

Obama Turns up the Heat on NAFTA Renegotiation Debate



by Brent Patterson

In September 2007, Prime Minister Stephen Harper told an audience in New York City: “Now I know NAFTA has become somewhat of a whipping boy to some in the United States, just as it is to some in Mexico and even to some in Canada. But the fact is that NAFTA has been unequivocally good for all of our countries. In spite of the naysayers and the doomsdayers, I could recite a litany of economic statistics to demonstrate its success – which is why virtually nobody, not even the critics, dares suggest to rip it up.”

And yet just six months later, the front page of The Globe and Mail reported that “Barack Obama would withdraw the United States from the North American Free Trade Agreement within six months after becoming president, unless the agreement were completely renegotiated.”

Obama said, “I think we should use the hammer of a potential opt-out as leverage,” adding that “NAFTA’s shortcomings were evident

when signed and we must now amend the agreement to fix them. While NAFTA gave broad rights to investors, it paid only lip service to the rights of labor and the importance of environmental protection.”

At first the Harper government dismissed the idea of renegotiating NAFTA. In February, Finance Minister Jim Flaherty argued that Americans benefited tremendously from NAFTA, and then–international trade minister David Emerson said, “I do not see a reason to revisit NAFTA.”

By April the Harper government was fearful and asked provincial cabinet ministers across the country to begin lobbying their American contacts to convince them of the importance of NAFTA. A handful of Conservative

Cabinet ministers, including now Foreign Minister Lawrence Cannon, even attended the Democratic National Convention in August to carry this message. Prime Minister Harper down-

played the NAFTA renegotiation threat, saying he didn’t think the new Obama administration would question NAFTA in a “fundamental way.”

The Council of Canadians has repeatedly gone on the record calling for NAFTA renegotiation. We congratulated Obama for his stance, and pointed to our national poll results that found that 61 per cent of Canadians agreed “that NAFTA should be renegotiated to include enforceable labour and environmental standards.”

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During the federal election we joined with other Canadian civil society organizations calling on Canada’s political leaders to embrace Obama’s challenge and renegotiate NAFTA. We worked with the Canadian Centre for Policy Alternatives to host non-government organizations and union leaders for a full-day strategy session on what NAFTA renegotiation should look like. Groups spoke about all areas of the sweeping trade agreement, including its effects on the environment, labour, culture, international development and human rights.

We will continue to demand that the Harper government renegotiate NAFTA. We believe that water should be removed from NAFTA, and that the federal government should prioritize our own energy security, rather than solely pursuing an export-based strategy with the United States.

We will also argue that Chapter 11 should be removed from NAFTA. There are many examples of why Chapter 11 is good for corporations but not for Canadians. With Exxon–Murphy Oil using Chapter 11 to fight a requirement that some of the company’s revenues should be reinvested locally, AbitibiBowater considering a challenge to counter Newfoundland’s expropriation of some of its rights and assets after the corporation closed its mill in that province, Dow Chemical threatening to use NAFTA to challenge Quebec’s ban on pesticides, and Bilcon saying it will use NAFTA to challenge a decision against an environmentally damaging quarry in Digby Neck, Nova Scotia – it’s clear that this NAFTA provision must go.

The Obama administration is ready to renegotiate NAFTA. The Canadian people want to see NAFTA changed. The Harper government must accept that change is necessary. The Council of Canadians is working to make that happen.

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