

Preface

The border region is experiencing rapid economic and population growth that is currently not sustainable. Without rapid action, air quality can be expected to deteriorate. At the same time, many of the twin cities on the U.S.-Mexican border share a common geographical air basin. The daily airflows across the border make these air basins international, thus requiring binational solutions to air quality problems. Officials on both sides of the border have increasingly come to recognize this and are attempting to develop a response. Developing solutions to border air quality problems requires a binational dialog that must involve federal and local officials, non-governmental organizations (NGOs), and the private sector.

Such a dialog is beginning to develop. Starting with the La Paz Agreement in 1983 and continuing through the Border XXI and Border 2012 programs of the U.S. Environmental Protection Agency (EPA) and Mexico's Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT), the conversation about border environmental issues has proceeded with increasing effectiveness. But much work remains. The process will continue and will require a sustained effort by both the United States and Mexico. As a small part of the binational dialog, the authors held a series of workshops on emissions trading, sponsored by the Southwest Consortium for Environmental Research and Policy (SCERP). Workshops were held in Mexicali, Nuevo Laredo, Reynosa, Matamoros, and Ciudad Juárez. Participants were from Canada, the United States, and Mexico; from state and federal governments; and from NGOs, academia, and the business community. Overall, more than 200 people participated in the five workshops.

During the workshops, it became clear that there was considerable confusion about the air quality problems of the U.S.-Mexican border region and emissions trading. This monograph is a response to that confusion. It documents the environmental problems that

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face the border stemming from air quality problems, and shows that emissions trading is an important option for solving those problems. The essence of our research begins on page 121 in the section titled “Emissions Trading on the U.S.-Mexican Border.” Academics and government officials will find information of interest within this monograph, but it is especially hoped that the general public will find it useful. To this end, care is taken to explain the issues in non-technical terms and with minimal use of jargon. The most important contribution of this monograph is the juxtaposition of information about air quality problems on the U.S.-Mexican border with information about emissions trading. The social, economic, and legal issues unique to emissions trading on the border are explored and explained.

The authors of this monograph believe that 20 years of successful emissions trading both in the United States and internationally are sufficient to demonstrate that emissions trading works. By allowing flexibility in how emission standards are to be met, an emissions trading program provides an efficient and cost-effective method for reducing air emissions to the benefit of the public, industry, and society as a whole. Some environmentalists are skeptical of emissions trading. They view capitalism and markets as the problem, not the solution. The authors show, however, that the evidence does not support this negative view. Indeed, many environmentalists have come to support emissions trading as one option for achieving environmental goals (see Daly 1996).

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