

## **Week 7 Reflection Paper**

### **Articles reviewed:**

Beyond the Policy Frontier: Canada, Mexico, and the Ideological Origins of NAFTA by S. R. Golob

The rise and fall of open regionalism? Comparative reflections on regional governance in the Southern Cone of Latin America by N. Phillips

The FTAA as a Three-Level Bargaining Game by A. Hira

### **Discussion**

The articles that were read this week revolved around the topic of free trade agreements in the Americas (FTA). Golob's article *Beyond the Policy Frontier: Canada, Mexico, and the Ideological Origins of NAFTA* attempted to understand how both Canada and Mexico although having very different democratic systems both broke down their policy frontiers with regards to free trade with the United States. Phillips' article *The rise and fall of open regionalism? Comparative reflections on regional governance in the Southern Cone of Latin America* discusses the Mercosur project not as a failure but involved in the redefinition of 'regionalism' in the Southern Cone. Lastly, Hira's article *The FTAA as a Three-Level Bargaining Game* focuses on uncovering the strategies that Latin American countries (LAC) could use to influence the FTAA through an understanding of the current international and domestic laws and politics.

After the readings, especially that of Hira's, my personal opinion of free trade agreements in the Americas has been altered, or better put shifted. For the most part I have been against free trade agreements with the United States for reasons more of spite than of logic. In my quick judgement my view of any trade

agreement with the United States would favour their economy. In a sense why would one of the strongest economies in the world want to risk their economic stability and success with an agreement with numerous foreign economies that are instable? This was one of the questions I continued to ask myself as I read the articles for this week.

With regards to NAFTA, Golob points out that the United States had been interested in integrating their economy with both Mexico and Canada, but both of these countries for their own “independent existence” have avoided any such agreement. This statement has me reflecting back on a paper which claimed that the new form of colonialism is economic. In the context of a globalized world, which for many is Americanized, this colonialism has become quite effective in its mission. Unfortunately, NAFTA hasn't lived up to the promises that Canada and Mexico had hoped for; but in addition it hurt the United States as well with job losses and increased inequality. Why then would countries want to continue with FTA?

Mercosur in some ways is the ‘NAFTA’ of the south involving the ‘healthier’ economies of Latin America. Coincidentally this FTA has also come short in reaching its expectations as Phillips commented. The majority of Phillips piece discussed the redefinition of regionalism in Southern Cone as well as in the Americas. A passage from the article provides me with a possible motive for the United States to push for the FTAA:

“What regionalism means, in essence, is that strategies of national economic management and the processes by which accumulation occurs (as well as the type of accumulation that is privileged) can be expected to undergo a redefinition. This redefinition involves a reconfiguration of social relations occurring over a regional, rather than a domestic, terrain and the emergence of common forms of market organisation and economic strategy. “ (p. 232).

The specific points of interest for me here were that the type of accumulation that was to be privileged was to be redefined as well as the reconfiguration of social relations from the domestic to the international. What I am getting from this is that FTA, like NAFTA, Mercosur and FTAA, have the potential to disrupt old financial and political relationships, ones of collusion and corruption, in Latin America. This would then have the possibility of decreasing inequality by allowing for new ‘players’ in the capitalist market. What this in turn does is create a larger middle class, and as Hira points out in his article “by creating larger middle class markets in Latin America, the U.S. and the region will gain on both the security and economic fronts” (p. 178). Here lies the answer to both of the questions that I had asked.

Free trade agreements in the Americas, although have been argued to have more negatives than positives, from the work done by Golob, Phillips and Hira it would appear in the long-term FTAs have much more to give the region of the Americas in terms of economic as well as social prosperity. The possibility of increasing the middle class market and thus the level of income in the Americas is an outcome that will benefit numerous causes, such as the environment and poverty. As Mexico and Canada have shown us, it is still possible to be independent of the United States while integrating your economy with theirs.

Unfortunately because of past imperialistic ventures of the United States in Latin America and the Caribbean, a trade agreement such as the FTAA may take time in establishing with wounds still sore; as the world continues to globalize FTA will not only continue to persist, but to also increase. Although still going through growing pains, the European Union may be a fad that does not disappear.