

NAFTA withdrawal looks likely as Trump moves forward with agenda

By Ira Shapiro, opinion contributor — 11/16/17 12:00 PM

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With the fifth round of the effort to renegotiate the North American Free Trade Agreement about to start, the fundamental chasm between President Trump and Canada and Mexico remains. Having denounced NAFTA as “the worst agreement ever negotiated,” Trump continues to demand major unreciprocated concessions from Mexico and Canada to rebalance the benefits of the agreement towards the United States. Apparently, he still fails to recognize that the Mexican president and the Canadian prime minister have their own national interests, and domestic political pressures and cannot, and will not, give in to his demands. Consequently, the possibility of a breakdown in the negotiations increases, followed by the likelihood that Trump will move to withdraw the United States from NAFTA.

As a former NAFTA negotiator, I may lack objectivity about the agreement. In my view, the benefits to the U.S. economy resulting from the three-fold increase in North American trade and the creation of North American supply chains since NAFTA are substantial. In contrast, the job losses that have occurred principally reflect the impact of technological change, the rise of China, and the profound impact of the Great Recession that followed the financial crisis caused by our subprime mortgages.

Neither Trump nor other NAFTA critics seem to understand the role that NAFTA played in promoting democracy in Mexico, or reversing the long-standing antagonism of Mexico toward the United States. They apparently take for granted the blessings of a friendly neighbor on our southern border, to the point they are perfectly willing to live without it. NAFTA can certainly

benefit from modernization, although that modernization largely would have been accomplished by the Trans Pacific Partnership agreement, the other “worst agreement of all time” which Trump abandoned, with considerable assistance from [Hillary Clinton](#), [Bernie Sanders](#), and the House Democrats.

Our political system does not contemplate one-man rule in any area, but leaving the decision about NAFTA’s future to President Trump alone would be particularly inappropriate. Article I of the Constitution gives Congress authority over “interstate and foreign commerce.” The United States has been debating trade nonstop since the enactment of NAFTA in 1993. The national debate, conducted through Congress, has been full, fair, and fierce. The pro-trade forces have won major battles. The first was getting congressional approval of NAFTA, the Uruguay Round, China’s World Trade Organization accession, and the Korea-U.S. Free Trade agreement. The second was trade promotion authority to allow the Obama administration to complete TPP.

The anti-trade forces have won their share of battles too. They refused to give negotiating authority to President Clinton for his last six years in office, prevented the launch of the multilateral “Seattle Round,” contributed to the failure of the Doha Round, delayed the approval of Korea, Colombia, and Panama free trade agreements for four years, and waged the scorched earth political battle that eased the way for Trump to abandon TPP. The long national debate over trade has led to a growing consensus about the need for tougher trade enforcement, a deeper understanding of the threat posed by China’s state capitalism, and a strengthened commitment to protecting labor rights, environmental protection and public health in trade agreements.

Ironically, even as our political system became increasingly polarized and dysfunctional, trade stood out as the only issue which received vigorous debate through a healthy legislative process. The 2015 debate over whether to approve trade negotiating authority for President Obama to finish the TPP negotiations featured searching hearings, in-depth committee consideration, numerous floor amendments, and creative compromises through cross-party alliances. It was an authentic clash of conflicting world views, in which the pro-trade forces prevailed by the narrowest of margins. This vibrant political process contrasted starkly from this year’s legislative malpractice by Majority Leader [Mitch McConnell](#) on health care in the Senate.

Trump’s election gives him the privilege and the opportunity that every president has, which is to propose an agenda for the country, and to fight for its approval from the most powerful position in our government. But his election did not give Trump the right to unilateral decisions, unless Congress relinquishes its power and its responsibilities. NAFTA was approved after a historic national debate in 1993. Since that time, the North American supply chains resulting from NAFTA have come to undergird much of the U.S. industrial and agricultural economy.

Virtually our entire business and agricultural communities, including the manufacturers that the president claims to champion, believe that withdrawing from NAFTA would be the single action that could do the most damage to the U.S. economy and the jobs of many Americans in the vast heartland of our country. If the United States is to leave NAFTA, it should do so only after a debate of comparable thoughtfulness and intensity as the debate a quarter century ago.

Ira Shapiro was general counsel to the [United States Trade Representative](#) when NAFTA won congressional approval. He is president of [Ira Shapiro Global Strategies](#) and a senior adviser to the [Albright Stonebridge Group](#). He is the author of "[The Last Great Senate: Courage and Statesmanship in Times of Crisis](#)" and the forthcoming book "[Broken: Can the Senate Save Itself and the Country?](#)"