

HISTORY AND CULTURE

Guadalajara has a rich heritage. Many cultural features that are now symbolic of Mexico itself originated in this region. This includes *mariachi* bands; the *charrería*, which was the origin of the rodeo; the *jarabe tapatio* dance; and tequila. These traditions reflect a blend of influences from the indigenous tribes, (referred to as "Indians" in Mexico), the Spanish and other European cultures.

Guadalajara is the second-largest city in the country. It differs from Mexico City in that there was no permanent aboriginal settlement at this site prior to the Spanish conquest. Various tribes lived in the area, including the Nahuas, Otomis, Huichols, Coras, Tepehuans and Coyutecs. The city was founded in 1542, at its present site in the Valley of Atemajac near the Río Grande de Santiago, after being moved several times to avoid conflict with the natives. It is situated on a high plain about 8,000 metres above sea level on the edge of the Sierra Madre mountains. It is named after Guadalajara in Spain, a city of Iberian origin, whose name is derived from the Arabic "Wadi al-Hijarah," river of stones.

Guadalajara played a major role in the independence movement and was occupied by Miguel Hidalgo y Costilla and his forces in 1810. It was from the Guadalajara government palace that he proclaimed the end of slavery, which was particularly significant because Jalisco was a slaving centre. The palace, begun in 1743, is only one of many fine examples of Spanish architecture. The city has many churches dating from the colonial period, including the cathedral, which was started in 1743. The *Teatro Degollado* on the *Plaza de la Liberación* is considered one of the best theatres in Latin America, home to the Jalisco Symphony Orchestra. The city also boasts several art galleries and museums, including the *Instituto Cultural Cabañas*.

After World War II, the economy of the Guadalajara region was diversified as industry moved into the area. Several medium-sized regional cities now host modern high-technology industries. The population of Jalisco grew at an average of more than 3 percent annually during the three decades after the war. The growth rate fell to 2 percent during the 1980s, slightly less than the national growth rate of 2.3 percent. Jalisco had an estimated 1995 population of just under 6 million, with more than 60 percent located in Guadalajara.

The region surrounding Guadalajara is known for a relatively high standard of living and a well-qualified labour force, supported by more than 20 universities and colleges, 16 of them in Jalisco alone. These assets have helped to attract large investments by high-technology multinational manufacturers, many in the region's *maquiladora*, in-bond manufacturing, zones. As the *maquiladora* advantages disappear under the North American Free Trade Agreement (NAFTA), these commercial operations are integrated into the local economy. This is creating opportunities for medium-sized Mexican companies, which are often good prospects for technological joint ventures. They recognize the need to modernize to meet the quality standards of international customers, and they know they need help to do it.

The Guadalajara Metropolitan Zone (GMZ), with almost 4 million inhabitants, is a major retail centre for the surrounding areas. There are five modern regional shopping malls. *Plaza del Sol* is perhaps the most successful shopping mall in Guadalajara, and new facilities are in the planning stages for other parts of Guadalajara.

SILICON VALLEY SOUTH

Jalisco leads Mexico's high-technology sector, and its electronics industry produces more than 60 percent of the nation's computers. Agri-food, chemicals, plastics, and pharmaceuticals are other important industries that thrive on the region's skilled labour pool. The neighbouring state of Aguascalientes has a small but dynamic manufacturing industry driven by the automotive, electronics and textile industries.

Lucent Technologies (a spin-off of the former AT&T technology divisions), Motorola, IBM and Hewlett Packard all have plants in Jalisco. The Eastman Kodak plant, which started in 1967 by making black-and-white film, is a good example of the region's development. Today, it employs more than 2,400 people, and manufactures a variety of sophisticated products, including photographic CDs.

SECTORS OF OPPORTUNITY

The new Canadian commercial office in Guadalajara will assist visiting Canadian companies to gather market intelligence and locate potential partners and customers. There are several high-priority sectors, mostly those that have taken advantage of the export boom. The strongest sectors in Jalisco are electronics, agri-food, chemicals, plastics, pharmaceuticals, footwear and tourism. Neighbouring Aguascalientes has a dynamic manufacturing industry lead by the automotive, electronics and textile industries. The surrounding region is primarily agricultural and will benefit from the government's new *Alianza para el Campo*, Rural Alliance program, intended to rapidly mechanize the sector. All of these sectors are restructuring to meet new competition from liberalized trade and take advantage of the cheaper peso. They are potential customers for many types of industrial and commercial equipment, services and components.