

The Fifth Summit of the Americas: Recommendations for Action

Reinvigorate NAFTA
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Executive Summary

Fifteen years after the signing of the North American Free Trade Agreement (NAFTA) and with growing protectionist tendencies among the three countries there is a risk that NAFTA could become the European Free Trade Arrangement that withered to nothing in the 1980s.

A serious trade spat between the U.S. and Mexico over the objection to Mexican trucks using U.S. roads and Mexican retaliatory measures indicates growing protectionist tendencies between both countries. NAFTA has lost its gild edge and those who sought greater integration on issues beyond trade have become disillusioned. The question arises as to whether we leave NAFTA to tariff minders and truck inspectors or whether we invigorate it by enhancing cooperation on necessary multi-national concerns, such as energy, the environment, infrastructure, education and health policy.

The summit meeting in Trinidad and Tobago presents an opportunity to make critical commitments: protect the social wellbeing of the poorest citizens and spur economic growth through counter-cyclical stimulus projects. In this respect, the leaders should commit to re-invigorate NAFTA as part of a hemispheric effort to stimulate trade and deter protectionist measures.