

North American social organizations reject the current acceleration of NAFTA 2.0 talks to seek an agreement ‘in principle’

Negotiating under intense pressure is never recommended. We call for the immediate suspension of these talks to be re-started once all newly elected legislators are in place.

The political and economic climate under which Canada, Mexico, and the United States started the process of NAFTA renegotiation in 2017 has deteriorated further in 2018. The U.S. is threatening tariffs for June 1st and the White House bullies via tweets, while armed National Guards are being sent to the US border with Mexico, etc. These strong arm-tactics employed by the Trump administration have now culminated in an attempt to force an Agreement ‘in principle’, where, we are told, some sort of understandings have been reached on a few of the most difficult and contentious elements of NAFTA, but the texts remain secret.

We, the undersigned social organizations from all three North American countries, call on our respective governments to publish the texts from the handful of agreed to Chapters immediately, and to suspend the NAFTA renegotiations until a climate of mutual respect is reestablished and an open and public debate can be held in all three countries.

We completely reject the xenophobic and racist ideas that have accompanied the current NAFTA renegotiations. We reject the astoundingly bad idea of a wall between Mexico and the United States as well as the ridiculous notion that the Mexican government could be coerced into paying for it. We reject the constant threats, insults and blackmailing utilized by the White House against both Mexico and Canada.

Such an ‘Agreement in Principle’ is a poorly understood and little used manoeuvre in commercial agreements. What would be the legal ramifications to such an ‘Agreement in Principle’? For example: would it include general agreements on important areas without any prior notion of what could be the implications stemming from any concrete understandings already reached? Would the negotiations just continue on, but be more secretive than ever?

All three governments should step back from the often stated need for NAFTA renegotiations to be completed before the Mexican elections in July, and/or the U.S. midterms in November. Instead, our three governments should take the time to put together a solid game plan for building a just and fair trade arrangement that would ensure that in each country all sectors of society will be the beneficiaries.

As we see it, the renegotiation of NAFTA could present an opportunity for a serious public debate on many of the damaging provisions in that trade deal, like putting an

end to the investor-state dispute settlement found in Chapter 11, which gives corporations the ability to sue governments over public interest laws in unaccountable private tribunals while stating that corporate profits could be curtailed. We can hardly believe that both Canada and Mexico, the two most sued country under NAFTA Chapter 11 (where the US has yet to lose a case), would be the most enthusiastic proponents of keeping such investor-friendly provisions. The national court systems in each of the three countries should be the ultimate judges of investor suits. Corporations can even take out insurance policies to cover any unforeseen out-of-country costs.

At the same time, we continue to oppose NAFTA's ultra secretive negotiation process that could result in some of the worst aspects of the Trans Pacific Partnership (TPP) and other trade deals becoming codified in a NAFTA 2.0. Many of us have raised the alarm and put forward serious demands via numerous public statements such as: the Tri-National Declaration of May, 2017 that was followed in 2018, first by a detailed list of demands from Mexican social sectors, and then by a letter endorsed by more than 1,000 civil society groups from a broad range of sectors in the United States.

Canadians have also called for transparency from their government negotiators with little success. The Canadian government has also been reluctant to release the results of a public consultation on NAFTA that they had commissioned in 2017. On April 11, 2018 OpenMedia reported that the Canadian government had received 46,400 public submissions. OpenMedia was told by Ottawa to submit an Access to Information (ATI) request if they wanted to see the results of those consultation submissions. On April 17, 2018 Bloomberg News, in response to an ATI submitted to the Canadian government, were sent a sampling of just 200 consultation letters and emails, or less than 0.50% of all submissions received by Ottawa. The Canadian government needs to release all the consultation findings and explain how those have informed their negotiating positions.

US President Trump has recently been 'tweeting' for an expedited political agreement on NAFTA 2:0 to be finalized in a matter of weeks. News reports indicate that after some nine months of renegotiations only a handful of 'chapters' of a future NAFTA 2:0 have been 'closed' (meaning negotiations are completed), while a multitude of other chapters are advancing slowly, if at all. If indeed a few chapters have now been completed, we call on the Canadian, Mexican and US governments to make these 'closed' chapters public so that people in all three countries can judge what is being accomplished by these talks (what is won-what is lost).

The Peña Nieto government, has the lowest public approval ratings in recent history, and because of that, from a Mexican perspective, can not be trusted to act in Mexico's best interests. Mexico's Foreign Minister and its Secretary of Commerce appear to be continually in Washington to appease President Trump following each of his tweets, but with an end game of trying to please him in order to save a treaty that has mostly benefited a small group of corporate tycoons.

Paradoxically the only area where the Government of Mexico has been maintaining a firm position is in refusing to even discuss the subject of the needed and urgent matter of a salary increase in Mexico as part of a NAFTA 2:0. This just demand coming from a majority of Mexican social actors is also supported in Canada and the U.S. Recently the government of Mexico appears to have softened its position on this question in the face of strong tri-national union pressure and due to a letter signed by 94 U.S. legislators asking their country's top negotiator to ensure that labour rights be strengthened and be protected in any new NAFTA agreement.

In the face of this considerable pressure, Mexico has counter-proposed that wage increases be limited to the globalized automotive sector. This would be a positive development, although an extremely limited one given that those jobs represent only 0.77% of overall employment in Mexico - and it would in effect maintain the outdated dogma that a competitive position is necessarily based on keeping salaries low and workers impoverished.

The agricultural sectors in all three countries have suffered under almost 25 years of NAFTA. We reject the heavy handed demands and retaliatory threats to Canada's supply management program that are now coming out of Washington, and we call on the Government of Canada to stand firm in denying any concessions in this area. U.S. farmers and rural communities are suffering from historically low prices for many commodities, including dairy products, but the answer does not lie in destroying Canada's successful program that ensures that farmers get fair prices for their production while providing consumers healthy foods free from growth hormones and the excessive application of antibiotics to dairy herds. We call for the implementation of measures to protect consumers' rights to know where and how their food is produced. We also call on the Mexican negotiators to stand up and reverse the practice followed since NAFTA's inception of the dumping of subsidized US agricultural commodities on the Mexican market, which has had such devastating consequences on rural Mexico.

Despite the propagandistic statements coming from the three governments, all indications point to important concessions being made to transnational corporations that will be very negative for our countries. For example, the lengthening of patent protection for medicines and the deepening of other intellectual property aspects will be an attack against our health and our privacy and digital rights, all in the name of ramping up corporate profits. Biodiversity risks being compromised, and concessions are being made on rules of origin, in response to Trump's demands. In contrast, continuing efforts to 'deregulate' will negatively impact fundamental human rights as well as the environment, while there has been little effort to revisit the failed militaristic strategy on drug trafficking, nor has there been a push for effective controls of the arms crossing the borders from the U.S. into Mexico, as well as into Canada, and that have caused so many deaths in both countries.

The future of human existence hangs on immediate attention being paid to reversing climate change. We strongly recommend reading the recent tri-national study entitled [NAFTA 2.0: For People or Polluters?](#) The authors of this document explain how the

current NAFTA agreement ties the three countries to a fossil fuel future and how the current renegotiations could worsen the already evident problems. They also make it abundantly clear that NAFTA was written to support corporate contaminators and not communities affected by climate change.

Over the years the tri-national movement for fair trade and investment has raised numerous evidence-based criticisms of the ways NAFTA has contributed to economic and social inequality, environmental degradation and the worsening of food and farm systems. These observations have always been accompanied by alternative proposals to achieve fair and sustainable economic relations among our countries. We fully recognize that the winners and losers from NAFTA have never been countries as a whole but rather sectors within each country. Workers, farmers and consumers in all three countries have lost from NAFTA rules designed to facilitate the free flow of goods and capital across borders, while the major transnational corporations have gained ever greater control over our economies.

We call on the governments to explain the reach of this so-called agreement 'in principle'. The process of ramping up these NAFTA talks represents additional pressure leading to an even higher level of secrecy, and it does not portend well for the people of each country. It represents a fear that the voting public would voice their wishes via the ballot box, a voice largely silenced by the secrecy governing these trade talks.

We reject the agreement 'in Principle' as being no more than a cynical public relations exercise that camouflages the real intent behind these secret negotiations. We call on the governments of Canada, the United States, and Mexico to suspend the negotiations until there is a more hospitable environment, and in the meantime publish the agreed-upon texts, and begin an authentic consultative process with legislators and civil society from all three countries. Each country should take stock and refocus on attaining a fair trade and investment agreement based on a three-country cooperation model that ensures sustainable development and addresses inequalities within each of our countries, and among the three countries of North America.

Endorsing organizations [alphabetical order]:

- Canadian Union of Postal Workers
- Common Frontiers (coalition)
- Council of Canadians
- Council of Canadians - Northumberland Chapter Trade Group
- Global Exchange
- Institute for Agriculture and Trade Policy
- Institute for Policy Studies
- Mexico Better Without FTAs (coalition)
- National Farmers Union (Canada)
- OpenMedia