

Car Factory in Mexico. Photo courtesy of: Wikicommons

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## Is North America Worth the Investment?

Earl Anthony Wayne

The three largest countries and economics of North America have been working for over thirty years to enhance mutual prosperity, security and well-being across the many issues that connect these three neighbors.

Canada, Mexico, and the United States have created, redesigned, and reinvented a series of bilateral and trilateral mechanisms and processes to help manage their relationships and the important matters and challenges on their shared agendas as sovereign independent nations.

It is fair to say that “North America,” however, is not a term or concept that has caught fire in any of the three countries. The significant value added of getting continental collaboration right on key issues is often overlooked.

But it is worth taking a closer look at the value proposition of strengthening North American cooperation for several reasons, including that the world may well be moving into a period of global alignments where economic blocks and closer cooperation with neighbors will be of more importance to national success.



Photo courtesy of: [whitehouse.gov](https://www.whitehouse.gov)

At present, the United States, Mexico, and Canada share modernized trade agreement, a revived North American Leaders' Summit process (NALs), and a series of bilateral cooperative agreements and mechanisms that cover issues such as border management, cross-border crime, the environment and climate, resilient supply chains, critical mineral supplies, support for green technology (including electric vehicles and batteries), energy, cybersecurity and much more.

The Wilson Center is launching this initiative to take a deeper look at the potential gains of more effective collaboration across North America. We will share guest essays by experts from the three countries making the case for why such cooperation across the continent is worthwhile, despite its complexity and difficulties. We will publish and circulate these essays over the months ahead and organize events to encourage lively discussions about the important issues at stake.

The collaboration between the United States, Canada and Mexico is best known for the trade relationships first embodied in the North American

Free Trade Agreement (NAFTA), which went into effect in 1994. That collaboration was transformed into the US-Mexico-Canada Agreement (USMCA) in 2020.

Millions of jobs, including up to 12 million US jobs, are supported by commerce in the North American marketplace. The United States produces more with its neighbors than with any other countries in the world. More than two million dollars of trade crosses the US-Canada and the US-Mexico borders each minute.

The country relationships in North America are much more complex and interwoven than trade, however. The omnipresent challenges include safe and efficient border management, threats to public security, and handling phenomena such as migration and cross border criminal networks, as well as shared "global" issues like climate change and pollution.

The governments have also discovered that if they are going to take advantage of the potential for economic benefit from collaboration, they need

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to go beyond simply implementing well their trade agreement, USMCA. They need to create more modern, efficient borders and reliable and resilient supply chains. The three countries also need enhanced workforce training and better cybersecurity across the continent's production networks. And the three governments have shared interests in dealing with "root causes" of the large flows of migrants seeking better jobs and lives all three economies.

Managing relations between the three neighbors is extremely complex because they are both international and domestic at the same time. Many of these "inter-mestic" issues are being debated in one country as "hot" political topics dividing political parties at the same time they are being negotiated as vital to the neighbors' well-being. Finding solutions often requires forging compromises with neighbors and at home.

Today, all three countries are also facing the challenges of international landscapes that are being transformed from the "globalization" experienced over the past 20 years to something new. The three governments, and their economies and societies, are trying to learn and apply the best lessons from the COVID 19 pandemic's effects on health, supply chains, workplaces and much more. Simultaneously, technology continues to evolve rapidly adding its impacts to daily life and work. And the three societies are grappling with increased polarization and threats to democratic processes, at home and abroad.

The essays in this series will look at examples of policy and practical collaboration across the continent that can help better address many of these shared challenges. Broadly, the authors argue that much can be gained from serious reflection and

solid cooperative actions among the United States, Canada, and Mexico.

Each government will doubtless remain focused on the importance of its national "sovereignty" and finding policy solutions that reflect their national institutions, culture, and history, but at the same time, the three countries' economies and societies can be much better off if the governments successfully deepen, enrich, and regularize the cooperation on key issues among neighbors. Done well, the investment in North America can yield significant benefits for Canada, Mexico, and the United States.

*We look forward to your thoughts and comments on the essays.*

*Earl Anthony Wayne*









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