

U.S. Relations with Canada and Mexico

SIS-419-61/SIS 653-012

Spring 2012 – Tuesday, 5:30-8:00 pm - Classroom: SIS 300

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I. Course Description: U.S. relations with its two neighbors - Canada and Mexico - have ranged across the spectrum - from wars to free-trade agreements, from hostility to partnership. The imbalance in power in the 20th and 21st centuries between the U.S. and its neighbors has shaped the relationship. Even in the best of times, that imbalance has left the two weaker nations suspicious or anxious and has left the U.S., disinterested or arrogant. With the implementation of the North American Free Trade Agreement (NAFTA) in 1994, U.S. policy and the relationship began a mysterious journey from a classic asymmetric relationship to a transnational community, but neither the governments nor the three publics seem aware of the journey or the destination. Students in this course will be among the first to survey the new territory - the hills and valleys, fears and hopes - and draft a plan to reach the destination.

II. Course Objectives. This course will:

- Explore U.S. policy and the issues that entangle the three governments - from drug-related violence to immigration, trade, border security and terrorism, and foreign policy - issues that divide and bind the countries at the same time.
- Aim to stretch minds to absorb a compelling idea - that North America is not just a geographical expression. It is an opportunity to transform U.S. policy and forge the world's most formidable region if the three governments change the way they relate to each other. The U.S. has usually taken its relationship with Mexico and Canada for granted, but for economic, security, and social reasons, the dangers of such ignorance will grow, and the lost opportunities will mount.
- Encourage students to conceive of policies to harness the new continental energies.

III. Learning Outcomes:

- Understand the “national impulse” – the history, economy, and society - of the United States as well as Mexico and Canada - how each differ, and what they have in common.
- Understand and analyze a new generation of transnational issues, which include trade, border security and terrorism, drug-trafficking, and immigration, and why traditional foreign policy-making is inadequate to address this agenda.
- Learn how international relations are being redefined by the emergence of regions.
- Analyze critically the theory of “integration”, its sources and consequences, and how it applies to North America and Europe.
- Develop and demonstrate analytical, writing, research, and speaking skills.

IV. Readings: Since the course covers contemporary issues, everyone is expected to stay current, reading The Economist weekly, The New York Times daily, and other newspapers in Canada (Globe and Mail) and Mexico (Reforma). Check the NAFTA page on the web: www.nafta-sec-alena.org / and www.portalnorthamerica.org, www.nacts.asu.edu, www.american.edu/ia/cnas

Updates of the schedule and some of the additional readings are available on the course Blackboard site, accessible at <http://www.american.edu/blackboard>.

The following texts are in the textbook section at the Campus Store:

Required:

Robert A. Pastor, The North American Idea: A Vision of a Continental Future (Oxford University Press, 2010). [Hereafter, Pastor, NA Idea]

Jorge I. Dominguez and Rafael Fernandez de Castro. United States and Mexico: Between Partnership and Conflict Second edition (Routledge, 2009) [hereafter, Dominguez & Fernandez]

Stephen Randall and John Herd Thomson. The United States and Canada: Ambivalent Allies (University of Georgia Press, fourth edition, 2008) [Hereafter, Randall & Thompson]

Recommended (on reserve in Library):

Edward J. Chambers and Peter H. Smith. NAFTA in the New Millennium (Center for U.S.-Mexican Studies, 2002)

Stephen Clarkson. Does North America Exist? Governing the Continent After 9/11 (University of Toronto Press, 2008)

Gary Clyde Hufbauer and Jeffrey J. Schott, NAFTA Revisited (Washington, D.C.: Institute for International Economics, 2005). [Hereafter, Hufbauer & Schott, NAFTA Revisited]

Robert Pastor. Toward a North American Community: Lessons from the Old World for the New (Peterson Institute for International Economics, 2001)

Sidney Weintraub. NAFTA's Impact on North America: The First Decade (Center for Strategic and International Studies, 2004)

Council on Foreign Relations, Building a North American Community, Independent Task Force Report, 2005.

http://www.cfr.org/content/publications/attachments/NorthAmerica_TF_final.pdf

V. Course Procedures and Requirements: Students are expected to complete the week's readings before the class, which will be divided in half, with the first part being primarily a lecture, and the second, mostly a discussion led by one or two students, who will circulate questions and a brief summary of the recommended readings. Grades will be judged on class participation and a project report (30%); mid-term exam (30%); and final exam (40%). Graduates are required to read all of the recommended readings and are encouraged to read beyond the syllabus and refer to those additional readings in the class discussion. The description and parameters of the project will be discussed in class on February 7.

Students are required to abide by
American University's Academic Integrity Code.
(see <http://www.american.edu/academics/integrity/code.htm>)

EMERGENCY PREPAREDNESS

In the event of a declared pandemic (influenza or other communicable disease), American University will implement a plan for meeting the needs of all members of the university community. Should the university be required to close for a period of time, we are committed to ensuring that all aspects of our educational programs will be delivered to our students. These may include altering and extending the duration of the traditional term schedule to complete essential instruction in the traditional format and/or use of distance instructional methods. Specific strategies will vary from class to class, depending on the format of the course and the timing of the emergency. Faculty will communicate class-specific information to students via AU e-mail and Blackboard, while students must inform their faculty immediately of any absence due to illness. Students are responsible for checking their AU e-mail regularly and keeping themselves informed of emergencies. In the event of a declared pandemic or other emergency, students should refer to the AU Web site (www.prepared.american.edu) and the AU information line at (202) 885-1100 for general university-wide information, as well as contact their faculty and/or respective dean's office for course and school/ college-specific information.

VI. Course Schedule

Part I: Defining "North America" and Placing it in a Global Context

January 17 Introduction – Definitions [RP]

This first session will be devoted to understanding some of the key concepts that we will use in the class, including: political economy; economic integration; sovereignty; union; community; state; nation; free-trade agreement, customs union, common market; monetary union; pan-region; comparative advantage. We will also introduce you to the debate on North America by excerpts from selected videos.

Required:

- Michael M. Brescia and John C. Super, North America: An Introduction, pp. 1-14.
- Anthony DePalma, Here: A Biography of the New American Continent, Chap 1 (pp. 1-15) and Afterword (pp. 355-364).

- Michael Howlett, Alex Netherton, and M. Ramesh, The Political Economy of Canada: An Introduction (Oxford University Press, 1999), p. 3-10.

Recommended:

- Mary Farrell, “The Global Politics of Regionalism: An Introduction,” in Mary Farrell, Bjorn Hettne, and Luk Van Langenhove, eds., Global Politics of Regionalism: Theory and Practice (Pluto Press, 2005), pp. 1-20.

January 24 One World or Three? Three Nations or Nine? [RP]

The initial purpose of the General Agreements on Tariffs and Trade (GATT) was to flatten tariffs and create a single world trading system, but after fifty years, has one world been created, or is the trading system divided into three pan-regions? How are these pan-regions – European Union, North America, and East Asia – similar and different? Which is winning the global competition? When NAFTA began in 1994, the question was whether it would lead to one North America, three separate nations, or nine sub-regions. What happened?

Required:

- Anthony DePalma, Here: A Biography of the New American Continent (Public Affairs, 2001), pp. 147-163; 343-354.
- Joel Garreau, The Nine Nations of North America (Avon, 1981), pp. 1-13.
- Walter Mattli, The Logic of Regional Integration (Cambridge University Press, 1999), pp. 1-11, 19-40.
- Jeffrey A. Frankel, Regional Trading Blocs (Institute for International Economics, 1997), pp. 1-17.

Recommended:

- Jeffrey A. Frankel, Regional Trading Blocs, Chapter 3, pp. 35-48.

January 31 NAFTA — The Agreement and an Evaluation [CS]

NAFTA was subject to a blistering debate between those who argued it would improve all three economies and those who feared jobs would be lost and the environment endangered. What were the goals of the agreement? What was the nature of the debate? What criteria should be used to assess its effectiveness? What were the costs and benefits of NAFTA?

Required:

- John J. Audley, “Introduction,” in *NAFTA’s Promise and Reality: Lessons from Mexico for the Hemisphere*, in Audley, Polaski, and Papademetriou, (Carnegie Endowment, 2003), pp. 5-9.
http://www.ceip.org/files/pdf/NAFTA_Report_Intro.pdf.
- Pastor, The North American Idea, Chapter 1
- Laura Carlsen, “A Pressing Case for NAFTA Review and Renegotiation,” Americas Policy Program, September 10, 2009 (<http://americaspolicy.org>)
- Gary Hufbauer and Jeffrey Schott, NAFTA Revisited, pp. 17-63, esp. 61-63.

- Robert E. Scott, The High Price of “Free” Trade: NAFTA's Failure Has Cost the United States Jobs Across the Nation. (Economic Policy Institute, 147, November 2003), pp.1-13. http://www.epinet.org/content.cfm/briefingpapers_bp147
- Sidney Weintraub. “How to Evaluate NAFTA” in NAFTA at Three: A Progress Report (CSIS Press, 1997) pp. 5-24

Recommended:

- Daniel Lederman, William F. Maloney, and Luis Servén, in Lessons from NAFTA for Latin America and the Caribbean: A Summary of Research Findings (World Bank, 2005), Chapter 1, pp. 1-14.
<http://wbIn0018.worldbank.org/LAC/LAC.nsf/ECADocbyUnid/32E02C48D1A7695685256CBB0060CA65?Opendocument>
- Carol Wise, “No Turning Back,” and “Unfulfilled Promise,” in Isabel Studer and Carol Wise, eds. Requiem and Revival: The Promise of North American Integration (Brookings, 2007), pp. 1-49.

Part II: Four Perspectives: Three Nations and a Continent

In Part II, we shall seek to understand the “national impulse” or perspective of each of the three countries to the others and the world. What are the historical, social, economic, and political determinants that shape each country’s behavior? In addition, we will identify a continental perspective and public opinion from the three countries.

February 7 United States: The Perspective from the Center [CS & RP]

Required:

- Pastor, The North American Idea, pp. 43-46.
- Seymour Martin Lipset, Continental Divide: The Values and Institutions of the United States and Canada (Routledge, 1990) pp. 19-41.
- Robert A. Pastor, “U.S. Foreign Policy: Divided by a Revolutionary Vision,” in A Century’s Journey: How the Great Powers Shape the World (Basic Books, 1999), pp. 191-238.
- Foreign Relations of the United States, 1948, Vol. IX, The Western Hemisphere (Washington, D.C.: Department of State Publication, 1972), "Cooperative Study of Closer Economic Ties between the U.S. and Canada," pp. 405-412.

February 14 Canada: Southern Exposures [CS]

Required:

- Pastor, The North American Idea, pp. 46-48.
- John Herd Thompson and Stephen J. Randall, Canada and the United States: Ambivalent Allies (University of Georgia Press, 2008, fourth edition.)
- Charles F. Doran, Why Canadian Unity Matters and Why Americans Care (University of Toronto Press, 2001), pp. IX-XV, 72-77, 124-134, and 249-252.
- Denis Stairs and Gilbert R. Winham. The Politics of Canada’s Economic Relationship with the United States. From the *Report of the Royal Commission on the Economic Union and Development Prospects for Canada*, a.k.a. The Macdonald Commission Report. (University of Toronto Press, 1985) pp. 2-21.

February 21 Mexico: El Norte [RP]**Required:**

- Pastor, The North American Idea, pp. 48-51.
- Jorge I. Dominguez and Rafael Fernandez de Castro, The United States and Mexico: Between Partnership and Conflict (N.Y.: Routledge, 2nd edition, 2009).

Recommended:

- Jorge A. Bustamante, "The Mexico-US Border: A Line of Paradox," in Robert L. Earle and John D. Wirth, Identities in North America: The Search for Community (Stanford University Press, 1995), pp. 180-194.

February 28 The Continental Perspective [RP]**Required:**

- Pastor, The North American Idea, Chapter 2.
- Greg Anderson and Christopher Sands. "Fragmegration, Federalism, and Canada-United States Relations" in *Borders and Bridges: Canada's Policy Relations in North America*, edited by Geoffrey Hale and Monica Gattinger (Oxford University Press, 2009) pp. 41-58
- Christopher Sands, "Getting to Know the North American Century," CSIS, *North America Integration Monitor*, Vol. 3, Issue 1 (October 2005)
- White House Press Secretary, "Communique from Guanajuato Summit," February 2001; and "Joint Statement by North American Leaders," Guadalajara, Mexico, August 10, 2009.

March 6 Mid-Term Exam**March 13 Spring Break****Part III: The 21st Century North American Agenda**

In Part III (March 20, 27, April 3), we will analyze the numerous issues on the North American agenda from each national perspective as well as from a continental perspective. Each student will join an issue-specific team whose task will be the preparation of a policy analysis project/report that will be presented orally in class on April 17. The project/report should be 15 pages in length and include a careful review of past attempts by the governments of the United States, Canada and Mexico to address a policy problem of mutual concern, an analysis of why prior efforts failed to resolve the problem, and recommendations for how the governments could proceed in future with greater prospects for success. Teams and topics will be discussed and selected in class on February 7. We will forward a memo with the issues to you before that.

March 20 A Continental Market [RP]

The discussion will focus on labor, migration, trade, agriculture, the automotive industry, and transportation - issues that involve the integration of the continent's economy and society.

Required:

- Brescia and Super, North America, Chapters 7-9 (Immigration, Labor, Trade).

- Pastor, The North American Idea, Chapter 4, “Transcending the Borders”
- Hufbauer & Schott, Chapters 2 (labor).
- Samuel P. Huntington, “The Hispanic Challenge,” *Foreign Policy* (March/April 2004) <http://www.foreignpolicy.com/resources/directory.php> and “Commentary,” *Foreign Policy* (May/June 2004)

Recommended:

- Hufbauer & Schott, Chapters 5 (agriculture), 6 (automotive)
- Sidney Weintraub. “Outlook for Competitiveness” in The Future of North America 2025: Outlook and Recommendations edited by Armand B. Peschard-Sverdrup (CSIS Press, 2008) pp. 154-190

March 27 Illicit Flows and Roadblocks [CS]

The reduction of trade barriers created a vast new market, but it also meant that drug cartels, “coyotes” (traffickers in people), and terrorists had more scope for their illicit dealings across the border. After 9/11, new restrictions have impeded legitimate flows of goods and services, and have irritated our neighbors, but what effect have they had on illegitimate flows?

Required:

- Pastor, The North American Idea, Chapter 5, “Speed Bumps, Potholes, and Roadblocks on the NAFTA Superhighway.”
- Peter Andreas, “A Tale of Two Borders: The U.S.-Canada and U.S.-Mexico Lines After 9-11,” in The Rebordering of North America: Integration and Exclusion in a New Security Context, ed. Andreas and Biersteker (Routledge, 2003), pages 1-23.
- Deborah Waller Myers, “U.S. Border Enforcement: From Horseback to High-Tech, Migration Policy Institute. See <http://www.migrationpolicy.org/ITFIAF/Insight-7-Meyers.pdf> http://www.csis.org/americas/pubs/hf_v11_31.pdf
- Maria Celia Toro, “Mexican Policy Against Drugs: From Deterring to Embracing the U.S.,” in Sidney Weintraub, ed., NAFTA’S Impact on North America (CSIS, 2004), pp. 209-255.
- United States-Canada Beyond the Border: A Shared Vision for Perimeter Security and Economic Competitiveness *Action Plan* (December 2011). See: http://www.whitehouse.gov/sites/default/files/us-canada_btb_action_plan3.pdf
- United States-Mexico Bilateral Action Plan for the Third Meeting of the Bilateral Executive Steering Committee on 21st Century Border Management, December 15, 2011. See: http://photos.state.gov/libraries/mexico/310329/15dec11/Action-Plan_15_DIC.pdf

Recommended:

- Christopher Sands. *Toward a New Frontier: Improving the U.S.-Canadian Border* (Brookings, 2009) Available at: http://www.brookings.edu/reports/2009/0713_canada_sands.aspx

April 3 **Other Transnational Issues – Environment, Energy, Transportation, Regulations, Democracy, and Money [CS]**

The issues that engage the leaders of the three countries are more “domestic” or rather “transnational” than inter-state. They include energy security and climate change, environment, transportation, democracy, and monetary issues.

Required:

- Barry Prentice and Stephen Blank. “Canada-US Transportation and Corridor Policies” in *Border and Bridges: Canada’s Policy Relations in North America* edited by Geoffrey Hale and Monica Gattinger (Oxford University Press, 2010), pp. 324-343.
- Anthony DePalma, Here, Chapter 12 (pp. 259-279).
- Hufbauer and Schott, Chapters 3 (environment), 7 (energy).
- Robert Pastor, “What the U.S. Can Learn from Mexico,” *Los Angeles Times*, July 8, 2006. <http://www.latimes.com/news/opinion/commentary/la-oe-pastor8jul08,0,51027.story?coll=la-news-comment-opinions>
- Henrik Selin and Stacy D. Van Deveer, “Continental Climate Governance Challenges for North America,” *Issues in Governance Studies*, Brookings Institution, No. 30, December 2009.
- US-Canada Regulatory Cooperation Council, *Joint Action Plan* (White House, December 2011). See: http://www.whitehouse.gov/sites/default/files/us-canada_rcc_joint_action_plan3.pdf

Recommended (monetary issues):

- Peter Kenen and Ellen Meade, Regional Monetary Integration (NY: Council on Foreign Relations, 2008), pp. 115-132.
- Sven W. Arndt. “The Pros and Cons of Monetary Integration” in North American Linkages: Opportunities and Challenges for Integration edited by Richard Harris (University of Calgary Press, 2003) pp. 391-418. [Can you send pdf of this?]

Part IV: A Community, a Union, or Just Three Nations?

April 10 **Identity, Values, and Public Opinion – Converging or Diverging? Vision, Issues, and Blueprint [RP]**

In contemplating the question as to whether a community is possible in North America, we need to address issues of identity and political culture, and we need to assess public opinion surveys. In addition, we will explore alternative visions of the North American space and the implications for policy and cooperation among the three countries

Required:

- Michael Adams, Fire and Ice: The United States, Canada, and the Myth of Converging Values (Canada: Penguin, 2003), pp. 139-144.
- Robert L. Earle and John D. Wirth, eds., Identities in North America, pp. 1-10.
- Norteamerica, Vol. 2, 2 (July-December 2007): “Foreword,” Miguel Basanez, et. al., “North American Convergence, Revisited,” Alejandro Moreno, “Why Do

Mexicans Distrust Their Continental Neighbors?,” Frank Graves, “North America: Mosaic, Community, or Fortress?,” pp. 5-9, 21-84, 105-127.

- Pastor, North American Idea, Chapters 3, “Who Speaks for North America?” 6-7, “A North American Community – A Vision,” and “New Policies for North America’s 21st Century – A Blueprint.”
- Christopher Sands. *The Canada Gambit: Will it Revive North America?* (Hudson Institute, 2011) Available at: <http://www.hudson.org/files/publications/Canada%20Gambit%20Web.pdf>
- Sidney Weintraub, “A North American Community: Pros and Cons,” *Issues in International Political Economy*, CSIS, January 2005, Number 61

April 17 Options and Institutions [CS & RP]

In the last two classes, we will ponder a “vision” for the future of North America, options and institutions for approaching the North American agenda. In this session, students will present their research projects, but they will benefit from a previous reading of the items s below.

Required:

- Stephen Clarkson, Does North America Exist? Governing the Continent After NAFTA and 9/11 (University of Toronto Press, 2008), pp. 1-16; 452-471.
- Charles F. Doran, "Deepen Before Widening," in *A New North America: Cooperation and Enhanced Interdependence* edited by Charles F. Doran and Alvin Paul Drischler, (Westport, Conn: Praeger, 1996), pp. 65-87
- Eduardo Zepeda, Timothy Wise, and Kevin Gallaher, “Rethinking Trade Policy for Development: Lessons from Mexico Under NAFTA,” *Carnegie Endowment for International Peace, Policy Outlook*, 2009.
- Memorandum from the U.S. President to the Cabinet, “Coordination of U.S. Policy toward Mexico,” April 26, 1979. [on blackboard]

Recommended:

- Danielle Goldfarb, *Beyond Labels: Comparing Proposals for Closer Canada-U.S. Economic Relations* (C.D. Howe Institute Background, 76, October 2003) pp.1-17. http://www.cdhowe.org/pdf/background_76.pdf.
- Hufbauer and Schott, Chapter 9, Recommendations, pp. 467-490.
- Isabel Studer, “Obstacles to Integration: NAFTA’s Institutional Weakness,” in Studer and Wise, eds. Requiem and Revival (Washington, D.C.: Brookings, 2007), pp. 53-75.

April 24 Summary of the Course and Discussion of Presentations [CS & RP]

May 8, 5:30-7:00 pm Final Exam

WEBSITES

North American (Bi- and Tri-national) Institutions and Agencies

- Border Environment Cooperation Commission (US & Mexico)
- <http://www.cocef.org>
- Mexico-U.S. Binational Commission
<http://www.sre.gob.mx/eua/Espanol/Prensa/Comunicados/2003/Noviembre/SREBinational272.pdf>
- NAFTA Secretariat (includes a record of all disputes and settlements)
<http://www.nafta-sec-alena.org/>
- North American Free Trade Agreement (US, Canada & Mexico)
<http://www-tech.mit.edu/Bulletins/nafta.html>
- North American Agreement on Labor Cooperation (US, Canada & Mexico)
<http://www.naalc.org/>
- North American Development Bank (US & Mexico)
<http://www.nadbank.org/>
- North American Commission for Environmental Cooperation (US, Canada & Mexico)
<http://www.cec.org/home/index.cfm?varlan=english>
- North American Forum on Integration
<http://www.fina-nafi.org/sections/sections.asp?langue=fr&menu=focus&sb=1>
- International Boundary and Water Commission (US & Mexico)
<http://www.ibwc.state.gov/>
- Inter-American Development Bank about Regional Integration
<http://www.iadb.org>
- International Joint Commission (US & Canada)
<http://www.ijc.org/>

Canadian Government Agencies/Institutions

- Canadian Government
<http://www.gc.ca/>
- Canada Customs and Revenue Agency
<http://www.ccra-adrc.gc.ca/menu-e.html>
- Anti-Dumping and Countervailing Directorate
<http://www.ccra-adrc.gc.ca/sima/>
- Canadian International Trade Tribunal
<http://www.citt.gc.ca/>
- Foreign Affairs and International Trade
<http://www.dfait-maeci.gc.ca/>
- Embassy of Canada in Washington, D.C.
<http://www.canadianembassy.org>
- Trade and the Economy
<http://www.canadianembassy.org/trade/index-en.asp>

Mexican Government Agencies/Institutions

- Mexican Embassy, Washington, D.C.
<http://www.sre.gob.mx/eua/>
- Mexican Government
<http://www.gob.mx/wb2/>
- Secretaria de Relaciones Exteriores
<http://www.sre.gob.mx>
- Secretaria de Economia
<http://www.economia.gob.mx/>

US Government Agencies/Institutions and Programs

- The Congressional Budget Office
<http://www.cbo.gov>
- Good Neighbor Environmental Board
<http://www.epa.gov/ocempage/gneb-page.htm>
- US Department of Commerce
International Trade Administration <http://www.ita.doc.gov/>
Market Access and Compliance <http://www.mac.doc.gov/>
United States Trade Representative <http://www.ustr.gov/>
- United States International Trade Commission
<http://www.usitc.gov>

Other International Organizations

- Organization for Economic Co-operation and Development, Trade Directorate
http://www.oecd.org/department/0,2688,en_2649_33705_1_1_1_1_1,00.html
- Organization for Economic Co-operation and Development, Statistics
http://www.oecd.org/statisticsdata/0,2643,en_2649_33705_1_119656_1_1_1,00.html
- World Bank, Latin American Trade
<http://lnweb18.worldbank.org/LAC/LAC.nsf/ECADocByUnid/E8FBA5A860C10DD385256DD600744496?Opendocument>
- World Trade Organization
<http://www.wto.org/>

Research Centers

- EKOS, Canadian Marketing Research Organization
<http://www.ekos.com/about/default.asp>
- Center for Strategic and International Studies
<http://csis.org/americas>
- Center for North American Studies, American University
<http://www.american.edu/sis/cnas>