are seen as carriers of knowledge about a cosmopolitan global economy, the forefront of which McAllen is constantly hurtling toward. Projects are given the time, space, and complementary outside support they need to maximize their long-term potential, and administrators are left in place to see these processes through, accumulating deep local and technical knowledge. When subsequent projects are proposed, the first question will be how they relate back to the last round’s level of accomplishment in projecting McAllen’s image as a “forward-thinking,” “progressive,” responsive home future progress on the U.S. – Mexico frontier.

One brief way to summarize the repertoires of the two American cities is by referring to McAllen as “collective, constructive and cosmopolitan,” while assigning Brownsville the alliterative of “atomized, antagonistic, and atypical.”

<table>
<thead>
<tr>
<th>Table 7: McAllen’s and Brownsville’s repertoires in abbreviated form</th>
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<tbody>
<tr>
<td><strong>Aggregation of interest</strong></td>
</tr>
<tr>
<td>McAllen</td>
</tr>
</tbody>
</table>

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While this shortening carries the advantage of providing a quick, probing contrast that is not much harder to remember than a telephone number, it carries the disadvantage of boiling all of the facets of the very detailed cases and interviews referenced above into a sort of crude moniker which can easily come off as elevating the merit of people from McAllen while casting deep aspersions at the character of anyone who is from Brownsville. Lest the analysis be overly- or mis-interpreted, let us be clear: these distinctions refer to *predominant tendencies* in situations that are *explicitly political*; it is not to suggest that these traits are either inherent or totally pervasive in everything actors do. They are learned tendencies that accumulate under certain institutional and situational contexts.

These repertoires were not induced solely by asking interviewees to reflect on their everyday practices and understandings; they were also in part discovered and further elaborated conceptually by following their enactment through a variety of development projects. As the next chapter shows, these behavior patterns consistently arise and affect the fate of McAllen's vs. Brownsville's projects, which were otherwise extremely similar or indistinguishable in their basic parameters. These project implementation processes, whose tendencies at the city level are played out by a wide variety of local actors, adhere closely to the dictates of a repertoire, but not any other identifiable influence. Thus, we are left with one best candidate for what could be driving such distinct patterns.
Chapter Four: The role of repertoires in economic development projects

According to interview data and other forms of self-reporting, residents in McAllen and Brownsville clearly perceive a difference in “the way things get done.” But how do things get done in an actual project as it is being carried out? This chapter focuses on this question by first examining three of the most impactful economic development policies (employer recruitment, international bridges, and mall/retail) that were enacted in parallel in McAllen and Brownsville, but which had widely divergent impacts for their economies. This will be followed by a summary of the further prevalence of repertoire-fitting behavior in the five other main projects that were observed during the NAFTA time period\textsuperscript{15} before reviewing and summarizing these findings.

Project 1: Employer recruitment / maquiladoras

Recruiting new employment to the region is the primary method by which local economic development professionals tried to make good on NAFTA’s fundamental promise of generating growth through cross-national complementarities. Matamoros, while more established for maquiladora employment and better linked to Brownsville with trade infrastructure, nonetheless fell behind Reynosa in the 1990s in terms of this crucial export sector. This is primarily because McAllen had an extremely coordinated effort not only to promote Reynosa, but to provide the information and public goods necessary for corporate America to feel extremely comfortable making Reynosa-McAllen their production and

\textsuperscript{15} Although not every project was initiated from 1994 onward, they were all particularly impactful once the trade agreement went into effect.

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logistical hub. Such promotion required a common organizing logic between local politicians and servicing agents (e.g. real estate agents, customs brokers, lawyers) on both sides of the border, as well as American managers of maquiladoras and Mexican land developers. McAllen’s Economic Development Corporation (MEDC) succeeded where Brownsville’s (BESC) failed because it brought in local planners who set differences aside and built local know-how, it enjoyed resource independence and political insulation, and it oriented its efforts and resources toward public goods that would enhance the growth of the McAllen-Reynosa metropolitan region as a whole. Brownsville’s EDC, in contrast, hired outsiders who had to tiptoe over local infighting, which produced fragmentation in institutional goals and resources. This ultimately led to an impoverished organization forced to focus on using its resources for hiring consultants to attract companies with firm-level subsidies as their main incentive tool.

McAllen-Reynosa: One world-class manufacturing city with a river in the middle

The founding of McAllen’s economic development corporation was prompted in part by a prominent local lawyer and businessman named Tito Torres who around 1987 prevailed upon Mayor Othal Brand to consider chartering an EDC to try to make sure that McAllen-Reynosa did not continue to fall behind Brownsville-Matamoros or Laredo-Nuevo Laredo in business development. On gaining Brand’s acceptance of the idea, Torres searched for a candidate to head such an organization, finding an unlikely one in Mike Allen, a former priest and political antagonist of Brand. 16 Having coaxed Allen and Brand into meeting on

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16 Allen, a farmworker advocate, had organized successfully to defeat Brand (a local agricultural tycoon) in a campaign for school board in the 1960s.
the basis of the importance of the project, the two former rivals agreed to work together on increasing trade with Mexico, creating mutually reinforcing employment on both sides of the border, and getting McAllen's Foreign Trade Zone (FTZ) out of the red and into the black financially. Brand agreed to triple Allen's budget over McAllen's old Industrial Board (which had been a subsidiary of the Chamber of Commerce), and to allow Allen complete discretion in all strategic matters, including the power to hire and fire in his agency. Allen's agency would also have ownership over the FTZ transferred to it, adding to the incentive to turn it around. In return, Allen offered Brand a signed, undated letter of resignation that he could keep in his desk. Brand kept the letter but never used it.

With their founding premises set, MEDC first determined that McAllen had little to offer corporate America, but that Reynosa offered a lot; consequently, they spoke with Ernesto Gomez-Lira, Mayor of Reynosa, about the possibility of recruiting maquiladoras to his city. He not only agreed with their general premise, but formally recognized them as the economic development authority for the City of Reynosa. For three years the corporate prospects that MEDC recruited were only for Reynosa, and for approximately a decade MEDC was Reynosa's primary agent of economic promotion.

Beyond making sales pitches to corporate America on Reynosa's behalf, Allen and MEDC recognized that corporate America would move based on what it found the most hospitable location; toward this end, MEDC worked with landowners in Reynosa, political allies in
McAllen, corporate servicers in the United States, business owners and managers on both sides of the border, and others to achieve the following important accomplishments:

- **Establishing professionalism on the U.S. side of the border:** Allen went against old clientelist lines and only hired servicers and brokers who would “work on Sundays and wear Italian suits.” When customs brokers and real estate agents who had in the past worked with Othal Brand complained about this, Allen stood firm, and Brand gave his blessing;

- **Developing “world-class” industrial properties:** MEDC convinced Mexican landowners of the need to bring in outside expertise to develop their properties, something to which they were initially resistant; this was assisted especially when MEDC brokered between Mexican landowners and American Real Estate Investment Trusts (REITs) for a relationship in which REITs would buy properties, lease them at the far lower rates available in the United States, and contract the Mexican landowners to develop the sites into facilities comparable to industrial spaces in the US;

- **Ensuring management-friendly industrial relations:** MEDC lobbied successfully at the local, state, and national levels in both the US and Mexico to make sure that Reynosa’s union representatives would be many and docile; this included threatening Mexican officials with bad publicity (such as advertisements in the Wall Street Journal when Reynosa union leaders went on strike), helping to find and establish legal loopholes that would allow for more unions to be legally recognized in Reynosa than would otherwise have been, and cultivating close, supportive relations with those union leaders amenable to MEDC’s pro-employment creation agenda;

- **Cultivating the local business community’s support and solidarity:** MEDC groomed a cadre of (primarily American) maquiladora managers as a community of mutually-supporting business leaders who would in turn assist MEDC in its efforts to recruit companies and lobby for infrastructure and government investments.

By the time MEDC accomplished the above list, a site selector (or team of them, depending on the case) who visited to consider Reynosa was immediately received by a table of local maquiladora managers, lawyers, labor leaders, and politicians all assembled by MEDC to assure them that their process of relocation would be as smooth and efficient as possible,
and moreover, that their ongoing operations would be profitable. These testimonials came
directly from either managers in situations similar to their own or people with power to
make life difficult for a firm manager. These teams of salesmen and testifiers would also
travel around the country on trips booked by MEDC which their president called "hit-and-
run" tours – meaning they would fly to an airport, rent a conference room there, and invite
all of the local corporate heads to see their presentation. MEDC also strategically recruited
companies in a way that pursued a strong cross-border base of servicers and suppliers, and
that was immediately linked into the proliferation of other development-enhancing
institutions in the area. As one interviewee, a former maquiladora manager in Reynosa put
it,

"...McAllen had, when a plant manager says, 'Hey, I need an injection molder' - well, here's
list of eight. 'I need a guy to stamp out metal parts.' Well, here's a list of six metal stampers.
Here's a list of...a powder coater, a plater. And McAllen has this infrastructure and this
makes it so much more attractive for the whole manufacturing process. That's what's really,
I think, prompted McAllen [-Reynosa] to be kind of the choice site."

The cultivation of the local business community, along with their active participation,
meant McAllen was capable of an entirely different “sell” from other cities. As one former
maquiladora site selector who chose Reynosa over several other border cities put it:

"I was able to ask a lot more questions, such as, 'Hey, Johnson Controls, how long does it take
you to get your trucks back to Wisconsin?' I was able to get very pointed in the information
that I was looking for. We continued to, I think we went through four plants. I said, 'You
know, I wouldn't mind seeing another one,' and [Mike Allen] said, 'Not a problem.' He got on
his cell phone and called another company. He was able to get me in there. I had talked with
most of the guys about how quick they got the trucks across. Everybody seemed to be much
more honest. I wasn't getting what I wanted to hear; I was getting the truth."
Beyond the services available and the immediacy of unbiased business information, there was also the matter of quality of life. Here MEDC drew heavily from a McAllen tradition of priding itself on its Midwestern identity – clean, friendly, respectful, and featuring all of the amenities of technocratic rational planning. This issue could actually become paramount, especially when site selectors were thinking about moving their own families. Another site selector described the decision this way:

“Once you get down here, you’re really splitting hairs, Matamoros vs. Reynosa. If you’re just looking at a balance sheet, there’s no significant difference between the two, as far as cost of the buildings, as far as electricity, the operational costs [later he said: “If you had a bean counter making the decision, he couldn’t have made a decision based on operational cost.”] So then it becomes: ‘Ok, do I want to live in Brownsville, or do I feel better there [in McAllen]?’”

“There’s very few places [on the U.S.-Mexico border] that you are going to be able to attract talent for them to live...people come to the border and they either love it or they hate it. There’s no in-between...It’s 98% Mexican, on both sides, I should say. So if you’re uncomfortable in a culture and atmosphere where most of the people aren’t speaking the same language that you can understand, where you go to a grocery store and somebody asks you in Spanish before they come over...if you’re not comfortable with that, you’re not going to want to stay very long, you’re not going to perform at your best, [and] Mama’s not happy at home. All those things. And McAllen actually came across as less of that type of a smothering atmosphere than maybe Brownsville, and it has to do with how old Brownsville is and the culture, and the different little enclaves that you have in McAllen.”

In tying together the myriad pieces necessary to package a seamless experience for American corporations, MEDC also came to have significant impacts on other local institutions. One example of this is the Grupo Rio San Juan – Sharyland – Anzalduas Bridge development (2000-2010), where McAllen helped to establish a cross-border partnership between two developers whose mixed industrial/commercial/residential developments were designed under the same master plan and which were later connected by the Anzalduas International Bridge (see next case for more description.) Another example is South Texas College, established in 1993, for which MEDC lobbied and organized as a 80
source of custom training for local employers, and which now enrolls approximately 27,000 students across five campuses. Both projects were designed with supporting cross-border NAFTA growth in mind, but have taken on lives of their own to alter the physical and institutional landscape of McAllen.

With such sizeable impacts, keeping support wasn’t always easy. The rationale that this method of expanding the economy would produce the best possible outcome for all in the end, despite short-term or small-scale exceptions, had to be fought for and accepted. Mike Allen vividly recounted in an interview such tensions in an anecdote about resistance to his plans from maquiladora managers themselves:

"...it got to the point where even the maquila association, we were bringing in so many companies, they hauled me on the carpet, I, I’ll never forget this meeting, we had over at Cimarron [a country club near McAllen], and they said, you know, you’re bringing too many companies here, and, we’re havin’ - and we can’t find labor, and we’re havin’ to pay more, and, and all this, you know, and - I sat there and looked at ‘em, I says, well, I’ll tell you - so they wanted me, really to slow down. So I told ‘em, I said, ‘Well, look, which one of you guys is gonna talk to your Chairman of the Board of your corporation, and tell ‘im that you think you should slow down your manufacturing production? Which one of you guys would do that?’ Well there was just silence in the room. I says, ‘So I’m not gonna do it either!’ I says, ‘We’re gonna keep bringing companies in here,’ and, see, I had to be careful, cause, on one hand, they were helping me talk a- get the companies...in the middle, they were my friends, but on the other side, we were playin’ hardball.”

**BEDC: Splitting agendas and elite exit**

The Brownsville Economic Development Council was created in 1988. Its funding base was initially membership dues, but this expanded to include a half-cent sales tax after Brownsville voters passed the measure in 1991. Why BEDC had to initially rely on dues has
not been precisely accounted for, but its impact is important. Table 8 shows both the total budgets and incentive expenditures of MEDC and BEDC. MEDC usually received more sales tax dollars because, as case three below will illustrate, McAllen also was more organized and unified about maximizing its potential as a retail destination than was Brownsville.

**Table 8: EDC revenues and expenditures on firm-level incentives, 1997-2009**

<table>
<thead>
<tr>
<th>Year</th>
<th>McAllen Incentives</th>
<th>Total EDC funds</th>
<th>Brownsville Incentives</th>
<th>Total EDC funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>--</td>
<td>--</td>
<td>$3,365,292</td>
<td>$4,201,228</td>
</tr>
<tr>
<td>1998</td>
<td>--</td>
<td>$32,708,609</td>
<td>$3,867,982</td>
<td>$4,610,768</td>
</tr>
<tr>
<td>1999</td>
<td>$55,000</td>
<td>$9,064,047</td>
<td>$2,510,378</td>
<td>$4,653,034</td>
</tr>
<tr>
<td>2000</td>
<td>$239,543</td>
<td>$11,249,288</td>
<td>--</td>
<td>$856,739</td>
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<tr>
<td>2001</td>
<td>$596,486</td>
<td>$10,501,180</td>
<td>$3,286,263</td>
<td>$5,972,384</td>
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<tr>
<td>2002</td>
<td>$369,817</td>
<td>$10,738,485</td>
<td>$1,006,496</td>
<td>$4,976,318</td>
</tr>
<tr>
<td>2003</td>
<td>$324,598</td>
<td>$10,809,566</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>2004</td>
<td>$499,617</td>
<td>$11,425,727</td>
<td>$4,636,244</td>
<td>$9,240,203</td>
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<tr>
<td>2005</td>
<td>$270,401</td>
<td>$12,219,691</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>2006</td>
<td>$324,523</td>
<td>$13,717,775</td>
<td>$2,833,589</td>
<td>$8,174,353</td>
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<td>2007</td>
<td>$208,658</td>
<td>$12,717,938</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>2008</td>
<td>$85,627</td>
<td>$15,658,466</td>
<td>$5,368,804</td>
<td>$8,001,836</td>
</tr>
<tr>
<td>2009</td>
<td>$139,171</td>
<td>$14,496,815</td>
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Source: State of Texas Office of the Comptroller, 2009

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17 In fact, homologous leaders in Brownsville could often account for less than their peers in McAllen. This was often because of much higher turnover in leadership positions in Brownsville, but also sometimes because interviewees' hesitancies about the possible consequences of revealing too much information was often a more constraining factor in field research in Brownsville than McAllen.

18 The numbers from Brownsville are the Texas Comptroller's stated total for the Greater Brownsville Incentives Corporation, the parent organization to BEDC. Not all GBIC money is disbursed by BEDC, but most is. The records of the Comptroller keep GBIC's numbers separate from those of BCIC, Brownsville's 4b sales tax "quality of life" organization, once it was created (see below).

19 This amount includes a $25 million bond that was approved by McAllen voters via ballot initiative.
Heavy reliance on incentives meant that BEDC’s approach to economic development would be predominately case-by-case and would not be as likely to involve work that would systematically impact the environment for future corporate prospects. Furthermore, its prominent use attracted incentive-hungry prospects who were either too weak to make good on their commitments or simply trying to scam money. Such was the case of Titan Tire, which in 1997 was offered a subsidy package worth $30 million conditional on its agreement to hire 500-700 workers, but which never hired more than 300 and eventually was sued by the City (Beshur 2003). It was also the case with Taylorcraft, which was recruited in 2005 only for it to be found that the company was neither chartered as a corporation in Texas nor was it licensed by the FAA to produce airplanes. After some protracted back-and-forths with Taylorcraft, which had gotten the City to be its bank loan guarantor, Brownsville authorities eventually chained shut the space they had donated to the company (Mahon 2006, 2006a, 2007).

Not only did interviewees from the business and political community speak of these cases as drains on their efforts in themselves, but the fallout of their resolutions also saw the same pattern of in-fighting as appears writ large in Brownsville. This is particularly clear for Titan Tire, where a member of BEDC fought to recover $2 million in subsidies it did not earn, which eventually led to the above-mentioned recovery of land for the city. Once successful in securing the land, this board member then tried to turn around and get the land to be used for an industrial park. However, private developers successfully argued against such a project, claiming that it was the work of the private, not the public sector.
Later on, parts of this land were sold without appraisal at approximately one-fifth of their thereafter estimated market value. In an interview for this project, this board member recalled his shock, saying "Why, pardnuh? Look, every city that's progressive has an industrial park. This is good for Brownsville!"

The frustration of this former board member reflects a broader phenomenon whereby BEDC seems to have regularly been pushed out, or failed to work its way into the public goods business. Both external and internal forces seem to have militated against such efforts. Externally, as in the case of the Titan Tire land, private developers saw to it that industrial parks were their domain.\(^{20}\) As was mentioned above, Matamoros went over twenty years, approximately 1980-2000, without seeing the construction of one industrial park, while Reynosa, in no small part through MEDC's efforts to link Mexican landowners to American real estate firms, saw the creation of approximately ten during the 1990s alone.

BEDC's first director was recruited away by another city (Tucson, AZ) by 1993. Their second stayed until 2001, not long after a ballot measure passed that effectively stripped half of the organization's funds and set them aside for the creation of a new economic development organization. This second entity would be a "quality of life"-only organization called the Brownsville Community Investment Corporation, or BCIC. The debate over this

\(^{20}\) When two private industrial parks opened in Brownsville in the 1990s, developers said their efforts had been spurred by the failure of BEDC to complete its own plan to build one (Vindell 1998). Given BEDC's documented history of attempts to do so, as well as the common appearance of detractors, these failures certainly do not seem to be due to a lack of resolve, and possibly were not even due to a lack of resources. This speculation is only offered because of interviewees' accounts of private interests in Brownsville not wanting publicly-owned industrial parks as a general rule.
prospect turned on which of two stories would be more persuasive: that of the BEDC as a failed or obstructionist bureaucratic organization or that of the danger of de-prioritizing resources for local employment creation. The organization’s President was assailed in public meetings, with one city commissioner asking, “Why are you working against our welfare and the quality of life of our people?” (Borunda 2001) In the end, the local ballot initiative to set aside half of BEDC’s resources to create BCIC passed.

From 2001 to 2003, the annual budget of BEDC was cut from $1,000,000 to about $300,000. When I interviewed the current BEDC president, who experienced this decrease firsthand, he called it “the best thing that could have happened. It made us get more focused. Before, it was too political, trying to tell City Commissioners what to do.” While there may have been benefits to reducing the organization’s political profile, it cannot be ignored that this move debilitated BEDC in comparison to MEDC. At the same time that BEDC was losing resources and political support, it contracted more with outside consultants to recruit employers on its behalf, first with high-tech companies in 2000, and eventually for most of its efforts.

The use of consultants was probably a sensible response given the local political situation, but it further disadvantaged BEDC in at least two ways: first, it meant that they did not build the know-how in-house necessary to conduct the process of making deals from beginning to end with employers considering relocation. Second, in depending on outside agents to make its pitch, BEDC did not carry out the work of building a local growth
coalition the way MEDC did. Thus, Brownsville could not make the kind of sell that McAllen could, where all of the local specialists were at the dinner table on the first night, and any factory tour, whether it was based on the prospect’s curiosity about a firm of a similar industry or similar shipping destination, could be arranged at the touch of a cell phone. In Brownsville, as a former EDC president told me in an interview, it was necessary to constantly recruit new board members “to get votes to lead the organization,” because participation was not consistent. This is also reflected in a study performed by the *Brownsville Herald* in 2003, which tallied up the prior 21 months to find that only a handful of the Board’s 32 members attended regularly. The regular attendees were nearly all real estate developers and shippers. As to the chronic delinquents, most were public bureaucrats or elected officials; when the *Herald* contacted them to ask for an explanation for non-attendance, many professed that they did not know they were on the board (Perez-Treviño 2003).

Several prominent Brownsville businessmen interviewed for this study could recount their own early participation and exit from BEDC. One, an owner of maquiladora facilities in Matamoros, put it quite clearly. After he noted the greater effectiveness of MEDC over BEDC, I asked him what this difference meant to his business. He responded:

“[It] doesn’t mean anything, ‘cause I create my own environment...in my business, if you’re not growin’, you’re dyin’...I’ve got a marketplace and I’m selling [auto components] and – that’s all I’m worried about. I’ve gotta go make my marketplace. So if I’m not growin’ I’m dyin’. So my growth is important to me, yes...but I don’t – rely, and I learned a long time ago, not to rely on CODEM [Matamoros’ economic development agency, created in the 1990s], or BEDC, period. Because they’re not concerned about me. Being happy. Theoretically they are, and are you interested in Mr. _____ bein’ happy? Oh, Jesus yes, and I want him to grow, and – bullshit. They don’t really care.”
It was only later in the interview that this individual revealed that he had helped found BEDC and was an early president of the Board. When I asked how he went from being so active to so disconnected, he said:

"I was the President of BEDC, and I made the question to several people in town about, ok, you tell me, what is it gonna take for Brownsville to really experience growth? And the answer, in more cases than not: 'About six funerals.' I said, what are you talkin' about? There are about six predominant land-holding families that don't want Brownsville to grow, to...not to grow, but to explode. To be a Cleveland. To be a Houston, to be an Austin. They don't want that. They're here for a particular reason, their, their land came to them through Spanish land grants, and they've got ranches and farms and they give a shit about Houston, I wanna go up to Houston, I'll fly up to see it. I don't want it sittin' here, I don't want to live in it. I don't want the traffic, I don't want all those things. So, that is a huge impact on growth."

Project 2: International Bridges

Another major point of divergence between McAllen and Brownsville is success in building new infrastructure to take advantage of NAFTA. Probably the biggest and most salient example of this is international bridges. Bridges present an enormous challenge both in terms of their cost and the necessary coordination with local, state and national entities of two nations to bring them to fruition. First of all, large bridges are very capital intensive and usually require their builders to have strong bond ratings in order to make fundraising feasible. Furthermore, locating such a large project in a highly protected environment such as the Rio Grande River involves meeting environmental standards of the greatest stringency. Finally, to build a bridge that spans the U.S. and Mexico requires direct approval at the very highest levels of government, including cabinet chiefs, national ministers, and the presidents of both countries. In the post-NAFTA period, the number of bridges between the Rio Grande Valley and northern Tamaulipas almost doubled, indicating how strong the desires are to brave these difficulties.
As with other economic development projects, McAllen built its bridges both literally and figuratively, whereas Brownsville more often than not floundered on similar goals. We can see the consequences in terms of truck traffic through the two towns. Truck traffic is a good indicator of border commerce because of its prevalence: 70% of all trade between the US and Mexico is carried by truck (US Bureau of Transportation Statistics 2011). Figures 5 and 6 below show truck crossings, both in terms of absolute number and growth rate over time. Brownsville went from a superior to an inferior position to McAllen in this respect, and underperformed US-Mexico commerce growth rates in general. McAllen far superceded the overall rate.

**Figure 5: Percent share of total US-Mexico truck crossings, 1995-2009**

![Figure 5: Percent share of total US-Mexico truck crossings, 1995-2009](source: United States Bureau of Transportation Statistics)
As the description of key events below shows, McAllen made its bridge projects work by always asking the relevant actors, “What will make this work for you?” Actors in Brownsville, on the other hand, stuck to their guns with competing projects, essentially setting up a series of all-or-nothing standoffs, with the results (aside from a decline in importance in border commerce) being wasted money, scarred institutional relations, and public mistrust.

*McAllen’s Anzalduas International Bridge: Extending the sphere*

The story of the Anzalduas Bridge, completed in 2010, begins in 1989, when a local real estate agent in McAllen found while performing a preliminary study for a development company that a large parcel of land that it owned not only touched the border, but appeared viable as a site for an international bridge. He quickly proclaimed it “the most
strategic privately owned piece of land in the western hemisphere” without any apparent sense of hyperbole. The development company expressed interest in the idea and soon began talking with the government of McAllen to pursue it (even though the land was not technically within the municipal boundaries of McAllen, but rather the neighboring town of Mission).

It made sense to talk to McAllen because McAllen's existing international connection to Mexico was also located just out of town, in Hidalgo, and it was McAllen that operated that bridge. The leadership in McAllen, including the City Manager, the Director of the bridge authority, and MEDC, all committed themselves to making the Anzalduas Bridge in Mission work, and perhaps most importantly, to appeasing those who might stand in its way. Perhaps secondarily, McAllen also succeeded in bringing its bridge to fruition – despite the largely similar bureaucratic and diplomatic obstacles faced in Brownsville – in part by cultivating and demonstrating active demand for the bridge, i.e., it actively recruited large developments at the future site of the bridge.

First, in terms of obstacles, McAllen had to appease other cities interested in protecting their own bridges and/or their own presumed entitlements to benefits from border commerce. This meant first satisfying the City of Hidalgo, which through its agreement with McAllen for the Hidalgo-Reynosa bridge reserved first right of refusal on any other bridges to Reynosa. Although Hidalgo initially had to raise a lawsuit to make its seriousness known to McAllen, McAllen eventually agreed to giving 33% of the planned bridge’s revenue
without any obligation or risk resting on Hidalgo for the construction or operations.

Similarly, the City of Mission got 22% of revenue (about a third of which it passed on to the small town of Granjeno, which also laid territorial claim to the bridge site), again with no obligations (Pinkerton 1999, Austin American-Statesman 1999, Villarreal 2007). This left one more municipal complainant, the easterly City of Pharr, whose recently constructed (1994) truck-only bridge was suffering in the post-9/11 heightened security climate.

McAllen built into its federal license for its new bridge that no commercial traffic would be allowed until either 2015 or Pharr’s bridge traffic surpassed 15,000 trucks per week, whichever came first. As interviewees in McAllen were quick to point out, these concessions brought little to no added impetus or capital to the project (in many of their words, these other cities were receiving benefits “for nothing”), but since they removed opposition, McAllen’s leadership repeatedly found such concessions to be worthwhile.

While some of these negotiations did have their difficulties, McAllen’s approach was to make sure that complainants agreed to their price to play along. To a degree, this same approach was practiced with the Mexican government, which was skeptical about the benefits of new bridges (especially non-commercial bridges, which would likely favor more mobility for well-to-do Mexicans seeking to consume in the US than any compensating increase in consumption in Mexico.) As the former Director of McAllen’s bridge authority tells it, in his assigned task of consolidating Mexican support, he had to meet with the Director of Border Affairs in Mexico City. McAllen’s official recalled that after listening to his proposal, she drew him a small map on a sheet of paper, pointing out the location of
each of the seven already existing bridges on the South Texas-Mexico border. As the
interviewee described it,

“She says, ‘We’re over here in Mexico City and you want me to go tell my President that we
should invest in this new bridge, that’s three or four miles upstream from your bridge. When
the people over here in this little town here have no running water, no sewer, no basic
infrastructure and you want us to go facilitate our Mexicans to go shop in your mall, go
spend our money.’ ...She said, ‘It ain’t gonna happen for a while.’ ...That’s when I said – that’s
reality – that’s when I said, ‘Ok. How about the private sector- couldn’t you offer a
concession?’ She said, ‘We can work on that.’”

--Interview, February 19, 2010

Key to the bridge director’s response was that he took on the Mexican official’s perspective
as his reality. Working within those constraints, he helped the Mexican government to find
the room to accommodate his proposal, even though they were apparently ready to reject it
out-of-hand as a waste of their resources on a project that would benefit the US far more
than it would Mexico.

Finally, aside from the alliances built through accommodation and compromise, McAllen
created an air of inevitability around its projects by convening the actors necessary to
make demand manifest. In this case, the same real estate agent who noticed that the Hunt
Development Co.’s property ran up to the border worked with the city manager of McAllen
to consider the possible broader benefits of a new bridge. Furthermore, upon learning
about this prospect, Mike Allen at MEDC pushed the city manager upon learning about this
prospect to get the City of McAllen to invest more heavily in expanding on Hunt’s vision to
build industrial space near the potential bridge. Beyond this, MEDC also worked with Hunt
to make sure there would be complementary development on the Mexico side. In this case,
that came under the guise of a longtime partner of MEDC, Grupo Rio San Juan, one of the
major landowners of Reynosa. Through these coordinating activities, over 22,000 acres (approximately 6,200 in the US, and 16,000 in Mexico), or approximately the area of the borough of Manhattan, were developed into a mix of industrial, residential, and commercial space with one master plan and the guiding intention that the users of these spaces would regularly cross the border (Lee 1998).

Project 3: Shopping malls and retail

Another major case where repertoires show a consistent role in generating economic divergence between the two city areas is in the retail sector. Both McAllen and Brownsville built malls at roughly the same time; the malls were owned by the same national property group (Simon Properties), and were the same basic design and dimensions. The main difference between the two was that Brownsville never had a single plan to support Amigoland, whereas McAllen consistently reinforced the role of La Plaza as central to its overall metropolitan goal of attracting shoppers, especially those from Mexico. Brownsville was fragmented over how to support Amigoland infrastructurally and the role of its mall vis-à-vis other retail developments in the area. As a result, over a 25-year period, La Plaza fueled a retail boom in McAllen, whereas Amigoland was slowly stunted and dismantled, with the Brownsville metro area ultimately grossing less than half of the sales tax revenue of McAllen.
La Plaza: The constant center

Although the Simon brothers, owners of one of the nation's largest mall developers, were initially skeptical of the prospects for a mall space in McAllen,21 they were eventually won over when local department store owner Lan Jones recruited a group of lease brokers to show a strong interest on the part of retailers to invest in McAllen. The Simons' development, called La Plaza Mall, opened in 1976, and according to those with long experience in retail in the region, was immediately more successful than Amigoland, though initially with a difference of degree that only later expanded into a difference of kind.

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21 Interview, July 2, 2010
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La Plaza's upward ascent began with centrality and continued with reinvestment. La Plaza is directly in between the border with Mexico and downtown McAllen. It has been expanded twice to its current 1.2 million square feet (Katz 2008). La Plaza was regarded universally by McAllen elites as the place to install high-profile, high-end new retail stores, from upscale department stores to the Gap. McAllen's Chamber of Commerce consistently marketed La Plaza, especially to natives of Monterrey (regiomontanos), by installing a permanent marketing office in that city, and there was never confusion as to whose role it was to undertake these promotional activities.

Today, La Plaza is one of the highest performers nationwide for Simon Properties, which owns the most malls in the United States of any private company. Its success was sufficient to spur Simon Properties to invest in major developments to the west and east, both in McAllen and outside. And McAllen's retail development is the wonder of the entire area South of San Antonio. Although they were basically the same basic design with the same stores and same owner, La Plaza's history stands out from Amigoland's in that it was consistent and mutually reinforced by city government and local investors.

**Amigoland: Cut off and undercut**

The mall known as "Amigoland" opened in 1974 to expectations that it would be a major development that would drive new home construction and the creation of a theme park-type development (hence the name). It was built on land owned by local cable television impresario Tony Carnesi, comprising an area of about 600 acres beyond the 400,000
square foot mall (i.e. about four times the footprint of Disneyland in California.) According to local real estate agents with a history in the area, the lore is that Carnesi showed the property to the Simon brothers, who asked about a set of railroad tracks that crossed the primary entrance road to the mall site. They were told that the city commissioners were already working to resolve this infrastructure problem by re-routing the tracks, and that this would not pose a problem to the mall.

Those tracks are still active in 2011 and continue to create waits upwards of 30 minutes for those entering the mall space. Few do so, however, because Amigoland shut down in 2002, the victim of poor access and competing developments. While the Brownsville government tried to support Amigoland through such projects as a subsidized bus route from the international bridges to the mall, the lack of political will to move the railroad, as well as the fragmentation of developments in the area, meant that Amigoland made little sense as a retail anchor for Brownsville.

Thus, when M.G. Herring, a mall redeveloper, approached the BEDC 1998 regarding his interest in expanding the Sunrise Mall, a smaller discount mall anchored by Kmart on the northwest end of town into a major 700,000 square foot development, the BEDC president took her role as one of “advocating for the client” (Interview, May 4, 2010). They worked with Herring to get city support for the proper infrastructure for his development. Herring inked a deal with one of Amigoland’s anchor stores for them to own the new development and move their store out of Amigoland to anchor Sunrise. Dillard’s brought JC Penney with
it, and Montgomery Ward went bankrupt a year later, leaving Amigoland with one remaining anchor. The local county government opened a new international bridge in 1999, creating a direct route to Sunrise which bypassed Brownsville’s old downtown and Amigoland, not only effectively killing Amigoland, but driving Brownsville’s development toward the northwest and leaving the entire downtown area as a development dead zone to this day. As for Amigoland, it was sold in a “distress sale” to the University of Texas, Brownsville in 2002 for $3 million, and is now used as a mixed-use space called the International Technology, Education and Commerce Center (ITECC) (Rocha 2002).

Other projects

As I mentioned briefly above, the data collected from the field revealed eight large-scale projects that coincided with the NAFTA period of economic divergence. Keeping in mind that the description of these projects is intended to be in service of establishing what the overall repertoires contain, in terms of collectively recognized and understood behavior patterns, and how they influence outcomes independently of other factors, Table 9 below briefly summarizes the remaining projects with a view to these goals.

Table 9: Summary of other key projects during the NAFTA era

<table>
<thead>
<tr>
<th>Project</th>
<th>City</th>
<th>Years</th>
<th>Predominant dynamic</th>
<th>Key result(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher education</td>
<td>McAllen</td>
<td>1926-1993</td>
<td>When obstacles arise, “build your own”; tie universities together with employers and nonprofits for training systems</td>
<td>STC, founded 1993, now enrolls approx. 30,000; engineer-training programs at UT Pan-American connected</td>
</tr>
</tbody>
</table>

22 For a more in-depth description of Brownsville’s higher education institutions and their relationships to local repertoires, see Chapter Six.
<table>
<thead>
<tr>
<th></th>
<th>Brownsville</th>
<th>McAllen</th>
<th>Brownsville</th>
<th>McAllen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private sector recruitment</td>
<td>Difficulty in covering both remedial and university-level education; fusion between community college and UT campus fails in 2010</td>
<td>Future of Brownsville's community college uncertain</td>
<td>Othal Brand, a former farmer, elected Mayor of McAllen for twenty years despite disputed campaigns and financial conflicts of interest</td>
<td>Brand lauded as visionary architect of McAllen’s success</td>
</tr>
<tr>
<td>&quot;Outsider&quot; mayors</td>
<td>Pat Ahumada, a former commercial fisherman, elected Mayor of Brownsville in two-non-consecutive terms, voted out after a string of lawsuits for alleged financial malfeasance and a DWI arrest while Mayor</td>
<td>Colleagues on the City Commission obstruct Ahumada’s agenda whether or not they agree with individual policy stands</td>
<td>McAllens’ comprehensive city plan redrafted to reflect suggestions of a local “smart growth” advocacy organization</td>
<td>An integrated plan whose dynamics center in city government</td>
</tr>
<tr>
<td>Comprehensive city plans</td>
<td>City funds an outside organization to produce a report that proposes to re-organize local planning decisions through a private nonprofit</td>
<td>Accusations of cabal-like behavior; private nonprofit operates independently</td>
<td>Outside organizations run successful, focused campaigns at the city level for reform</td>
<td>Emboldening of outside groups for future campaigns</td>
</tr>
<tr>
<td>Electoral reform and living wage ordinances</td>
<td>Outside organizations must piece together reform organization-by-organization</td>
<td>Much longer duration of campaign and groups’ de-emphasis on organizing in Brownsville</td>
<td>County, city, and other local entities negotiate together with the government to redefine “fence” into a repair of river levees</td>
<td>Minimal physical impact in McAllen, use of federal funds for a pre-existing project that was in need of resources</td>
</tr>
<tr>
<td>Federal imposition of a “border wall”</td>
<td>Separate negotiation of different entities</td>
<td>DHS construction of wall segments disrupts US properties, including local college; anticipation of future need to move wall segments at great cost</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Not all of these projects either immediately or exclusively result in an economic growth impact; for example, one might wonder whether the ability of “outsider” mayors to impose an agenda at the city level can really be considered a “development project” *per se*.

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23 See discussion in Chapter Five.
24 See further discussion in Chapter Six.
However, in this case, as with the city planning and the border wall, the question is whether individual efforts are put to productive, collective use in ongoing projects; the answer is clearly yes in McAllen and doubtful in Brownsville. For Brownsville politicians and bureaucrats to block the efforts of mayors such as Pat Ahumada so vehemently, just for the sake of ending his career as opposed to judging each proposal under the lens of a citywide development trajectory, meant that the resources of much of the city's apparatus had to be diverted into ending one individual's political career. And while it would be unrealistic to claim that Pat Ahumada could have replicated Othal Brand's successes, it is clear that there is a pattern where McAllenites learned to take Brand's flaws along with his merits, ultimately to the public good, while Brownsvillians tried to suppress both in the case of Ahumada, leading to what amounted to a costly vendetta for all parties.

The electoral reform and living wage ordinances project is an exception to the rest insofar as its impact is more on normative issues of the distribution of growth's benefits than it is on setting the rate of growth. However, they were included in this study because they relate to issues of cooperation in conflict management in the economy, and will be discussed further in the conclusion.

**Review and Summary**
By most accounts, Brownsville-Matamoros should have been able to put its resources to better use in its pursuit of economic growth. As the policy prerogative of mainly U.S.-based elites, local attraction of the increased trade flows and employment from NAFTA far exceeded expectations in McAllen, where elites were able to string together a series of initiatives with each other and their peers in Reynosa. In Brownsville, not only did the same kind of project and institutional integration not take place with Matamoros, but it did not really happen within Brownsville’s own city boundaries. Table 10 below illustrates the common axes of repertoire once one aggregates across the individual projects.

**Table 10: Repertoire overview in terms of most common categories of action patterns**

<table>
<thead>
<tr>
<th></th>
<th>McAllen</th>
<th>Brownsville</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discourse</strong></td>
<td>“Greater McAllen” – “If it’s good for business, it’s good for McAllen; if it’s good for McAllen, it’s good for me”</td>
<td>Who’s getting what, and what’s in it for me? Images of see-saws, Punch-and Judy shows</td>
</tr>
<tr>
<td><strong>Disputes</strong></td>
<td>Incorporate the challenger</td>
<td>Ostracize, rotate, “bloodsport”</td>
</tr>
<tr>
<td><strong>Local Resources</strong></td>
<td>Geographically local</td>
<td>Exported and/or tied to outside/larger enterprises</td>
</tr>
<tr>
<td><strong>Outsiders</strong></td>
<td>Invited for their expertise</td>
<td>Allowed insofar as they take a side</td>
</tr>
<tr>
<td><strong>Timeframes</strong></td>
<td>Long-term projects, linked over time</td>
<td>Short-term, project-by-project</td>
</tr>
<tr>
<td><strong>Bureaucratic Capacity</strong></td>
<td>Long tenure; expertise</td>
<td>Quickly rotating, constant accusations of nepotism</td>
</tr>
<tr>
<td><strong>“Packaging”</strong></td>
<td>“All-American,” “world-class,” “progressive,” “forward-thinking,” “visionary”</td>
<td>Little to no branding for outsiders; bi-cultural; low-cost</td>
</tr>
</tbody>
</table>
This study identifies repertoires as the fundamental cause of McAllen and Brownsville's consistently different outcomes that resulted from the same project and policy efforts. The projects discussed above could have easily gone a different way, if, say, Brownsvillians could agree more on how to define, pursue, or negotiate over their goals. Likewise, there is very little reason to believe that McAllen and Reynosa would have become such a significant locale for manufacturing, or such a conduit of cross-border transit, had their projects not stolen the attention of the Fortune 500 firms from Brownsville-Matamoros, or, for that matter, the border-crossing consumers from Laredo-Nuevo Laredo. Before the 1980s, McAllen and Reynosa were not really on the map for either of these things. But through the effective coordination of projects within McAllen and across to Reynosa, their pairing took on a dynamic unlike any other along the U.S.-Mexico border in recent times. Moreover, this was accomplished in interaction with a series of related projects which, while not in every instance squarely focused on economic growth per se, were instrumental in establishing McAllen as the most effective, capital-friendly, and "forward-thinking" (at least from a Wall Street Journal / Davos / The Economist-type perspective) city on the Southern Texas border.

One might reasonably ask, then: how can such learned patterns and skills come to be cordoned off to one sphere of life without bleeding into all the others? I alluded to a preliminary answer in Chapter Two, where I described how cultural patterns inhere in people's collective experiences in the world together; that, in adopting a Sewellian

25 Another related question might be "Why doesn't McAllen's repertoire spread to Brownsville, or vice versa?" I discuss this briefly in the "Prospects for McAllen and Brownsville" section of the Conclusion.
definition of structure, it is through the binding of cultural “generalizable procedures” to resources which only make sense in the context of a particular space and time that we can say action operates under a given structure. Insofar as this is the case, we would expect distinct spaces of action, such as city governments and their bureaucratic apparatuses, business associations, and nonprofits, to be the sites of “structuring” that can be separate from how people learn to behave in their homes, in a restaurant, or with an outsider with whom they kindly agree to chat for a couple of hours. Perhaps the best a scholar can do in making clear that he or she is not judging another’s culture is to maintain clarity in the separation between patterns of practices in one setting and any evaluation of an individual or group’s “true self”; the measure of the humanity of people in Brownsville and McAllen extends far beyond the frame of this study.
Introduction

In the previous chapter, we examined how the recent economic divergence between McAllen-Reynosa and Brownsville-Matamoros was a product of "repertoires," or shared, habitual patterns of claim-making, problem-defining and -solving. This chapter in turn asks the question: where did these repertoires of political contention come from? It also considers important questions implicitly raised by the first: that is, what makes them persist, and what makes them change?

McAllen’s and Brownsville’s divergent repertoires long precede their divergent economies. During field research, this was evidenced by interviewees in their 50s and 60s speaking of "100-year traditions," or roots of present behavior in Spanish colonization. Older participants would talk about the generation preceding them as showing the same political tendencies as their own generation, as well as that of their successors. It was therefore clear that the distinct political patterns long predated the time of NAFTA, but a full inquiry into these repertoires’ origins would require material predating the accounts of the living.

Historical research shows that Brownsville’s repertoire originated in the context of a contentious city founding wherein large merchant/ranching oligarchs fought with small
merchants and professionals over incompatible visions for city’s political economy. McAllen originally had the same repertoire as Brownsville, receiving it by way of Brownsville’s political boss in the 1880s, at a time when Brownsville politics were definitive of those found throughout the region.

In the early 1900s, changes in technology and demographics made the region’s old political boss structure untenable. Although the change to new political regimes took quite some time – about ten years in Brownsville, and twenty in McAllen – the protracted struggles that led to these changes can be considered the “break” by which McAllen received a new repertoire, whereas Brownsville received a new regime without substantively different political behavior. Contra existing theories, this was not because McAllen faced these changes with a more equitable resource distribution, or a more diverse, vibrant, or interconnected civil society; rather, it was because political dissidents in McAllen had a “free space” (Evans and Boyte 1992, Fantasia and Hirsch 1995) within which to define their means of contention and their agenda for local institutions once they succeeded in inheriting them. In Brownsville, by contrast, dissidents of the same background and position as their peers in McAllen allied with already-existing opponents to the political boss, and in doing so, learned how to gain political victory in the manner of the old “Red-Blue” contests – i.e., with the tactics that had already defined their local politics for so long.

These findings demonstrate two contributions to our understanding of the origins and evolution of repertoires: first, that they are established in concert with and influenced by
other important structural factors, such as resource distributions, institutional structures, and patterns of affiliation. This confirms a general intercausal aspect to repertoires. But as an extension to this same point, there is an unexpected twist insofar as Brownsville’s repertoire persisted even after the structural conditions which generated it disappeared. In this way, we might say that repertoires are rooted in various pre-existing structural conditions, but once established, they form habits that resist change unless actors somehow become acutely aware of the disconnect between their habits and their current environment.

Second, the case of McAllen’s divergence confirms and extends the one of the main findings of Chapter Three – namely, that repertoires are fundamentally independent from established sources of causality – insofar as the political events of the 1910s and 1920s in McAllen and Brownsville cannot be attributed to established resource, institutional, or civil society/network causes of behavior. That is to say, no established theory would have predicted McAllen’s change and Brownsville’s persistence. Instead, the history shows that this unexpected outcome was rooted in how political dissidents learned to articulate their opposition over time. Therefore, discursive spaces – i.e., patterned practices and meanings which constrain and enable ways of collectively talking about and imagining the political economy – deserve greater consideration as important factors in the birth and change of repertoires. If previous chapters demonstrated that repertoires establish the routines of problem-solving and coordination that actors use to pursue their interests, this chapter
also illustrates that repertoires operate in discursive contexts which both reveal and hide possibilities for their further evolution.

**Persistence and change of repertoire dynamics in Brownsville and McAllen, TX**

**Background to the region and city foundings**

To understand how Brownsville and McAllen came to be as political communities, some background on the colonial history and urban development of the region in which they exist together is necessary. After initial Spanish exploration with the Coronado expedition of 1540 the eastern Texas-Mexico border region was mostly left alone because of a dearth of sought-after resources (read: gold) and the presence of Native American populations capable of deflecting initial colonist groups (Fehrenbach 2000, p.27). After the Escandón settlements of the mid-1700s established many of the border towns that persist today (e.g. Mier, Camargo, Reynosa and Matamoros), this region was primarily a sparsely populated area of Spanish land grants, mostly used for cattle ranching (Graf 1942, Montejano 1987).

This changed when independence shifted Mexican trade policy away from a Spanish mercantilist logic; the newly independent nation permitted ports other than Veracruz and

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26 For the sake of simplicity for the reader, I will refer to the two city-areas being compared below merely as "McAllen" and "Brownsville," whether or not the events under discussion are at the county or city level (for future reference, McAllen is located in Hidalgo County, while Brownsville is in Cameron County), as well as whether or not the city was yet technically founded.
Alcapulco to engage in international trade, resulting in the establishment of the port of Bagdad just outside Matamoros. The area quickly took on a "decidedly cosmopolitan social and economic milieu" (Alonzo 1998 p.112). Anglos began to settle Texas in a stream, then a flood (Fehrenbach 2000 ch. 10); US-born expatriates settled in towns such as Matamoros seeking to make riches via commerce. Thus colonized, Matamoros would become a point of trade for the export of mostly primary commodities such as leather, wool, and precious metals, and the import of manufactured “dry goods” and machinery (Graf 1942 pp. 22-31, Crews 1969 p.16).

Brownsville would not be established as a townsite until 1848, when speculators bought land in anticipation of the victory of the United States military over Mexico. The city would receive its first official charter from the State of Texas in 1850. McAllen would not incorporate as a city until 1911. However, the area where McAllen stands had long been settled as a ranching territory whose population contested their county politics in a manner very similar to what was going on in neighboring Brownsville. Thus the baggage of the 19th century, in terms of resource distributions, political organizations, and predominant political behavior, was carried by both cities, arguably even more so in McAllen than Brownsville. To illustrate this more substantively, the sections below engage in some of the details of the historical structural similarities of the two city-areas.

Population

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As Figure 8 shows, although Brownsville was the larger of the two urban areas for quite some time, McAllen and its surrounding city-region caught up to and slightly exceeded Brownsville in population by the mid-20th century. The two remained on a similar population growth path until about the 1980s, when a divergence begins and becomes a yawning gap after the 1990s. In essence, this is a region that began supporting one metropole, but added a second, with that one showing parity to the first for some time before taking off ahead (see previous chapter for further discussion of this divergence).

**Figure 8: McAllen and Brownsville total county population, 1850-2010**

![Graph showing population growth over time](image)

In terms of population makeup, two salient points emerge: first, that both cities, and later on, metropolitan areas, were largely composed of clearly delineated groups: a vast majority of low-wage, poverty- or near-poverty-level Mexican immigrants, who often lived as much on one side of the national border as the other; and a privileged class of merchants and
ranchers, which was made up of the original Spanish land grantees as well as Anglo merchants and "adventurers" who established themselves in the mid-19th century (Montejano 1987). As we see from Table 11, the percentage of the foreign-born Mexican population, which indicates the arrival of low-wage labor, shows that McAllen and Brownsville were quite similar during their early histories, but with slightly greater weight in the McAllen area for this population.

Table 11: Percent population foreign-born Mexican, McAllen and Brownsville (county-level), 1870 and 1900

<table>
<thead>
<tr>
<th></th>
<th>McAllen</th>
<th>Brownsville</th>
</tr>
</thead>
<tbody>
<tr>
<td>1870</td>
<td>77</td>
<td>57</td>
</tr>
<tr>
<td>1900</td>
<td>35</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: US Census Bureau

As will be discussed below, in addition to this broadly two-class mix arrived a third distinct group, white farmers and professionals, who entered the region after it was connected to railroad and industrial agriculture infrastructure in the early 20th century. This group by all accounts had a similar demographic impact in Brownsville as it did in McAllen.

Beyond the similarity of this two-tier, and then three-tier structure, there is another salient demographic point: in the times prior to approximately 1930, Brownsville was, if anything, the more cosmopolitan of the two areas. It was a trade center before McAllen existed, and it attracted populations not only from the US, but from Europe and beyond. These foreigners were generally either smaller merchants or professionals struggling to work their way into the main power structure, with sporadic success. Thus, for example, in 1870, Cameron County had 305 foreign-born residents hailing from England and Wales, France, and
Germany; Hidalgo County, in comparison, had 9 (US Census Bureau). As such, while early Brownsville was more exposed to different populations than McAllen, this ultimately did little to soften Brownsville’s “in vs. out”-group dynamics.

Resource distribution

In terms of resource ownership, the two city-areas followed fundamentally the same pathway: land split mostly into large estates owned by a small elite. There were perhaps 100 or so households possessing the vast majority of the land in each county, the largest of these holdings reaching hundreds of thousands of acres. Both counties then experienced a transition in the early 20th century toward greater fragmentation of land distribution.27

As Graf documents in painstaking detail, the commercial economy that seemed poised to explode in the mid-19th century did no such thing, and South Texas was passed over and left “off the map,” as it were, until more recent times (Graf 1942). The region's period of economic hibernation officially ended with the arrival of railroads in 1904, along with concurrent investments in the construction of mechanized irrigation districts. This brought a massive influx of land buyers, mostly Anglo farmers from the Midwest, and ushered in a

27 Based on my inquiries with established scholars of this region and time period, nobody has yet conducted an extensive study of the county land records. In lieu of such a thoroughgoing analysis, which is still merited, I base these characterizations on less-comprehensive analyses already conducted, esp. Chatfield 1893 and Montejano 1987.
new economic and demographic landscape. Insofar as land distribution was transformed by the strong shift towards industrialized, smaller agricultural parcels from larger tracts of land used for ranching and livestock, it appears that Hidalgo and Cameron Counties were similarly affected: as Montejano reports, the average farm sizes in the two counties both decreased by about tenfold between 1900 and 1930 (Montejano 1987 p.109). Both counties underwent similar transitions out of ranching and into farming near the turn of the twentieth century, and in terms of farm size, Figure 8 illustrates that both had a similar proportion of large-sized (>500 acres) farms. In fact, if anything, McAllen probably had slightly more concentrated farm ownership than Brownsville until the mid-20th century.

**Figure 9: Percent of all farms ≥500 acres at county level, 1880-1950**

![Graph showing the percentage of farms ≥500 acres at county level from 1880 to 1950 for Brownsville and McAllen.](image)

Source: US Census Bureau

In sum, the general demographic and resource parameters of McAllen and Brownsville were extremely similar on the eve of their early 20th-century transformation from a
traditional ranching territory to one of industrialized agriculture. How the political repertoires operated and changed in an institutional environment remains to be investigated below through accounts of political change and conflict from the 1850s until the 1930s. To understand how Brownsville and McAllen arrived at the repertoires of today requires the examination of three distinct periods in the region's history: first, the era of Brownsville's contentious founding and the persistence of its polarized repertoire; second, the era of political bossism where Brownsville's repertoire became McAllen's; and third, the era of industrialized farming and progressive incursions which felled both McAllen's and Brownsville's political leaders, but brought only McAllen a new political repertoire.

1848-74: Repertoire origins

<table>
<thead>
<tr>
<th></th>
<th>McAllen</th>
<th>Brownsville</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong></td>
<td>500 (start) - 3,000 (end)</td>
<td>8,000 (start) – 12,000 (end)</td>
</tr>
<tr>
<td><strong>Land distribution</strong></td>
<td>Highly concentrated</td>
<td>Highly concentrated</td>
</tr>
<tr>
<td><strong>Political structure</strong></td>
<td>Disorganized and particularist</td>
<td>Strong factionalization</td>
</tr>
<tr>
<td><strong>Primary economic activity</strong></td>
<td>Ranching</td>
<td>Commerce and ranching initially, commerce decreasing over time</td>
</tr>
</tbody>
</table>

Contention in Brownsville over its institutions and local economic policies was intertwined with the city's birth; in Tom Lea's hagiographic, but well-researched commissioned account of the history of the King Ranch, the chapter in which Richard King arrives in the region is...
simply titled "The Big Contentious Place" (Lea 1957, Ch. 2). This is apropos because the city was established in an era when the territory was rapidly switching the flags that flew over it by a volatile admixture of Yankee speculators, European traders, and Mexican elites. For a time, many locals thought the best way to resolve issues of ownership and policy were to name the southern tip of Texas its own country, a "Rio Grande Republic" (Dugan 1957). Absent that option, elites would have to find accommodation in the existing American legal and political system to meet their ends, which generally revolved around how to secure land titles of contested legitimacy. 28

It was in this context that the political birth of the city of Brownsville centered on the binary question of whether or not this government entity would serve to further consolidate an economic monopoly based both in land ownership and river commerce. 29 Under such circumstances, two contending local political parties formed: the 'Reds' and the 'Blues'. Initially, Reds were supporters of a monopoly faction led by Charles Stillman, a Connecticut-born merchant who had for decades been one of the biggest traders in Matamoros. As the majority shareholder of both the original Brownsville town site and the

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28 Land titles in Mexico could have several provenances, each with a different level of authority. At the highest was the Spanish Crown, and the lowest was a form of communal ownership (ejido) that was designated by the independent (and, during the 19th century, only sporadically autonomous) Mexican state. The controversy over the Brownsville town site, aside from involving internecine disagreements among the American buyers over their contractual obligations to each other, was based in the fact that the Mexican title lines themselves were not sorted out, and so the Mexican government had been giving title to land already doled out by the Crown to other entities. This is of course a simplification of a much more complicated issue, but hopefully helps the reader catch the basic essence without causing needless confusion. For information on how Charles Stillman and his associates tried to win their monopoly, see (Crews 1969, Dugan 1957, Kearney and Knopp 1991); for information on how the Mexican population was marginalized in the process, see (Foley 1977, Montejano 1987, Alonzo 1998, Acuña 2011 Ch.5); for information on the specific dynamics of the legal means by which the land in this region came to be regularized, see (Greaser and de la Teja 1992).

29 The latter relating to the former insofar as a city government would have the power to designate ferry rights to land on the US side as part of its charter. 113
steamship concern that dominated that portion of the Rio Grande, Stillman was at the nexus of the biggest commercial and landholding interests. The Blues would form in resistance to the Reds, primarily out of small merchants and professionals such as lawyers who did not agree that the interests of the major players should guide all local affairs. This designation as a Red or a Blue would be salient in Brownsville politics for at least seventy years, with the dynamics of Red vs. Blue contention lasting even to this day.

Some of the main dynamics that emerged from these conditions can be referred to as “negation,” where one political actor simply proceeds as if a rival claim did not exist, when in fact one is being asserted; “disenfranchisement,” where one seeks victory by depriving rivals of the ability to participate in politics; “criminalization,” where a political battle is transferred into the legal realm of accusations of punishable misdeeds; and “tribalism,” where the affiliations of the actors involved in a given issue is the primary concern driving action. These appear as strong behavior patterns when one looks through the early years of administering the city government.

As was briefly mentioned above, pitched political fighting set in from the outset over Brownsville’s city charter in 1850. Blue Party leader Stephen Powers submitted an

30 To give just a brief sense of the depths to which these affiliations went, two anecdotes: one, from Lea, that schoolchildren wore red or blue shoelaces corresponding to their party affiliation (Lea 1957 p.156). Another comes from Catarino Garza, a colorful anti-Diaz revolutionary from Matamoros who recalled in his memoirs from his time in Brownsville that “The young women arrive at dances with enormous colored ribbons, symbolizing their party, and they are not allowed for any reason to consort with the opposing party.” (Garza 2009 (1888), p.25, author’s own translation)

31 Powers’ crucial role in these early decades of Brownsville politics is probably one of the least documented. He was a former diplomat from Maine who, like many Anglo arrivals, came to Brownsville with the army of Zachary Taylor. We know that he served as legal counsel to many of the most prosperous merchants and
application of charter to the state (Kearney and Knopp 1991 p.69), which named all of the
City of Brownsville townsite public land under the authority of the city government. This
would have been a mortal wound to Brownsville’s Red faction, whose entire interest set
was organized around a town charter and merchant monopoly owned by Charles Stillman
and such associates as Richard King, Miflin Kenedy, and Richard Belden.

The imbroglio over ownership of the townsite which followed in the city government
encapsulates many of the repeated patterns that show up during this era. In the first city
election, the two rival parties split the government offices: the Reds’ Mayoral candidate,
Israel Bigelow, presided over a majority Blue City Commission. The City Commission
successfully had Bigelow’s election annulled by the State of Texas on the basis of
allegations of voter fraud (criminalization). Bigelow ignored this and conducted the city
government’s affairs without calling commission meetings (disenfranchisement) (Baulch
p.32). The Blues simultaneously tried to take advantage of the state charter by claiming the
right to deny Stillman’s steamships the right to land at city wharves (tribalism) (Kearney
and Knopp 1991 p.76). Eventually, the Reds fought back by getting candidates elected at
the state level, annulling the city’s charter, and having a new one written which no longer
gave the city control over the town site (negation).

landowners in the area; that during the earliest years, he opposed the attempts of this group to seize all
resources, as exemplified in his rug-pulling city charter gambit; that he was a staunch Democrat and
secessionist (Red and Blue paper); that he was fond of secret societies, and initiated many young, promising
Democrats into the local Masonic temple he founded (Collins 2005) and that once the Civil War was over, he
reached out to his former political rivals, the large landowners, a move which his apprentice, Jim Wells,
eventually took to its fullest realization, leading the Blue political machines to be largely driven by landowner
interests.
When the Reds ruled, which was most of the time during this phase (with the exception of Reconstruction), they systematically organized Brownsville’s political economy around their narrow gain; Crews writes that

“...[a] few wholesale commission-type merchants...managed to control every aspect of life in Brownsville, even finances when the only bank closed in 1858...It is clear that the government the merchants provided was far from satisfactory...This mercantile oligarchy, more concerned with the validation of land titles than providing good government, may well have succeeded in frightening away small businessmen and professionals who might have insured a steady, middle-class growth.” (Crews 1969 p.32)

This basic scheme of oppositional politics over the position and privilege of a “mercantile oligarchy” continued and ran its course through the tumultuous events of the Civil War. Along the way, the city would boom, its population growing tenfold (before quickly diminishing) due to an influx of trade. This boost centered on Brownsville’s merchants aiding the Confederacy in evading the Union blockade on cotton exports, with shipments out of Brownsville/Matamoros accounting for anywhere from 20-50% of the total export revenue for the Confederacy (Daddysman 1984 p.161, Cohen 1989 p.179). Brownsville would be occupied by the Union twice, and in the process was once literally blown up in a fireball out of 8,000 pounds of gunpowder by fleeing Confederates (Crews 1969 p.54). After the Civil War, Brownsville returned to its former scale, with a population of less than 5,000 by 1870.

Despite the chaos, Red-Blue divides remained salient, both economically and politically. Beyond the seemingly interminable quests on the part of the wealthiest to secure as much land as possible (Charles Stillman’s Brownsville townsite, for example, would be under legal challenge until an 1880 Supreme Court decision was handed down six years after his
death), there was still the matter of who would dominate trade in the region. The controversy over the railroad during this period also illustrates how this two-party repertoire defined local politics. Already, Stillman and his partners Kenedy and King had purchased a railroad charter in 1853 that they proceeded to do nothing with (Reed 1941 pp.466-467.); but in the immediate wake of the war, with the Union occupation of Brownsville, the inability of many Confederacy-affiliated Reds to vote, as well as an old Brownsville Blue, Edmund J. Davis, as the sitting Reconstruction governor of Texas, the Blues presumably felt emboldened to finally open up the region to new commercial opportunities. Here Davis ran interference, kicking out Reds from office as quickly as they could re-insert themselves (tribalism). The Blues procured their railroad charter, while King and Kenedy filed a stream of lawsuits and injunctions (criminalization). These Reds also resorted to physical subterfuge, building dirt mounds to physically obstruct any possible efforts to begin rail construction (negation) (Crews 1969 p.106).

Eventually, when ex-Confederates were returned the franchise by the Federal Amnesty Act of 1872, they promptly won city offices and reneged on the city’s agreements with any ostensible Blue-run railroad (another act of tribalism) (Chatfield 1893 p.22). Finally, in 1873, Governor Davis delivered a decisive blow. He unilaterally awarded a railroad charter

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32 Already, as Crews’ above description points out, Brownsville’s growth prospects had already likely been diminished by the merchants who wanted to maintain a system that maximized their individual gain; much of the capital gained from the lucrative Civil War cotton trade had been re-invested by traders such as Stillman in Monterrey, where they capitalized some of its fabled industrial concerns (Walsh 2008 p.22). As Stillman’s interests grew regional, his heirs’ ambitions became national, with his son, James, becoming president and chairman of the National City Bank (forerunner to today’s Citibank) in 1891. Subsequent generations took similar roles, all while marrying into both the Rockefeller and Carnegie families. If Brownsville’s elites had a preferred local investment, it was the accumulation of massive tracts of land for ranching.
to Brownsville Blue partisans (again, tribal), with this coming from a high-enough authority to tip the scales decisively in the Blues' favor. They commenced to capitalize and build their project, and by the next year, King and Kenedy sold off their steamboat business altogether to focus on their ranch holdings (Lea 1957, 250, 454). In this way, many of the conditions supporting the rivalry of these years were laid to rest. However, this political pattern—negation, all-or-nothing contests, resorting to outside channels to pull the rug from under the opposition—remained the norm. As Crews tells it,

"The legal fight between the railroad and King and Kenedy was the real end of the old antebellum economic divisions...No longer did...the Stillman and Belden interests have a monopoly...The two parties, however, continued into the twentieth century using the same party machine politics at election time. Economically, Brownsville had changed during Reconstruction, but not politically." (Crews 1969 p.113)

And as EJ Davis himself put it in an 1876 letter to his former mentor Stephen Powers:

"...the old political division of the Blues and Reds still divides you...persons...are about the same as they were twenty odd years ago...wars and rumors of wars have not changed Rio Grande politics much...well, I was a 'Blue' also; I suppose it is according to the eternal fitness of things." (Davis 1876)

It is significant that Davis wrote this to Stephen Powers, who initiated him into politics (as well as his Masonic Lodge—see Collins 2005), but who split with Davis bitterly over the issue of secession. This split would exile Davis from Brownsville after nearly resulting in his lynching, and motivate him to become one of the most partisan, contentious governors in Texas history (Rathbun 2008 p.483). Davis is saying, therefore, that the Red-Blue split ultimately mattered in Brownsville as much as, if not more than that between the Blue and the Gray.
Repertoire persistence and diffusion, 1874-1910

Table 13: Key structural factors in the second repertoire era

<table>
<thead>
<tr>
<th></th>
<th>Hidalgo</th>
<th>Cameron</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population size</td>
<td>3,000 - 16,000</td>
<td>12,000 - 27,000</td>
</tr>
<tr>
<td>Land distribution</td>
<td>Highly concentrated</td>
<td>Highly concentrated</td>
</tr>
<tr>
<td>Political structure</td>
<td>Lopsided factions</td>
<td>Rival factions with in-fighting</td>
</tr>
<tr>
<td>Primary economic activity</td>
<td>Ranching, shifting towards agriculture</td>
<td>Ranching, shifting towards agriculture</td>
</tr>
</tbody>
</table>

In some sense, Crews was correct in his assessment of the end of Brownsville's initial economic structure; Brownsville had ascended quickly as a commercial economy and almost just as quickly faded into obscurity, with commercial interests selling out or folding. As cities such as Laredo and Corpus Christi linked themselves up to much larger trade flows with railroad lines, Brownsville, with its oligarchs, remained provincial, and it withered into obscurity. Brownsville would not exceed its Civil War population peak until the 1940s. The main port at Brazos Santiago silted in and the river trade faded away (Chatfield 1893 p.1). These facts affirm the sense in which the economic conditions that brought about the Blue-Red repertoire of contention disappeared.

But after 1874, Stephen Powers still presided over a Blue Club, and elections remained contests in which elites won or lost based largely on who could mobilize the most votes from beholden, underprivileged ranch hands and tenants. In fact, through this period, the Blue-Red politics, with their characteristic maneuvers, persisted. Furthermore, Powers' law partner and political successor, James B. Wells, exported this structure, or in many
respects, forced it upon the rest of South Texas. What we need to know, then, is how Wells' regime perpetuated the pattern even as allegiances and structural conditions shifted.

After the Civil War, what the color designations represented shifted somewhat – Blues were now the local Democrats, and Reds either Republicans or independents.\textsuperscript{33} The war had split Blues along Union/Confederate lines, and a combination of internecine struggles, larger geographic shifts, and environmental challenges diminished the importance of commerce issues so as to render its attendant struggles moot. Powers reached out to his legal clients as the basis of his party. This Blue machine incarnation, which Stephen Powers established officially in 1873 and which James Wells took over from his mentor Powers by about 1880, would last in Brownsville until 1920, and until 1930 in McAllen. The same kind of maneuvering as in the time of the merchant oligarchs can be seen in several of the most important aspects of Wells’ tenure presiding over the Blue Club of Cameron County: in the maintenance of order within the club, including dealing with defections, as well as in maintaining his influence over Democratic clubs in nearby counties, primarily Hidalgo, Starr, and Duval.\textsuperscript{34}

Maintaining the coherence of, as well as his own position in, the Blue Club in Brownsville meant that Wells, like any boss of a political machine, had to demonstrate that he could win more elections than anyone else. This meant such activities as choosing candidates and

\textsuperscript{33} Adding to the confusion is that this also varied by county. Thus, Wells’ deputies in Hidalgo County ran as the Red Club there.

\textsuperscript{34} The following references to Wells’ political career, unless noted otherwise, draw from Joe Robert Baulch’s (1974) exhaustive biography.
running campaigns, and horse-trading over who got to name appointees to local political positions, as well as party delegations. Herein lay the sources of contention that served to occasion conflicts analogous to the Reds’ and Blues’ old fights over political and economic dominance. Individuals who served as lieutenants in the Blue Party, some of whom were old stalwarts of the original Red-Blue days, would make moves to crown themselves. For example, Emilio Forto tried in 1895 to cripple Wells with voting reform legislation (disenfranchisement) and the impeachment of officials that Wells got into office (criminalization) (Wells outmaneuvered Forto on the former, and the state legislature dismissed the latter.) Five years later, Forto and Augustus Browne joined the Red Club in an attempt to unseat Wells; Wells responded by accusing the Red Party of violence (which led to similar counter-accusations, criminalization all around), and petitioning the federal government to investigate possible criminal acts in his rivals’ main base of patronage, the Customs House. Another preferred tactic of Wells’ was to fail to notify, or sometimes even deliberately misinform, less loyal members of his machine as to the dates of a party primary or convention (disenfranchisement). A similar tactic was to have opponents stricken from the ballot based on some technicality, as Wells did in 1910 at the county level when the Independents threatened to sweep the elections.

Similar contests took place between Wells and his rivals as well as operatives in other counties, with violence a common outcome. In McAllen, before Wells found a reliable lieutenant in John Closner, John McAllen and other local ranchers organized an armed force in response to the election of 1883 not going their way; eventually, the governor’s dispatch
of State Troopers persuaded McAllen and his allies to stand down. In 1888, there were more election murders, this time of a more personal nature, which Wells was able to effectively use to tarnish the reputation of the Red Club there. Later, in 1902, John Closner's successor-to-be as Hidalgo County Sheriff, then-Texas Ranger AY Baker, became embroiled in a cycle of retributive violence with racial overtones, prompting Wells to involve himself by legally defending Baker and the other accused Rangers. Cameron County Republican Federal Commissioner (and later local party president) R.B. Creager lent his services to the avenging family of Baker's victim (the de la Cerdas, who owned ranches in Cameron County), which could also be considered a form of political attack insofar as it signaled to Wells that he could be separated from what would normally be considered his constituency.

These events surrounding murders between Rangers and ranchers, with their implications for party lines and factions, connected directly to political killings and violence that were the basis of battles for control of nearby Starr County. Trans-Nueces region State District Judge Stanley Welch, who commended Baker when he presided over one of the trials relating to these murders (Stambaugh and Stambaugh 1964, pp.158-159), was assassinated while he slept in a Rio Grande City hotel the night before a campaign speech. During that election, which the Red Club tried to take by force from the Wells-sponsored Guerras, there were gunfights over who would take the ballot boxes, with the Texas militia eventually arriving to quell the violence. Miraculously, depending on how one looks at it, Wells and the Guerras managed to pull off another win after the votes were finally counted.
In a redux of their conflict over the Baker affair, Wells and Creager again served as attorneys for the members of their respective factions who were involved in the Welch assassination, as well as other related shootings, in 1907.

As the above illustrates, James B. Wells made himself the central political figure in South Texas politics by playing a constant game of life-and-death factional battles. If Wells’ entire regime was not immediately menaced by a Republican-controlled Customs House patronage base, it was threatened by Blue Club members who thought they might serve as better captains than Wells himself (e.g. Forto, Browne). As far as the McAllen area was concerned, Wells made it, as with the rest of the region, Blue Club territory by negating and punishing his enemies the same way he did in Brownsville. Thus, at the outset of the twentieth century, Hidalgo County had leadership of a distinctly Wells / Red-Blue stripe.

On the other hand, even as Wells and his agents fought in a monopolistic political game, they sought to widen the economic sphere; both Wells and Closner worked tirelessly to bring railroads and agricultural infrastructure to their counties. Thus, by the early 1900s, the two city-areas also had the factors in place to leave their post-Civil War somnolence: McAllen would emerge from the periphery of Brownsville to become its peer, and while it would do so based on the same modernizing forces that were arriving next door, McAllen would emerge from the scenario with a distinct political repertoire. In other words, while the economic and demographic growth of the two counties would outpace the ability of the political machines to keep up, the inheritors of the machines’ power would differ in how
they learned to take over the reins. Hidalgo County’s political opposition would be free to define itself outside of any former parameters, while new antagonists of the old politics in Brownsville would find themselves in the midst of powerful allies of convenience.

Progressive incursions and repertoire divergence, 1910-1930

Table 14: Key structural factors in the third repertoire era

<table>
<thead>
<tr>
<th></th>
<th>Hidalgo</th>
<th>Cameron</th>
</tr>
</thead>
<tbody>
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<td>Population size</td>
<td>16,000 – 77,000</td>
<td>27,000 – 77,000</td>
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<tr>
<td>Land distribution</td>
<td>Rapid deconcentration</td>
<td>Rapid deconcentration</td>
</tr>
<tr>
<td>Political structure</td>
<td>Dominant faction challenged by recent arrivals</td>
<td>Dominant faction challenged by alliance between recent arrivals, former insiders, and old rivals</td>
</tr>
<tr>
<td>Primary economic activity</td>
<td>Industrialized agriculture</td>
<td>Industrialized agriculture</td>
</tr>
</tbody>
</table>
The twentieth century marked a rapid shift in population and primary economic activity for South Texas. From 1904 to 1924, the Rio Grande Valley’s annual agricultural production expanded from $3.7 million to $25.3 million, with citrus products in particular booming, from a marginal amount before the 1920s to over 20,000 rail carloads per year by 1936 (Walsh 2008 p.75). In the first three decades of the century, the combined population of Cameron and Hidalgo counties would increase almost eightfold, from 22,000 to almost 160,000. In that time, as the region shifted from a primarily ranching-based to an agricultural economy, Hidalgo County came into its own, and by 1930, the populations of the two counties were effectively equal – Cameron with 77,540, and Hidalgo with 77,004. Figure 9 below illustrates how the two counties’ emerging onto the same demographic plane represented a shift from Hidalgo County’s prior status as a periphery to an equal neighbor.
The Anglo residents who arrived on the border were looking for an orderly, predictable system by which to administer a modern, industrialized agricultural economy. They needed reliable water districts, but what they got were speculative private ventures that were frequently collapsing (Anders 1978 p.410). They needed interconnected railroads, processing facilities, and warehouses to get their produce to market. The region had boomed in terms of the number of people convinced of its potential as an agricultural producer, but reaching that potential was proving a challenge. On top of that, these migrants, having been told that they were buying land in a “Magic Valley” where they could do what they had done in their home states, only cheaper and with a longer growing season, found a territory that was not only infrastructurally insufficient but institutionally insufficient.
incapable of mimicking their home environments. This translated into the arriving groups developing a resentment for the Mexican population, in fact blaming many of the perceived insufficiencies of the Wells-style government on their presence (Spence 1986, Anders 1978, Baulch 1974, Montejano 1987).

Brownsville: Meet the new boss

The shift to agriculture and the influx of Midwesterners came along with other modernizing pressures that were rendering Jim Wells and his brand of politics anachronistic. To begin with, Wells was falling out of touch with the mainstream Democratic party: with “Progressive”-style politics becoming the mode during the era from Theodore Roosevelt to Woodrow Wilson, Texas Democrats wanted to reform election laws to standardize primary dates, as well as reduce voting fraud. Wells’ very survival depended on being able to manipulate both of these issues. Given his position of authority with the state party, he was able to squelch rivals’ ability to “poke into” such affairs, at least for a time (Baulch 1974 p. 262). Wells was also anti-women’s suffrage, and he significantly hurt his standing both with Democrats in Texas and Washington when he used his low tactics of deceiving rivals on primary dates to prevent Woodrow Wilson from winning the Democratic primary in South Texas in 1911, an act conspicuous enough to generate Wilson’s own personal ire (ibid. p.299). Beyond his running against the predominant political trends, the county structure of South Texas was literally coming apart, with new cities prompting demands for new counties. By 1909, Wells’ captains were struggling

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35 As was his wife (and niece of Stephen Powers), Pauline “Tinie” Wells, who was a noted female anti-suffragist speaker during her day.
against each other to draw the lines of what would eventually result in the creation of four new counties (including Jim Wells County) out of an original seven, and, in the process, his coordinating power was largely lost.

1908 was the first year since the start of his career when Wells' dominance in the Brownsville city elections was proven questionable; three of five city commissioners' positions went to a newly-formed Independent Party, an agglomeration of recently arrived Midwestern farmers, disgruntled Blue Democrats, and Red Republicans. Three of the ten candidates on the Independent slate had previously run on Blue tickets (Anders 1978 p.413). Such legacies notwithstanding, the Independent Party fashioned itself as a Progressive alternative to the Democrats, promising to implement "honest, efficient, economic, and wise business methods...in the administration of local matters" (ibid. p.415).

In 1910, Wells had the Red Republicans (with whom the Independents had merged) stricken from the County ballot based on their party registration status; he continued prompting federal investigations of the Red-dominated Customs House workforce; and, as mentioned, he used chicanery to cost Woodrow Wilson the region (but not Texas) in the 1911 primary (Baulch 1974 p.289). The Reds/Republicans/Independents responded mostly in kind: as Anders put it,

"Aside from campaign rhetoric, the strategies of the two contending parties were indistinguishable. Both sides paid the poll taxes of their Mexican followers and supervised their voting. While the Democrats exploited the resources of the county administration and the Brownsville City government to advance their cause, the Independents relied upon the electioneering of the customs house personnel...The distinction between the Independents and the Democrats became blurred in the minds of many American [read: Anglo] voters."
(Anders, pp.418, 429)
Wells, defiant, dug deeper into his old bag of tricks to get the Independents stricken from the County ballot in 1912 (which only succeeded over and above their attempt to issue an injunction on ballots missing their candidates' names) on the basis of a registration technicality (Baulch 1974 p.288).

These attacks, with their accompanying evidence of vulnerability, only invited the Independents to double down on their tactical approach. After taking the mayorship, they extended their long-held tradition of mobilizing the Customs House as a Red patronage operation to the city police force. They recruited more Democratic lieutenants such as Jose T. Canales and Lon Hill, and “For the first time, the patronage resources of the challengers were nearly equal to those of the Democratic incumbents in County government.” (Anders 1978 p.420) At this point the contests seesawed as violently as in any of the most tumultuous Blue-Red exchanges. Wells and company accused the Independents of corruption, and had revealed through the press that their party's elected city officials had secretly awarded themselves pay raises. Wells' successful invectives against Independent Mayor Kowalski gave him the opportunity to force a schism between Kowalski and his party, leading Kowalski to split off in the next election, running unregistered and decrying the “boss politics” of the Independents.

1912 and 1914 were the main staging grounds for forming a new elite “in-group” consensus, one that did not involve Wells. In the run-up to the 1912 election, a series of partisan-motivated gunfights climaxed in a violent confrontation between
Independent/Republican-affiliated police and Democrat-affiliated Texas Rangers, with several wounded in the melee. This precipitated an outcry from the local business community, and a decisive move on the part of James and Augustus Browne to fully affiliate themselves with the local Republican party (the Independent party label getting lost along the way). The Browne brothers, both sons of Blue Club co-founder James G. Browne, were some of the wealthiest and most influential individuals in Brownsville. Both were millionaires. James owned a sizeable ranch and a bank, while Augustus managed his father’s $2-million estate and operated a brick factory (Anders 1978, 443). With the Brownes signaling that it was time to finally abandon local Democratic politics, and a general fear of stirring up the kind of stigmatizing violence that appeared in 1912, the Republicans swept the Brownsville city elections in 1915. Nevertheless, Wells still held on to the county, proclaiming after the 1916 election to a friend that “Each of the [ballot] boxes...were...under MY immediate control, and voting MY people. They haven’t downed the ‘OLD MAN’ yet!” (Baulch 1974 p.334)

Yet this remark only underscores the surprise that Wells lasted that long. The 1920s would be a decade of political monopoly for the newly refashioned Brownsville Republicans. The unrest of the newly arrived Anglo Midwesterners had been swept up in a sea change between old established interests, and future contests would be like those of old: insurgents, either from inside or outside, attempting to overturn a monolithic elite front, with both sides deploying the tried and true adversarial tactics of political elimination of partisan enemies, often regardless of any substantive difference in policy. Yet this would
not have been possible without the local demographic shift complicating the coalition work necessary to win elections; Wells recognized this, saying in 1920 that “[Brownsville] has ceased to be the ‘Banner’ Democratic stronghold...and it is now ‘Anybody’s and Everybody’s County,’ ...which is due...to the fact that the ‘Snow-diggers’ are in the majority, and fast increasing.” (Anders 1979 pp.279) Wells would pass away in 1923.

_McAllen: First cons, then pros of a “free space”_

In McAllen, significant pressures challenging the Democrats did not build effective momentum until 1914. From 1890 up until that point, John Closner had held down the territory quite effectively for Wells (and his own handsome benefit), having put together slates that won every election but one by over 90% of the vote (Anders 1978 p.452). Unlike Brownsville, the McAllen area had never until the time of the agricultural transition been large enough to support anything more than a simple system of administering to ranch economies. For example, while Hidalgo County had a customs house, it was too small (employing about one-fifth as many agents as Brownsville’s) to serve as a patronage base capable of supporting a strong political opposition. McAllen was no less monopolized economically and politically than Brownsville – in fact, it was even more so – but it was different insofar as the relative absence of a prior organized opposition allowed the Anglo Midwestern farmers room to articulate their “ Progressive” politics on the border.

This articulation of opposition took two phases, each dealing with a different generation of leadership within Wells’ established structure. In the first phase, newcomers had to
contend with John Closner, venerable father-figure to towns such as Edinburg and McAllen, longtime county sheriff, and major developer of agriculture in the region. Nevertheless, what the new immigrants could not abide by was his running a particularist system that did not offer them even a semblance of rational, representative, technocratic government. Inquiries into county spending went unanswered, and constituents found their county officials so unavailable as to seem absentee (White 1929). In this context, recent immigrants formed a “Good Government League,” which focused on building a base of candidates who would run a “clean election” in opposition to Closner’s machine. They found only one candidate, County Judge James Edwards, but feeling pressure after exposing himself to the wrath of the establishment, he appealed to Wells for succor (Baulch 1974 p.304).

Without any candidates to run, the Good Government League shifted towards a more focused anti-corruption agenda. They found more success in that route, using lawsuits to force the disclosure of the County’s financial operations. By 1918, they found evidence of embezzlement of approximately $150,000 in county funds on John Closner’s part, as well as graft taken by their almost-ally Judge Edwards. Closner’s career was effectively ended by this revelation, but he handed the reins over to his protégé, former Texas Ranger Anderson Yancy (A.Y.) Baker, who saw no need to deviate from the old routine. For reasons unclear, other than that the obvious victory against Closner must have offered some satiation, the reaction against the Blue machine in Hidalgo County quieted down for approximately half a decade.
And yet new migrants continued to pour in at an accelerating pace, with the patterns of governance as they had been in 1890. 1928 provided a crucial moment when, outraged by the ostensibly voter-approved passage of a $1.7 million school district bond, a group of recent – almost exclusively Midwestern, farmer and/or small professional – migrants organized to fight what they felt was a non-democratic governmental structure. According to critics, notice of the school bond had never been posted. They formed a “Citizens’ Republicans” ticket with the intention of turning Baker and company out of office. Despite the fact that most had been longtime Democrats (Spence 1986 p.40), they were willing to take on the Republican mantle if it gave them a chance of removing the Baker regime. They attended the Republican primary caucus and voted in favor of a slate of reformist candidates. Some attendees bolted from the convention and formed a rump caucus. As it turns out, these bolters were former Baker-affiliated Democrats.

The Citizens’ Republican group might have been able to overcome this trick were it not for the fact that the chairman of the regional Republican party was Rentfro Banton (RB) Creager, longtime Customs House leader, Wells rival (see previous section), and participant in Brownsville’s recent political upheaval. Creager, as a beneficiary of the stability of the Baker regime (as long as there were no Republican members of Congress elected from the region, Creager could have total discretion over any federal appointments under a Republican presidency), certified the blank – literally, as in, without nominees – slate of the rump convention.
At this point, the McAllen Democrats and Brownsville Republicans gave McAllen's reformers all they needed to drape themselves in the flags of patriot saviors of democracy itself. Their plight drew national attention, and they began to organize meetings regularly, two times a week across the county, each drawing anywhere from two to five thousand attendees. They planned a write-in campaign, hoping that way to beat Baker and his associates in the November 1928 election. They adopted fiery rhetoric of the loftiest sort, denouncing Baker for being "destructive to the life, liberty and pursuit of happiness of the citizens," calling it "our duty to amend this government and to substitute the above order" (ibid. p.45). 36 Still calling themselves the Citizens' Republicans despite their rupture with the Republican party, their candidates seemed poised to do well, some even set to win, in November. However, with a long delay in the vote count, the entire ballot box from Weslaco and a large number of other individual ballots were disqualified from the election, resulting in total victory again for Baker.

This seemingly outrageous maneuver produced a fever-pitch response for the next several years, starting with a successful entreaty for a congressional inquiry into the 1928 elections. The investigating committee concluded that the elections had been “tainted with wholesale fraud in various forms” (House of Representatives 1929). This gave the insurgents a powerful symbolic victory, but not much more than that – the committee could only recommend that the US Attorney General investigate further. Meanwhile, OP

36 After all, many of these newly minted insurgents had been literally next-door neighbors to "The Great Commoner" William Jennings Bryan, who had taken up winter residence on a forty-acre plot in Mission, TX in from 1909 until his death in 1925.

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White, reporting for Collier's, asked the McAllen Democratic chairman how he was feeling about recent events. "Fine," he said, adding also that those who opposed Baker could "all go to Hell" (White, 1929, p.48).

The insurgents had opened a crack, and they exploited it by fervently campaigning locally while litigating and lobbying at higher levels of government. They organized a caravan of 500 people to Austin to request a state-level investigation (which was denied). Building a network between their newly christened "Good Government League" (apparently without conscious relation to the previous incarnation – Spence 1986 p.88), the independent newspapers that new residents were founding, and local lawyers, they flooded the courts with suits regarding every irregularity they could turn up. From 1929 through 1932, diminutive McAllen had the second-highest number of cases in state district court out of any Texas county. Over 2,000 cases were filed in 1932 alone (ibid., pp. 89, 92, 107).

Finally, by 1930, the center could no longer hold. In January, A.Y. Baker announced that he would not seek re-election, stating that he felt satisfied with his good works. Then, in late February, a Federal Grand Jury in Houston delivered eight indictments against Hidalgo County officials. AY Baker's "kinsman," H.C., resigned as Superintendent of the Edinburg School District in August. Then, just three days before the election, AY died of "apoplexy" (stroke) while seated at a meeting for an irrigation district (Spence 1986 p.105). The Good Government League swept the 1930 elections, and by 1932, it was the only effective party left standing in the county. For a parting shot from the chieftains of the Jim Wells political
machine, we should probably turn to Archie Parr, “The Duke of Duval County,” who, after losing the state senate seat he had held for twenty years in 1934 said, “I want to thank all of my friends...for their support: and as for my enemies, each and every one of them, can go to Hell” (ibid. p.118). True to the end, those trained in the ways of Red vs. Blue-party politics brooked neither compromise nor reconciliation.

_McAllen and Brownsville’s repertoires after 1930_

There is a political consciousness which runs like a thread through the affairs of Brownsville and McAllen today and traces back to the disjunctures accompanying the region’s shift towards agriculture. I will not go so far as to claim that in 1930, Brownsvillians practiced an “atomized, antagonistic and atypical” repertoire in exactly the same way they do today; likewise for “collective, constructive and cosmopolitan” McAllen. Those terms refer more to how the participants in my field research consciously categorize their own behavior patterns; below this more conceptual level, the basic routines of action that were established in Brownsville in the 1850s are remarkably similar to what we’ve seen since.

In Brownsville post-1930, the successors of the Independents formed an elite circle, which would consolidate power over the city for periods of approximately four to twelve years at a time. These cliques would be interrupted by insurgent, populist figures who were either disgruntled former members of the clique or peripheral but charismatic entrepreneurs.
Either way, the challenger(s) would rise up on the platform of governing Brownsville on behalf of more than just these narrow elite interests. The cyclical pattern is clear throughout: the Independent/Republican Party ruled until 1935, when Fausto Yturria, descendant of Stillman business partner Francisco Yturria, was elected mayor on a “People’s Party” slate. One of the members of his slate, Kentucky native Robert Runyon, was elected mayor in 1941. Runyon, a botanist and photographer, was anathema to the elites, and accused of fraud. The Brownsville Herald called for “…the eventual permanent elimination of the Runyon Political ring from our community.” (Herald 1941, 1942)

Although class issues were at play, advocates of “the people” such as Runyon were not politically radical – as Knopp writes, Runyon’s insurgency was not “a proletarian revolution… but an attempt by bourgeois entrepreneurs and businessmen to wrest power from an entrenched establishment” (Knopp 1997 p.86).

After Runyon, the inner circle re-established order with H.L. Stokely as mayor from 1945 to 1955. This apparent calm was interrupted in 1955 by Margal M. Vicars, a laundry operator who became incensed at what he saw as the cronyism embodied by the city’s decision to give private park land over to the use of wealthy private landowners (Knopp 1989). Vicars won an improbable victory, which in the words of the Brownsville Herald editorial board produced a sort of numb shock that an enormous political tragedy had overtaken Brownsville, the sort of political calamity one would assert if, say, Liberace had been elected President” (Herald 1955). Like Runyon, who ran on Vicars’ slate but lost his bid to serve as a city commissioner, Vicars’ momentum was impeded by lawsuits contesting the
legitimacy of his victory. The 1955 election was turned over 17 months later by the Texas Supreme Court, almost in time for him to win a second term. Nevertheless, the contestation had become so hot that Vicars could not establish control. Isolated from his commission and gripped by a paranoia that he would be assassinated (Knopp 1989 p.407), he lost public appeal and was out of the picture by the end of the 1950s.

The 1960s were steadily held by the establishment party, but the 1970s saw at least two more insurgencies. First, Jim Mills, a former West Texas farmer, ran in 1973 at the top of a “New Party” slate, promising to prevent Brownsville from annexing the land that would eventually become the Amigoland Mall, which they denounced as another boondoggle for the interest of a few (Mills et al. 1997 p.188). Later, in 1979, Emilio Hernandez, who had ties to Margal M. Vicars, ran as a candidate “for all the people.” Serving for two terms, his program too ran aground on accusations of bribery and embezzlement, with his maintenance of innocence, the violent deaths of key witnesses (Associated Press 1987), and his later legal exoneration only fanning flames of conspiracy theories (Knopp 1997 p.87, Associated Press 1987).

These cycles continued through the 1990s and the 2000s. Most recently, Pat Ahumada won non-consecutive elections (1990 and 2006) as an anti-elite populist who would keep government from profligate spending on the behalf of the few. Ahumada faced treatment similar in many respects to that visited upon Runyon, Vicars, and Hernandez, including
lawsuits charging embezzlement and check fraud (which also resulted in acquittals).

Eventually a DWI arrest sank Ahumada's attempt to stay in City Hall.

In between Ahumada's two terms, Blanca Sanchez Vela, a teacher and the wife of a prominent local federal judge, won the election of 1998. Vela, a grandmother who by her own account campaigned as a conciliatory, maternal figure (Vela 1999), was not brought on any criminal charges, but her tenure was challenged by the controversial firing of City Manager Carlos Rubinstein. Rubinstein, who had powerful allies of his own, divided the City Commission, and news of his dismissal brought rowdy protests to City Hall (complete with the parading of a burro and the former mayor heckling the proceedings) (Borunda 1999b). This controversy also spilled over into attempts to recall two city commissioners, including former Mayor Hernandez's nephew, Ernesto Hernandez, Jr. At issue was a set of personal allegiances, with Vela's predecessor Henry Gonzalez, some city commissioners, the city manager, and prominent developers on one side, and several Commissioners as well as then-Mayor Vela on the other. As former Mayor Vela explained the firing of Rubinstein at the time: "It's visible out in the community. He's friends with the former Mayor...There comes a time when you have to serve the new bosses. I'm not questioning the qualifications of the man. I'm questioning the allegiance of the man" (Borunda 1999a).

McAllen shows a decidedly different pattern to contrast with Brownsville's above-described cycles of domination, insurgency, and ejection, brought about by repeated invocations of criminalization, disenfranchisement, negation and tribalism. The first thing
one notices when one looks at an historical list of elected officials is the degree of continuity; McAllen has had eight mayors in the past sixty years. City managers tend to serve very long terms – the city has had five since 1946 (two managers alone account for almost fifty of those years). Although McAllen has not received the extensive political chronicling that Brownsville has, over the course of my interviews, I learned that most political contests in McAllen focus on the theme of rivalry between contenders who agree on what is to be done; the political question is usually primarily one of who can do it better. Post-Wells machine McAllen has not gone without its controversies and insurgencies, but they tend to get glossed over by a narrative that bygones are bygones, and the emergence of new projects allows old rivals to demonstrate that they can collaborate together.

This brings us back to the consistency of perspectives in the interviews performed in the field from 2009 to 2010. To offer one striking example, consider Othal Brand, who was about as contentious a figure as McAllen has ever seen, and was famously mayor there from 1976 to 1996. In 1981, he faced Ramiro Casso, a local doctor and social activist, for reelection. The election built to almost explosive tension when Casso’s campaign released a recording of police brutality against Mexican residents and claimed that Brand was

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37 Until last year, the only book published on the history of the city of McAllen had been a high school class project (McAllen High School 1975); last year, a volume was published by the city’s Chamber of Commerce (Mattei 2011). Both leave considerable gaps in terms of the political and economic issues covered here. In contrast, Brownsville has had a more active historical community, populated both by laypeople and academics, who have published collections of historical studies of Brownsville and Matamoros for the past twenty or so years. Although difficult to substantiate outside of anecdote, this difference is consistent with another observation from my fieldwork that a surprising number of interviewees in Brownsville had past political involvements but who either felt spurned or were actively ejected by other participants took to writing novels, usually pertaining to politics and/or espionage. Thus, although with too small an n to assert with great statistical confidence, I nevertheless propose that with a much higher rate of political exile in Brownsville (relative to McAllen) comes a greater use of the pen as outlet for the exploration of politics.
ultimately responsible; Brand responded by publishing advertisements with photos of Casso meeting with Cesar Chavez in an awkward attempt to mark him as an extremist (Texas Monthly 1981). After voting took place, Brand impounded the ballot boxes and demanded a recount, without ever making the count public; Casso, amazingly, acceded. The final count called the election for Brand. Yet ten, or twenty years on, few would have known: Casso was welcomed into elite circles along with Brand, with Casso later serving as a vice president of the local community college and receiving the Chamber of Commerce’s Man of the Year Award in 1996. This is not to say that Brand and Casso became close personal friends, but rather that they traveled in similar circles and worked toward the same ends.

Brand’s career alone offers a book’s worth of such smoothed-over disruptions, including his alliance with former rival Mike Allen, described in detail in the previous chapter, to organize the successful employer recruitment effort that resulted in the successful overhaul of both McAllen and Reynosa’s economies into a major cross-border manufacturing region. The point is not that McAllenites never conflict, or even that they do not play dirty; rather, it is that in McAllen, fights come along the way in the pursuit of doing business, and business is conceived of at a broad, regional level; in Brownsville, fights are to the end, and they are personal.

**Summing up in light of theory**
This chapter began with the question of the origins McAllen’s “collective, constructive and cosmopolitan” and Brownsville’s “atomized, antagonistic and atypical” repertoires. It investigated an answer through the review of all of the relevant secondary and primary sources that could be identified at local libraries in South Texas and across national universities. Its most basic finding is that Brownsville’s repertoire began with the city’s founding in a contentious scenario between parties at odds with how the city should be governed, and for whom. This repertoire persisted, most likely in part due to the region’s relative isolation and economic stagnation, for approximately fifty years. In that time, the settled area that would become McAllen would inherit Brownsville’s repertoire. When major structural changes came to the whole region in the early 20th century, parallel struggles emerged against the old regimes of both Brownsville and McAllen. Brownsville’s insurgents succeeded with help from members of the old guard, and the local repertoire was preserved. McAllen’s insurgents struggled on their own without outside cooperation for much longer than their peers in Brownsville, but when they finally succeeded, they were able to govern with a repertoire largely untouched – except in its self-conscious contrast – by the traditional forms and methods of local politics. It now remains to be seen how these processes relate to our conceptual understanding of repertoires, as well as relevant theories regarding persistence and change in political institutions and behaviors.

In Chapter Two, I introduced several lines of theory that would purport to explain the economic divergence between McAllen-Reynosa and Brownsville-Matamoros. Given that Chapter Three explained this divergence in terms of McAllen and Brownsville’s different
repertoires of political behavior, we can now consider how the prior outcome of establishing these repertoires also relates to relevant theories. Before delving into the theories, the reader should recall that I am asserting that these different repertoires were not able to produce economic divergence until the 1990s because of the relative economic isolation of the region until NAFTA; therefore, the delay in outcome was a matter of opportunity structure, while the causal element was relatively stable for approximately 50-60 years.\(^{38}\)

First, the most salient, of-the-moment theory to propose an explanation of Brownsville’s narrow, zero-sum, monopolistically-styled politics would probably be Acemoglu and Robinson’s (AR) typology of “extractive” vs. “inclusive” regimes (Acemoglu and Robinson 2012). AR propose that manifestations from this dichotomy are brought about by different combinations of *de jure* (i.e. formal legal) and *de facto* (resource distribution-based) power. According to AR, then, these two cities’ differences in extractive (private gains-focused) vs. inclusive (public goods-focused) tendencies should be based either on different institutional rules, or on resource distributions, or on both. Neither is the case. Any institutional distinction can be quickly ruled out, as these were both at-large commission/City-Manager-run governments from the early twentieth century forward. As regards resources, if anything, both McAllen’s political institutional capture and resource concentration were more extreme than Brownsville’s prior to the “Progressive” incursion.

\(^{38}\)While a parallel could be made between NAFTA the early 20th century transition to railroads and industrial agriculture insofar as both brought an influx of resources, these transitions had very different bearings on the substance of the two cities’ repertoires. See the discussion in Chapter Three above as to why NAFTA model brought unprecedented types of investment with unique demands for local coordination that would resonate in specific ways with McAllen’s and Brownsville’s repertoires.
of the early twentieth century, with slightly larger average farm acreages and only one well-organized political faction.

The issue of the political factions also runs opposite the expectations of what one may refer to as "civic structure" or "network" stories of local divergence. Putnam et al. (1994) propose that more people participating in a political system increases the likelihood that institutions will be responsive and effective, and by extension, that an economy will increase productivity and grow more rapidly. In a similar vein, Safford (2009) suggests that "network multiplexity," i.e. more clusters of elite affiliation, enables communities to be more resilient and resourceful in times of uncertainty. Yet the McAllen – Brownsville difference stands in similar contrast to this thesis as it does to AR, because it was Brownsville, with two major contending political clubs deeply rooted in residents' social lives, as well as a larger commercial sector and professional class, that ultimately channeled the winds of change to preserve its old routines.

Instead of the views presented above, the data accumulated so far on McAllen and Brownsville suggests two primary mechanisms that facilitate shifts in political repertoire. The first involves novel flows, as opposed to AR's existing stocks, of resources. Following Sewell's approach to structure as inhering in the binding of generalizable cultural schema to resources that are locatable in space and time (Sewell 1992), it makes sense that the arrival of a new resource represents a bastion for the propagation or invention of common practices in the political economy. The new resources arriving in South Texas in the first
decades of the twentieth century were certainly momentous: a population boom, rapid transition from a ranching to industrial agricultural economy, oversubscribed public goods, and a national mood much more in keeping with the insurgent outsiders than the dominant establishment. In other words, South Texas farmers wanted a landscape controlled by technology that would fulfill the promises of the promoters who had lured them there, and they were bolstered by a confidence that their vision was "America's."

Second, recognizing and seizing on new resources, actors in a political economy must arrive at some arrangement regarding who will be the legitimate arbiters of the resource. Such processes can certainly follow many lines, which has prompted some to propose all-encompassing theories of institutional or resource capture (see e.g. Fligstein and McAdam 2011). Nevertheless, to stay true to the data in this study suggests addressing only a small subcategory of such processes. Given that the key issue in the "progressive" farmers' success in defining the characteristics of political behavior in McAllen had to do with their relative autonomy from existing partisan forces, a key distinguishing factor here appears to be a kind of discursive autonomy.

"Free spaces" is a term that has been used by social movement theorists to describe "...small-scale settings within a community or movement that are removed from the direct control of dominant groups, are voluntarily participated in, and generate the cultural challenge that precedes or accompanies political mobilization" (Polletta 1999 p.1). In finding themselves without backers, allies, or even candidates to run, the original Good
Government League of 1914 had to improvise their way towards rooting out John Closner. It also helps explain how people of the same background, class, and professions in Brownsville could have failed to change their politics the way their peers in McAllen did – they were not afforded the mixed blessing of muddling through on their own.

In the cases examined above, an approach that looks toward novel resources and free spaces also sits in accord with the most conspicuous negative conjuncture, i.e. the persistence of Brownsville’s repertoire in the wake of the Civil War. This is the case insofar as that period saw the diminution of growth and commerce, meaning that few if any novel groups or resources were appearing in the political economy. At the same time, it is fair to ask: should we take repertoires and their constituent practices to be so “sticky” as to inevitably remain without the appearance of jarring structural change? After all, this is basically the assumption of the concept of path dependency – that yesterday’s behavior will continue to gather increasing returns in its own perpetuation until an exogenous shock generates a “turning point” in history (Pierson 2000).

This study offers the basis of at least a partial response: first, that repertoires were not completely frozen in the eras which I describe as ones of persistence; exogenous events intervened, alliances shifted, individuals developed and changed, and some differences in practices and their adherents can be observed. However, to conjoin Sewell (2005) with Kuhn (1962), it may only be through “events” – where people explicitly recognize that an old “normal” (normal science, normal politics, etc.) has been superceded – that structure
can truly be said to have changed. Likewise, changes in practice which do not register at the level of a new phase of structure or repertoire could be viewed as incipient structural change lying in wait for an “event” to crystallize the relations between the micro-changes and a new order. If this is the case, then it does seem to make sense that without a major, discontinuous blow to existing structure that renders obvious the change to actors habituated by gradual change, any “normal” paradigm or repertoire will prevail at the level of its main parameters, despite possible micro-shifts in the whos, whats, whys or wherefores of one or more of its constituent claim-making practices. In other words, Brownsville’s repertoires may have been persistent insofar as there were no ultimately triumphant carriers of a) the message that its “normal” politics were no more, as well as b) an substantively different repertoire of contention.

If this is the case, then path dependence may always be as fragile or durable as is allowed by the prevalence of actors with distinct practices and the venues at their disposal to propagate them. What this synthesis of the above observations suggests, beyond that it can be quite important for new, or previously non-dominant actors to connect to new resource flows as a means of articulating structural change, is that future research on repertoires should focus on 1) the phenomenology of recognizing a “new resource” as such (Feldman 2004), and 2) themes in literatures such as those on deviance and social movements about the dynamics of norm-breaking and –making.
Returning briefly to mainstream theories of institutional change, the approach outlined here helps us get out from under the much tighter structural determinism of either institutionalist or network approaches to institutional stability and performance. It emphasizes that the implications of a structural element such as an "institutional rule" or a "network tie" is underdefined until such elements can be connected to actors' learned practices for how to make use of them in a way that will be recognized by other individuals. It also points the researcher's attention towards punctuated moments ("events") in which new domains of authority provide opportunities for the definition and recognition of different cultural repertoires.
Chapter 6: Exceptions to Repertoire

Introduction

In the previous three chapters, we examined the cross-sectional question of how repertoires act as a fundamental cause of economic development, as well as the longitudinal question of the origins of McAllen and Brownsville’s prevalent repertoires. We have seen that the repertoires in these cities are strikingly consistent and durable, and yet that there appears to be important historical contingency to repertoires based on a) infusions of unexpected resources and b) the institution of alternative repertoire behaviors in the administration of a new resource, especially through the possibility of a discursive “free space.” While it would be reasonable to ask why repertoires remained largely stable through the influx of resources during NAFTA, this is not necessarily in contradiction with the explanations previously offered for other repertoire changes; in fact, even while the evidence of Chapter Four demonstrates such strong repertoire consistency in the post-NAFTA era, there have been exceptions.

Certainly, in isolated moments, McAllenites can behave in a very self-interested or particularistic fashion – as, likewise, Brownsvillians can behave in as collective or constructive a fashion as their counterparts in McAllen. That such moments exist does not
in any way contradict any of the above chapters, because repertoires are loose collections of behavior that will be elicited from actors out of structural circumstances which themselves will sometimes manifest in an aleatoric way – a chance visit from an outsider, an unexpected grant award, etc. What is in need of account is a *systematic* exception to the rule, where we see the patterned effects of repertoires losing their grip. For example, to know we have a systematic exception at hand, we would want to identify a situation in McAllen where actions over the course of a project’s implementation by a variety of differently-situated actors take on a decisively non-“collective/constructive/cosmopolitan” cast. And likewise, at such a scale of consistency, would an exception to Brownsville’s “atomized/antagonistic/atypical” norm be important to document and explain. The task of this chapter, then, is to identify cases of exceptional behavior fitting the above specifications, and to derive what we can from such cases about how such divergences come about, as well as how they feed back into more broadly held repertoire patterns.

At best, this chapter can only be a preliminary step in this direction: as the discussion below will further reveal, these cases require their own, dedicated fieldwork. I learned about them in the course of my interviews in South Texas, though understanding how these exceptional cases mattered and fit into the picture only became clear after the main period of field research was complete. For this reason, the cases, which constitute one major exception to repertoire each in McAllen and Brownsville, will be described in terms of the main substance of the project or issue, notable impacts on economic development, initial consideration of the main probable cause(s) of the project’s anomalous dynamic, and a
specific attention to how one might more fully establish the theoretical and practical implications of the case.

In the first case, there is strong reason to believe that McAllen's doctors took on a repertoire of their own and conflicted with other local elites because of a long process of their social and political separation from the community. After McAllen experienced a very sudden turnover in its medical institutions to large corporate outside owners, the stage was set for a stronger environment of for-profit medicine; furthermore, due to McAllen's booming economy, a local developer such as Alonzo Cantu could help local physicians with the necessary capital and business connections to build their own large-scale hospital, something that did not happen in Brownsville. Once ensconced in their own for-profit model, the doctors sought to protect it, which required them to focus on national healthcare policy. Eventually, they were segregated from the rest of their local community, and interpreted the prospect of a medical school as a direct assault on their entire business model and political identity, leading them into a sustained and ultimately successful fight against the rest of their community. This case suggests future research into how and why only some processes of group formation lead to new repertoire formation, with issues and venues of political participation showing particular promise as a key factor of investigation. The latter suggestion emerges from the observation that McAllen's medical sector was not so greatly different from Brownsville's in terms of its corporate ownership or signs of a for-profit approach to medicine, suggesting that what made the greatest difference between
McAllen's militant and Brownsville's cooperative doctors was the former's intense focus on the national healthcare policy discourse.

In the second case, the conversion of the empty Amigoland Mall into a multi-use business, commercial, and education center (called "ITEC") is noteworthy not only because it was a highly coordinated, cooperative project, but because it was initiated by the University of Texas at Brownsville (UTB), a frequent participant in Brownsville's normal political repertoire. An implicit question all along in this manuscript has been whether and why actors should only draw from one major repertoire in their political behavior; this case offers a clear example where one organizational entity is capable of enacting more than one. One distinguishing factor between UTB's behavior in ITEC as opposed to other scenarios is that ITEC was a separate garden, as it were, from the broader and more clearly territorial issues of taxing districts, multi-agency coordination, and public elections where UTB has on many occasions shown itself to be a more conventional local player. In this way, this case study offers evidence suggesting that the road to changing political repertoires may just as well run through the periphery of political institutions as through their normal venues.

McAllen's doctors and the loss of a medical school

What's wrong with McAllen?
In June of 2009 the city of McAllen entered the national spotlight, and in doing so, received more attention and notoriety than probably any prior moment in its history. It was the focus of an 8,000-word feature article ("The Cost Conundrum") in The New Yorker by Dr. Atul Gawande, a piece which became essential reading for the biggest domestic policy initiative in President Obama's first term. The premise of Dr. Gawande's essay is that the runaway acceleration in healthcare costs nationwide, which threatens the entire structure of the American welfare state and long-term national growth prospects, can be best understood by examining the failures of the system in this previously obscure city.

When this article appeared, locals in McAllen were infuriated. The general feeling can best be described as one of betrayal, for being used as a sacrificial lamb in a policy debate for convenience's sake, without any recognition of why the United States ought to be proud of their city. My interviews attest to this sentiment being voiced about the article time and again. As one interviewee, a health economist, put it, even if the research was solid, it was difficult to accept from a local perspective (as well as by him) because "a lot of it fits into a story that people [outside of McAllen] want to hear" (Interview, Oct. 20, 2009). One interviewee who participated early on during field research, in making sure that I would not, as he felt Gawande had, two-dimensionally characterize McAllen as a "dusty backwater town," emphasized that if I did the same, he would "personally seek [me, the researcher] out and choke [me] to death."39 (Interview, August 17, 2009) Conspiracy theories flew

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39 It should be noted that this quasi-mock threat was at the start of our conversation, and more of a warning that the interviewee (understandably) did not want to open up to someone who was going to profit from a caricature. As our conversation continued, this interviewee participated very graciously.
freely, accusing everyone from Warren Buffett to local doctors with axes to grind as
spurring Gawande's supposed hit job.

But while many of McAllen's doctors, as well as some outside analysts, vigorously attacked
the factual and conceptual soundness of the article, none of the challenges effectively did
anything more than either question the degree to which McAllen's costs are excessive (no
one argues that they are not high) or cite alternative arguments without solid proof (e.g.
that obligatory care for undocumented immigrants and other indigents is driving up the
billings for the insured patients). For our purposes, the findings of this controversial
study prompt two main questions: first, why exactly did Gawande conclude that McAllen's
medical community is illustrative of the pathologies of American healthcare, and what, if
anything, do these issues have to do with local repertoires of development?

Gawande's article requires a somewhat detailed retelling if the main implications are to be
clear. This is because he engaged in a mixed-methods analysis, blending multiple
perspectives about intersecting institutional layers to arrive at a fairly sophisticated causal
explanation for his outcome. The story begins with a basic question as to why McAllen, a
small city with very low median income, shows an average yearly expenditure per

40 For a response from Texas Doctors, see Texas Medical Association 2009. For some critical discussion by
academics that were posted to weblogs, see e.g. Gilden 2009, Goozner 2010. For a response by Dr. Gawande
to the initial furor, see Gawande 2009b. The crux of these back-and-forths is whether Dr. Gawande fairly
contextualized McAllen's demographics, and whether his data adequately captured the patterns of care about
which he made his claims. As to demographics and counterfactuals, Gawande's response to his critics fairly
convincingly cements the comparison as reasonable; whether the Medicare data fully captures all of the
relevant aspects of medical care in McAllen is somewhat more debatable, though no analyses of alternative
data sets produced thus far (see Franzini et al. 2010) have fundamentally challenged any of Gawande's
assertions.
Medicare enrollee (about $15,000) that is twice the national average, and higher than any metro area in the US with the exception of Miami. Gawande quickly rules out specifics of the population as driving the outcome, both because McAllen's population shows demographics very similar to those of El Paso, where per capita Medicare expenditures are half of McAllen's. Demographic explanations are further discredited by the fact that McAllen's costs were very close to the national mean in 1992; no accompanying demographic shift seems capable of explaining the city suddenly turning into such an outlier.

Through the analysis of Medicare data, Gawande determines that McAllen is different from El Paso, and much of the rest of the country, because of a widespread practice of overcharging. Medicare enrollees in McAllen receive 50% more specialist visits than their counterparts with similar conditions in other locales, and five times as many home-nurse visits if they are in McAllen as opposed to El Paso. The question then becomes one of differences in behavior between local professional communities. Gawande uncovers no evidence that McAllen receives doctors who are trained differently from those who practice in other cities. So where do they learn to treat so differently?

Here the defenders of the status quo of McAllen do have some evidence in their favor; although Gawande was quick to defend his comparison on the basis that the overall Hispanic population in McAllen's and El Paso's metro areas is quite similar (80.3 vs. 76.6%, respectively), he fails to note a discrepancy in the racial makeup of the actual two areas' Medicare enrollees: 73.4% Hispanic in McAllen, as compared to 47.8% Hispanic in El Paso, and 5% nationwide. So, while it goes against intuition somewhat to claim that moving from an unusually high Hispanic population to one a couple degrees higher could account for a doubling in per capita healthcare costs, it could be the case that Gawande's account leaves out some relevant particularities of McAllen's population.
Dr. Gawande ultimately concludes that a significant part of the problem lies in the fact that McAllen doctors show an unusual propensity to become private stockholders in for-profit medical specialty facilities. Under such a scheme, doctors will be more likely to receive an immediate financial payoff from referring patients to specialist care. This, he concludes, constitutes “a culture of money,” wherein doctors orient their medical practices towards maximizing their revenue flows, as opposed to outcomes to the benefit of their patients’ health (corroborated by the observation that McAllen’s more expensive care produces mostly inferior results on metrics of quality of care than those found in El Paso and the rest of the country). This culture, it turns out, is of unknown origin; but, over the course of his interviews, Gawande speculates along lines posited by the research of Woody Powell, wherein certain “anchor tenants” (i.e., “well-connected organizations...which mobilize others and foster collective growth,” by facilitating “the extension of collective resources” – see Powell et al. 2010) trained doctors’ eyes towards the money-making potential of their profession. As Gawande summarizes the story,

“About fifteen years ago, it seems, something began to change in McAllen. A few leaders of local institutions took profit growth to be a legitimate ethic in the practice of medicine. Not all the doctors accepted this. But they failed to discourage those who did. So here, along the banks of the Rio Grande, in the Square Dance Capital of the World, a medical community came to treat patients the way subprime-mortgage lenders treated home buyers: as profit centers.” (Gawande 2009)

42 Ironically, Gawande’s reference to Powell et al’s use of the “anchor tenant” concept alters his sources’ intended use, insofar as they see anchor tenants as fostering collective action, whereas the putative “anchor tenants” of McAllen’s medical sector primarily seek private gain. For the type of activity Gawande observes, Powell et al. propose an alternate type: the “800-pound gorilla,” a central actor that “dominate[s] activity and attempt[s] to control the terms of engagement” (Powell et al. 2010 p.14). Nevertheless, Powell et al. do note that the two categories denote structurally equivalent actors. If Gawande’s choice of the friendlier term was an attempt at diplomacy, the olive branch went unnoticed.
Gawande’s suspect for the key “anchor tenant,” or instigator of the profit-driven medical care ethic, is the home healthcare industry. There are two reasons for this, one less obvious in the original article: first, home healthcare is a high-competition, low-barrier to entry industry whereby agencies succeed insofar as they can win doctors’ loyalty in referring clients. This, as it turns out, is supposedly accomplished by side payments such as generously salaried “advisory” positions, though as one can imagine, systematic documentation is lacking. The key to why this could have been a cause, though, is only mentioned by Gawande in a later interview: home healthcare costs in McAllen rise dramatically prior to the area’s increase in overall health costs (Klein 2009). And while Figures 11 and 12 below show that McAllen’s soaring home healthcare costs do seem to strongly feed its atypical healthcare costs, there remain at least two questions that would require a more detailed, health economics analysis beyond the scope of the current study: first, why was McAllen such an outlier in home health care, and second, how did one 800-pound gorilla give birth to another, if such a pattern of influence existed at all?
Figure 11: Average home health care expenditures per Medicare enrollee, 1992-2007

Sources: Dartmouth Atlas of Health Care, Centers for Medicare & Medicaid Services (CMS)

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43 United States data comes directly from CMS by dividing total expenditures by enrollees, without using controls. The McAllen, El Paso and Brownsville data comes from The Dartmouth Atlas of Health Care (www.dartmouthatlas.org), which, while drawing its data from CMS as well, presents all of its data with controls for age, prices, and race. These adjustments tend to diminish the difference between all of the local measures and the national average. In the future, the use of CMS-only data would be preferable, but would require a more thorough advance preparation and application process.
Followed thus far, Gawande’s story resembles the development and propagation of an alternative repertoire. Beyond the resemblance in mechanisms, there is also the fact that McAllen’s medical community has come to be known as a force unto itself in the local economic development scene. In this realm, their repertoire has clashed quite visibly with the now-familiar “collaborative, constructive and cosmopolitan” trope.44

*The McAllen medical community versus everyone*

In 1997, the Texas State Legislature allocated $30 million for the construction of a “Regional Academic Health Center” in South Texas. This facility was to promote/host

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44 Of course, one could easily note that the doctors’ gung-ho business-creation ethic is in keeping with McAllen’s “100-year philosophy” of prizing total economic growth over other community priorities. At this level there is a compatibility. However, insofar as McAllen’s established political repertoire prioritizes maximizing the growth of a larger aggregate over that of any constituent part, and seeks to harmonize disagreements by inclusion or otherwise further spreading growth’s dividends, the medical community displays a distinctly different tendency.
research, medical student rotations, and residencies, and would thereby be by design an incremental step towards a fully-fledged medical school. The money would be awarded to whatever city in the region could put forward the most competitive proposal to prove to the state that its investment would be leveraged maximally with local support. In a rare show of unity, all three applicant cities – McAllen, Harlingen and Brownsville – agreed to abide by the UT Regents' decision and to support the ultimate site of the facility (Russell 1998).

In November of 1998, the UT Regents responded to the three proposals requesting another round for both bigger and smaller stakes: the total amount to be invested in the facility would now be $55 million, but its components would be spread throughout the region. The city of Harlingen was promised $25 million of the original $30 million allocated, but this left $30 million on the table for all of the cities to make a case to receive (Padilla 1998).

Each city scrambled to maximize what it could get out of the pot. There was substantial optimism in McAllen over its prospects. As a city commissioner put it, "McAllen is in a better position, in my opinion, than any other entity in the Valley because certainly we have a better fiscal base than any other RAHC proposal." This fiscal base included the cooperation of two major local hospitals (McAllen Medical and Rio Grande Regional); land donations would come from the Vannie Cook Foundation and Rio Grande Regional; and the commitment of existing buildings in medical facilities to be donated for the center's use. Furthermore, McAllen could tout cooperation from hospitals in Mission and Edinburg, a
broader array than Harlingen and Brownsville could offer. The only apparent hesitation from among the regular scene of politicians and development professionals arriving in the news reports came from the city manager, who expressed concern as to whether McAllen would be prepared to lay out more money for the project should any unanticipated cost increases arrive (Gomez 1998).

What dashed McAllen’s hopes completely for the RAHC, and an eventual medical school, was its doctors. While 134 doctors in Brownsville signed a petition in support of locating the RAHC in their city, the Hidalgo-Starr Medical Association (HSMA, the representative body for doctors in the McAllen area) went on record against any such institution in theirs. The HSMA president wrote to his state representative that a medical school would be “a predator of private practices,” and said to the Houston Chronicle that “People are saying this is for the indigents and poor people, and it’s all a bunch of crap. It’s $30 million, but there’s not one dollar earmarked for indigent care” (Pinkerton 1998).

McAllen’s medical and political communities were at loggerheads. One state representative lashed out, saying that the opponents of the facilities were “foreign-born doctors” who were “spreading misinformation” and “only [caring] about their pocketbooks” (ibid.). The local senator from the state legislature struck a more conciliatory tone, saying that there was room for everyone, given that South Texas was well known as a medically underserved area. HSMA retorted that, in fact, South Texas was not underserved at all, an assertion which contradicts the Texas Department of State Health Services, which has identified Starr
and Hidalgo Counties⁴⁵ as “Medically Underserved Areas” since 1978 and 1994, respectively, on through the current day (Texas Department of State Health Services, 2011). Estimates at the time of the RAHC controversy showed Hidalgo and Starr Counties to have about half the physicians per capita as the United States average. Nevertheless, HSMA was adamant that this was a deleterious intrusion on the part of the state, and that matters of medicine should be left to private practitioners alone. The HSMA president further commented:

"The medical community has been built here – and it’s arguably one of the finest along the U.S. – Mexico border – at no cost to the city or state. It’s been done with private practitioners setting up their practices...So we’re a little bit confused why they want to pay so much money to get some residency programs. Because that’s all it is.” (Pinkerton 1998)

These arguments may strike one as odd given the doctors’ later characterization of their service area in their rebuttal to the work of Atul Gawande – namely, that McAllen’s costs are ineluctably high precisely because it is so underserved, its population is so in need, both in terms of finances and acute medical conditions, and the system is so heavily dependent on government-provided healthcare insurance. Perhaps it is unfortunate for supporters of a medical school in McAllen, then, that nobody was around to point out that McAllen’s costs were already running away from state and national averages by the end of the 1990s.

⁴⁵ In comparison, only certain census tracts within Cameron County, where Brownsville is located, received the same designation.

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Questionable claims aside, as the application process drew to a close in 2000, the City of McAllen caved to the doctors’ demands. After HSMA wrote a letter reportedly stating that its members would not host residents under the RAHC’s programs, the city withdrew its offer of $5 million in matching funds for the project. Even as newspapers went to press reporting this, state-level bureaucrats said they would still consider awarding a proposal from McAllen, if the city would only submit one. The UT Regents ultimately allocated $25 million to Harlingen, $5 million to Brownsville, and $15 million to Edinburg, which stepped up to the plate once McAllen dropped out. Local and state politicians were apparently blindsided. The mayor of McAllen expressed resignation, saying only that if they “couldn’t get the support of the medical community, the City of McAllen is not going to participate.” A state senator said “I’d like to see some of [the medical community] who have taken this stand explain why, since this is a small investment for larger returns in the future” (Gregor 2000).

The Harlingen RAHC opened in 2002 and has since been receiving a stream of third- and fourth-year medical students from UT San Antonio for rotations. In 2011, the Texas State Legislature took its most concrete step yet towards turning the facility into a medical school, committing $30 million more towards its expansion (McAllen Monitor 2011). Many in McAllen still maintain that their city was robbed of one of the biggest growth opportunities ever to appear in their region, which does not appear to be much of an exaggeration given the impacts of medical schools elsewhere. To pass on such an opportunity, let alone one on a scale far beyond that of any single employer – and one
which, over the course of several years, kept arriving over and over again with what were essentially engraved invitations for McAllen to take part – makes for a very un-McAllen chain of events.

Accounting for a renegade repertoire: Some possible answers and further questions

There are several possible explanations for the emergence of such a group with an approach to public projects so distinct from the prevailing local trends. Some are compatible with each other, while some can only at best lead the explanation partway to the accounting for the events observed.

The first theory is that this is purely structural. South Texas doctors had great reason to fear the entry of a medical school, in no small part because they have based their whole business model around the populations that will usually go to publicly-owned hospitals: the poor and the indigent. One avenue not explored by Gawande in his study as to why McAllen shows such an acute “cost conundrum” is that the local region has up until now been a regulatory exception within its own state; that is, while Texas’ Medicaid program normally centralizes its provision around designated “primary care providers” in a managed care program, such requirements only started to apply to the Rio Grande Valley in March of 2012; that is, up until the time of this writing, the region’s state-subsidized medical care was much more patterned by specialists’ utilization choices than elsewhere. The Texas Legislature has been trying to end the exemption since at least 2003, with South Texas representatives finding ways to keep it alive (Kilday Hart 2009) until the most recent
legislative session. When Texas ended the exemption for South Texas, including the region in its system of managed care for Medicaid enrollees, supporters of the bill claimed that this provision alone would save Texas $300 million over two years (Lisherson 2011).

A structural argument for the McAllen doctors' showing in the RAHC controversy might look something like an augmented version of Gawande's argument; it would trace the history both of the managed care exception and the growth of hospitals since the 1980s, a time when larger businesses from outside were entering the local market. One important aspect of determining the role of such regulatory and ownership structures in informing doctors' practices and perspectives would be to tie together the factors influencing the push towards specialization, as well as those rewarding referrals. The role of outsider-owned, especially chain hospitals in particular needs to be examined, as these systems tend to recruit aggressively and were eventually major targets of Medicare fraud charges (Taylor 1997, Gaffney 2009); thus it stands to reason that they were at the center of encouraging a profit-maximization approach to care. One important subsidiary question is whether the entry of such hospitals into McAllen differed from their entry into communities such as Brownsville and El Paso; we do know, for example, that two of the biggest national owners of hospitals, the Hospital Corporation of America (HCA) and Universal Health Services, Inc. (UHS) moved into McAllen in 1982 and 1985, respectively, with the latter taking over McAllen's formerly municipality-owned hospital. Perhaps the rapidity and extent of the corporate takeover exacerbated these factors in McAllen.
What this argument cannot really explain, however, is how under these same broad regulatory conditions, doctors in neither Harlingen nor Brownsville organized to sabotage their city’s proposals. As we saw above, Brownsville’s medical community warmly embraced the project, at least in whatever public, organized form can be found on record. The medical cost average in the Harlingen/Brownsville area is much closer to that in McAllen than El Paso or the nation. If such conditions were insufficient to spark militancy fifty miles down the road, what provoked the doctors in McAllen?

A second argument would point towards differences of leadership in the local medical communities, which might or might not have come about purely by chance. This argument was briefly mounted, but then abandoned, in Dr. Gawande’s essay, in which an anaesthesiologist/doctor-owned hospital administrator/conservative talk radio host appears and delivers a short sermon on why the government is at fault for all of the problems in American healthcare. Ultimately, Gawande concludes that administrators are not the cause of high healthcare costs because they reveal in their interviews a genuine ignorance of the cost data that Gawande has on-hand.

But this does not mean that the administrators and/or organizational leaders do not somehow shape their community’s agenda when it comes to showing voice in local community issues. One interviewee in my study, a local academic, felt strongly that one doctor in in a leadership role particular had a great deal of influence over how the medical school issue played out. To quote his telling of the story:
"...when you're dealing with a lot of doctors who are more interested in making money than they are in people's health - and unfortunately there are a lot of doctors who are like that - and, when you have a lot of doctors who are not necessarily aware of what's going on politically - you know, they've got their practice. They're practicing medicine, and they're looking to other people to give them guidance as to what the issues are, what the problems are, whatever. And you've got this guy over here, who is from the Joseph Goebbels school of, you string the lie as big, and as loud, and as often as you can, and eventually, people will believe it, ok? He's working these doctors in McAllen, he's workin' 'em hard, even the ones who aren't concerned about how they might lose income...but they're listening to him, he's bombarding them...so finally, those that voted [in] the...medical association, they said, 'We don't want the RAHC, we're not going to accept the RAHC, and if it comes here, we're not gonna participate.'”(Interview, April 13, 2010)

To see if this has any substance, we would need to compare who the leading figures were in the two medical communities over the past twenty or so years, to see if somehow a different distribution of leaders actually fits with the differences in group behavior. By identifying hospital administrators and leaders of doctors' organizations, and conducting a documentary search as well as interviews of sufficient depth and relevance, we should be able to tell if group leaders made a significant difference.

Yet another argument would propose that there are certain particularities regarding which doctors get recruited to McAllen vs. Brownsville. For this argument to be true, there would have to be a mechanism by which hospitals in Brownsville and Harlingen recruited doctors from different backgrounds than the hospitals in McAllen and its immediate environs. This argument seems less plausible from the outset, however, for two reasons: first, Dr. Gawande's interviews of a variety of doctors and administrators in McAllen led him to conclude that there was nothing particularly distinct, at least from his Boston-based medical training and practice, about the backgrounds of doctors who work in McAllen; his
investigation had him convinced that doctors’ attitudes were driven by certain specific “anchor tenants” who socialized them into medical practice after their arrival there. Second, several of the largest hospitals across McAllen, Harlingen, and Brownsville are owned by the same two companies: HCA and UHS. This would leave only hospital administrators as a possible channel by which distinct pools of doctors could enter into these communities. This explanation, while a remote possibility, should be checked through interviews with hospital administrators.

Another possible explanation is that McAllen’s doctor community gradually became politically mobilized in a very specific way – such as perhaps an orientation towards national healthcare issues, and with a political paradigm informed by that discourse – that led them away from thinking about local issues on local terms. This might have come about in at least two ways. First, the doctors in McAllen, or at least a key subset of them, may have more fully embraced the doctor-as-stockholder model of medicine, in which doctors act as investors in specialty clinics to which they also happen to refer patients to. This lay at the root of Dr. Gawande’s suspicions about Doctors Hospital at Renaissance (DHR), which he ultimately identified more as an outcome than as a cause of McAllen’s “culture of money.” This hospital, built and owned in conjunction between local doctors and a well-established developer and banker, came to be seen as an emblem of McAllen’s rapid rise in medical care. With over 500 beds, it is also one of the largest hospitals in the region.
The doctors' ownership model at DHR has provided ample reason to prioritize national policy concerns. The aforementioned developer, who maintains a position on the hospital's board of managers and remains very active in shaping the direction of the institution, helped the full group of owners establish a Political Action Committee (PAC) in which doctors on staff are encouraged to participate. When this individual participated in my research, he dismissed national attention on his and the PAC's influence (Mosk 2007, Sherman 2008, Sack and Herszenhorn 2009) by maintaining that the PAC is "peanuts" on the national scene,\(^\text{46}\) and noting that he is more broadly focused on bringing politicians from both parties' attention to the Valley region than any kind of special interest issue. These are both verifiably true. At the same time, one of the main issues of focus for the doctors' Border Health PAC has been to prevent attempts in Congress to either minimize or eliminate doctors' ability to take ownership stakes in hospitals. Thus far, the Border Health PAC succeeded in grandfathering in their structure even while Congress has legislated against its future growth (see e.g., Sack and Herszenhorn 2009).

From this angle, one would want to know if doctors' ownership stakes were enhanced by and combined with local forces to train their attention on a political arena whereby their concerns and general approach diverged from that of their local neighbors. In fact, they

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\(^{46}\) Of course, in the world of political contributions, everything is relative; in 2007, the Washington Post reported that in the fifteen previous years, this developer had bundled $1.4 million dollars for federal political candidates and party committees, mostly Democrats (Mosk 2007). In 2009, the New York Times reported that the Border Health PAC made $120,000 in political contributions to both Democratic and Republican candidates in 2008, while two events held at his home - one for the Democratic Party's Senatorial Campaign Committee, and the other for the House - collected $500,000, and $800,000, respectively (Sack and Herszenhorn 2009). There is thus ample room for the developer's claims to be true without reports of his influence being overstated either.
may even have different neighbors than doctors in, say, Brownsville, given that their strong alliance with the local developer originated in so many of them having him build new homes. Given that most doctors are not originally from that region, and a high proportion are from other countries, there may be a “virgin settlement” effect in McAllen by which the newly arrived physicians were more segregated from already-established local communities than their counterparts in other nearby cities where the overall population and housing stock were not growing as quickly. One interviewee, a longtime physician from the region, pointed to insularity from local affairs as a concern about the younger generation of practitioners. He stated:

"...a lot of doctors, especially doctors that are not originally from the United States, are not used to participating in the community—in the Salvation Army and this or that...We are the largest, best-educated, affluent group in town that has almost no influence. They just don’t get involved. People like me that get involved in the [local civic organizations]. My wife, she’s got the honor for the volunteerism award by the Junior League. She is in the Salvation Army Board. She is in the [University of Texas] Pan American thing...She’s involved in a lot of things and very active, but they can’t get the other wives to come. They say, ‘Oh, we have our own Pakistani or Indian or Egyptian group. We meet.’ They don’t get involved. You talk to them, they will tell you, boy, you can’t get them to a meeting - same thing with the doctors.”

(Interview, December 19, 2011)

To understand how these factors of communal and political isolation may have affected the situation, we would need to know 1) the degree to which doctor ownership of facilities became more commonplace, and at what scale of facility in McAllen vs. elsewhere, 2) the activities of the Border Health PAC, in terms of its contributions, events, and member participations, and 3) the degree to which doctors might have been more residentially isolated in McAllen than a place such as Brownsville.
Finally, there is an approach that places most, or possibly all of these factors in incremental influence with each other and theoretically prioritizes repertoires as the primary mechanism by which such mutual influences cumulated into patterns distinct both in the medical community's articulation and pursuit of its interests. A first cut at a hypothetical multicausal account, which could be used to inform future research design, might go something like this:

"McAllen's medical community came to practice a distinct political repertoire from the rest of their locality because their local sector built up over time in a way such that 1) their industry dynamic was driven to an extreme form of high-volume, for-profit, specialist-driven medical care that 2) they built an unusual level of ownership over and 3) trained their attention towards national politics as the means of defending this model while 4) living in relative seclusion from the local affairs that might have made other priorities more of a concern to them.

"First, South Texas, as opposed to the rest of the state, was a highly specialist-driven medical area; this led to a region-wide emphasis on maximizing special tests and procedures, as opposed to integrated or preventive care. Second, this tendency was further trained toward profit by the home healthcare industry, which expanded much more intensely in McAllen than elsewhere because of a coincidental match in timing between the
industry's inclusion into government subsidies and the very sudden changeover in ownership of local hospitals to large, outside firms. This produced a bonanza in high-volume, specialist-driven medical care to a degree unseen elsewhere, even Brownsville.

"But had the differences ended there, the ideological boundaries and political involvements of this professional community might not have diverged. To adopt such a distinct understanding of their local needs, the doctors in McAllen had to be set apart. McAllen's faster overall economic growth than other places on the border provided at least two channels by which actors might have accomplished this. First, it encouraged them to move beyond taking the incentives of larger companies and becoming private owners themselves in health facilities. While the private shareholder model existed elsewhere, McAllen doctors enacted it to a greater degree and at greater scale, both because the booming population demanded it and because they had ready access to local finance in helping them to build facilities beyond an everyday strip mall X-ray or physical therapy clinic. With the help of established local developers and financiers, McAllen's doctors could access the resources necessary to build Doctors Hospital at Renaissance, which came to be known as South Texas' earliest adopter of some of the most advanced medical technologies in the world. Second, their local sources of finance to build their own medical facilities were also their home developers, placing them with each other in fresh housing stock as opposed to in among other local groups in more-established neighborhoods.

47 In 1987, the National Association for Home Care (NAHC), consumer groups, and US Reps. Staggers and Pepper brought a lawsuit against the federal government for its failures in paying for home health care. This successful lawsuit brought the NAHC to the table in rewriting Medicare coverage policies, and precipitated an explosion in the industry's growth (NAHC 2001).
“Finally, as managers of their own medical facilities, the doctors’ political attentions were trained more towards national than local affairs. Their biggest constituent issues had to do with federal policies that affected the rules of their ownership and use of these facilities. They formed a Political Action Committee to make sure that federal policies did not threaten either their model of ownership or the benefits it provided them. They came to see their stakes as sitting entirely in the camp of privatized, individualized medicine, with the main exception being that they militated against any cuts, ever, in Medicare and Medicaid payouts. And so, when their city government saw one of the biggest development opportunities in its history arrive with the possibility of receiving a medical school, the doctors saw it differently: as yet another attempt to hack away at their very carefully constructed, very rewarding system of medical care. There could be no compromise because they had traveled so far in investing themselves in an agenda built around the notion that any exception to the dominance of private ownership was anathema. No other concern came close.”

Brownsville’s ITEC as collaborative “free space”

Just as McAllen has had projects that go against the grain of its predominant patterns of groups defining and pursuing their goals together, so has Brownsville. In Brownsville’s case, an exception to repertoire means a project sustained by interactions over time across groups which are not guided by patterns of action that presume interests to be individual, conflicts to be zero-sum, and Brownsville to be an anomalous place in the world. The best-
documented case in the course of this research is a collaborative, mixed-use center called the International Technology, Education and Commerce Center, or ITEC. It was initiated as a project of The University of Texas at Brownsville (UTB)/Texas Southmost College (TSC) and began operations in 2004.

ITEC is not at the same scale of impact as a metro area-wide medical industry, nor of that shown by a large number of the projects discussed in Chapter Four. On the other hand, as we will see below, its impacts are sizeable and noteworthy. A brief consideration of projects that interviewees offered as examples of collaborative project success in Brownsville will help highlight what makes an examination of ITEC worthwhile.

_A digression into the not-quite exceptional_

One project that a handful of interviewees mentioned as exemplifying a break from Brownsville’s routine was the expansion of the Sunrise Mall in 1998 in the northwestern portion of the city. They pointed out that this project required collaboration primarily between the Brownsville Economic Development Council and the City of Brownsville. Yet this project does not really escape the normal patterns in Brownsville: as described in Chapter Four’s section on malls, it occurred the behest of an individual private investor, MG Herring. The project initiated an exodus of Amigoland’s anchor tenants, sending that mall into a death spiral. When I interviewed economic development professionals who worked on the project, it was clear that they carried it out without any clear process of evaluating how adding a second, competing mall would fit in with the development of retail in the 174
context of the Brownsville metro area. If anything, the Sunrise project seems a better illustration of how much easier it is to execute individually-initiated, as opposed to collectively-oriented, projects in Brownsville.

A second project which received far more frequent mention as a space to foster policy collaboration in Brownsville was its most recent master-planning project, titled “Imagine! Brownsville.” Initiated in late 2006/early 2007 at the behest of the Brownsville city commission and mayor, the project placed a local consulting firm in charge of an ambitious two-year process involving a series of public workshops and smaller committee meetings at cost of approximately $900,000 to produce a plan almost 500 pages long. The website for Imagine! Brownsville listed a “task force” that reads like a who's-who of Brownsville: city commissioners, bankers, top school district administrators, heads of large local nonprofits, local attorneys, principals of the best local private schools, hospital administrators, representatives of the Audobon Society and the Boy Scouts, etc. The plan contains fourteen topical subcategories ranging from land use to utilities to healthcare to employment creation, resulting in a series of proposed projects carrying a total estimated cost of approximately $750 million.

According to its initiators, what was to distinguish Imagine! Brownsville from previous local planning and visioning efforts was that it would focus on implementation. As such, while the final plan involved projects of ambitious scope and scale, its hallmark was that it
would attempt to rearrange local players to be able to actually carry out what had been committed to paper.

The proximal goal of the plan was to restructure relations among public agencies in Brownsville to make coordination more likely. Six of the most prominent local entities (the city commission, the port, the public school district, the public utility agency, the university, and the economic development council) would commit their own money ($25,000 per year per organization) and appoint representatives to a board (called United Brownsville) that would coordinate the most-needed public projects that were too big for any one agency to take care of on its own. That such commitments could be cemented through such an ongoing concern was perhaps as ambitious as the $750 million in public projects that were being recommended for funding, and this did not escape the project's organizers.

Imagine/United Brownsville may one day merit documentation as a success case for coordination in Brownsville. There are at least two reasons that this is not yet possible. First, the organization's accomplishments thus far are not clear: Imagine! Brownsville stopped producing public information and press releases in 2010 when its efforts transitioned toward United Brownsville as a distinct 501(c)3. Since then, United Brownsville's accomplishments have been unclear. The organization hired an Executive Director in the Spring of 2011—former mayor of a small town outside Austin (Perez-Treviño 2011a)—but has since produced no announcements of any of its activities, other
than one on the day of Gonzalez's hire of a formal agreement to collaborate with authorities in Matamoros in its future efforts (Perez-Treviño 2011b).

The other reason for the prematurity of calling Imagine/United Brownsville a success, beyond the absence of recorded impact on economic development projects in the Brownsville area, is that it has been a topic of significant controversy as yet another elitist machination, i.e. foisted on the taxpayers as a universalist project when in fact narrow gain was its only true end. The project alienated the subsequent mayor who inherited the project, as well as the local newspaper, one of whose investigative reporters engaged in an extended cat-and-mouse game with the planning group’s administrators over the legality of their board and funding structures (see e.g. Perez-Treviño 2007, 2009, 2010). When I interviewed some individuals involved with the project, I was asked not to record our interview (normally not a problem), because they thought Imagine Brownsville was a “very sensitive” matter, and attributed this to its becoming “highly politicized” after the mayor who initially championed it declined to run for reelection, leaving it without a champion. In my other interviews in Brownsville, there was a nearly equal balance between those who saw Imagine/United Brownsville as a major step forward for the city, and those who saw it as a boondoggle enacted for the sake a small clique of bankers and politicians. Thus, it is not at all clear that this project should be considered exceptional in terms of how it is embedded in a set of practices and understandings about who it is for and how it is to be wielded in the hands of political actors.
ITEC: A rare occurrence in Brownsville

In light of these projects, Brownsville’s ITEC seems quite exceptional. The initiative of the local university (UTB/TSC)\textsuperscript{48}, this International Technology, Education, and Commerce Center now occupies the shuttered Amigoland Mall in downtown Brownsville. It houses Brownsville’s Economic Development Council (BEDC), a Mexican consulate, university classrooms, a police academy, a language institute, a facility for environmental research and consulting, and a business incubator comprising a number of small firms. What sets it apart from the Sunrise Mall project is that it does not subtract from one part of Brownsville to add to another; the center largely meets formerly unmet needs, and/or relocates complementary agencies and functions to their mutual improvement. Unlike Imagine/United Brownsville, the ITEC can legitimately claim to have succeeded in bringing new jobs and business ventures to the city; over and above any enhancements provided to BEDC’s work through its combination of services, ITEC’s business incubator has provided assistance to 63 companies, generating an estimated 600 jobs. The focus has been on small ventures in advanced sectors where Brownsville previously had little to no presence, especially alternative energy production. One interviewee who works in the center noted: “These guys [on the other side from his office] are all scientists. That’s a step forward for us: we never thought we’d see scientists running around in here.”

\textsuperscript{48} As of the fall of 2010, the University of Texas abruptly terminated its partnership with Texas Southmost College, though it stipulated that the two could maintain their integrated structure until 2015 (see further discussion below).
Also important for the purposes of this study, ITEC is not standing on any particularly contested ground. There have been some grumblings about the outcomes of some of the training programs there (Beshur 2003), and there have been some disagreements over how strict the center ought to be in collecting rent from its tenants (Tillman 2010); but on the whole, there have not been sustained accusations of ITEC being for the sake of a particular developer, or helping UT Brownsville but not the local community, to such an extent that its intended constituency becomes polarized. And yet it has involved significant public investments: several million to buy the whole mall, plus tens of millions to rehabilitate the portions of it currently in use, not to mention ongoing costs of operation. Thus, we might put the question regarding ITEC as follows: how did Brownsville come to enact a costly economic development project with broad collaboration that has both produced results and is generally uncontroversial in its mission and operations?

"Getting sucked into the mission"

The process of creating ITEC began when the property manager of the Amigoland Mall contacted an administrator of UTB-TSC's workforce training programs in late 2001 about whether the university might be interested in purchasing the entire mall property. Such a call had been made about a year previous to ask if the university might want to purchase the space left by one of its fleeing anchor stores (Dillard's). Occupying the space of one department store in a mall did not much appeal to the university; having exclusive access to the entirety of a 647,000 square foot property did.
The deal made sense because UTB/TSC had purchased a large former downtown bank (First Commerce Bank) building in 1998 to accommodate a series of mass trainings that had been prompted by the recent collapse of local apparel manufacturers. In a matter of a few years, large employers such as Haggar, Levi Strauss, and Allison (a supplier to Kmart, Wal-Mart, and Target) had shuttered, each closure leaving as many as five to six hundred workers displaced. These workers, many of whom had no high school degree but had been making $12-15 an hour, were being brought en masse for federally-funded trainings to help them get their GEDs and/or certifications for skilled professions such as nursing.

Based on this precedent, some employees at the university saw the possibility of an “evolution” in owning the entire mall space, insofar as the university might use it to more ambitiously tackle its workforce agenda. They drew up a business plan around the idea of a multi-use center for education and business and got a university vice-president, and then its president, onboard. In telling this story to me, one of the administrators involved repeatedly emphasized the role of UTB’s President. He noted her quickness in “seeing the logic,” calling her a “brilliant leader” and crediting her with “creating the environment” that made efforts such as his own possible.

The role of charismatic leaders will always be suspect as an explanation of first resort, but at the same time it should not be summarily discounted. As we will discuss further below, one of the most interesting questions about UT Brownsville is how it seems to happen that there is a clear, collective, cooperation-inducing morale within the University, while at the
same time, placing the University in a broader local political ecosystem seems to cast it in the light of Brownsville “politics as usual.”

In the case of ITEC, UTB’s President used her clout to bring local bankers on board to help finance the venture; ultimately, local financiers helped negotiate the purchase, while the majority (approx. $30 million) of the startup capital came from a local bond to finance university construction, with another $5.5 million coming from the Greater Brownsville Incentives Corporation (GBIC), the parent organization to the Brownsville Economic Development Council (BEDC). Seeing the logic of a combined space for academic research and teaching, economic development, business incubation, and international trade translated into the president’s action to convene an advisory board of local business and political leaders to garner feedback for how to manage and use the new center. The result has been a combination of facets that seems to operate to effectively make the whole greater than the sum of its parts. As one administrator of the center put it, a business prospect visiting the center will tend to be intrigued by the procession through its various features:

“So right away, people say, ‘Wow, here’s a university. They’ve got a young population that’s a tremendous resource for us. By the way, what is this place?’ And, ‘Oh, there’s the Mexican Consulate. Well, that’s sort of handy...What do you mean a business incubator – you have a trade center, and a go-green center and you have a technology center...? And how does this all tie in?’ It’s a nice tool, really.” (Interview, April 27, 2010)

Free spaces, multi-repertoire actors, and notes for Brownsville optimists

Two themes immediately emerge from the story of the ITEC, one a continuation of some elements previously introduced, one heretofore not discussed. The first is the question of
who gets to occupy a discursive space by owning a certain resource or defining its "standard operating procedure," as it were. There is very much a "right place, right time" element to ITEC's flourishing that in many ways recalls Chapter Five's discussion of McAllen's repertoire change. In McAllen, had the Midwestern farmers not been left to their own devices to resist and replace the Closner/Baker machine, the opportunity for a "free space" to redefine the local political repertoire may have been lost; similarly, had the Brownsville city government, or public school district, or other much more longstanding entity steeped in the clannish local political traditions made a move on Brownsville's shuttered mall, perhaps it would have joined the long list of public projects whose developmental impacts vanished as they became tug-of-war casualties.

But another observation suggests that it is not sufficient to assume that some organizations or actors have "good" repertoires, and others have "bad" ones. In fact, UTB/TSC has been a central player in many of the scenarios in which Brownsville's atomized/antagonistic/atypical repertoire has been dominant. One major example is in the university's own fragmentation in 2010, itself the outcome of a fraught process of trying to realize the potential of the combined institution. It was the climax of a longstanding tussle between conflicting points of view over the role and ownership stakes of the local TSC trustee board versus the UT Regents, and resulted in University of Texas abruptly ending the long-touted hybrid institutional arrangement. This came after the TSC trustees delayed in offering a counter-proposal for the updating of the two institutions' agreement, over which there were sticking points about asset ownership and payments owed. On November
10, 2010, the UT Regents issued a statement claiming that “the current working situation is untenable...we will not put our standards of excellence in higher education on hold...We cannot...[put] UTB’s principles of accountability and transparency at risk” (Ulloa 2010). At the meeting where the statement was issued, individual regents complained that they were being “held hostage” by Brownsville trustees who were in “opposition to our goals” (Hamilton 2010). TSC trustees did try to find ways to make amends, but to no avail.

The head-on collision between TSC and UTB seems rooted in the same turf-war phenomenon that has sunk many a public project in Brownsville. Brownsvillians, some of them TSC trustees, long suspected the University of Texas of trying to raid their local coffers to stuff their (already much-larger) pockets (Garza 2010); local boosters wanted to use their status as a taxing district and major owner of university property to lean on Goliath for more concessions (Tillman 2009); and, in the end, the division of local vs. state prerogatives sent the entire structure tumbling.49 The President of UTB’s public statements about this turn, both to the newspapers and in an interview for this study, were largely positive. On the day of the Regents’ vote, she stated that “What you have heard today was a commitment from the university’s future” (Hamilton 2010). On, September 9, 2011, she said at a public ceremony that “I’ve not felt a loss here, as much as we’ve felt a gain from the connection with [the] UT System” (Armendariz 2011). And in speaking directly with her, she offered me two metaphors for the split: first, a butterfly leaving chrysalis, and second, a

49 This is not intended to imply that responsibility for the agreement’s abrupt, unanticipated, and crippling end (at least for TSC, which now must hire new administrators and seek new accreditation) falls entirely on one side or the other. It is simply to point out that the agreement collapsed because of an unbreachable gap that formed between UTB and TSC, something to which suspicious locals clearly contributed.
space shuttle detaching from its booster rocket in the course of its ascent. In contrast, one TSC trustee said the end of the partnership "would be like separating conjoined twins who share vital organs" (Ulloa 2010b). The publishers of the Brownsville Herald focused on the apparent disconnect between the UTB President's satisfaction and the local sense of damage and betrayal when they wrote:

"[she] compared UTB's growth to what the University of Texas at El Paso and University of Texas at Dallas went through, saying the local university is passing through a cocoon phase just like its UT System brethren. Maybe, but a community college that had been part of its community for nearly eight decades wasn't thrown under the bus as UTEP and UTD blossomed into butterflies of higher education...one can easily see that whatever comes out of this 'fracaso' [breakdown, fiasco] will have [the president of UTB] at the helm, and that outcome will not be a product of happenstance." (Cavazos 2010)

Furthermore, the UTB-TSC fracaso was not this school's only turf war. Many trustee elections prior to the agreement's end paved the road to the final standoff by deepening the polarized image of pro- vs. anti-presidential factions. UTB was also a central participant in the above-described Imagine! Brownsville project, which never attained the popular support or universalist mandate that it sought before it disappeared into a private nonprofit. Furthermore, the University has at various moments been at odds with the City over land purchases and their worth. Many political observers in Brownsville hold up UTB as a paradigm example of the status quo Brownsville political repertoire.

If, as the above preliminary sketch suggests, UTB was simultaneously capable of enacting status quo and alternative repertoires, different research questions regarding how to change a repertoire like Brownsville's open up. Previously, one might have asked, how do players untainted by the old repertoire step up and take ownership of resources to
propagate alternative claim-making practices? Or, in a similar vein, how can actors in Brownsville learn new ways of making claims, given that their current playbook does not work? That the ITEC, with its multiple funding sources, ambitious agenda, broad tent, and sustained, collective agenda could be enacted by a University that was the site of ongoing struggles over ownership and identity suggests that we not assume that the many other Brownsville entities who get mired in other fracasos – in one, or even many instances – know of no other way.

One possible route to researching organizations such as UTB, which show different faces in different contexts, would be to follow single organizations across projects. The question here would be one of comparing the environmental factors between projects that elicit one repertoire vs. another. UTB could be a fruitful case insofar as its administrators and representatives past and present, as well as internal documentation, could reconstruct when the institution has felt “safe” enough to pursue an open, shared project, versus when there has been a response of being threatened or at odds with another entity, such as the city of Brownsville, or within the University itself as a product of factionalized agendas.

Summary

This chapter examined two cases, one each in McAllen and Brownsville, where local groups enacted political repertoires that were not in keeping with the prevailing patterns in their cities. Unlike the cases discussed in Chapter Four, the two offered here were not matched: they involve different institutions, issues and scales. Nevertheless, these two cases were
chose for preliminary investigation because they were the best available of the exceptions to repertoire that could be identified. Their contributions to future investigation are different, but build on the previous findings of this study in compatible ways. The case of McAllen's doctors outlines factors that can contribute to the creation of a discursive free space; it also suggests that the arena(s) of politics in which a group participates the most may be a key factor in the elaboration or importation of a new repertoire. In the case of Brownsville's ITEC, we see an example of one organization operating by different repertoires in different contexts. One possible reason for ITEC's distinct execution which merits further investigation is that UTB was removed from connections to existing partisan struggles, perhaps offering the separation necessary to operate in a different way. Whether such "walled-off gardens" can successfully bring about change in the more politically central institutional spaces and projects is not clear, but this case at least suggests that the possibilities of "free spaces" need not apply exclusively to new groups and outsiders.
Conclusion

"A block in social actions, e.g. a class conflict, carries a reflex back into our communicative medium and hence into our thought. We then talk past one another. We interpret the 'same' symbol differently. Because the coordinated social actions sustaining the meaning of a given symbol have broken down, the symbol does not call out the same response in members of one group that it does in another, and there is no genuine communication." – C. Wright Mills (1939), "Language, Logic, Culture."

While conducting my interviews, one reason I knew that the McAllen-Brownsville comparison was well worthwhile was because most interviewees immediately latched onto it upon its mention. Many reported to me that it was already a favorite topic of conversation for them; some described it as a water-cooler pastime, or a conversation that would pop up when stuck in traffic, or possibly the source of a future New York Times Bestseller (information form a local source that I found particularly intriguing). Everyone who has seen the divergence firsthand knows it to be a noteworthy phenomenon that defies easy explanation.

This, of course, does not keep locals from forming their own theories. It was always a pleasure to listen to interviewees unfurl these, to walk with them through their own processes of scientific induction and analysis. There were three main genres into which pretty much all of the explanations I heard from locals fell into:

1. National culture: Many who described the differences between McAllen and Brownsville emphasized that McAllen is somehow a more "American," and
Brownsville a more "Mexican" city. Furthermore, many among those who pointed this out surmised that this had some basis in McAllen sitting approximately seven miles from the border, while Brownsville's downtown traces the national borderline. "Perhaps being able to see Mexico from your own downtown makes a difference?,” some surmised. Some would not even try to articulate a mechanism, as if the difference that be wrought by seven miles was self-explanatory.

Another vector for the national culture explanation was history: some locals who had availed themselves of learning more local history would assert that in some fashion or another, Brownsville’s early influences were more “Mexican” (broadly speaking, paternalistic, authoritarian, and personalistic) than McAllen’s, and that this legacy had persisted.

2. Leadership: Other locals reasoned that McAllen must have been the beneficiary of the luck of the draw in the "great man" department. The two names most frequently mentioned, by a longshot, as driving the whole difference in outcomes between McAllen-Reynosa and Brownsville-Matamoros were Othal Brand and Mike Allen. Put those two in Brownsville instead of McAllen, the reasoning goes, and you would see a major difference in outcome, and perhaps even a divergence in the opposite direction from what actually occurred.

3. “Getting their act together”: A final category of local explanations for the divergence was more diffuse. It went something like this: somehow, across its businesses and political organizations, McAllen came to more broadly express a more professionalized, cooperative, far-sighted, and coordinated approach to policy and business than Brownsville. Furthermore, somehow, in Brownsville, people are clannish and personalistic across the board, independent of their race, class, and organizational setting. Not very many residents would hazard cite a prior explanation to this cause, but those who did were more likely to resort to one or both of the first two reasons as the distal anchor for this more proximal causal force.

As discussions in previous chapters (especially Chapters Two, Three and Five) show, the first two explanations are difficult to square with the facts. In the case of an explanation of national culture, there is the fact that Brownsville was founded and dominated largely by Anglo elites; that the political conflicts which led to persistent political behaviors were over the mercantile commerce and land speculation that were the Anglos’ main stock-in-trade;
and that the political dynamics of the settled area that was to become McAllen were similarly influenced. As such, it is difficult to see how the populations of the two cities, demographically similar as they were, were sequestered into particularly distinct macro-national influences, especially if the longstanding characterizations of border populations as endemic cultural hybrids holds any weight at all.

As for the leadership explanation, it is clear both through contemporary and historical sources that the superior coordination and decisionmaking shown in McAllen did not begin or end with Othal Brand, Mike Allen, or even their closest circles of associates. They were prominent and powerful public faces of a broad and longstanding “philosophy,” as some in McAllen have called it, that the good of the city lies in the efficient, businesslike pursuit of the enriching of the aggregate, and that resistance along the way must be met with the extension of benefits so as to preserve the greater agenda. This way of doing things was not instituted by any individual; it was accumulated and built over time through collective experience. As the preceding chapters show, the third explanation can stand on its own two feet if we take such “ways of doing,” or repertoires, as a distinct influence and outcome of ongoing structural processes. These findings and the ancillary issues explored above have lessons for local economic development professionals in McAllen and Brownsville, as well as for theorists and scholars of economic development, both at the local and supra-local levels. I will take these contributions in turn.

Prospects for McAllen and Brownsville
All along this study has carried with it a certain normative ambiguity: is McAllen a success case? Clearly it is by the numbers of growth, but are these the right numbers? Could it be that development, as a contested term whose definitional underpinnings imply many ethical choices, has actually been better in Brownsville than McAllen, or has better prospects there?

I have left my own evaluations of what development should be out of the picture mostly because the questions posed by the McAllen-Reynosa/Brownsville-Matamoros divergence are important whatever we think about defining such a loaded term. They are important because there are major material and social outcomes that we should want to understand regardless of our criteria for evaluating their ethical worth. That said, I do not think that any alternative definition of development would be likely to elevate Brownsville-Matamoros to the status of a “better” performer in development than McAllen-Reynosa, at least so far. One need only look at the similarity in policy choices made, the equal pursuit of often developmentally “shallow” industries such as the maquiladoras, the marketing of the local workforce on the basis of its low wages, and the fact of nearly equal prevalence in poverty in the two city-regions to see the evidence against any substantial developmental superiority for Brownsville-Matamoros.

However, it would be superficial, or worse, dishonest not to note that McAllen’s developmental path carries with it problems which, if left unresolved, could call into serious question its vast quantitative successes according to standard measures. First,
McAllen has neither significantly raised the wages nor lowered the poverty of its workforce. As much as Mike Allen entered the local economic development profession under the premise that this was the best route to social justice, he himself could not in our conversations point to a clear social justice outcome to the development he helped encourage. His answer was deeply instructive for what it included and left out, and merits quoting. This portion of the transcript comes after I first asked him whether McAllen might possibly be a case of growth without prosperity. He did not initially see the distinction I was trying to make, so I elaborated:

SP: Because the wages have – not risen...and the – if you look at the percent of families in poverty in McAllen, it's not as if, you know, poverty’s been stricken from the area...
MA: No, no.
SP: It's still a low-income, high-poverty area. So then people say, “Is this growth without prosperity?”
MA: Um...one, when we first started with the maquilas, let’s start with Mexico first, there were no parking lots. ’Cause people didn’t have cars. But I was talking with my wife and we noticed...all these restaurants and stuff like that. McAllen’s economic situation is vastly better than it was in 1988. And, there’s a lot of reasons, ...but...I think what did happen is that we always tried to inspire investor confidence...But...and I know where you’re coming from. And, it’s a valid question. I’m not sure I know of a whole answer, but I do know that – ostensibly, you know, more money is being spent...um...but I think education has changed a lot of things, and, first generation college students, you know, their parents are realizing that that’s important, and so that’s, you know, that’s happening too, some...I don’t know, I - you ask a really good question, because...um...I just know that things are better.”

The honesty of Mr. Allen's struggle to find the social justice element of McAllen's economic trajectory lays bare both what is missing and the complexity of what is there. What is there is mostly more – of everything. Whether that will uplift those at the bottom of one of the highest-poverty areas in the nation is uncertain, and certainly not evidenced after the passage of what would have been an ample time period for such changes to at least begin to manifest themselves more clearly. At the same time, Allen was correct in pointing towards
in institutional growth, especially in higher education, as a resource that might begin to affect the labor market and poverty profile of the region more thoroughly down the road.

There are other reasons to find positive implications in what was otherwise a relatively doctrinaire rise for McAllen along neoliberal economic parameters. Indeed, a possible topic for future research could be the relative inclusion of outside political voices in McAllen vs. Brownsville. Preliminary evidence suggests that McAllen has far more successfully integrated pro-labor, pro-poor, and poor-environment groups into its administrative and planning agendas than has Brownsville. Activists with whom I spoke who have organized in both cities universally cited Brownsville as a sort of impregnable fortress, whereas McAllen to them shows signs of opening up to an agenda broader than the classic “pro-business” line. Such differences have already manifested themselves in McAllen’s earlier embrace of single-member districting and living wage ordinances (Osterman 2003) than Brownsville.

Then there is the phenomenon of violence across the border, which in many ways overshadows many of the above-described sub-trends. As the national death toll of an ongoing chaotic drug war between the Mexican government and ever-shifting alliances of trafficking cartels continues to rise (approaching 50,000 at the last official count, which nearly every observer agrees is a massive underestimate – see e.g. Cave 2012), life as it had been known has ceased along the northern Mexican border, including in Reynosa and Matamoros. One of the main impacts of this has been the exodus of people and capital from Mexico to the United States, especially from the privileged classes. Although all American
cities stand to benefit from such a migration pattern in the short-term, the long-term consequences are entirely anyone's guess, as the cities on the northern side of the border have historically owed most of their economic vitality to the strength of their southern neighbors.

The violence in Mexico, which has brought growth in cities such as Reynosa and Matamoros to a standstill, is if anything a future case study for the impact of repertoires on local and political economic processes. So far, McAllen has taken a quick lead in the region in consolidating and facilitating EB-5 "investor visas," which allow foreign nationals a green card in return for a minimum $500,000 capital investment\(^{50}\) with documented evidence of creating at least ten full-time jobs in the United States (Hendricks 2011). Brownsville, for its part, is trying to initiate a cross-border planning process as an extension of its United Brownsville planning project. Thus far, the most concrete manifestation of this effort has been the retainer of Patton Boggs, a Washington, DC-based law and lobbying firm, to help "stress the importance of including economic development along with traditional security control measures to effectively address security and immigration issues along the United States-Mexico border," according to the hiring's accompanying press release (Patton Boggs 2011).

While it stands to reason that there is good logic underlying the encouragement of formal-sector employment creation as a counter-weight to the influence of drug cartels in these

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\(^{50}\) The normal requirement of $1,000,000 in investment is waived for places designated as "targeted employment areas," which both McAllen and Brownsville are by dint of their local populations' unemployment rates.
cities, whatever momentum can be built in either McAllen-Reynosa or Brownsville-Matamoros towards this end remains highly uncertain. Local officials on the US side are understandably afraid and rather out of their depth as regards how to approach a problem of such scale and volatility, and Mexican officials more often than not seem to be exhausting themselves just in trying to survive, both politically and literally. Furthermore, Brownsville’s choice of pursuing the issue with the hire of a DC-based lobbyist smacks of previous, and relatively unsuccessful, economic development efforts that took the safe route of paying outsiders for a professional presentation while eschewing the kind of local knowledge-building that enabled McAllen to weave together with Reynosa a bi-national “world-class manufacturing region” despite many initial disadvantages.

Setting the Mexican crisis aside, McAllen seems poised to continue to solidify its growth lead over Brownsville in the next 20-30 years. The demographic growth that its metro area has sustained since NAFTA has elevated it to a much larger population base than now exists in the Brownsville MSA; while the two differed by only about 25% in 1980, the McAllen metro area as of 2010 was almost fully double that of Brownsville. As such, while Brownsville will continue to grow, and towns in between such as Weslaco and Harlingen will benefit from being at the center of this population corridor, the overall weight of growth only seems to accumulate more heavily around McAllen as its nexus.

One thing this could lead to eventually is a dissolution of the distinct boundary lines separating McAllen from Brownsville, just as one never really notices the difference in
driving between Los Angeles and Orange County. Already, current demographic projections suggest that the US-side population of the South Texas border area will reach three million by 2040, with over 2 million living just South of the border today. This could consequently lead the political and business elite to see their roles in the context of a larger “Rio South Texas” scope more than they do now. To some degree, this shift is already taking place, with local EDCs recently coming together to create a region-wide economic promotion agency (The Rio South Texas Economic Council, or RSTEC), though it remains to be seen whether this will set in as a default way of thinking. More likely than not, the kind of parochialism that made “McAllen vs. Brownsville vs. Harlingen vs. ..." such a salient lens through which to view these cities for the past 50-80 years will indeed recede somewhat as development further blurs the physical boundaries between these cities, and the scale of future projects requires more intensive and frequent coordination between them. Then again, other areas with similarly back-to-back cities still have plenty of room to make distinctions between municipal entities.

Possible long-term convergences aside, there are a few distinct policy areas that emerge from this study as having potential to aid McAllen and Brownsville. For Brownsville’s part, there are many institutional locations where letting in more outsider ownership – without strings being held by the same players as usual – could create space for more inclusion, creativity, and institutional linking. This, however, cannot be expected as an elective choice if the past record of invoking repertoire is any indicator. Another problem is that even if the wherewithal could be found to hire someone into an agency position (say, in economic
development), and give resources that were that agency’s province alone, such an actor would still most likely be drawn into a web of alliances just in the everyday course of his or her work. So while such elective experiments, if made, could have high benefit, the risk runs high of their falling prey to old ways.

Another path to change in Brownsville could be through an outsider group stepping up and taking ownership of a novel resource. Or, for that matter, an existing one that is ready to be inclusive once in the safe territory of its own domain, as UTB apparently was with ITEC. Obviously, this is nowhere near a pinpoint prescription, but what it suggests is that what locals might think about the vanguard of change in Brownsville might best be advanced working from the outside in, as opposed to trying to stir up the change from within the institutional settings that have historically prevented it. One thing, however, that the reader should not mistakenly take away from this dissertation is that the prescription for Brownsville’s ills are simply talking more, or getting more people at the table. While repertoires are embedded in processes of group problem-identification and -solving, they are shaped and changed when the group’s collectively acknowledged associations between practices and their associations with things shift; therefore, the realm of pure discourse does not contain the entirety of the phenomenon.

A development theme that Brownsville can and probably should pursue in the long-term is appealing to elites more with its quality of life. Filled with a series of oxbow lakes (resacas) and a very short ride from the beach, Brownsville should be the place where the wealthy of
the region want to pay for higher amenities. This does not happen today because all of the best new housing stock and luxury consumption is in McAllen. The fact of the matter, however, is that the proper selling of what is already in Brownsville, with or without big-box stores, hundreds of chain restaurants, a surfeit of nightclubs, etc., should be more than a sufficient appeal to many, including perhaps to some segments who prefer to stay away from McAllen’s endless strip mall atmosphere. Brownsville can and probably should more aggressively recruit the large pool of elite northern Mexicans looking for a safe retreat, and it could use the revenue gained in such efforts to bolster investment in other public goods.

Figures 13a (left) and 13b (right): On left, McAllen viewed from 10th Street, a main thoroughfare. On right, The UT Brownsville campus viewed from one of the network of resacas coursing through the city.

For its part, McAllen could also potentially further re-tool itself to profit from the region’s growth by attempting to concentrate within its boundaries the highest-tiered jobs, residents and retail locations that will continue to arrive in the region. Although McAllen has largely achieved this in luxury consumption, and has been shrewdly constructing
“districts” for the arts and nightclub entertainment that are appropriately aimed at the 
“creative class” (Florida 2002) recent news reports and my own conversations with 
planners there suggest that the city has yet to fully leave behind the desire to be number 
one in everything to be selective towards those segments with the greatest marginal 
benefit to the city. Of late, McAllen’s planners have been dismayed to find that the booming 
population of their region has made it possible for neighboring cities (e.g. Mercedes, Pharr) 
to attract big-ticket retail destinations such as an outlet mall and the region’s first Costco. 
However, as anyone who focuses on major cities knows, sometimes it is better to make a 
distinction between that which is suburban and general, and the kind of unique, “only in 
___” offerings that can be supported often exclusively in the core of a greater population 
base. McAllen has all of the necessary basis to be just such a core for its region, but to the 
extent that they engage in bidding wars for the next big-box with what are essentially their 
suburbs, they may detract from a higher road for themselves.

But what about the ostensible “real nuts and bolts” of development – increasing 
productivity, technological sophistication, and value added by local labor? Developing 
cultural industries (e.g. the arts, locally-owned restaurants and entertainment venues) can 
be a part of this picture, but such advancements are more the province of manufacturing, 
technology, and research-oriented industries. Here McAllen has made some interesting 
advancements, though it remains to be seen if they will condense into labor market 
changes that will be noticeable at the aggregate level. In the past several years, a handful of 
firms that were originally recruited to place manufacturing facilities in Reynosa also re-

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located their North American headquarters there; these successes were in part the
outcome of the efforts of MEDC, South Texas College, UT Pan-American, and a variety of
business associations and workforce coordinating to train and educate local youth to
become engineers and enter into the ranks of the manufacturers in the region. It may be in
fact that McAllen-Reynosa grows its workforce capacity for product design and marketing,
and continues in the long run to grow in these respects. Right now, they are only at the
outset of such a process.

Lessons for theories of local economic development

If there is one driving conviction in the mainstream literature on local economic
development, it is that better-calibrated policy designs can alter the fates of localities (see
Chapter Two above for a brief discussion). This premise unites individual branches which
attempt to calibrate policies around empirical themes, such as public infrastructure,
employer recruitment, and workforce development. By showing that the same policies can
produce widely divergent economic outcomes, this study goes beyond traditional
approaches to show that beyond these strictly defined local spending choices, there is a
vast amount of contingency that lies in how actors propose, promote, and implement
policies not just within a city government, or even necessarily one city, but throughout
whatever institutional venues they can access. Thus, a first contribution of this research to
concerns both academic and practical regarding local economic development should be:
follow the actors, and suspend assumptions of policy transparence and institutional
coherence.
From the first contribution we can derive two more. One extends from the fact that if actors' patterned claim-making techniques can affect the impact of a policy as widely as the difference between two totally different policy choices, then we need different ways of accounting for actors' skills than the standard reliance on aggregate educational attainment, income, etc. In other words, there may be more to a community's assets than what classic measures reflect. This should be of particular interest not only to policymakers and the elites who normally hold the most say-so in policy design and implementation, but also to social movements which seek ways to re-frame a community's agenda.

Finally, given the demonstrated impact of repertoires on development outcomes, the findings of this research underscore the need to uncover their evolutionary processes of creation, stability and change over time. This suggests that historical and ethnographic methods be combined to uncover the contingency in these ways of knowing, over and above their impacts and contents at a given moment in time.

Repertoires and broader theories of development

A meso-institutional approach of documenting patterns of practice in cities in an international context also speaks to questions outstanding in theories of development at a larger level. Already, in Chapters Two and Five, we have encountered many of the key arguments of theories that focus on long-run economic divergence. From a more holistic
view, how do the findings from this study fit into a broader field of contemporary thinking of development, and what might a repertoire-based approach have to add?

The first salient point in the state of thinking about economic development is that, for the time being, there are no comprehensive paradigms or policy packages left standing. Generally, the foreign aid/multilateral institutional community could tolerate one dominant approach at a time, the most recent being "The Washington Consensus" (WC). This supplanted its predecessor, Import-Substituting Industrialization, sometime in the 1980s. After a period of 10-15 years of broad support (nonetheless with heavy criticism throughout), the WC has been discredited, and there is no heir apparent. The WC was a series of policies intended to rein in the role of the state (which, under the previous Import Substitution paradigm, was to be the midwife that would protect and cultivate domestic industries to make them competitive on the world market) and open up developing countries to foreign investment as a means of encouraging development (Williamson 1990).

While there has been little systematic documentation of its falling out of favor in policy and academic circles, this program has been largely abandoned by the international institutions that were its main promulgators (the IMF and the World Bank), and is seen by most scholars as no longer having credibility (Kuczynski and Williamson 2003, World Bank 2005, Rodrik 2006). It may be that after precipitating and/or extending massive economic catastrophes of global impact upon doctrinal application in Mexico (1994), East Asia
(1997), Russia (1998), Argentina (1999), and Turkey (2001), support for the policy program was weakened to the point that any remaining interest washed away in the global financial crisis and its discrediting of the market policies and institutions of the most advanced economies.

What remains in its wake is a series of attempts to salvage the notion that developing countries are developing because they lack the “institutions” that supposedly propelled advanced countries to success (colonialism being conspicuously absent from discussions of said institutions). Those who dare to stand out on a limb and issue prescriptions in such uncertain times are generally those who were among the most vociferous policy-prescribers before the Washington Consensus’ fall: Jeffrey Sachs continues to call for more generosity in foreign aid, but now claims that this approach has merit because it is infusions of aid that will lead residents of developing nations to throw off the yokes of their corrupt governments (Sachs 2006). Paul Romer suggests that developing countries outsource their governance in order to resolve endemic corruption (Mallaby 2010), and in fact just brokered such a “charter city” deal between Honduras and Canada to test the idea, offering the premise that “the world does not need more aid...it needs more Canada” (Romer and Sanchez 2012). Paul Collier (2008, 2009) suggests that foreign efforts may be necessary to topple autocracies and protect democracies in the poorest nations. William Easterly (2006) has channeled the frustration with developing countries’ institutions into a Hayek-fueled call for “economic freedom” of untrammeled markets without planners and bureaucrats to get in the way.
One question regarding the increased emphasis on "good institutions" is whether, rather than solving a problem by revealing its internal workings, it simply pushes the locus to a higher level than before. Certainly, it is easy to appeal to "good institutions" as the source of prosperous countries' success and then cite a litany of governmental failures in the developing world as reason for their condition. Yet vast historical and contextual differences from case to case makes the assertion of a direction for the arrow of causality very difficult, and the clarity with which one can identify the "good" institutions seems to recede as the United States and Western Europe face economic stagnation and rising inequality. Even the rising stars of the macro- and formal-institutional approach to development, the already-discussed Acemoglu and Robinson, ultimately conclude after their controlled comparisons (the post-Bellum American South, North and South Korea, etc.) that institutional change is incredibly difficult to bring about; their main examples of it are England's Glorious Revolution of 1688 and the French Revolution of 1789-99. Thus the emphasis on institutions seems freighted either with some form of lightly veiled colonialism or overdetermination-induced pessimism.

A second major trend in development thinking poses itself as an antidote to these problems. It involves an increased focus on micro-level, behavioral analysis, with a heavy focus on poverty alleviation as opposed to growth or qualitative economic change per se. Adherents to this approach claim to have a solution that circumvents "politics" and political economy, both of which are charged with inviting irresistible temptation to ideological
interference, the nemesis of scientific validity. The circumvention comes with a strict use of
the method of randomized controlled trials (RCTs), which administer policy "treatments"
(e.g., mosquito bed nets, systems to monitor teachers’ attendance at schools) under
experimentally controlled conditions to definitively establish the costs vs. benefits of a
given policy treatment. This results in a sort of “baby steps” approach to development, in
which questions of divergent growth and qualitative change are left aside and the focus is
on changes “at the margin” to ameliorate the experience of poverty (Banerjee and Duflo
2011). The theoretical question, in turn, becomes one of continuously feeding more
empirical deviations from models back into them (Banerjee and Duflo 2005).

The third major trend, an empirical one that seems to at least implicitly inform the first
two, is the territorial shifting of the bulk of global economic activity, along with a
decoupling of development patterns from the boundaries of nation-states. This derives
from the basic reality that globalized systems of manufacturing and information technology
are finally thoroughly penetrating the “global South,” foremost within this broad category
being the billions living in China and India, plus hundreds of millions more in large, quickly
modernizing countries such as Russia, Brazil, Mexico, Indonesia, Turkey, and Vietnam (the
six of which together total almost another 900 million people). This shift in the center of
gravity in the world economy is occurring at a truly breathtaking pace: while emerging
economies accounted for only 20% of global output in 1990, they are projected to produce
more than 50% of the total by 2017; adjusting for differences in national purchasing power
leads to the conclusion that this milestone was already passed in 2008 (Economist 2011).
The notion of a "multipolar" global political economy is a topic of great speculation and attention (Friedman 2006, Lewis 2011, O'Neill 2011, World Bank 2011) not unlike that of an imminent mass extinction-causing asteroid impact.

Meanwhile, as the formerly indefinitely "emerging" countries seem to have emerged, they still are home to a vast number of people who have been left untouched by rapid growth that has been largely territorial; as of 2008, almost three-fourths (72%) of the world's poor (by the definition of "the bottom billion" who earn approximately $1 a day) live in "middle-income" countries. In 1990, these countries' share of the world's poorest was approximately 7% (Sumner 2011). Some may be quick to conclude that this is actually evidence of the onward march of universal progress; that soon, middle-class lifestyles will be the default for every human being. But this closing of the gap in productivity and technology across countries is not necessarily creating even development within them. In fact, in much of the world, as the floor for the poorest rises, the gap between them and their better-off compatriots is at the same time growing (Wade 2004, Huang 2008, Atkinson et al. 2011). In other words, there is strong evidence that we may be entering into something like an augmented "converging divergences" phenomenon, namely, that capitalism is refashioning all countries into similarly and increasingly unequal places (Katz and Darbishire 2000).

A repertoire approach allows us to maintain attention at the level of institutions and the kinds of cultural and power dynamics that produce and implement policies, filling a gap
between approaches focused on macro-institutions and micro-policy interventions. As the phenomenon of development complexifies and eludes quick attribution as the output of institutional choice at one discrete level, the mechanisms of divergence will persist, but will require that we focus on sensitive sub-national comparisons (Locke and Thelen 1995). This in itself suggests that researchers attend to actors as they navigate across the institutions and boundaries that formerly served as the demarcation lines for research inquiry. At the broadest level, research such as this study hopefully offers the outlines of a new approach to systematic change in the political economy, the prospect of which relies on nuanced, realistic approaches to institutions, a recognition of the impact of practical know-how, and its internal relations over time with other driving forces in economic change.
Appendix A: Interview Questions

Economic Development in General

What are the best things about your city? What is unique about it?

How has it grown? What are the biggest differences in the local economy?

What do you take as a primary example of successful economic development? If it's another place, what does it share with your city? How is it different?

Do you hear certain stories about economic development that you think are bogus? What points of view are distracting from the project?

What factors are necessary to have in place to develop? Which ones are merely helpful? What things can detract from or reduce development?

Tell me about an experience where you witnessed or were involved with a project that contributed to economic development. Or, tell me about one that was attempted but failed. What were the drivers?

Do you feel that outsiders' perceptions of your city are generally accurate? If you could wave a wand and change people's minds on one issue where they are misconceived, how would you use it?

Is cooperation with other cities a major issue in economic development? How do you see cities cooperating right now? Any examples? Who's involved in creating/sustaining the cooperation?

Sub-components of economic development

How is life for the average working person here? How is it different from any random working person in the US?

Who are the people with the greatest influence over local economic development? Where do they hail from? Do these different individuals get along?

How do influential people wield their influence here? Are there certain organizations, forums, or institutions?

How are the interactions between the business community and government? Is there trust? Agreement? Factions within either?

What is the biggest controversy currently regarding economic issues? Who is involved? How are they dealing with their disagreement?

How does your city reinvest the spoils of economic development? Does it do so wisely? What are some examples?
Do you see there being any important long-term historical issues affecting your city’s development? What are they?

What is the community like here? How does it come together? Is there a community-level agenda? How would you characterize it? How is it reflected in local institutions and projects?

What other resources from outside your city have been leveraged to generate development? How were they acquired/accessed?

What, if anything, does your city currently need most? What resources are most lacking? Where are they? Are people attempting to access them? How is it working?

How important is it that your border counterpart is X? What if your city had been paired instead with the counterpart of another city?

Try to think of one or two of the biggest development projects that this city has attempted in the past 20 years. Were they successful overall? How and why? Were there any problems?

What if your city had the mayor of the other city? The city commission? Would events have played out differently?

What if your city had all the same people it does now, but was located where the other city is? How would things be different?

**Change over time**

We’ve already talked a little about change. I wonder – have any of the important local development changes that have occurred in the past 20-30 years surprised you? Why?

What has changed for the average working person? How have their job options changed? Quality of life? Education opportunities? How has the average worker fared here as compared to elsewhere?

How are the politics of growth different here now? What issues have emerged? How were they influenced – by internal changes, or external? People moving in?

How have relations with Mexico changed over time? What have been the main factors driving these changes?

Can you recall a time when your city looked better respective to its neighbors than now? Worse? Talk about reputation, and how you’ve seen people react to reputation.

Have there been any changes in who are the most important business people? How about political leaders? Where do the people with the most influence hail from now?

**The future**

How will the next ten years here be different from the last ten?
Are there any changes urgently needed in this city? Are these issues being addressed?

How do you see the world at large changing around your city? What will be necessary to adapt here?

Who here has big plans for the future? What are the ambitious ideas, and where do they come from?

What advice would you give a young, successful entrepreneur who wants to help make this city as prosperous and strong as it can be?

Theories of the World

What makes a city good? A community?

How do cities improve on what history has given them? Can a city radically alter its course? What does it take?

If you could instantly change anything about this city, what would it be?

How would you define 'good growth'? Who shares this definition with you? How prevalent is your view?
Appendix B: Interviewees by place of origin and profession

Total interviews: 102

Total individuals interviewed: 91

Interviewees based in McAllen–Reynosa: 48

Interviewees based in Brownsville–Matamoros: 27

Interviewees based in neither area: 12

Interviewees based in both: 4

Primary employment in business: 30

Primary employment in governments and/or public economic development agencies: 33

Primary employment in nonprofits and/or community organizations, journalism, or academia: 28
## Appendix C: Matched Economic Development Projects, McAllen and Brownsville

<table>
<thead>
<tr>
<th>Project</th>
<th>Timespan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer recruitment / maquiladoras</td>
<td>1989-present</td>
</tr>
<tr>
<td>Malls / retail development</td>
<td>1974-present</td>
</tr>
<tr>
<td>International bridges</td>
<td>1990-present</td>
</tr>
<tr>
<td>Higher education</td>
<td>1926-present</td>
</tr>
<tr>
<td>Comprehensive city plans</td>
<td>1998-present</td>
</tr>
<tr>
<td>Electoral reform and living wage ordinances</td>
<td>2000-present</td>
</tr>
<tr>
<td>&quot;Outsider&quot; Mayors</td>
<td>1976-2011</td>
</tr>
<tr>
<td>DHS imposition of a &quot;border wall&quot;</td>
<td>2006-present</td>
</tr>
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## Appendix D: Twenty Most Frequent Atlas.Ti Codes

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<thead>
<tr>
<th>Rank</th>
<th>Code</th>
<th>Times used</th>
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<tbody>
<tr>
<td>1</td>
<td>Bigger economic pie</td>
<td>74</td>
</tr>
<tr>
<td>2</td>
<td>Fragmented</td>
<td>71</td>
</tr>
<tr>
<td>3</td>
<td>Collaboration</td>
<td>62</td>
</tr>
<tr>
<td>4</td>
<td>Packaging</td>
<td>58</td>
</tr>
<tr>
<td>5</td>
<td>Business-friendly</td>
<td>50</td>
</tr>
<tr>
<td>6</td>
<td>Linking actors together</td>
<td>42</td>
</tr>
<tr>
<td>7</td>
<td>Integrating outsider perspectives</td>
<td>38</td>
</tr>
<tr>
<td>7</td>
<td>Professionalism</td>
<td>38</td>
</tr>
<tr>
<td>8</td>
<td>Catching global trends</td>
<td>32</td>
</tr>
<tr>
<td>8</td>
<td>Provincial city</td>
<td>32</td>
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<tr>
<td>8</td>
<td>Project execution</td>
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<td>9</td>
<td>Personalistic</td>
<td>30</td>
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<tr>
<td>9</td>
<td>Vision/visionary</td>
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<tr>
<td>10</td>
<td>Missed opportunity</td>
<td>27</td>
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<tr>
<td>11</td>
<td>Political conflict</td>
<td>26</td>
</tr>
<tr>
<td>12</td>
<td>Entrepreneurial city</td>
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<tr>
<td>12</td>
<td>Quality of life</td>
<td>24</td>
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<td>13</td>
<td>Elite capture</td>
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<td>13</td>
<td>Technical rigor</td>
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<tr>
<td>14</td>
<td>Getting on the map</td>
<td>17</td>
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