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Mexican Medical Border Towns: A Case Study of Algodones, Baja California

Alex P. Oberle and Daniel D. Arreola*

***Abstract:** Health insurance in the United States has become increasingly expensive and unavailable to large numbers of Americans. As a result, many in the U.S. rely on less expensive foreign sources of pharmaceuticals and health services, especially Canada and Mexico. Mexico's proximity to large population centers and communities of elderly winter visitors has resulted in thriving tourist-oriented medical retailing in several Mexican border communities. This article explores this form of cross-border retailing by illustrating the spatial distribution of tourist pharmacies across the Sonora-Arizona border and into adjacent areas of Baja California. We also show the typical distribution of tourist pharmacies within Mexican border communities that draw large numbers of American visitors. To elaborate on the broader spectrum of cross-border health care retailing, we present a case study of Los Algodones, Baja California, a community that has transformed itself into a hub of health services provision and pharmaceutical retailing.*

Introduction

When North American newspaper articles and television reports highlight Mexico, it is frequently in conjunction with discussions about drugs. Stories about Mexican *narcotraficantes* (drug traffickers), government corruption, and drug-related violence permeate United States mass media, and greatly influence American mindsets, especially during election years. Yet, to an increasing and significant number of Americans, the association between drugs and Mexico may mean prescription drugs and not cocaine or marijuana. This is a reflection of another salient campaign issue—that of domestic healthcare, especially for senior citizens. Americans are increasingly antagonistic towards health maintenance organizations (HMOs) that may limit healthcare coverage and frequently do not pay for prescriptions. In addition, millions of Americans have no health insurance at all and must pay out-of-pocket for all pharmaceuticals and medical procedures. As a result, a number of Americans travel to Canadian and especially Mexican border communities to purchase pharmaceuticals. A signal of this is the burgeoning business of tourist pharmacies and assorted medical service retailing on the Mexican side of the international border.

Although tourist medical retailing in Mexican border towns predates the recent healthcare situation by many decades, the nature of these activities has changed considerably over the past few years. Twenty years ago, for example, Mexican tourist pharmacies served Americans who wanted products like antibiotics. Typically, tourists would pay a nominal fee for a visit to a Mexican doctor. The doctor would then write a prescription for a medicine like penicillin, which the tourist would purchase at the

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border town pharmacy. Often, the penicillin was not for immediate use. Tourists would keep the antibiotic until a later time when they became ill, and then they would take medication. The intention was to avoid the hassle of visiting the family doctor, and tourists would simply take the penicillin if they perceived that they were ill. Traditionally, Mexico's tourist pharmacies also offered stronger doses of over-the-counter medication that could not be purchased in the United States without a prescription. But with changes in the American healthcare system, the role of Mexican tourist pharmacies and medical retailing has evolved considerably.

This paper examines varying geographical aspects of the tourist medical retail system along the border. First, we discuss the theoretical context of border town retailing, especially healthcare retailing, and the techniques of data collection and method of research for this study. Second, we elaborate the differences between tourist pharmacies and non-tourist pharmacies because prescription drug retailing is the most popular type of medical service retailing in Mexican border towns. We illustrate the spatial distribution of tourist pharmacies on the Sonora-Arizona border and in some Baja California communities along the California border. We show the generalized spatial distribution of tourist pharmacies within Mexican border towns. Third, we discuss the recent explosive growth of tourist pharmacies, the types of pharmaceuticals that are commonly sold, and other details about this form of international health retailing. Fourth, we present a case study and discuss the unique geographical context and medical retailing at Los Algodones, Baja California, a border community that specializes in medical products and services. Lastly, we summarize our findings and conclude how medical retailing is compared to other forms of specialized retailing on the Mexican border, advancing the notion of the Mexican medical border town as a new type of border place.

Retail Activity and Medical Services: Research Context and Method

Tourist pharmacies and other medical services are part of retail land use in Mexican border towns. While assumptions prevail about the so-called "twin" nature of Mexican border cities, empirical study suggests distinctive land use in Mexican versus American border towns (Arreola and Curtis 1993: 119-133; Arreola 1996). Along the border, it is a fact of daily life that Mexicans shop in American border towns. In El Paso, Texas, across from Ciudad Juárez, for example, 30 to 40 percent of retail sales are attributed to Mexican shoppers, and in downtown El Paso, proximate to the international border, Mexican purchases total as much as 90 percent of store sales (Clement 2002: 87; Wasserman 1996: 74). Mexican transborder shopping, especially for clothing, is a common practice in Laredo, Nogales, and many other border communities (Curtis 1993: 63; Charney and Pavlakovich-Kochi 2002).

Detailed study of the spatial character of Mexican border town, retail activity is almost completely lacking in the professional literature. Tourist retailing, particularly of curios or *artesanías* in tourist districts, has been studied in selected border towns (Curtis and Arreola 1989; Arreola and Curtis 1993: 77-96; Arreola and Madsen 1999; Arreola 1999; Arreola 2001). Geographers and anthropologists have studied Mexican border town retail land use in Tijuana, Reynosa, Nuevo Laredo, Mexicali, Ciudad Juárez, and Agua Prieta (Price 1973; House 1982; Herzog 1990; Heyman 1991; Curtis and Arreola 1991; Arreola and Curtis 1993; Curtis 1993; Curtis 1995; Wasserman 1996; Staudt 1998). In Reynosa's *centro* or commercial downtown, 666 retail and service

establishments including more than 80 types of businesses were counted and mapped (Arreola and Curtis 1993: 130). While medical offices numbered 90 or 14 percent of all businesses, there were only 20 pharmacies (drug stores), a miniscule 3 percent of all establishments. In Nuevo Laredo's *centro* 350 businesses were counted and mapped. Medical offices totaled 28 or 8 percent of all establishments, while pharmacies (drug stores) counted a mere 6, less than 2 percent of all businesses (Curtis 1993: 60). Significantly, in these case studies, the few pharmacies mapped were not proximate to the international border crossings suggesting that these businesses catered chiefly to *fronterizos* or border town residents, not tourists (Arreola and Curtis 1993: Figure 5.3; Curtis 1993: Figure 2).

With rising healthcare costs, U.S. residents living along the border are choosing to visit Mexican border towns for goods and services, leading several researchers to declare that healthcare on the border is now an "international trade commodity" (Vogel 1995: 20; Power and Byrd 1998: xi). In truth, low-income residents in American border towns have long sought less expensive medical goods and professional medical services in Mexico, especially pharmaceuticals, and dental and optical services. Typically, these are residents of Hispanic origin who although U.S. citizens, "fall through the safety net of private insurance, medicare, and medicaid (Ellis 1987: 57)." Some research has inspected the nature of pharmacies in Mexican border towns although nothing has been found that assesses the recent explosion of tourist pharmacies. Fredrich and DeLuca (1996: 215) examined the availability and distribution of alternative remedies in Tijuana pharmacies and compared findings with similar research from 1978. Parietti, Ferreira-Pinto, and Byrd (1998: 126) studied the use of Mexican pharmacies in Ciudad Juárez by young adults in El Paso who purchased contraceptive medications and other over-the-counter products.

Principal data gathering techniques used in this research included field observation to map and assess land use and informal field surveys to collect interview data. The researchers did not, however, administer a formal survey questionnaire. The primary method to organize and analyze these data is the case study method. Systematic fieldwork, both mapping and interview, was conducted during multiple visits to Algodones, Baja California, between 2000 and 2003. In addition separate field excursions to the U.S.-Mexico border, especially to Nogales, Agua Prieta, San Luis Río Colorado, and Sonoita in Sonora, and Mexicali in Baja California, complemented the fieldwork conducted in Algodones. To determine the spatial distribution of tourist pharmacies and other medical services, we counted the number of medical businesses in border towns and noted the generalized areas of town where tourist establishments and non-tourist businesses located. We also used field observation and interviews of medical patrons to determine the differences between tourist and non-tourist services. Fieldwork was also the primary technique for assessment of the popularity of particular pharmaceuticals. We created a matrix of the most popular pharmaceuticals by conducting informal interviews of shop employees and by tabulating the medicines that were most commonly advertised in shop windows and on flyers. Secondary data were obtained from a number of newspaper articles that discussed aspects of pharmaceuticals in Mexico and health care in the United States.

Finally, we employ the case study method, an empirical inquiry that enables us to examine a contemporary phenomenon in its real-life context, and where the boundaries between the phenomena we are studying—tourist medical services—and their geographical context are not clearly evident (Yin 2003: 13). We rely on multiple sources

of evidence to argue that tourist pharmacies and other medical retailing are specific and distinctive forms of Mexican border town retailing. In one Mexican border community this medical retail concentration has become so pronounced that we declare this to be a new type of Mexican border town.

Tourist and Non-Tourist Pharmacies: Character and Spatial Pattern

Tourist pharmacies are different from those that serve the local population. Tourist-oriented pharmacies in border towns are typically small but noticeable because of extensive advertising in English rather than Spanish (Figure 1). Methods of advertising include wall murals, brightly painted signs in windows, and printed flyers. Inside, tourist pharmacies are clean and orderly with extensive shelving for various products. Approximately half of the tourist pharmacies studied stock only medicine. Other tourist pharmacies stock pharmaceuticals but also sell products like herbal supplements.

Figure 1. Tourist pharmacies are distinctive from non-tourist pharmacies by the use of saturation advertising in English rather than Spanish. Discount Pharmacy, Nogales, Sonora, 2002. Source: Photo by authors.



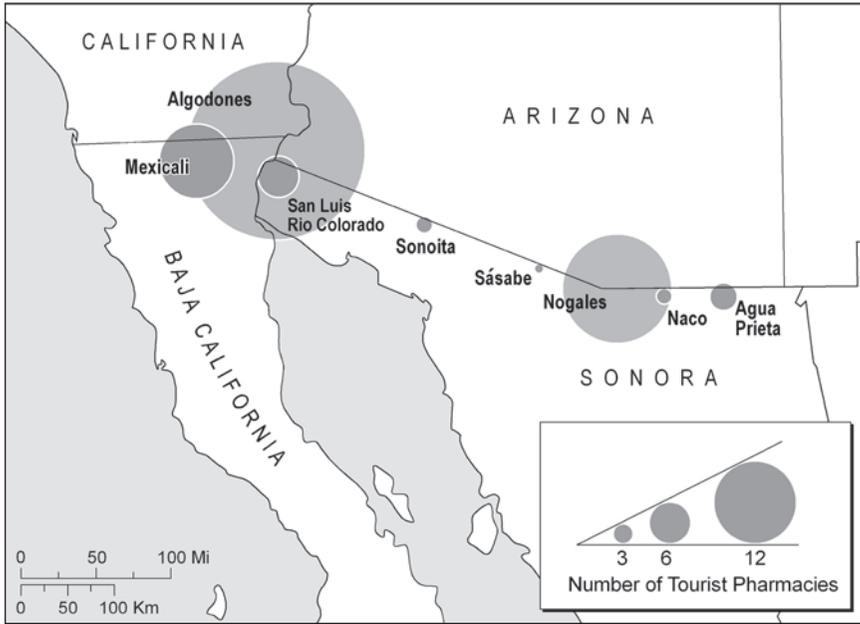
The pharmacies that are not intended for tourists are generally housed in larger buildings and use Spanish-language advertising (Figure 2). These shops usually do not advertise pharmaceutical products, but instead display non-medical sale items like baby formula or shampoo. The inside of these stores is similar to an American chain like Walgreen's, Osco, or Eckerd. Items stocked inside the store include cosmetics, snack food, gift items, and magazines. Pharmaceuticals are sold from behind a desk in the back of the store, much as they are in large American drugstores.

Figure 2. Non-tourist pharmacies are distinctive from tourist pharmacies by the use of Spanish-language advertising and the sale of other products in addition to medicines. Farmacia Rex Mini Super, Agua Prieta, Sonora, 2002. Source: Photo by authors.



Pharmacies that cater to tourists are not evenly distributed among border communities (Figure 3). Because of extraneous influences, there is also little relationship between the number of tourist pharmacies and the population of a border community. For example, in this study Nogales and Algodones are border towns with the largest numbers of tourist pharmacies. Mexicali, Baja California although one of the largest Mexican bordertowns (some 750,000 residents) had fewer tourist pharmacies in 2000 than Algodones or Nogales, towns with smaller total populations. Mexicali ranks third in number of tourist pharmacies because it attracts only a modest number of tourists, and is isolated from large urban centers and an interstate highway on the U.S. side of the border (Arreola and Curtis 1993: 80). Nogales, Sonora (some 150,000 residents), by comparison, is a major tourist destination for Arizona residents travelling to the border, especially in the winter months. Nogales has easy interstate access from Tucson and Phoenix, and therefore tourist pharmacies in Nogales prosper because of the general volume of tourist flow (Arreola and Madsen 1999). Algodones, Baja California is an even smaller community—perhaps 1,000 people—but it has marketed itself as a destination for Americans seeking less expensive medication, surgery, dentistry, and optometry. It presently has more tourist pharmacies than either Mexicali or Nogales, places better known as border towns and with larger resident populations. Similarly, only a few tourist pharmacies exist in the Sonoran towns of San Luis Río Colorado (population 140,000) and Agua Prieta (population 60,000), largely because these border towns are not primary destinations for large numbers of American tourists. The same can be said of tiny Naco, Sonora and even smaller Sásabe, Sonora. Because of its location along the route to the Gulf of California resort town of Puerto Peñasco, the community of Sonoita, Sonora has more pharmacies than would be expected for such a small town.

Figure 3. Tourist pharmacies in select Sonora and Baja California border towns, 2000. Source: Field surveys by the authors.



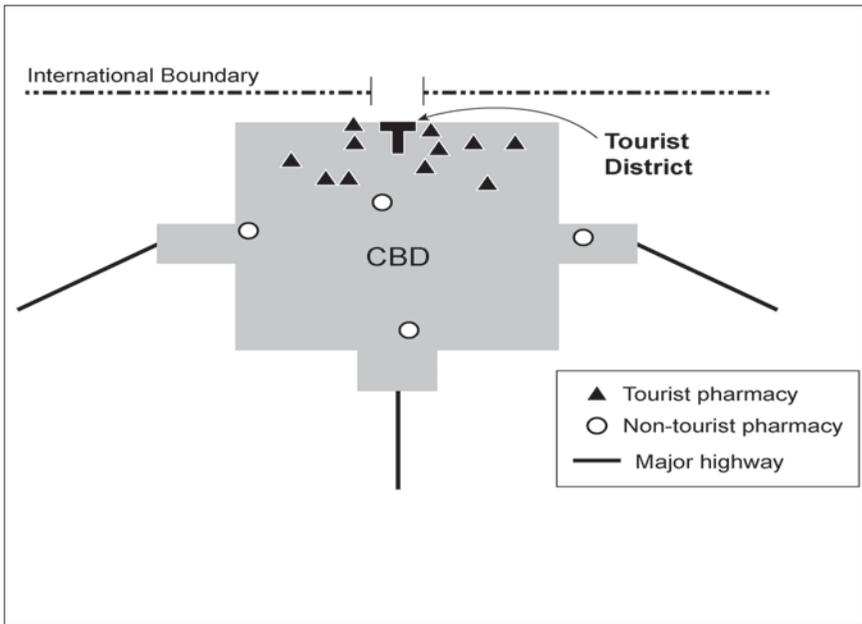
Within each of the border communities studied, there is a general spatial pattern of tourist pharmacies and non-tourist pharmacies. As one would expect, pharmacies that cater to tourists are located proximate to the port of entry or in tourist districts (Figure 4). In most of the border towns with a distinct, heavily trafficked tourist pedestrian crossing, pharmacies are one of the first types of establishments that visitors encounter. Distant from the port of entry and the tourist areas, but still in the *centro* or commercial downtown, one finds the non-tourist pharmacies that serve the local population.

Demand for Tourist Pharmacies

A growing number of Americans depend on Mexican tourist pharmacies. The rapid growth of HMOs during the 1990s resulted in HMOs enrolling 16 percent of the U.S. population by 1995. This percentage is higher in the western United States, where the population enrolled in an HMO is almost 30 percent (Turnock 1997: 111). Through cost cutting efforts, many HMOs have reduced the total amount that they will pay for prescriptions to members. In 1999, for example, Cigna Health Care cut its prescription premium in half (Tribune 1999). In some areas, HMOs ceased offering their services. In 1999, 30,000 Arizonans lost HMO coverage, and many of these individuals were senior citizens living in Arizona's rural western counties (Arizona Republic 2000).

Coinciding with HMO cost cutting is the rising price of pharmaceuticals. According to a spokesperson for the Pharmaceutical Research and Manufacturers of America, rising drug prices reflect pharmaceutical company needs for expensive research and development. Drug prices in Mexico, often manufactured by a Mexican affiliate of the company that produces pharmaceuticals in the U.S., are reduced because of the lower cost of living in that country and cost savings resulting from less expensive production

Figure 4. Generalized locations of pharmacy types in Mexican border cities. Sources: Arreola and Curtis, 1993; field surveys by the authors.



in Mexico (Tribune 1999). Pharmacy owners in Algodones and Nogales, for example, claim that pharmaceutical prices are circa 20 to 35 percent lower in Mexico than in the U. S. This differential cost is substantiated in reports made in the professional literature (Vogel 1995: Appendix 2; Parietti, Ferreira-Pinto, and Byrd 1998: 121). Further evidence of cost savings is reported in local, regional and national newspapers (Arizona Republic 2000; Washington Post 2000; Arizona Daily Star 2000; Chicago Sun-Times 2001; Christian Science Monitor 2001; New York Times 2001; Tucson Citizen 2001; Arizona Republic 2002; Arizona Daily Star 2002; Wall Street Journal 2002; Houston Chronicle 2003).

The amount that is spent on pharmaceuticals has also greatly increased over the past several years. Americans, on average, spend more than \$80 billion annually on prescription medications. This has increased between 11 and 14 percent every year since 1995 (Los Angeles Times 1999). According to analysts this is the result of the aging population using more medicines compounded with other factors like newer drugs with no generic competition and the lack of price controls in the U. S. A story reported from Mesa, Arizona highlights a 65 year-old woman who requires eight name-brand medications per day. Every three months she travels to Nogales, Sonora to purchase her various prescriptions. The amount she pays in Mexico averages \$38 a week instead of the \$184 a week that she would pay for the same medicines in the U. S. (Tribune 1999). For the many people on fixed incomes who require expensive medication, there is little state or federal assistance. Only fourteen states have pharmacy assistance programs, and Arizona is among the majority thirty-six states without this type of assistance.

The most popular types of medication sold in tourist pharmacies are high blood pressure medicine, cholesterol lowering drugs, ulcer medication, antibiotics, tranquil-

izers and strong pain relievers. By interviewing pharmacy employees and tabulating the types of medication most frequently advertised it is possible to establish some of the most popular pharmaceuticals sold in tourist-oriented pharmacies (Table 1)¹.

Table 1
Most Popular Pharmaceuticals in Mexican Tourist Pharmacies

Pharmaceutical	Purpose	Controlled Substance¹	Over-the-Counter²
Premarin	Estrogen replacement	No	No
Carisoprodol	Muscle relaxant	No	No
Prilosec	Ulcers, heartburn	No	No
Albuterol	Asthma, bronchitis	No	No
Zantac	Ulcers, heartburn	No	Yes
Amoxicillin	Antibiotic	No	No
Wellbutrin	Anti-depressant	No	No
Fioricet	Headache, pain	Yes	No
Soma	Muscle relaxant	No	No
Flexeril	Muscle relaxant	No	No
Retin-A	Acne, wrinkles (topical)	No	No
Paxil	Anti-depressant	No	No
Prozac	Anti-depressant, eating disorders	No	No
Zoloft	Anti-depressant, obsessive compulsive disorders	No	No
Imitrex	Migraines	No	No
Lipitor	Lowers cholesterol	No	No
Nitroglycerine	Heart attacks	No	No

¹ Controlled substances are those medications that are considered barbiturates, opiates, or otherwise habit-forming.

² Over-the-counter medications are those that are available in the United States without a prescription.

Source: Field survey by authors, 2001-2003.

In addition to pharmaceuticals, approximately half of the tourist pharmacies sell herbs and herbal supplements. According to some of the pharmacy employees, many of these herbal supplements are either not available in the United States or are much less expensive in Mexico. Some of the products, especially those for weight loss and muscle building, can no longer be sold legally in the United States because they have been deemed to be dangerous by the Federal Drug Administration.

The changing nature of healthcare in the United States has forced many Americans to travel to Mexican border towns to purchase medication. Although not optimal for the American consumer, tourist pharmacies effectively and legally contribute to commerce in border communities. However, officials in the U. S. state a number of concerns about the popularity of purchasing medication in Mexican tourist pharmacies. Primary concerns are the risks assumed when people self-medicate or receive treatment from unauthorized clinics, and the smuggling of certain pharmaceuticals into the U.S.

The danger of self-administered pharmaceuticals is emerging as a public health issue, especially in California where deaths have been recorded at unauthorized clinics. "As health care becomes more expensive and access to adequate facilities more difficult to come by for those with low incomes, many Latino and Asian residents are turning to these often dangerous unauthorized clinics" (San Francisco Chronicle 1999: A1). Health officials assert that until 1990, the only types of pharmaceuticals encountered in these unauthorized shops in Southern California were antibiotics and birth control pills. Today, many of the drugs sold by unauthorized sources originated in Mexico, and there is speculation that the largest number of smuggled pharmaceuticals come from Tijuana tourist pharmacies and underground black markets (San Diego Union-Tribune 1999).

Tijuana has over one thousand pharmacies making it the fourth-largest medicine market in Mexico (Los Angeles Times 1999). The tourist pharmacies serve a dual purpose: to sell lower priced pharmaceuticals to Americans legitimately in need of prescription drugs, and to provide prescription drug smugglers with medications to take across the border. Known as "mules" or "ratpackers," these illicit entrepreneurs smuggle all varieties of medication across the border, often several times daily (Vogel 1995: 40). Sometimes smugglers sell antibiotics, anti-inflammatory drugs and other medication to middlemen in the San Diego area who then resell the drugs to be sold in high-priced, unauthorized shops like barrio *tiendas* or neighborhood stores. On other occasions, medicines like tranquilizers, barbiturates, and anti-depressants are resold illicitly in the United States. Ratpackers are rarely detained at customs for a number of reasons. Most inconspicuously cross the border with small tablets or capsules carefully packed away in backpacks or clothing. Customs agents are burdened with checking for narcotics like cocaine and rarely have the resources to regularly check for pharmaceuticals. If caught, the punishment is usually negligible, as most violators are simply required to turn over the medication. The Federal Drug Administration estimates that 25 percent of drugs that cross the border are counterfeit (Arizona Republic 2000).

Los Algodones, Baja California, A Medical Mecca Border Town

Many travelers along Interstate 8 near Yuma, Arizona speed through the hot desert countryside in order to reach more urbane destinations like San Diego or Phoenix. Drivers pay little attention to the successive waves of buff colored landscapes interspersed with paradoxical Ireland-green lettuce fields and less than enticing ads for date shakes or truckers' breakfasts. Yet, just two miles south of the interstate, near the Arizona-California state line, is the hamlet of Algodones, Baja California. And for many, this burg is an ultimate destination and not just a wayside stop.

Algodones is a small border community near the Colorado River just west of Yuma. It appears to be a rather ordinary jumble of houses, smaller buildings, and tamarisk trees surrounded by verdant farm fields. It is generally indiscernible from any other small agricultural community, either Mexican or American, in the Imperial Valley or Colorado River delta. As one approaches the town from the U.S. side, there is a glint of sunlight reflecting off the surfaces of cars, trucks, RVs, and even busses parked in a large open but paved lot, owned and operated by the Quechan Indian Casino and is part of their reservation. Most people leaving parked vehicles move south toward the lush greenery at the border instead of north into the small casino. At the international boundary, throngs of pedestrians slowly pass through the Mexican gate and spill into

Figure 5. Tourists who cross into Algodones, Baja California typically park and walk into the small border town across from Andrade, California and the Quechan Indian Reservation. Source: Photo by authors.



Algodones' narrow streets (Figure 5). The majority of these people are not college kids seeking drink specials, couples looking to buy faux Talavera pottery or families taking their kids for rides on zebra-striped donkeys. Instead, many are here for the medical and pharmaceutical services offered in this small town.

Algodones was settled in 1876 when colonists from Altar, Sonora, collected on Rancho Algodones along a narrow strip of land west of the Colorado River just below the international boundary in Baja California (Kerig 2001: 103). The site became a stage stop between Yuma, Arizona only eight miles east and Mexicali, Baja California some 40 miles west. By 1919, Algodones was a stop on the Inter-California Railroad that stitched together towns on both sides of the border between Yuma and San Diego. The town evolved to become a service center and residential village for farming districts in the Colorado River delta south of town, and became, officially, known as Vicente Guerrero although everyone including Mexicans call it Algodones². In 1990, Algodones counted 794 residents, and in 2000, an estimated 1000 (XI Censo General 1991; XII Censo General 2001). As a border community, Algodones includes typical curio retailing businesses that one might find in other Mexican border towns. Starting in the 1980s and accelerating during the 1990s, however, Algodones quickly adapted to specialized medical service retailing to cater to the large retirement population of nearby Yuma, Arizona. Today, it is no exaggeration to call this town a medical mecca among Mexican border communities. A field survey executed in November 2003 counted 121 medical service businesses in Algodones. Dentists were more than two times as numerous as both pharmacies and optical services making Algodones unusual among Mexican border towns. A small number of miscellaneous medical providers that were not dental, optical, or pharmacy businesses were also counted (Table 2).

Table 2
Medical Businesses in Algodones, B.C., 2003

Dentists	66
Optical	24
Pharmacies	23
Miscellaneous	8
Total	121

Source: Field survey by the authors.

Medical services have become the dominant businesses in Algodones, exceeding all other businesses including those that provide to the local community. This condition signals the radical transformation that has occurred in the town as it evolved from a small service center for a local Mexican hinterland into a specialized relationship with foreign tourists, especially winter visitors from Arizona. Most Mexican border towns have an economic relationship with a cohort American border town where Mexican shoppers regularly cross to purchase American goods, but few towns have created such specialized dependency as is seen in Algodones.

Immediately upon crossing into Mexico, pedestrian tourists pass by a public restroom facility attached to a small tourist office and adjoining small plaza with benches. On the exterior wall of the tourist office is a large map and out of date directory that describes the locations of 24 dentists, 8 medical providers, 7 pharmacies, and 6 optical businesses. Most visitors ignore this map and directory, choosing instead to stroll into Algodones along 2nd Street, the main drag, where they are quickly surrounded by individuals, typically young Mexican men, hired by medical service businesses to distribute advertising bills and cards to entice customers (Figure 6). Often these bills and cards will include simple maps with general location information about businesses.

Medical service businesses in Algodones are chiefly concentrated proximate to the international crossing along 1st, 2nd, and 3rd Streets, and not more than two blocks (A and B Avenues) from the port of entry (Figure 7). This geography is in keeping with the conventional wisdom of Mexican border town retailing oriented to tourists where convenience and access are critical determinants of business success. The distribution of medical businesses in this three to four block district follows no particular pattern. Rather, dental, optical, and pharmacy services are scattered along streets, typically with small frontages to passing customers. Signage, both attached to building fronts and freestanding, abounds competing for the attention of medical shoppers (Figure 8).

Interviews with shoppers suggest that decisions to patronize one or another business will vary with the type of service desired. For example, consumers seeking dental or optical professionals will gravitate to particular businesses that have been referred by others, usually before arriving in Algodones. Pharmaceutical shoppers, however, are more likely to patronize businesses based on comparative pricing of goods. This behavior is not unlike that practiced by earlier generations of Mexican border town tourists who shopped for liquor according to those businesses that offered the best price.

Figure 6. Advertising cards distributed in Algodones, Baja California, 2003. Source: Collected by authors in the field.



Shoppers typically travel in groups, or at least pairs, so it is unusual to witness individual consumers of medical services (Figure 9). Because some shoppers arrive in Algodones by chartered bus from Arizona towns, the visit to the Mexican border is a mini excursion to an exotic locale (Washington Post 2000). Upon arrival at the border, patrons seek out a provider, whether dental or optical, check in for service at a small office, wait inside a lobby or outside in a patio where they might strike up a conversation with other patrons, finally to be called by a professional's assistant. Medical practitioners are typically licensed, accommodating to tourists, and accept U.S. dollars as well as credit cards. Patrons are chiefly Americans who choose medical service in Mexico because of its cost competitive advantage to U.S. medical services. Customers interviewed expressed satisfaction with these services, and many have made multiple trips to Algodones to receive medical care. The quality of both dental and optical service is said to be equivalent to that experienced in the U.S.

Other tourist medical shoppers, especially those who visit Algodones to purchase over-the-counter and prescription medications, typically comparison-shop among some two dozen *farmacias* or pharmacies. Unlike specialized medical providers, pharmacies can be small independent operations or large chains that operate multiple stores in town. While small pharmacies might have a single pharmacist and one or two sales

Figure 7. Distribution of medical businesses in Algodones, Baja California, 2003. Source: Field survey by authors.

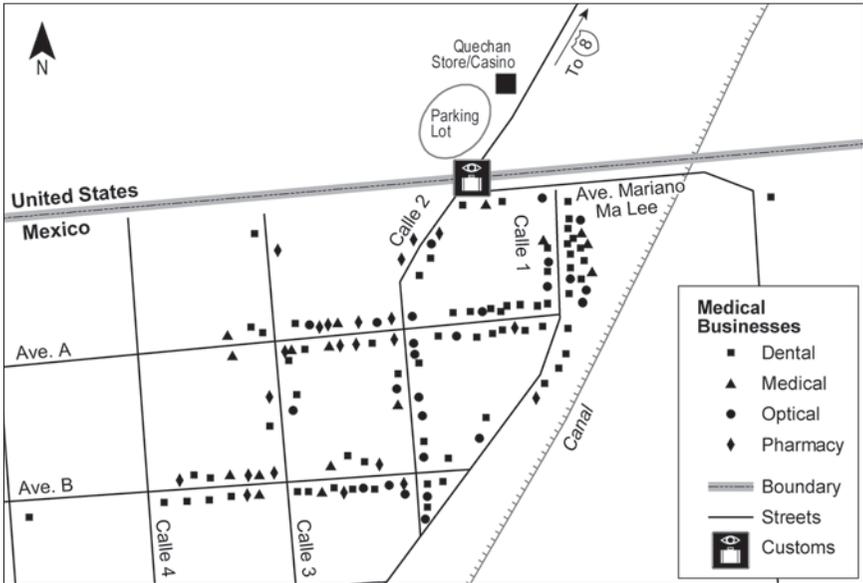


Figure 8. Medical businesses in Algodones advertise to pedestrian shoppers along streets nearest to the border port of entry. Source: Photo by authors.



Figure 9. Pharmaceutical shoppers in Algodones typically walk as groups or at least pairs, and often comparison shop to find the best prices for medicines. Source: Photo by authors.



assistants, the larger chains can have several professional staff and an army of sales assistants. One chain pharmacy near the port of entry staffs some 24 sales assistants along its counters; all are young females, all speak English, and all are dressed in color-coordinated outfits tied to the color theme of the business. Mexican owner operators of these chain businesses recognize the American enthusiasm for standardization and efficiency. These pharmacies are well-lighted, tidy, and friendly operations. According to pharmacy managers, 70 to 80 percent of customers are Americans and most ask for heart, stomach, and anti-inflammatory medicines (Washington Post 2000). While prescriptions—American and or Mexican—are required for some medicines, others can be purchased over-the-counter.

The typical tourist visitor who seeks medical services in Algodones may spend two to three hours in the town. Many say they combine the medical visit with a chance to shop for curios, as well as to lunch in one of the many eateries that compete for visitor business by offering drink specials and provide strolling musicians. After all business is complete, tourists stroll back to the border crossing to clear U.S. Customs. Most are already street wise to the fact that customs officers rarely inquire about pharmaceuticals. Conventional wisdom states that shoppers can bring up to a three-month supply of most medications (Arizona Republic 2000). Those with the least crossing experience are more likely to be detained for bringing back fruits like avocados than for importing medications.

In the end, Algodones is appealing because of easy access and its small size. The town is accessible to large seasonal retirement populations in nearby Yuma, Arizona as well as Winterhaven, California. Furthermore, it is situated proximate to interstate highways that connect it to metropolitan Phoenix, and a north-south U.S. highway that offers direct access from retirement communities such as Quartzsite, Lake Havasu City, Bullhead City, and others in far western Arizona. As one would expect, the extreme summer temperatures discourage travel to Algodones so the primary season for health-services activity is during the temperate winter months. Unlike larger Mexican border destinations such as Tijuana or Nogales, Algodones is rather rural and bucolic. Those who wish to purchase pharmaceuticals or access professional medical care simply stroll a few hundred feet into Mexico. In Algodones, there is nothing like the heavy vehicle and truck traffic that is a hallmark of most other congested border communities. Furthermore, since many Americans perceive Mexico as a potentially unsafe or even dangerous destination, the sleepy, sun-dappled streets of Algodones ease visitor fear. Algodones is, indeed, a mecca for medicine on the Mexican border.

Conclusion

Tourist medical services, like nightclubs and curio shops, are a common retail feature of Mexican border communities. Although pharmacies and dentists that attract tourists have existed for many years, their presence and role in border town retailing is rapidly evolving. The current explosion in the number of tourist pharmacies, for example, is directly the result of healthcare changes that are occurring in the contemporary United States. As health maintenance organizations continue to limit their coverage and Americans age and require more medication, the tourist pharmacies will likely remain an important draw for American visitors to Mexican border towns. Tourist pharmacies may be short-lived, however, if they become tempered by other economic changes. Sales among foreign, internet-based pharmaceutical companies recently have skyrocketed. Ultimately, if e-commerce regulations continue to be nonrestrictive, the popularity of Mexican tourist pharmacies may be diminished. Yet, as Mexican bars and nightclubs in border towns survived America's repeal of Prohibition, tourist pharmacies and other medical services will also likely remain as visible and vital businesses in Mexican border communities. In this manner, Mexican medical retailing is a transformative process like other forms of retailing that have created a niche and evolved with circumstances. These forms of retailing survive because suppliers and consumers benefit from the symbiosis of border economies.

In this study, we have demonstrated how medical retail services function as part of Mexican border town commerce. Algodones, Baja California, is shown to be an unusual case of medical retail specialization where dental services actually exceed pharmaceutical businesses. Our findings suggest that three qualities contribute to the unusual success of this type of specialized medical retailing in border towns, creating what might be termed a "medical border town." First, a medical border town must have a nearby tourist visitor population that can provide regular or seasonal clientele. Second, a medical border town must have access via well-traveled interstate highways or state roads on the U.S. side of the border and linked to the Mexican border town. Third, the medical border town must be a small town rather than a major metropolis to assuage tourist visitor anxiety about the chaotic nature of Mexican border places. Finally, the medical border town should be proximate to a larger Mexican border town where

medical professionals exist who might commute to the medical border town and operate medical retail businesses.

Algodones satisfies each of these conditions. There are, perhaps, few other Mexican border towns that qualify as a “medical border town” by these criteria. Palomas, Chihuahua is a small border town situated near the growing retirement communities of Deming and greater Las Cruces, New Mexico and may serve as another useful case study for future research. Palomas is also proximate to the largest Mexican border town, Ciudad Juárez so that medical professionals can travel daily between the two places over good paved highway. According to a recent report, Nuevo Progreso, Tamaulipas on the Texas border may be another medical border town (Houston Chronicle 2003). Like Algodones, Nuevo Progreso is a small town with good access to U.S. tourist visitor communities in the Lower Rio Grande Valley, especially winter visitors. Reynosa, Tamaulipas is a large border metropolis that is nearby and likely has a substantial class of medical professionals. Nuevo Progreso and Palomas might be studied to substantiate our findings about medical border towns and the nature of specialized retailing on the Mexican border. Further, future studies might conduct in-depth surveys of both consumers and retailers to determine group decision-making patterns that can contribute to a greater understanding of this form of border commerce.

Endnotes

¹ Note, however, that intense marketing and drug company competition in the United States ensures a constantly evolving pharmaceutical market characterized by the rapid emergence and decline of particular name brands.

² “Algodones” is sometimes referred to as “Los Algodones.”

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