

2007

North American Trade Summit Update

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Recommended Citation

Sara Duggan & Lorena Sanchez, *North American Trade Summit Update*, 13 LAW & BUS. REV. AM. 1009 (2007)

<https://scholar.smu.edu/lbra/vol13/iss4/14>

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NORTH AMERICAN TRADE SUMMIT UPDATE

*Sara Duggan**

ON August 21-22, 2007, leaders of the United States, Canada, and Mexico convened at the North American Trade Summit in Montebello, Quebec.¹ This Summit, which marked the third meeting of the Security and Prosperity Partnership (SPP) since its inception in 2005,² resulted in agreements on several trade and security issues,³ disagreements on controversial bilateral issues,⁴ and the escalation of domestic pressures from critics of the SPP.⁵

I. AGREEMENTS REACHED AT THE NORTH AMERICAN TRADE SUMMIT

In agreeing upon several priorities for the next year, President Bush, Prime Minister Harper, and President Calderón focused on predictable, albeit, important issues. First, they concentrated on sharpening North American trade competitiveness in the global market.⁶ The leaders agreed to harmonize trade regulations through the regulatory cooperation framework and improve protection for intellectual property rights through the intellectual property action strategy.⁷ The leaders also designed a plan to ensure the safety of food and products imported into North America.⁸ In addition to considering these trade issues, Harper, Bush, and Calderón acknowledged their significant role in preserving the environment and agreed to cooperate on national auto fuel efficiency

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1. News Release, White House, Office of the Press Secretary, Joint Statement of Prime Minister Harper, President Bush, and President Calderón at the North American Leaders' Summit (Aug. 21, 2007), <http://www.whitehouse.gov/news/releases/2007/08/20070821-2.html> [hereinafter Montebello Joint Statement].
2. Greg Anderson & Christopher Sands, *Negotiating North America: The Security and Prosperity Partnership 1* (Hudson Institute 2007), available at http://hudson.org/files/pdf_upload/HudsonNegotiatingNorthAmericaadvanceproof2.pdf.
3. Montebello Joint Statement, *supra* note 1.
4. *Remarks by President Bush, Prime Minister Harper of Canada, and President of Mexico in a Joint Press Availability*, BUS. WIRE, Aug. 21, 2007, [hereinafter Remarks].
5. John D. McKinnon, *Trade Partnership Sparks Backlash*, WALL ST. J., Aug. 22, 2007, at A11.
6. See Montebello Joint Statement, *supra* note 1.
7. *Id.*
8. *Id.*

standards and biofuel development.⁹ Finally, the leaders addressed North American security. They pledged to improve border efficiency and security through new technologies, mutually acceptable inspection protocols, and border infrastructure development.¹⁰ They also agreed to develop common approaches for responding to major emergencies to allow efficient response to areas in need.¹¹

II. DISAGREEMENTS AND UNRESOLVED ISSUES

Although the leaders coalesced around these priorities, they also disagreed on several controversial bilateral issues. Cross-border travel was a key point of contention. Prime Minister Harper criticized a new U.S. passport requirement for travelers crossing the United States-Canada border,¹² which the United States will implement as early as January 2008 as a part of the western hemisphere travel initiative.¹³ Furthermore, the United States and Canada respectfully disagreed on Canada's claim to the Northwest Passage.¹⁴ Prime Minister Harper firmly emphasized Canada's intent "to strengthen [its] sovereignty in the Arctic area, not only military, but economic, social, environmental and others."¹⁵ In response, President Bush recognized Canada's sovereignty over its Arctic islands, but reiterated the United States' position that the Northwest Passage is an international passageway.¹⁶

III. IMPLICATIONS OF THE NORTH AMERICAN TRADE SUMMIT

The three leaders face their greatest test, however, not in resolving these bilateral disputes, but in the battles awaiting them at home. Given the SPP's lack of transparency, critics from both the right and left have united to demand information.¹⁷ Furthermore, the lack of transparency has resulted in many critics excoriating the SPP as a surreptitious attempt to create a North American Union to the detriment of each nation's sovereignty.¹⁸ These critics' voices have grown stronger. In the United States, members of Congress attempted to withdraw funding from SPP-related activities,¹⁹ and wrote a letter to President Bush expressing their

9. *Id.*

10. *Id.*

11. *Id.*

12. Michael A. Fletcher, *North American Summit Convenes*, WASH. POST, Aug. 21, 2007, at A10.

13. Department of Homeland Security, *Western Hemisphere Travel Initiative: The Basics*, <http://www.dhs.gov/xtrvlsec/crossingborders/whitbasics.shtm> (last visited Sept. 13, 2007).

14. Remarks, *supra* note 4.

15. *Id.*

16. *Id.*

17. McKinnon, *supra* note 5.

18. Barry Brown, *Left, Right Unite to Oppose Union*, WASH. TIMES, Aug. 28, 2007, <http://washingtontimes.com/article/20070828/FOREIGN/108280025/home.html>.

19. See H.R. 3074, amend. 630, 110th Cong. (2007).

concerns prior to the Summit.²⁰ In Mexico, the Mexican Congress expressed its discontent with the power that they believe the United States quietly asserts over Mexico through the SPP.²¹ In Canada, citizens from all political persuasions descended on Montebello to riot before the Summit.²² In response to questions regarding such a clandestine hidden agenda for a North American Union, President Bush lightheartedly brushed the idea aside and emphasized that the countries “respect each other’s sovereignty,” but also “are not isolated according to [their] own sovereignty.”²³ Similarly, President Harper dismissed the claims of plans for a North American Union and characterized the Summit discussions as “practical, pragmatic.”²⁴

As the three leaders return to implement the Montebello agreements, their greatest struggle will be convincing their citizens, legislators, and special interest groups of the SPP’s value. As President Calderón stated at the Montebello Press Conference, the North American leaders “should reassess—or [they] should have [their] people reassess—what all this means to the common citizen.”²⁵ The future of the SPP depends not on the resolution of particular trilateral disputes, but on earning the trust and support of Mexican, Canadian, and American citizens through more transparent discussions and involvement of the legislatures.

20. Howard LaFranchi, *Sovereignty, NAFTA Look Large at Summit*, CHRISTIAN SCI. MONITOR, Aug. 22, 2007, <http://www.globalpolicy.org/nations/sovereign/integrate/2007/0822nafta.htm>.

21. *Id.*

22. McKinnon, *supra* note 5.

23. Remarks, *supra* note 4.

24. *Id.*

25. *Diverted by Jelly-Beans*, ECONOMIST, Aug. 25, 2007, http://www.economist.com/displaystory.cfm?story_id=9688072.

