

North America: A Union, A Community, or Just Three Nations?

Robert A. Pastor

Lou Dobbs, Patrick Buchanan, Jerome Corsi, and many of their readers have repeatedly accused me of:

- Promoting a North American Union.
- Promoting a North American currency called the “Amero”.
- Seeking to dissolve the United States, erase our borders, and discard the Constitution.
- Being the principal author of the Bush Administration’s “Security and Prosperity Partnership” and strategy toward North America.

Some have written that they have drawn these conclusions from reading my book, **Toward a North American Community** (Institute for International Economics, 2001), my article, “North America’s Second Decade” (**Foreign Affairs, Jan/Feb 2004**), and the Council on Foreign Relations Independent Task Force Report, **Building a North American Community**, of which I was one of six co-chairs.

If they had read what I have written, they would know that all the accusations above are false. I don’t want to speculate as to why these individuals would repeat unfounded charges, or why this newsletter would continue to repeat them. Instead, let me summarize my views on the future of North America, recognizing that my brief distillation does not adequately capture my analysis or proposals, but at least, it is a fair summary. (This stands in contrast with those who twist my work to make their points rather than mine. For those who want to review my work, visit the website of the Center for North American Studies and its publications [<http://www.american.edu/ia/cnas>])

First, while some want to build formidable barriers to keep out Mexico and Canada, I would argue the opposite: we need to find new ways to relate in a positive way to our two neighbors. The reason is simple: **no two nations are as important** to the United States as Canada and Mexico. Our two largest trading partners are not England and China, but Canada and Mexico. The two largest sources of energy imports are not Saudi Arabia and Venezuela, but Canada and Mexico. For the past three decades, Mexico has been, by far, the largest source of both legal and illegal migration to the United States. There are roughly 500 million legal crossings of both borders each year, and the preferred tourist destination of Canadians, Mexicans, and Americans is their neighbors in North America.

Second, while some view the North American Free Trade Agreement (NAFTA) as a failure that should be repealed, I believe it was a success for what it was designed to do, but it is no longer enough to cope with the challenges of an enlarged market and a more competitive international system. NAFTA succeeded in reducing barriers and **tripled trade and investment** among the three countries, making it the largest free trade area in the world in terms of gross product. It failed because we need to do more than just reduce trade and investment barriers. It did not address the problem of illegal migration; it ignored the issue of border security; it failed to reduce the income gap between Mexico

and its northern neighbors; it created no institutions or consultation procedures that would manage the problems in the relationship and improve people's lives in a demonstrable way. That is why I propose a "North American Community," whose premise is that all three sovereign countries benefit when each of the countries makes progress, and all suffer when one fails. Trade benefits all three countries, and a more prosperous Mexico in the long-term means less illegal migration. But "trade" is not enough to address problems that emerge from an expanding market.

Third, I do not propose a North American Union; I propose a North American Community. They are very different. A Union – like the United States – is a merger of states into a unified central government. A Community is composed of three sovereign governments that seek to strengthen bonds of cooperation. Each government – according to its constitutional procedures – retains the power to decide whether and how to cooperate. A "North American Union" could not be created by "stealth," as some fear. Indeed, any significant initiative to strengthen cooperation would require a wide-ranging and public debate and approval by Congress of all three countries.

Fourth, because of the asymmetry in power and wealth, Mexico and Canada have always been wary of getting too close to the United States, while Washington has often treated its neighbors with arrogance. For these reasons, **the real problem in North America is the opposite of what worries Dobbs, Buchanan, and Corsi.** The problem is not that a North American Union will suddenly emerge; the problem is that there will be little or no progress on **a continental-wide agenda** that could help the region become more secure and economically competitive. The critics claim that the Council on Foreign Relations Task Force on North America prompted the three governments to begin the "Security and Prosperity Partnership (SPP)" in the Spring of 2005. If so, that would be a compliment, except that initiative is very timid, little more than an administrative exercise that measures progress by the number of meetings that bureaucrats schedule.

Fifth, I have offered **numerous proposals to build a North American Community**, which would be very different from the European Union, and I welcome debate on any or all. First, we need an institution – not the supra-national, intrusive bureaucracies of Europe, but a lean advisory group of five senior leaders from each of the three countries. It could be called a North American Commission or Council. Its members could be selected by Congress and the President, and its function would be to propose an agenda, proposals, and ideas for the governments and people of the three countries to debate and consider at annual Summit meetings.

Such proposals could include a Customs Union (common external tariff) to eliminate needless rules of origin, a North American Investment Fund to reduce the development gap with Mexico, a North American Competition Commission to prevent continental monopolies, a North American Tribunal on Trade and Investment to replace the ad hoc and weak mechanism set up under NAFTA, a North American Plan for Infrastructure and Transportation, and more effective way to stop illegal migration while facilitating the legitimate flow of people.

I know some desperately fear a North American Super-Corridor, but two-thirds of all the trade among the three countries are on roads, and despite the fact that trade has tripled, there have been almost no new roads built. We need to coordinate closely with our neighbors to build more roads – not fewer – as part of a wider transportation plan.

With regard to currencies, there is little prospect of a unified currency because all three governments are too committed to the status quo, but this is a good moment to study alternative options. Europe took decades, and made many mistakes before they implemented the EURO. We ought to learn from those lessons and discuss the issues at some length before considering any proposal.

In summary, there is no prospect of a North American Union or Currency, but there are compelling needs for the three sovereign nations of North America to modernize their relationships, and there are good reasons to explore new paths to improve the lives of all the peoples of North America. The greatest tragedy would be if the fear-mongers were to discourage people from imagining a better relationship with our neighbors and a North American Community.

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