

# NAFTA Has Failed; New Development Plan Needed

by James Parks, Aug 14, 2009



The governments of the United States, Canada and Mexico must take serious and comprehensive measures to address the dual impact of the global economic recession and the 15-year legacy of the North American Free Trade Agreement (**NAFTA**), labor leaders of the three countries said in a joint declaration.

The “Tri-National Labor Declaration on Social and Economic Prosperity for North America” points out that the Leaders Summit in Mexico City earlier this week was an opportunity to lay out a new agenda for North America, one that could make our region competitive, sustainable and just.

NAFTA did not create thousands of promised good jobs—the jobs it did create were less stable, with lower wages and fewer benefits, the leaders said. Increased trade largely benefited the corporate elite in all three countries, and income inequality has also grown in the region, they said. And the economic crisis has only exacerbated the problems.

These problems must be addressed through an open process that includes workers and unions, said AFL-CIO President John Sweeney, **Canadian Labor Congress** President Kenneth Georgetti and Francisco Hernández Juárez, co-president of the Mexican Unión Nacional de Trabajadores (UNT).

Fixing the many flaws in NAFTA is only one part of the challenge the North American nations face, the leaders said. We also need to work together to address a number of pressing issues, which include labor law reform, migration and development and the promotion of the rule of law.

Specifically, they called for:

- The United States, Mexico and Canada must fully comply with the core labor rights of the International Labor Organization (**ILO**), including freedom of association and the right to organize and bargain collectively. All three countries restrict the freedom to form unions, both in law and practice, they said.. The North American countries must ensure that workers can exercise their most basic and fundamental rights or face appropriate sanctions.
- Ensure that all workers, regardless of immigration status, are protected by labor laws and able to exercise their fundamental human rights. They said NAFTA’s failure to create decent jobs forced many workers, especially those in Mexico, to search for employment in other countries. In the U.S. and Canada, on the other hand, employers with access to a large and poorly regulated workforce of undocumented and temporary migrant workers have undermined all workers by failing to afford the basic labor rights and protections to everyone.
- Foster economic development in all three countries by helping to stimulate more robust, equitable and sustained economic growth. In exchange for investment in Mexico’s economy—the poorest of the three—Mexico should agree to changes in laws and institutions to better protect the rights of Mexican workers and allow their income to rise as their economy grows.

- Rebuild our industrial base, which is essential for maintaining our living standards. As high-wage countries in a globalizing world, we must restore our competitiveness by developing national industrial strategies centered on innovation.
- Make a true commitment to the rule of law to end human rights violations in Mexico committed by police and the military. At the same time, the United States should reduce the demand for illegal narcotics and stem the flow of arms to the drug cartels, but also foster respect for human rights and an end to impunity for Mexican security forces.

Without serious consideration and incorporation of these dimensions—repairing the critical flaws in NAFTA, effective and authentic compliance with international labor standards, migration and sustainable development, and human rights and rule of law—the vital and essential security agenda involving our three nations ultimately will not succeed, the leaders said.

In conclusion, the leaders added, it is time to recalibrate our relationship and focus on a path built upon shared economic growth and sustainable development.