## "A NORTH AMERICAN COMMUNITY? IT WOULD BE A GOOD IDEA!"

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# INTRODUCTION

I want to start my presentation with a story – which you probably already know - that is also the explanation of the title of this paper. When he had already started his struggle to free India from British colonialism, Mahatma Gandhi traveled to London by ship. By the end of the trip, as he stood on the deck, a journalist was interviewing him. When the British Isles were already in sight, the journalist asked: "What do you think of Western civilization?" Without hesitation, Gandhi replied: "It would be a good idea!"

In a similar way, whenever I read or listen to optimistic accounts about a supposed "North American community" I can't help but tell to myself "It would be a good idea!" In this presentation I will attempt to lay out the grounds for my skepticism.

The classical definition of community in social sciences was crafted by Ferdinand Tönnies. For him, a community (*Gemeinschaft*) is an organic group of people bound by family and affective links, who share customs and beliefs and a common vision and goals built on mutual trust and consultation, who feel mutually committed to each other for the achievement of those common goals. A community is defined in opposition to a society (*Gesellschaft*), an imaginary and mechanical aggregate or structure where people coexist independently from each other, a voluntary association where self-interest prevails and common action is only possible to the extent there is an incentive for selective rewards. A community is based on consensual solidarity; a society is built over individual interest. From this perspective, *Gesellschaft* prevails in the realm of business, travel or sciences; so, for instance, "…even though a certain familiarity and *Gemeinschaft* (community) may exist among business partners, one could indeed hardly speak of commercial *Gemeinschaft…*"<sup>1</sup>

NAFTA was negotiated and has been implemented under two ideological assumptions: 1) all participant countries have the same power resources and are thus able to compete on an equal footing and 2) existing socioeconomic differences will disappear because market mechanisms will gradually bring the benefits of integration to everyone. These assumptions, I would claim, are the basis to justify the use of the term "community" to depict what is going on in North America. However, nine years of experience give good empirical evidence that previously existing differences in political power and economic strength do matter, and the market is unable to make them disappear or decline. In fact, existing trends show rather the opposite: inequalities tend to deepen and uneven integration

<sup>&</sup>lt;sup>1</sup> Ferdinand Tönnies, *Community and Association (Gemeinshchaft und Gesellschaft)*, London: Routledge & Kegan Paul, 1974 (1887); pp. 37-39

is happening; considered either from the regional, sectoral, social, cultural, environmental, ideological or linguistic perspectives.

This paper will address some dark spots of the current integration process in North America in the post-September 11 situation, defined by US enhanced unilateralism and the "Bush doctrine" for relations with the rest of the world. I will then focus on the current debate around the creation of a North American Energy Framework and other nonrenewable resources; and the prospects of this project for the common welfare and the environment.

#### NAFTA: UNEVEN ACHIEVEMENTS

There is no consensus among the analysts about NAFTA's real impacts. There is even less consensus when it comes to evaluate whether NAFTA has been mostly beneficial or detrimental to the people in the North American region<sup>2</sup>. What seems clear, however, is that negative consequences outnumber the positive ones.

On the positive side, we find the following:

1. Increase of regional trade. From the year NAFTA started to be enforced until 2001, trade among the three countries had more than doubled; it went from 297 to 676 billion US dollars<sup>3</sup>. Last year, Canada exported 229 billion USD to its trade partners, Mexico 139 and the US 265<sup>4</sup> According to some analyses, this export boom in Canada and Mexico has resulted in a trade surplus with the US. In 2000, Canada had a surplus of exchanges with the US of about 44.5 billion USD, whereas Mexico had a net gain of 34.9 billion in this exchange<sup>5</sup>.

2. Increase of investment in the region. In 1999, Mexico had a total foreign investment of 16,295 billion USD, of which 4,448 were new investment and 4,509 were portfolio investment<sup>6</sup>. For its part, Canada absorbed 25 billion USD FDI up to that same year<sup>7</sup>.

3. Increase in labour productivity. Between 1994 and 2001, Mexico experienced a 50% labour productivity growth<sup>8</sup>. Although less dramatic, there was also a steady increase in the two other North American countries. Between 1998 and 2001, Canada experienced a 2.2% increase in labour productivity, the US had a 2.8% increase<sup>9</sup>

<sup>&</sup>lt;sup>2</sup> A recent debate on the issue was published under the title "Happily ever NAFTA?" in *Foreign Policy*, September-October 2002; pp. 58-65

<sup>&</sup>lt;sup>3</sup> "NAFTA partners to examine closer ties without threatening sovereignty" in *Canadian Press Newswire*, July 31, 2001.

<sup>&</sup>lt;sup>4</sup> "Happily..."; p. 61.

<sup>&</sup>lt;sup>5</sup> Robert E. Scott, "NAFTA's Hidden Costs. Trade Agreement Results in Job Losses, Growing Inequality, and Wage Suppression for the United States" in *NAFTA at Seven. Its Impact on Workers in All Three Nations,* Washington: Economic Policy Institute, [2000]; p. 4.

<sup>&</sup>lt;sup>6</sup> Carlos Salas, "The Impact of NAFTA on Wages and Incomes in Mexico" in NAFTA at Seven...; p. 13.

<sup>&</sup>lt;sup>7</sup> Scout, "NAFTA's…"; p. 6.

<sup>&</sup>lt;sup>8</sup> "Happily..."; p. 58

<sup>&</sup>lt;sup>9</sup> Data taken from Statistics Canada website www.statcan.ca

4. Improvement of other macroeconomic indicators:

a) GDP in the three countries has increased: Mexico recovered quickly from the 1995 slump and reached 7% real growth in  $2000^{10}$ , in the US GDP grew 4.2% in  $1999^{11}$ . Between 1998 and 2001, Canada experienced a 19.3% increase<sup>12</sup>.

b) Increase in per capita income. As of 1996, GDP per capita was 27,246 USD in the United States, 20,006 USD in Canada and 3,292 USD in Mexico<sup>13</sup>

However, negative impacts cast a shadow over those achievements and put them into a more troubling perspective:

1. Decline of real wages, despite increased corporate profits and gains in labour productivity. In Canada, there was practically no improvement of earning's inequality, while real wages and working conditions deteriorated, especially for young men<sup>14</sup>. This problem, however, affects particularly Mexico. According to some official data, real wages have deteriorated by 23% between 1993 and 1999<sup>15</sup> According to Mexico's bureau of statistics (INEGI); however, this decline was less dramatic, about 8.3% between 1993 and 2000. However, as figure 1<sup>16</sup> shows, during the same period labour productivity increased 45.2%<sup>17</sup> The trend was only confirmed last year, when a 50% labour productivity growth was matched with an 11% decline in wages<sup>18</sup> Even more worrying, wages in the maquiladora export plants, that is, those directly affected by NAFTA's export boom, keep consistently lower than in other manufacturing sectors (1.74 USD vs. 2.12 per hour in 1999<sup>19</sup>), despite the fact they increased 8.4% over their pre-NAFTA level<sup>20</sup>. Low salaries for low-skilled labour were used as a competitiveness strategy to attract foreign investment to Mexico. Yet, the strategy is meeting its limits, because even lower salaries in China are now luring investments and jobs away from Mexican maguiladoras. Clearly, in Mexico the workers are not fairly sharing the benefits of increased creation of wealth promoted by NAFTA.

2. Decay of working conditions and labour rights in the US and Canada, because corporations have threatened to move their operations to cheaper locations in Mexico if the workers ask for too much. The threat is effective because many jobs have been actually relocated. In the US, Robert Scott estimates 766, 030 jobs were lost in the first seven years of NAFTA<sup>21</sup>. In Canada, whereas some jobs were created as a direct result from export increases, more jobs were eliminated because of imports. As of 1997, while jobs in the first

<sup>&</sup>lt;sup>10</sup> Salas, "The Impact..."; p. 13.

<sup>&</sup>lt;sup>11</sup> United States Trade Representative, "NAFTA Overview", USTR web site www.ustr.gov

<sup>&</sup>lt;sup>12</sup> Data taken from Statistics Canada website www.statcan.ca

<sup>&</sup>lt;sup>13</sup> Guy Poitras, Inventing North America: Canada, Mexico and the United States, Boulder: Lynne Rienner, 2001; p. 27.

<sup>&</sup>lt;sup>14</sup> Data taken from Statistics Canada website www.statcan.ca

<sup>&</sup>lt;sup>15</sup> Salas, "The Impact..."; p. 19. This author's source is Mexico's Presidential State of the Nation Address, 2000.

<sup>&</sup>lt;sup>16</sup> Figure 1 was taken from Enrique de la Garza Toledo's presentation in the panel on economic challenges at the "Democratic Transition in Mexico" Conference, Centre for North American Politics and Society, Carleton University, Ottawa, February 2002.

<sup>&</sup>lt;sup>17</sup> Instituto Nacional de Estadística, Geografía e Informática, *Banco de información económica*. Available at the Mexican government statistics website www.inegi.gob.mx

<sup>&</sup>lt;sup>18</sup> "Happily ever..."; p. 58.
<sup>19</sup> "Happily ever..."; p. 62.
<sup>20</sup> "Happily ever..."; p. 64.

<sup>&</sup>lt;sup>21</sup> Scott, "NAFTA's..."; p. 4.

category had increased 28.3% since 1989 (year when the first trade agreement with the US started to be implemented), jobs eliminated reached 32.7%, which means a net elimination of 276 thousand jobs; as figure 2<sup>22</sup> shows. The North American Agreement on Labour Co-operation (NAALC), resulting from NAFTA's side agreements, has been unable to hold the governments accountable of violations to workers rights.

3. Benefits of economic growth are unevenly distributed among the different countries, regions within them and economic sectors. While supporters of free trade may attribute these disparities to the play of comparative advantages, the reality is the impacts in some regions or sectors are so crippling that affected people are unable to simply move elsewhere or shift to a new economic activity. Economic restructuring does create important social disruptions that are not easily solved. The best case in point is agriculture in the three countries. The impressive increase of subsidized, cheap corn imports to Mexico (18-fold from 1993 to 2000<sup>23</sup>) has forced thousands of *campesinos* out of business. Most of them do not simply turn to a new economic activity, often non-existent in the regions they live, but are instead forced to migrate, either to the slumps in major cities or to work illegally in the United States. Contrary to what former President Salinas offered, NAFTA has not decreased the amount of Mexican people seeking to cross the border in search of new opportunities for living, that amount has in fact increased.

4. Consequently, at the individual level, increases in average per capita income hide a more complex reality: whereas free trade has created enormous wealth for some, it has meant poverty for many. In Canada, the share of income of the poorest 20% of families went down from 3.8% to 3.1% from 1989 to 1998, while the richest 20% saw their income increase from 41.9% to 45.2%<sup>24</sup>. In Mexico, according to the World Bank, during the first four years of NAFTA poverty rose from 51 to 58% of the country's population<sup>25</sup>. This is especially visible in the rural areas. Mexico's rural poverty rate rose from 79% in 1994 to 82 in 1998<sup>26</sup>

5. NAFTA has not stopped environmental degradation in North America, despite the fact it was promoted as an agreement that will enhance regulations to protect the environment ("the greenest trade agreement in the world"). The Commission for Environmental Co-operation (CEC), pretty much the equivalent of NAALC regarding labour issues, has been ineffective at raising the regional standards to protect the environment. It has also been silent on key related issues such as the Kyoto agreement to stop global warming.

6. The enforcement of provisions enshrined in the agreement to protect investors' rights and intellectual property is raising concern about its bias in favour of corporations over public concerns. The ability NAFTA grants to corporations to sue governments whenever the former consider public policy decisions affect their business prospects is

<sup>&</sup>lt;sup>22</sup> Elaborated by P. Dungan and S. Murphy, "The Changing Industry and Skill Mix of Canada's International Trade" in *Perspectives on North American Free Trade*, paper 4, Ottawa: Industry Canada, 1999; taken from B. Campbell, "False Promise. Canada in the Free Trade Era", *NAFTA at Seven...*; p. 24.

<sup>&</sup>lt;sup>23</sup> "Happily ever..."; p. 58.

<sup>&</sup>lt;sup>24</sup> D. Robinson, *State of the Economy*, Ottawa: Canadian Centre for Policy Alternatives, 2001.

<sup>&</sup>lt;sup>25</sup> "Happily ever..."; p. 62.

<sup>&</sup>lt;sup>26</sup> "Happily ever..."; p. 58.

weakening the states' ability to legislate in favour of communities. Proverbial are the cases in Mexico and Canada where the governments have been forced to pay millions in compensation to US corporations. Until last year, Mexico had paid 17 million USD and Canada 33 million USD to US corporations only because their governments had decided to protect the public from environmentally predatory activities carried out by those corporations. Other US investors are claiming 110 million USD to Mexico and 10.9 billion to Canada for "expropriation" (lost profit) resulting from environmental regulations<sup>27</sup>. This predominance of investors' rights above those of ordinary citizens and the limits they put to the political process means an erosion of sovereignty and democracy in the three countries.

# SEPTEMBER 2001: EITHER YOU ARE (UNCONDITIONALLY) WITH US OR YOU ARE AGAINST US

The events of September 11, 2001 became undoubtedly a landmark not only for the United States but for the rest of the world. While their unfolding implications for global security have been widely discussed, much less has been written about the consequences of these events for North America. Curiously, some analysts tend to consider the United States government may be harsh with the rest of the world but will be nice and accommodating to its North American partners. This assumption is not only naïve, it is untenable.

Even before September 2001, from the outset, the Bush administration made clear to the world it will enhance US unilateralism. The new government did not hesitate to withdraw from multilateral commitments previous administrations had taken a longtime to build, such as the Kyoto Agreement, the Anti-Ballistic Missile Treaties, and UN human rights agreements. From this perspective, the September 11 events happened at the worst possible time, when the US institutional framework and political environment pushed the trend to unilateralism to its limits.

When the US decided to go after the alleged perpetrators of the attacks, President Bush framed the options left to the international community in simple yet unambiguous terms: either you are unconditionally with us or you are against us; an approach that was dubbed by some analysts the "Bush Doctrine". Mexico and Canada were of course trapped within that framing; that translated to the region meant they were faced with the choice of supporting whatever initiative the US proposed to fight terrorism or be considered unreliable partners. Tied by the close military co-operation with the US it has developed over 60 years, Canada took the warning to the letter and supported wholeheartedly the main US initiatives on the issue. Mexico did not, also tied by its traditional reluctance to participate in military operations outside its territory, be them authorized by the UN or not. This decision was not interpreted by the US government and mainstream analysts as a sovereign decision, coherent with Mexico's foreign policy doctrine and past behaviour. It was rather seen as a sign of weakness, as a proof of that country's lack of commitment with North America.

In the process of supporting the US crusade in Afghanistan, Canada put once again in jeopardy its prestige as peacekeeper, built over decades of commitment with multilateral

<sup>&</sup>lt;sup>27</sup> Public Citizen/Friends of the Earth, *NAFTA's Chapter 11 Investor to State Cases: Bankrupting Democracy,* Washington: Public Citizen, 2001; p. 7

and peaceful solutions to international conflicts<sup>28</sup>. Observing Canada's recent international record, one may wonder what was the use of presiding over the creation of the International Criminal Court (ICC). As we recall, Canada signed the Rome Statute for the ICC in December 1998, and became one of its leading international promoters until its creation in July 2002. However, when the perfect occasion to prove the effectiveness of that Court arises, by bringing the perpetrators of the attacks of September 11 to international justice, Canada chooses the alternative to actively support military retaliation, in alliance with a country which had withdrawn from a previous commitment with that Court and had denied its authority<sup>29</sup>.

For Mexico, September 11 meant this country would no longer be among US foreign policy priorities. This was an unexpected development for both countries, because both Presidents Fox and Bush were counting on each other to bring the relationship to a new level of dialogue. Improving that relationship was part of Fox's electoral platform. On September 5, 2001 George Bush declared that "the United States has no more important relationship in the world than our relationship with Mexico", and he was willing to consider a Mexican initiative to expand permanent visas and guest worker programs for Mexicans, as well as granting legal status to about 3 million Mexicans living in the US. But after the attacks, Mexico disappeared as a foreign priority. Now, even if the US is interested in cooperating with Mexico on drugs and security, Washington avoids any commitment regarding immigration, especially now that mid-term elections are close<sup>30</sup>. This is one more confirmation of the asymmetry built into the supposed North American community: only the issues that matter to the US deserve bilateral attention. Bush's visit to Mexico scheduled two weeks from now may seemingly not change this landscape.

The statement on national security, issued by the White House last September 2002<sup>31</sup>, only confirms, elaborates and formalizes the sketchy "Bush Doctrine" and its basic unilateral thrust. According to this document, the US has the right to preempt the development of terrorism in the world, by whatever means necessary. It also clearly states the will of the United States to remain the world's only military superpower, and prevent the development of potential rivals. This stark statement will face Canada and Mexico with radical choices on the extent of co-operation they are willing to offer to the achievement of those objectives.

### A NORTH AMERICAN COMMON MARKET FOR ENERGY? THE LION'S SHARE

<sup>&</sup>lt;sup>28</sup> Tom Keating, *Canada and World Order: The Multilateralist Tradition in Canadian Foreign Policy*, Toronto: McClelland & Stewart, 1993.

<sup>&</sup>lt;sup>29</sup> In November 10, 2001, a US Senate Amendment forbidding the US government to participate in negotiations regarding the ICC became law. In May 2002, George Bush declared the US had no legal obligation arising from President Clinton's signature of the Rome Statute. Later that month, the American Servicemembers' Protection Act was passed, whereby the US government protects their military from international prosecution under the authority of the ICC.

<sup>&</sup>lt;sup>30</sup> Ginger Thompson and Tim Weiner, "Mexico Struggles for the Attention of a Preoccupied US" in *The New York Times*, October 13, 2002.

<sup>&</sup>lt;sup>31</sup> George W. Bush, *The National Security Strategy of the United States of America*, available at the US President's website www.whithehouse.gov

Within ten days of taking office, George Bush created the National Energy Policy Development Group, chaired by Vice-president Cheney, with the goal of shaping a national energy policy. The group released a comprehensive policy document in May 2001, entitled National Energy Policy, which addresses five main areas of energy management: increased conservation, modernization of infrastructure, diversification of supplies, improvement to environmental protection and reinforcement of energy security<sup>32</sup>. Chapter 8 in that document, entitled "Strengthening Global Alliances", outlines the strategies to enhance energy security through international alliances. North America plays an important role in that strategy, as explained in the section "Toward a North American Energy Framework".

The document states Mexico and Canada have a special place at enhancing US energy security. Canada has become the US' largest foreign supplier of natural gas, oil and electricity; providing 15% of all oil imports and 14% of total natural gas supply in 2000. In 2000 alone, Canadian oil exports to the US increased by 10%, while they augmented by 4% only to the rest of the world. Existing gas and oil pipelines and electricity networks connecting the two countries ensure continuous supply to US markets.

As for Mexico, this country is the fourth international supplier of oil for US needs, contributing with 12% of total imports. Proven oil reserves in Mexico, approximately 25% larger than the ones in the US, make this country a likely source of oil supply over the next decade. Mexico began exporting electricity to the US in early 2001, to help alleviate the energy shortage in California that winter. Increased exports, however, would require infrastructure expansion.

According to that document, it will be necessary to ensure compatible regulatory frameworks are put in place whenever the Canadian and Mexican governments consider reforms in the energy sector. Regarding Mexico, the White House encourages the US private sector to engage in market-oriented investments whenever allowed by Mexican laws, which reserve exploration and production to the federal government. In any case, the document considers, "Where the country has opened its energy sector to private investment... investments have been made to our mutual benefit"<sup>33</sup>

The policy paper finally recommends the US executive to engage in dialogue with the North American partners to develop closer energy integration in the region. It is especially important to make regulatory regimes more compatible for cross-border trade, and ensure the construction of the pipeline to bring natural gas from Alaska and Northern Canada to mainland United States.

The language of efficiency and complementarity is used to veil what is really behind this plan: ensure that energy reserves in Mexico and Canada will supply to the needs of the US economy and public until depletion. This scenario is not unlikely at all. The White House document itself shows that North America holds scarcely 5% of worldwide proven oil reserves as of 2000, yet this region supplies for over one quarter of US needs. Conversely, whereas 67% of proven reserves are found in the Middle East, the region supplies 24% of US imports. According to the World Energy Council, at the 1999 levels of exploitation

<sup>&</sup>lt;sup>32</sup> The document is available through the White House website www.whitehouse.gov/energy <sup>33</sup> Ibid, p. 8-9.

North American oil reserves will last only 10.5 more years before total depletion (see figure 3)<sup>34</sup>. However, the levels of production have, as we saw, increased over the past few years.

A similar situation exists regarding natural gas. North America holds only 5.2% of the world's reserves of this resource. The gas reserves/production ratio is the lowest in the world: at the 1999 levels of exploitation North American recoverable gas reserves will last for 6.4 years more before they are fully depleted (see figure 4). All of Northwestern Canada and Alaska natural gas reserves, estimated at 70 trillion cubic feet, would only supply for three years of US consumption at present levels. Exploitation of those resources will have lasting environmental consequences in the area; they will be the price to pay for an extremely short-term gain; whose benefit will be felt mainly in the United States.

Who is responsible for this over consumption of scarce resources in the region? The United States is. Table 1 shows US consumption largely exceeds its production. Canada systematically produces less than it consumes. Mexico produces more oil than it consumes, but consumes slightly more natural gas than it produces. However, at the 1999 levels of production Mexican reserves would last for 14.4 more years. In all cases, we note US consumption drives down the reserve/production ratio; that is, this country is able to buy some years of sustainability making use of regional supply. Short-term sustainability of North American energy reserves is put in jeopardy by US excessive consumption.

#### CONCLUSIONS

The brief exploration attempted in this paper shows that North America clearly does not meet Tönnies' definition of community. No real community is possible when enormous disparities exist between the partners, even if they are formally ignored; when one of the partners dictates the rules and the other two are constrained to comply or suffer the consequences; when scarce resources are used mostly to the benefit of the most powerful partner. No community is possible when one member calls the shots and decides what common initiatives are viable and which are not.

Instead of serving as an equalizer of previously existing national differences in North America, NAFTA has become an institutional mechanism to push Canada and Mexico to adopt US standards for doing business, which includes the relationship existing between corporations and governments. Unacknowledged economic and political power tilt the balance in favour of US standards, that are adopted as the norm to be followed by the other two partners in order to preserve investment environments that US corporations consider attractive. Mexico and Canada have received the full blow of these corporations' global objective, supported by their government, of seeking a degree of uniformity in policy and regulatory regimes under which they are used to operating<sup>35</sup> Calls for "deepening North American integration" coming from US business quarters or their supporters in Mexico and

<sup>&</sup>lt;sup>34</sup> Survey of Energy Resources, available at the World Energy Council website www.worldenergy.org/wec-geis/ <sup>35</sup> United Nations Conference on Trade and Development, *World Investment Report: Transnational Corporations, Employment and the Workplace*, New York: UN, 1994; pp. 140-144.

Canada<sup>36</sup> are in fact claims to reduce the frictions resulting from national policies different from US standards<sup>37</sup>

Minimalist definitions of community, applied to the realm of international relations, consider there is "community" where countries agree to settle their differences without resorting to violence. Building on this minimalist definition, some analysts try to show that the three countries in North America are not only peaceful to each other but their peoples are tending to increasingly trust each other and develop a common identity.<sup>38</sup> However, as I developed elsewhere<sup>39</sup>, this demonstration is plagued with methodological flaws that betray the authors' intention to prove by all means that there is indeed a distinct North American identity developing. Evidence of a lack of real sense of community pops up frequently; a recent case in point is the initiative introduced by Representative Tom Tancredo, endorsed by 30 thousand citizen signatures, to militarize the borders with Mexico and Canada in order to protect the US from terrorists, drug traffickers and undocumented immigrants<sup>40</sup>.

The expression "North American community" (or "partnership") is therefore misleading. It is lavishly used by politicians and the media as a rhetorical figure, in a superficial way. Political analysts cannot afford to use this expression lightly, doing otherwise is equivalent to endorse a fiction, an ideological construct that cannot be empirically demonstrated and is politically loaded.

A real North American community would require so many currently missing elements. A community means all participating partners have the same right to express and protect differing viewpoints and interests, with a last resort to veto powers so no single partner dictates the agenda or the standards that must be met by the others. It would first require formal acceptance of existing national and regional disparities, and the implementation of mechanisms to alleviate them. It would also imply setting up institutions to jointly decide the use of non-renewable resources, in such a way where fairness is guaranteed. A system of deliberation about issues related to security would also be needed, where lesser partners have the same weight on decisions than the powerful one, regardless of their relative military might. Finally, a community would guarantee accountability to the people on whose behalf it is acting, to give back to the public the last word when deciding major issues affecting the region. None of these elements is found in the real North America we live in; pretending otherwise is pure wishful thinking.

<sup>&</sup>lt;sup>36</sup> See for instance Wendy Dobson, "Shaping the Future of the North American Economic Space: A Framework for Action" in *CD Howe Institute Commentary*, no. 162, April 2002. She writes the following:

<sup>&</sup>quot;...Canada should seek to eliminate troublesome barriers to people, trade, and foreign investment...States are the architects of heir own constraints...".

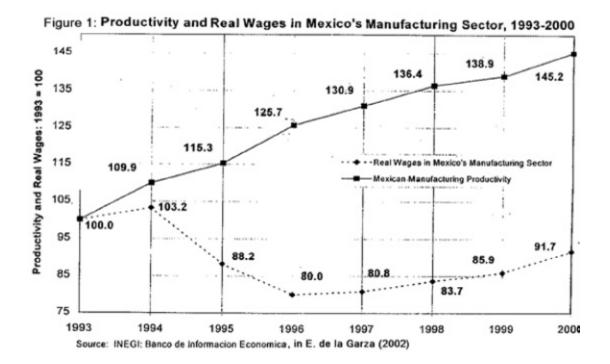
<sup>&</sup>lt;sup>37</sup> John McDougall, "National Differences and the NAFTA" in *International Journal*, vol. 55, no. 2, spring 2000; pp. 281-291.

<sup>&</sup>lt;sup>38</sup> Ronald Inglehart, Neil Nevitte and Miguel Basáñez, *The North American Trajectory: Cultural, Economic and Political Ties among the United States, Canada and Mexico,* New York: Aldine de Gruyter, 1996. A similar case is made by Robert L. Earle and John D. Wirth in the conclusions of the book they edited *Identities in North America. The Search for Community,* Stanford: Stanford University Press, 1995.

<sup>&</sup>lt;sup>39</sup> Book review of Inglehart, Nevitte and Basáñez's book, in *Canadian Journal of Political Science*, vol. 30, no.2, June 1997.

<sup>&</sup>lt;sup>40</sup> "Legisladores estadunidenses piden a Bush militarizar la frontera con México y Canadá" in *La jornada*, October 9, 2002.

The North American community would indeed be a good idea. Under the current conditions, however, it is misleading and unrealistic.



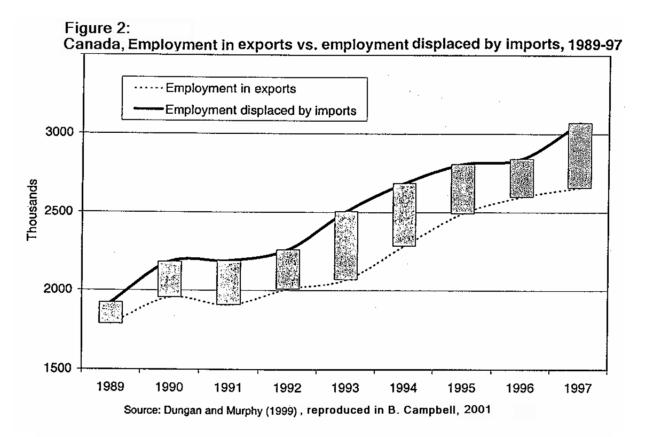
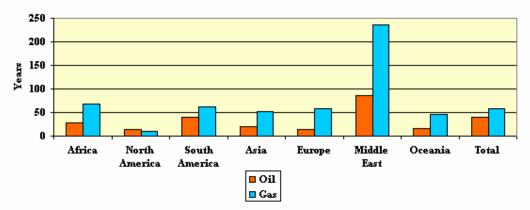
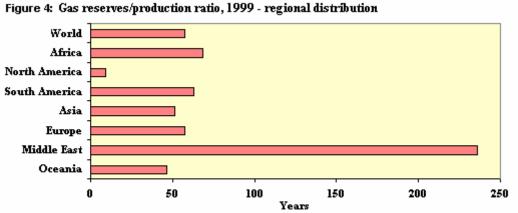


Figure 3: Hydrocarbon reserves/production ratios , 1999



Source: World Energy Council website



Source: World Energy Council website.

# TABLE 1: ENERGY SUSTAINABILITY IN NORTH AMERICA, 1999.

	OIL				NATURAL GAS			
	RESERVES (million barrels)	PRODUCTION (thousand barrels p/d)	CONSUMPTION (thousand barrels p/d)	R/P RATIO* (years)	RESERVES (billion cubic metres)	PRODUCTION (billion cubic metres)	CONSUMPTION (billion cubic metres)	R/P RATIO* (years)
CANADA	6 402	2 020	1 907	8.7	1 719	176.2	84.1	8.7
MEXICO	28 260	3 343	1 339	23.2	861	34.8	37.2	17.4
USA	29 671	7 731	16 654	10.5	4 740	527.3	614.3	8.2
TOTAL N. A.	64 333	13 094	19 900	14.13333333	7 320	738.3	735.6	11.4333333

\* reserves/production ratio: dividing proved recoverable reserves in 1999 by production that year. Totals express re average in years

Source: author's elaboration based on World Energy Council data.