



Laredo EDC

State of Transportation Infrastructure & State of Economic Development Forums

Alex Meade

Texas Transportation Commissioner

Transportation is Economic Development



Stages of Development

Successful economic development is a process of successive upgrading. A nation's business environment evolves to support and encourage increasingly sophisticated and productive ways of competing by firms based there. This process can be described as a sequence of stages, each with a different set of economic characteristics and challenges.

1

Factor-Driven Stage

The first stage is the Factor-Driven Stage, in which competitive advantage is based exclusively on endowments of labor and natural resources. This supports only relatively low wages.

2

Investment-Driven Stage

In the Investment-Driven Stage, efficiency in producing standard products and services becomes the dominant source of competitive advantage. Economies at this stage concentrate on manufacturing and on outsourced service exports. They achieve higher wages, but are susceptible to financial crises' and external, sector-specific demand shocks.

3

Innovation-Driven Stage

In the Innovation-Driven Stage, the ability to produce innovative products and services at the global technology frontier using the most advanced methods becomes the dominant source of competitive advantage. At this stage, the national business environment is characterized by strengths in all areas of the diamond together with the presence of deep clusters. Clusters become critical motors, not only in generating productivity, but also encouraging innovation at the world frontier. Institutions and incentives supporting innovation are also well developed, increasing the efficiency of cluster interaction. Companies compete with unique strategies that are often global in scope, and invest strongly in advanced skills, the latest technology, and innovative capacity.

Recap of Lessons Learned During 1st Term: Are they still true?

1. Texas is HUUGE and growing
2. Engineers are introverts
3. All district engineers are the same
4. Local govt has to put skin in the game
5. No one knows who owns what road

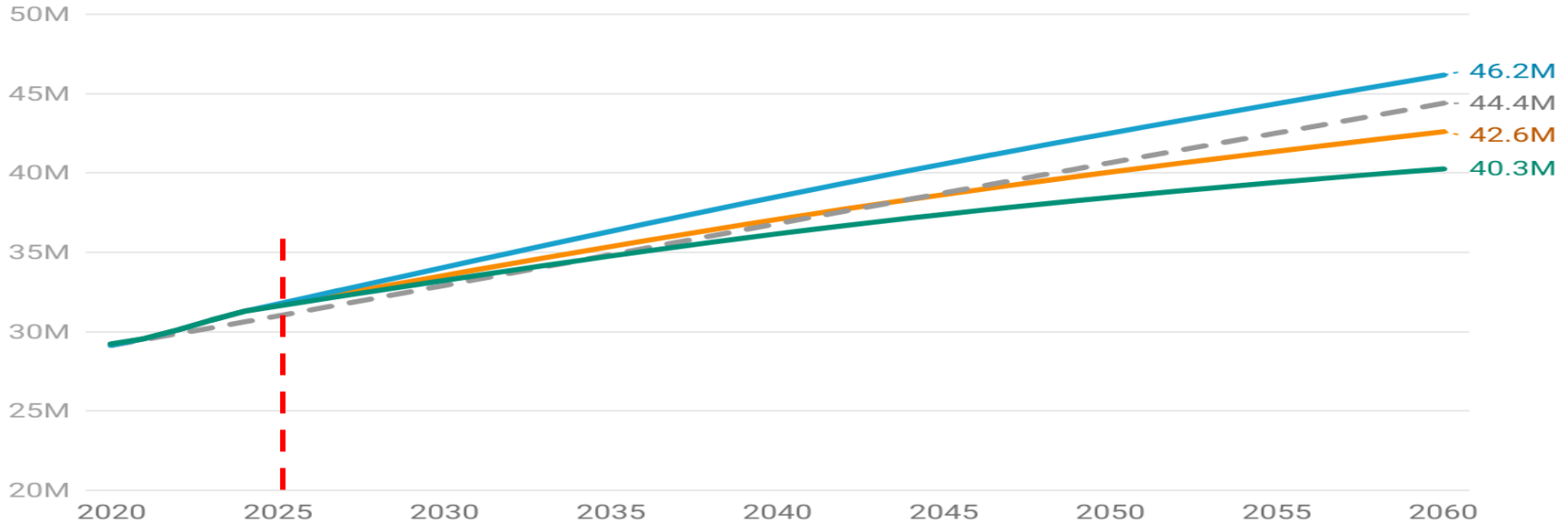
True or False?

True! Texas is HUUGE and growing...we can't stop growth!

Projected Population Growth in Texas with Various Migration Scenarios

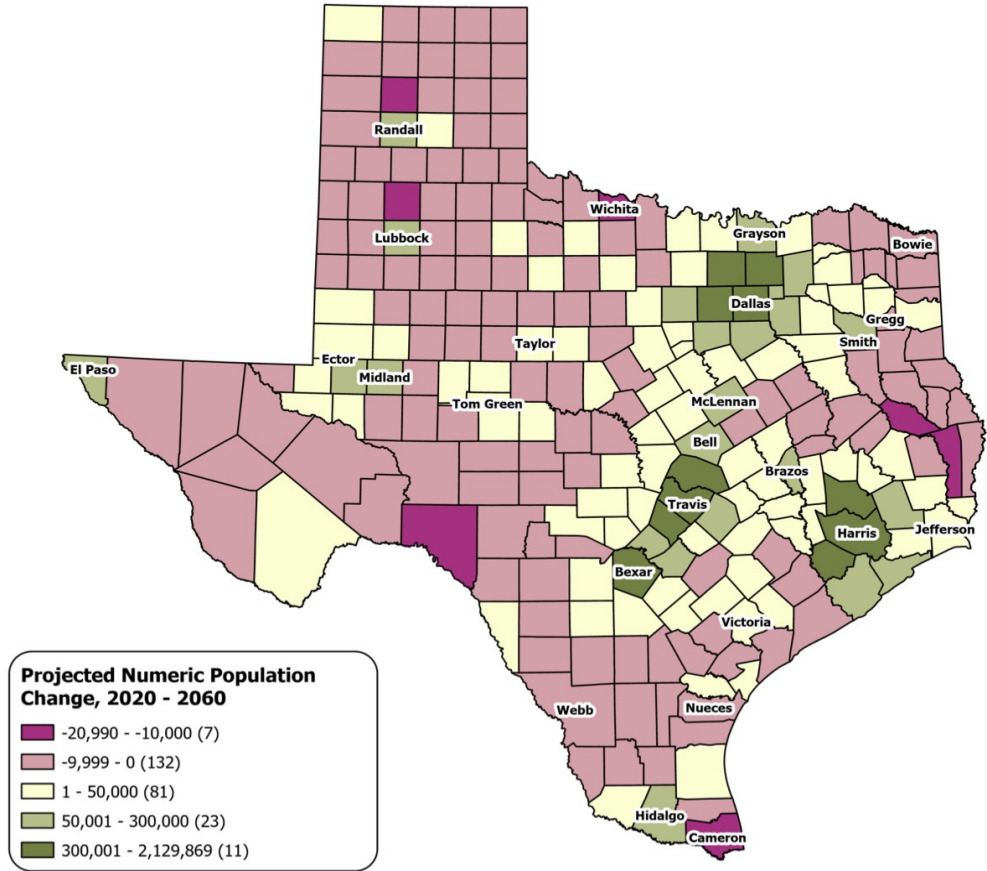
- V2024: High Migration Scenario
- V2024: Mid Migration Scenario
- V2024: Low Migration Scenario
- V2022: 2010-2020 1.0 Migration Scenario

- Approx. 1.8% annual growth or
- 1,300 people per day



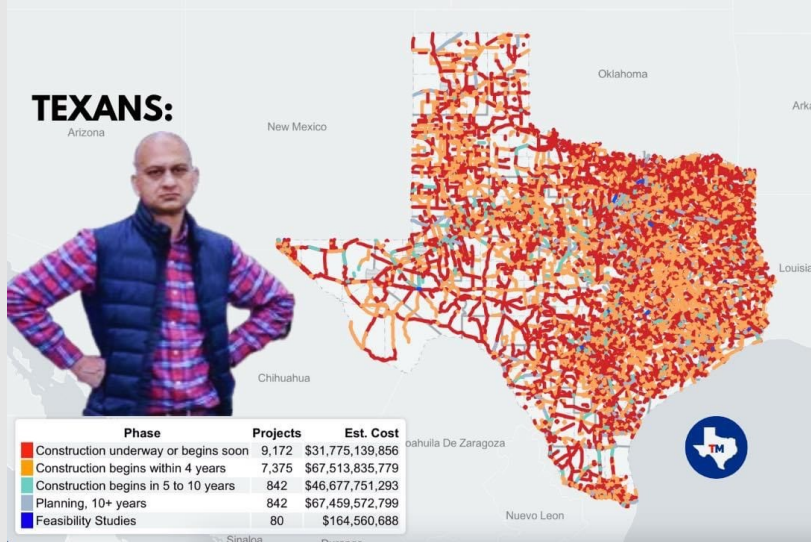
Projected Population

- 139 Counties are expected to lose population
- Current 25 MSA Counties will account for 99% of the state's growth from 2020 – 2060.



False! Engineers are NOT Introverts!

THESE ARE ALL OF THE ROAD CONSTRUCTION PROJECTS GOING ON IN TEXAS



CURRENT ROAD CONSTRUCTION PROJECTS IN TEXAS:



False! Not all District Engineers are like the other!

Name a more iconic pair. I'll wait.



True! Local Government MUST put skin in the game

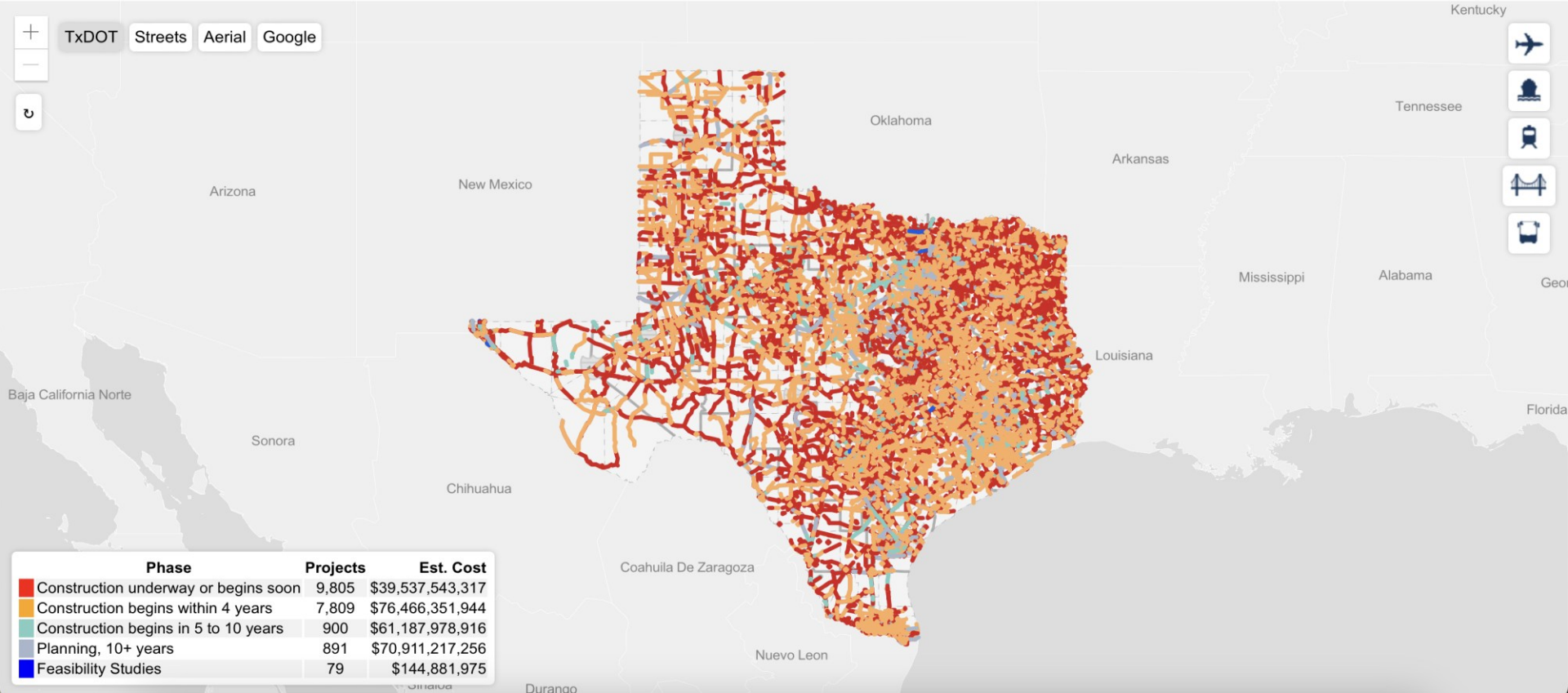


True! No one knows who owns what road

1. Pick a field

2. Search for a value from that field

Add optional filters (select one or more)



Final Lesson

More Projects will die due to lack of consensus than lack of funding



THANK YOU!

Please feel free to reach out to me at:

Alex.Meade@txdot.gov

(512) 305-9509 (commission office number)

(956) 455-1934 (cell phone)

125 E. 11th Street

Austin, TX 78701