

THE OPPENHEIMER REPORT

N. American leaders too timid

The Miami Herald
Aug. 26, 2007

The leaders of the United States, Mexico and Canada last week downplayed critics' fears that they are seeking to create a North American Union. Wimps! Instead of being defensive, they should have called for much greater economic integration.

At a joint news conference Tuesday after a two-day summit in Montebello, Québec, President Bush said that charges by U.S. nationalist-populist zealots that the three leaders were moving forward with plans to create a North American Union by 2010 were "political scare tactics."

Referring to the Security and Prosperity Partnership (SPP), a two-year-old effort by the three countries to increase trade and combat terrorism, drug trafficking, gangs and contagious diseases, Bush said that conspiracy theorists "lay out a conspiracy and then force some people to try to prove it doesn't exist. That's just the way some people operate."

ADDRESSING 'MYTHS'

Canadian Prime Minister Stephen Harper and Mexican President Felipe Calderón joined Bush in disavowing what Calderón described as "myths" about their trilateral cooperation plans.

Meantime, the U.S. government's www.spp.gov website posted a "myths vs. facts" page that says that the March 23, 2005, Security and Prosperity Partnership "is not an agreement, nor a treaty" but "a dialogue" to enhance cooperation.

"The SPP in no way, shape or form considers the creation of a European Union-like structure or a common currency.

The SPP does not attempt to modify our sovereignty or currency or change the American system of government designed by our Founding Fathers," it says.

An unusual mixture of ultra-conservative anti-immigration groups and leftist anti-free trade organizations had sent out alarm bells through the Internet that the three presidents were about to merge the three countries into a single North American Union, and to create one single currency, the "Amero."

The John Birch Society website has claimed that "one of the [SPP's] first orders of business will be a borderless North America -- spelling the end of our nation's independence." The www.Stopnau.org web page asserts that the SPP is aimed at creating "a regional 'super-nation.'"

"This is, no matter what anyone tells you, a very serious and unprecedented challenge to the sovereignty of this nation," CNN's fear monger-in-chief Lou Dobbs told his audience with characteristic anxiety on April 4.

TOO DEFENSIVE

Asked about the three leaders' reaction to this close-the-border hysteria, American University's Center for North American studies director Robbert Pastor told me: "By their silence and defensiveness, the presidents have allowed the relationship to be defined by an extremist fringe that fears any co-operative initiative will lead to the dissolution of sovereignty. The leaders were too timid."

My opinion: I agree. Instead of merely trying to defend themselves from isolationist extremists, Bush, Harper and Calderón should have taken advantage of the summit's media attention to stress to the American public that the three countries would benefit from greater integration.

A rising tide lifts all boats. Greater security cooperation will make all three North American countries safer from terrorist threats. And easing remaining trade barriers will not only further expand each country's export market, but will allow North American companies to have more efficient, closer-to-home supply chains that will make them more competitive in the global economy. Barring that, North American companies will find it increasingly harder to compete with the 27-member European Union and the China-South East Asia free trade bloc scheduled to start by 2010.

Conversely, a receding tide can leave all boats stranded. If the Mexican economy slows down because of rising U.S. protectionism, the flow of unauthorized migrants to the United States will soar.

People will climb over or dig under as many fences as we place on the border, U.S. exports to Mexico (which have risen 222 percent since the 1994 North American Free Trade Agreement) will fall and crime and environmental problems along the border will worsen.

INCOME GAP TOO WIDE

I don't think that a European-styled North American Union is feasible in the short run: the U.S.-Mexico per capita income gap is too big. But to improve North America's security and competitiveness, we should try to narrow the U.S.-Mexico income gap as much as possible.

And that, as the three presidents should have reminded the world last week, is done with greater cooperation and greater economic integration.