# Reopening NAFTA could be dangerous

*by The Detroit News*

The Democratic presidential hopefuls have been promising to reopen the North American Free Trade Agreement, painting it as a source of America's economic woes. Since no treaty is perfect, it may be possible to modify the agreement. But reopening the pact would be difficult and dangerous because every business and labor union would seek to gain an advantage and the political pressure on negotiators would be enormous.

The treaty with two of America's biggest trading partners has on balance created jobs and other benefits for all involved.

U.S. exports to Mexico have more than tripled while exports to Canada have more than doubled under the agreement that lowered trade barriers and tariffs. Canada and Mexico account for 70 percent of the goods Michigan exports.

This economic integration has helped American companies become more competitive. Job growth has been stronger in the three countries since the trade agreement went into effect. And business investment has increased twice as much during the 13 years of NAFTA compared with the preceding 13 years, according to the U.S. trade representative's office.

The real source of most of America's job losses have been to China and other Asian competitors.

The U.S. trade deficits with Canada and Mexico have grown since the trade agreement took effect in 1994. But the rising price of oil is partially responsible for this. Canada and Mexico, respectively, are America's first and third biggest sources of foreign oil. Oil imports, along with natural gas and other fuel shipments help feed the creation of jobs.

In the past, Sens. Barack Obama and Hillary Rodham Clinton have made supportive comments about NAFTA, which Clinton's husband signed while he was president. But when campaigning in Ohio prior to Tuesday's primary, both pledged to reopen NAFTA and get new agreements on environmental and labor standards. Creating more costly labor and environmental rules for Canada and Mexico would slow trade and destroy jobs.

Besides, Canada and Mexico have their own issues. Canada complains about punitively high U.S. tariffs on soft lumber. "A U.S. push to reopen NAFTA now would invite Canada to use its leverage as the biggest fuel supplier to the U.S. to bargain for better terms," the Toronto Star warns.

U.S. Rep. Artur Davis, D-Ala., an Obama supporter, added last week: "I'm not a fan for reopening agreements we have negotiated because the rest of the world thinks that we don't keep our word enough as it is."

John McCain, the GOP front-runner, has attacked the idea of reopening NAFTA, arguing it would be viewed by Canada as "a betrayal" of trade talks that have created jobs for all three nations.

If an attempt to renegotiate NAFTA turns into a free-for-all with business and labor interests seeking special protection, the result could do great damage to the economy and this country's diplomatic credibility.

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