



Financial Frontera: Expert says Juárez event will inspire

by Michael Hissam / Guest columnist

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One globally recognized expert on labor trends has been keeping an eye on business en la frontera. He has remained bullish on this area's business prospects. From David Arkless' viewpoint, this month's Juárez Competitiva efforts may well catalyze prosperity for the long haul for both sides of the river.

Arkless, president of corporate and government affairs for ManpowerGroup, has widespread experience in helping countries to develop their labor market strategies. He's a "go-to" guy called to advise the governments of China, Mexico, Vietnam and the United Arab Emirates, and various mega-cities like Shanghai. He has been a regular adviser to the U.S. Department of State and various European Union departments.

Managing ManpowerGroup's strategic relationships puts him with high-profile organizations such as the World Economic Forum, where he is one of the founding members of the WEF's Global Agenda Council on the Skills Gap.

In this, the first of two parts, Arkless offered reflections on the Juárez Competitiva movement. Next week, he will address competitiveness and the work force for ambos lados (both sides) of the river:

Q What does a city of the size of Juárez need to understand concerning recovery from a tragedy that was not a single event, but a series that unfolded over several years?

A Don't lose sight of the long term in addressing short-term challenges, however severe. There are unique measures that need to be undertaken to address the crisis of civil violence, but in the long term the formula for prosperity is a constant in what ManpowerGroup is calling the Human Age -- investment in flexible skills acquisition by individuals, promotion of entrepreneurship, and flexible and efficient deployment of talent to meet business challenges. Stay optimistic, stay energized and work hard. The Juárez Competitiva is an excellent event for reinforcing and channeling positive energies for recovery and reconstruction.

Q What must a mega-city do to make the most of limited resources? Where does fiscal responsibility come into the picture?

A Every business in the world has had a crash course in limited resources over the past three years, but the lessons we've learned apply to fiscal responsibility more broadly. Fiscal responsibility means setting priorities and getting rid of waste, but not cutting mindlessly. In fact you have to be careful to identify and preserve your most important assets and not compromise the things that are going to give you the ability to recover strongly when the current crisis ends. And it always ends. There is always a strong future to look forward to.

Q You have studied this region for years. What value proposition does the event-turned-movement Juárez Competitiva offer the city and the region?

A It's been wonderful to see the Competitiva come together and I think it is a great thing for the city of Juárez. The agenda is exactly right -- highlighting the region's positive resources and working to restore a high level of both economic performance and social cohesion. But I think one of the most important things the event does, even beyond promoting an agenda, is that it permits an incredibly diverse range of business, cultural and community leaders to see one another standing together, to create an objective manifestation of their passion and commitment, and to reinforce the optimism and energy that will be indispensable to transforming the region.

Q What does a city need to understand in approaching the central, federal government for resources needed to bring stability and restart infrastructure improvements? Where is the payback for the central government?

A Obviously government budgets are under enormous pressure, and not all political funding decisions are going to be rational ones. It would be wonderful if governments could sustain a long-term vision and set and fund priorities accordingly, but they're not very good at that. Probably the best prospects are for funding that creates maximum leverage for highly visible short- and medium-term changes -- things that have immediate impact and that the business community can run with. Physical security is an urgent priority in Juárez, and only government can do that. Funding for information resources can help local actors better mobilize and coordinate their initiatives. Education and training resources need to be sustained and expanded despite pressures to the contrary, but this may be a more defensive battle.

Q From the Juárez Competitiva leadership, we hear much about improving this city for the next generation, many of whom are in school or beginning their professional careers. What advice do you offer to this younger constituency who will become the future leaders of a city with well over a million people?

A Younger people may have a better understanding of their elders about the technological and social trends that are shaping the future of work, and especially about the importance of individual skills in what ManpowerGroup is calling the "Human Age." Young people also have more optimism and energy about creating a harmonious society. They should trust these instincts as they envision and work for the future of Juárez.

Q Let's look at jobs: How should a society or a city deal with a situation where illegal activities seem initially to offer more much money than the jobs in the mainstream economy?

A This is the tragedy of the breakdown of rule of law. Obviously we need to build economic opportunity and create attractive jobs that give people alternatives, but it's hard to grow businesses that generate high-skill, high-wage jobs when there is so much chaos in the community. Which comes first? I'm not going to say that it's only about business out-competing the drug- and gun-runners -- there needs to be aggressive law enforcement against the minority that is creating problems for law-abiding people. But expanded opportunity will strongly reinforce the tendency of the majority of the community to rely on decent work.

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