

Messing with Texas

Texans worry about trade with Mexico under Donald Trump

The state has a lot to lose



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TIME is precious in the Texas legislature, which meets for just 140 days every other year. Since January 10th, when the 85th regular session began, nearly 8,000 bills and resolutions have been filed. Many of them will quietly die of neglect. And yet earlier this month, the Texas House’s International Trade and Intergovernmental Affairs Committee announced that it would take the time to reflect, learn and grow. “We are not gonna hear a lot of bills in this committee,” said Rafael Anchia, a Democratic representative who serves as the committee’s chair, calling the hearing to order. “We are gonna learn and we are gonna raise

consciousness in this body about international trade and how important it is to Texas.” As an example, he cited Texas’s ties to its trading partner and neighbour, Mexico.

Over the next few hours a clear consensus emerged. Carlos González Gutiérrez, the Consul General of Mexico in Austin, said that no other state in America had benefited from the North American Free-Trade Agreement (NAFTA) as Texas had. “What you sell to my country is worth 6% of your state GDP, compared to 1.3% nationally,” he said. No one disagreed. “Geography’s not going to change,” observed Chris Wilson of the Wilson Center’s Mexico Institute, one of the several experts who, having been summoned for the occasion, gave testimony via Skype. Nor could the past be undone. “We have, over time, created a joint manufacturing platform between the United States and Mexico,” Mr Wilson said. “There truly is no such thing as a ‘Mexican’ car.”

Many Texans have wondered recently whether Donald Trump has given any thought to such details. “When do we beat Mexico at the border?” he asked in June 2015, announcing his bid for the Republican presidential nomination. “They’re laughing at us, at our stupidity. And now they are beating us economically.” Most of Texas’s Republican leaders endorsed him anyway, at least once he emerged as the party’s presumptive nominee. And few have crossed him in public since then, even though several—most notably Greg Abbott, the governor, and Ted Cruz, the junior senator—made a virtue of fighting the federal government during Barack Obama’s administration. Mr Abbott, who served as Texas’s attorney-general until 2014, occasionally characterised this as his mission: “I go into the office, I sue the federal government, and I go home.”

Perhaps they interpreted Mr Trump’s proposals to “build a beautiful wall” and “make Mexico pay for it” as metaphors. In fairness, it would be difficult for a Texan to conceive of a literal interpretation of either idea, given the integration of the two economies and the fact that the border between the two is a river. Since Mr Trump signed executive orders withdrawing America from the Trans-Pacific Partnership, and ordering construction of the wall, it has become harder for Texas’s business community to ignore the possibility that he was similarly serious about NAFTA, which he described on the campaign trail as

“the worst trade deal in the history of the country”. Texans also felt worried when the White House proposed a scheme to make Mexico pay for the wall circuitously, with a “border adjustment tax” on imports.

“Has the governor’s office done any modelling on the border adjustment tax, and what that might do to the bilateral relationship?” asked Mr Anchia, after testimony from Bryan Daniel, the director of economic development for the governor. Mr Daniel demurred, noting that the details of the proposal remain nebulous at best. “I think our basic starting position is, these are good markets for us,” Mr Daniel said. Mr Anchia pressed him, explaining that he had seen Mr Abbott’s recent appearance on Fox News, where the governor was “very forceful” in declaring his support for Mr Trump’s wall. The matter was left unresolved. Several days later, Donald Trump Jr. gave the keynote speech at a fundraising dinner in Dallas, where he complimented the state for its role in his father’s victory. “Texas came through for us,” he said, before praising his father as “someone who will get things done.”