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FOCUS ON NORTH AMERICA

Whither North America?

Robert A. Pastor

Imagination, leadership and commitment are needed to build a real North American community.

Photo: Department of Foreign Affairs and International Trade Canada

Mexico's Secretary of Foreign Affairs Patricia Espinosa, U.S. Secretary of State Hillary Rodham Clinton, and Canada's Minister of Foreign Affairs, Lawrence Cannon, discuss trilateral and international issues, on July 16, 2009.

The rise of China in the 21st century has coincided with the decline of North America. While China's commercial success is one reason for the decline of our continent, the far more important cause is the absence of leadership by the latest prime ministers of Canada and by the presidents of the United States and Mexico.

Since the signing of the free trade agreement between Canada and the United States in 1988 and that of the North American Free Trade Agreement (NAFTA) in 1992, the three parties experienced an acceleration of economic integration that comes close to the European Union's. By 2001, intra-regional trade rose to 46 per cent of the three countries' international trade —up from 36 per cent in 1988. But by then the North American experiment was exhausted, and since 2001, regional integration declined to 40 per cent.

The reduction of trade and investment barriers originally fueled the rise of a North American market; the fall was more complicated. First, China applied its energy to out-compete the world in trade. Second, 9-11 unhinged the United States, resulting in heightened border restrictions so severe that trading among neighbours became more costly than trading with China. Third, the three countries decided to pursue the easier path of widening free trade with other countries instead of the difficult but more productive strategy of deepening North American economic integration. Fourth, although intra-regional trade had tripled, of which 80 per cent transited overland, the three countries did not invest in continental roads or infrastructure or even plan for it.

The fifth reason for the decline of the trilateral project was the most consequential: with the exception of former

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FOCAL Views: A call for re-engagement in North America

Trilateral relations must be revitalized in order to tackle security challenges effectively.

While much attention was given to the G8 and G20 summits by their Canadian host last summer, a third meeting of heads of state, also to be held on Canadian soil, slipped through the cracks without any notice. The sixth annual North American Leaders Summit, which Ottawa had planned to host in August 2010, never took place and no alternative plans for the meeting have been developed since. Nobody heard the screen door slam. This is a deeply troubling sign for trilateral relations and for the future of North America.

This is in part symptomatic of the need for Canada to re-engage with Mexico. A stronger bilateral relationship means a stronger North America. FOCAL, through its Canada-Mexico Initiative, has developed bilateral policy options in four priority areas. First, the movement of people agenda must move forward and new options to facilitate travel could be considered, including implementing Asia-Pacific Economic Co-operation (APEC) visas or a biometric border pass. Second, Canada and Mexico have extensive sub-national ties that can be both strengthened and rationalized to feed into the bilateral agenda. Third, co-operation on energy issues, particularly in renewables, would fuel innovation and contribute to North American energy security. Finally, the deepening of economic and trade ties continues to be key. Canada and Mexico could also join forces to ensure the U.S. security agenda does not lead to more trade setbacks.

Following this roadmap would benefit North America as a whole. Another key issue that calls for a joint response is security. A meeting of the Canadian, U.S. and Mexican foreign ministers in Wakefield, Quebec last December addressed transnational organized crime, but Canada's bilateral relationship with the United States garnered the majority of the headlines when rumours of a new North American security perimeter emerged. The deal being negotiated by U.S. President Barack Obama and Canadian Prime Minister Stephen Harper would further harmonize border security with the goal of easing the flow people and goods across the U.S.-Canada border, which has been complicated since 9-11.

But the security perimeter talks didn't include Mexico. This is baffling given that its internal security struggle is, along with terrorism, the single greatest threat to North American security, including Canada's. There are many trilateral avenues from which North American security could be approached.

The emergence of organized crime as a threat to all three countries is one such area. While the toll is incomparably gruesome in Mexico —where nearly 35,000 people have died since 2006 in the country's drug war— the constant danger of violence spilling over the border and the appearance of related gangs as far North as Vancouver indicate that it is a continental problem. Following the supply chain further South through the Caribbean and Central America reveals a regional challenge, one that could best be confronted with a three-headed North American approach.

More seemingly benign threats could benefit from the same strategy. Standardizing North American environmental and health regulations could prevent polluting multinationals from relocating to Mexico, the consequences of which are not restricted to the local population. The H1N1 pandemic was derisively called the "NAFTA flu" by some who blamed an American multinational's flight to Mexico due to health infractions in the U.S. for creating the strand that quickly spread to the rest of the continent and the world. An integrated energy policy, meanwhile, could fend off the adverse effects of climate change while shoring up the continent's energy security.

Security challenges in North America are multifaceted and have the potential to affect all areas of trilateral co-operation. For the sake of its citizens' well-being and the competitiveness of its businesses, we all need to take North America more seriously.

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Whither North America?

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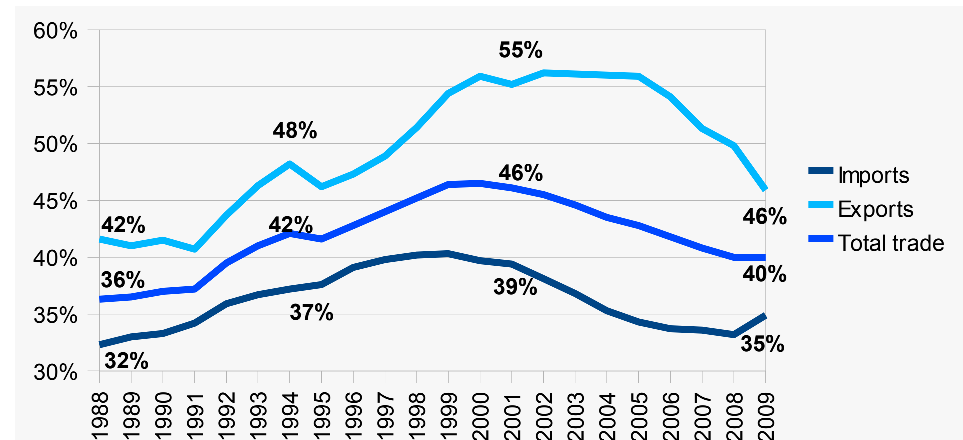
Mexican president Vicente Fox, North American leaders have thought small in the past decade. When former U.S. president George W. Bush proposed the Security and Prosperity Partnership at Waco, Texas in 2005, he instructed his Cabinet to think incrementally, exclude Congress, and not ask for money. More recently, President Barack Obama and his advisors have been preoccupied with so many crises that they have missed the continental picture and reverted to the old "dual-bilateral" approach of dealing with one crisis —now drugs— and one country at a time. Canada's latest prime ministers —Liberal and Conservative— excluded Mexico from their definition of North America, believing that association with Mexican drug violence would undermine its "special relationship" with the United States. The fact that this bilateral relationship has yielded little more than nice rhetoric has not led Canada to question its assumption or policy.

So when the three current leaders met in Guadalajara in August 2009, they had very little to say to each other except to promise another summit in Canada in 2010. Canadian Prime Minister Stephen Harper apparently forgot to issue a formal invitation but, at least, the three foreign ministers met in Ottawa last December. They talked about Central America, Haiti, and natural disasters, but they too forgot to set a date for a summit perhaps because they forgot to talk about North America. In brief, the three governments have reminded us why North America is declining: they lack imagination and leadership.

Figure 1:
Intra-North American trade as percentage of total North American trade



Source: World Trade Organization, "Selected Regional Trade Agreements" Database.

What should they do? Incrementalism has failed repeatedly. The three governments cannot even agree on a single standard for truck safety. The U.S. and Canada cannot agree on pre-clearance facilities in the Niagara area. The U.S. cannot even implement NAFTA's provision to open the border to Mexican trucks that are certified as safer than American trucks.

We need to start over with a big North American idea, one based on the simple premise that all three countries benefit when one succeeds, and we are all hurt when one fails. Hence we should turn to the paramount challenge for North America: how to construct a Community that will narrow the development gap between Mexico and its northern neighbours, that will re-discover the region's competitive advantage, and that will fill the institutional vacuum by lean and effective trilateral advisory groups.

Trade is not enough to achieve these goals. The three leaders need to make substantial commitments. They could set up a 10-year, $20 billion per year investment fund to connect by roads and infrastructure the poor southern part of Mexico to its northern neighbours. They could commission a 10-year North American plan for transportation and infrastructure, which can provide the foundation for a great leap in commerce that would be facilitated by a common external tariff. They could assemble and train border and customs officials to manage the borders like partners not adversaries. They could replace the dozen identity cards currently needed to transit the borders with a single agreed-upon North American pass.

Existing institutions on trade, environment and labour would also need strengthening. A new North American regulatory commission to harmonize —when desirable— national regulatory policies could be set up and eventually lift environmental,

labour and safety standards. A North American Parliamentary Group could be created to provide a forum for legislators from all three countries, and an Advisory Council to propose continental initiatives and build a North American consciousness could be established.

Public opinion surveys demonstrate that the peoples of North America would like their leaders to be bolder in integrating North America, but the leaders have been intimidated by an intense minority who fear any co-operation with our neighbours. It is time for our leaders to lead and design a North America that will lift the continent and its people to new heights. Let us start with a new bold North American idea: not a bureaucratic one, but one that stirs blood.

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Public insecurity and the private sector in Mexico

David A. Robillard and Duncan Wood

Healthy growth and foreign investment cannot mask the damage drug crime is causing to businesses in the country.

As the North American economies continue their recovery from the deep recession of 2008-2009, and the debate over regional competitiveness marks the discussions between the three North American Free Trade Agreement (NAFTA) partners, Mexico is facing an economic challenge of its own that stems from its ongoing conflict with drug trafficking organizations. The violence threatens to become a destabilizing factor for the Mexican economy, despite the fact that Mexico's macro-economy is weathering the security crisis surprisingly well, and will in turn threaten the economic interests of Mexico's North American partners.

The overall economic panorama in the country is very encouraging indeed: growth was more than five per cent in 2010 and is predicted to be closer to four per cent in 2011; inflation is firmly under control at roughly three per cent; government finances are among the healthiest in the world —with a relatively small national debt and a tiny deficit estimated at three per cent for 2011; large amounts of foreign investment are flowing into the country and there is a favourable medium-term outlook.

Despite this rosy forecast, certain areas of the economy, both geographical and sectoral, are feeling the impact of the violence and could dramatically change. Clearly the country's North has been hit worse than the South, with spiraling violence impacting business confidence there. A number of factors come into play.

First, although foreign investment levels remain high, there has been a shift in both the kind of investment and its destination. Whereas Mexico has had a creditable record in recent years of attracting Foreign Direct Investment (FDI) to the productive sector, the past year has seen a spike in portfolio investment inflows as investors seek to take advantage of the booming stock market. In addition to the inflationary and market bubble fears that this generates, it is important to point out that, should the security situation worsen still further, this money can leave the country as rapidly as it came in.

The investment outlook's second dimension is a shift in FDI from the North of the country to more central locations, with the Federal District and the Estado de México benefitting in particular.

Third, although Mexico's overall investment numbers are good, they could be better. Credit ratings agency Fitch announced on Jan. 12, 2010 that "Mexico's drug war seems to be crimping growth and investment" as investors begin to worry about the security of their investments. According to the Association of Maquiladoras in Reynosa, 80 per cent of its members

have been seriously affected by crime and, as a consequence, one in five members have postponed investments for expansion of plants.

Mexico's real estate market, battered by the effects of the country's 6.5 per cent drop in GDP in 2009, is just beginning to recover. However, prices are not seeing substantial gains due to the drop in buyer confidence and interest in the North.

In cities like Ciudad Juárez, of course, the market has been depressed for years, but the headlines from the drug conflict have meant that Americans are not looking to buy South of the border at the present time, and a substantial number of upper-middle class homeowners are looking to move South.

Monterrey is perhaps the best example of this, with a large-scale exodus from a city that just five years ago was dubbed the safest in Latin America. Indeed, Monterrey is the most chilling example of how the violence is hitting the industrial North. Sixty murders had already been recorded in the first three weeks of 2011. This means that by night, streets and restaurants are often deserted with residents living under a virtual curfew, bringing about a drop in retail sales and a jump in small business failures.

As a result, industry is crying foul. The influential Employers Union (COPARMEX) recently stated that because of the effects of crime and companies' closures, some $15 billion of investment —or two per cent of GDP— has been lost. With upcoming presidential and gubernatorial elections, the business sector is threatening electoral consequences if government does not create mechanisms to attack this problem.

The leaders of Canada and the United States have already recognized the importance of Mexico's descent into violence. The Mérida Initiative on the one hand, and the Canada-Mexico Joint Action Plan 2010-2012 with its heavy focus on questions of security on the other hand, both seek to assist Mexico in its struggle, largely because of the potential negative impact on their societies and economic interests of rising insecurity. Although Mexico continues to grow, and the government denies that security concerns are having a profound impact on the economy, the lost opportunities for higher growth, greater business and investor confidence and more job creation will likely come back to haunt not only President Felipe Calderón, but also Mexico's partners in North America.

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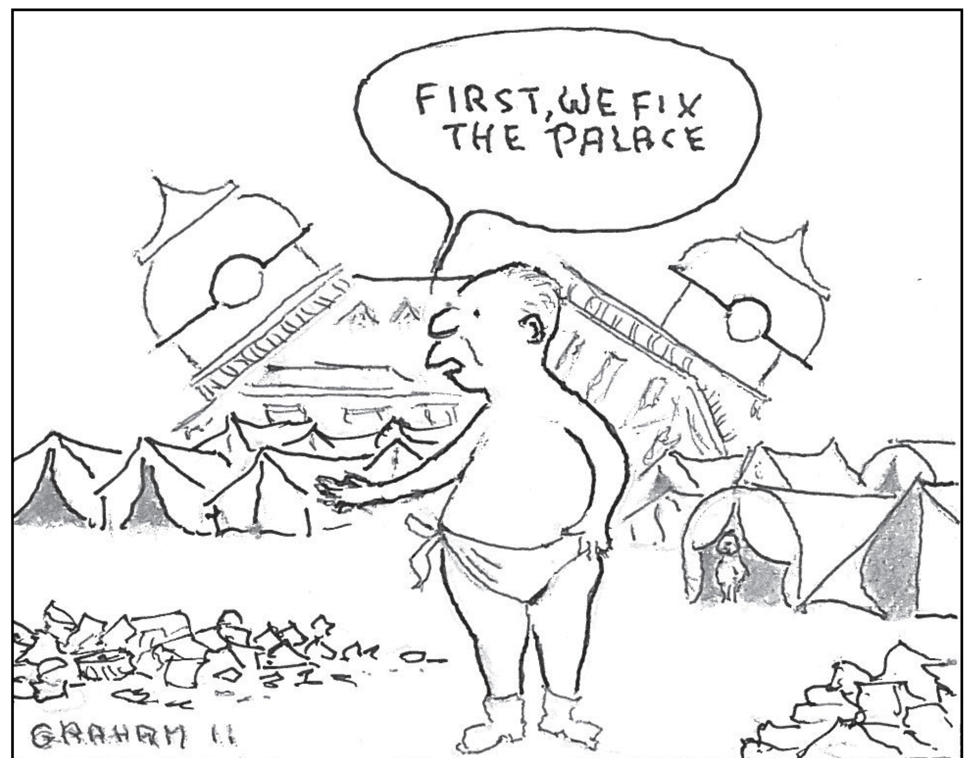

The return of Jean-Claude

El perímetro de seguridad norteamericano: ¿mesa para tres?

Victoria M. Osuna

(English translation follows)

La inseguridad en México mantendrá el país al margen de la discusión.

La nota de Steven Chase publicada por *The Globe and Mail* el 8 de diciembre de 2010, según la cual Estados Unidos y Canadá estarían negociando el establecimiento de un "perímetro de seguridad" norteamericano, ha reabierto la discusión sobre la necesidad de interactuar a nivel trilateral en materia de fronteras. A pesar de que hasta el momento la discusión se ha limitado al ámbito bilateral, una de las preguntas que se encuentran en el aire es si, como lo sugiere la lógica del libre comercio, México sería eventualmente incluido en las discusiones sobre el citado perímetro. Desde luego, la participación mexicana en el debate sobre cooperación fronteriza es deseable; no obstante, el que México ocupe un lugar en la mesa de negociación se antoja difícil debido a las características de su frontera norte así como al incremento de violencia en el país.

Históricamente, han existido dos acepciones distintas de la palabra "frontera" en América del Norte. Hacia el Norte, Canadá y Estados Unidos comparten una línea fronteriza de 8,891 kilómetros que hasta el 11 de septiembre 2001 se había caracterizado por ser la frontera sin protección más larga del mundo. Esto se debe a que ambos países han concebido siempre su frontera como una zona limítrofe (*boundary*) similar a las divisiones, a veces muy tenues, que se tienen para con la propiedad de un buen vecino. En tanto, hacia el Sur, a lo largo de los 3,169 kilómetros compartidos entre Estados Unidos y México se ha erigido desde la década de los 70 una verdadera frontera (*border*), caracterizada por estrictos controles establecidos por ambos gobiernos. Esta situación se desprende de la manera en que los dos países han definido la línea fronteriza como un cerco que no sólo divide, sino que se encuentra ahí con el objetivo de impedir la entrada a los extraños.

Si bien la entrada en vigor del Tratado de Libre Comercio de América del Norte (TLCAN) en 1994 produjo cambios importantes en la región, haciendo necesaria una mayor coordinación para facilitar la circulación de bienes y personas, la forma de concebir y operar las fronteras intra-regionales no se modificó sustancialmente. No fue sino hasta 2001 que la situación cambió, cuando el gobierno de Estados Unidos cerró durante varias horas sus accesos terrestres en respuesta a los ataques terroristas del 11 de septiembre. Esta reacción del gobierno estadounidense dejó en claro que garantizar la seguridad de las fronteras era una de sus prioridades, y que México y Canadá tendrían que buscar un acercamiento con Washington para participar del resguardo de las mismas si deseaban mantener el acceso privilegiado al mercado estadounidense.

Desde entonces la idea de establecer un "perímetro de seguridad" norteamericano, que contempla la armonización de las políticas para controlar el flujo de personas y mercancías dentro del territorio del TLCAN, cobró importancia para el debate regional. La lógica de la integración comercial sugeriría que la mejor manera de resolver la contradicción entre libre comercio y seguridad se encuentra en la implementación de un mecanismo de cooperación trilateral. Ahora bien, la particular forma de concebir la frontera sur, aunada al clima de violencia que se vive en México, constituyen dos obstáculos que impiden la incorporación mexicana a tal mecanismo.

Por lo que hace a la compleja situación de la frontera sur, debemos señalar que ésta siempre ha sido objeto de una vigilancia estricta por parte del gobierno estadounidense a través de la *Border Patrol*, y que dicha vigilancia fue reforzada el año pasado con la inclusión de la Guardia Nacional en labores de resguardo de la zona en cuestión. Esta atención particular en la frontera sur se debe al gran número de inmigrantes ilegales que a través de ella ingresan diariamente a Estados Unidos, y cuyo incremento en volumen requirió la adopción de medidas radicales. En este contexto, el

Senado estadounidense aprobó en 2006 la construcción de una muralla fronteriza de más de 600 kilómetros y la implementación de un cerco virtual altamente tecnificado en la colindancia con México, confirmando así la visión de la frontera sur como un "border", físicamente cerrado y conceptualmente rígido.

Por lo que toca al clima de violencia en México, la situación se ha agravado como consecuencia de la "guerra contra el crimen organizado" que el presidente Felipe Calderón declaró a su llegada a finales del 2006. Basta referirse a las cifras reveladas el 12 de enero de 2010 por Alejandro Poiré, secretario técnico del Consejo de Seguridad Nacional, sobre los homicidios relacionados con el narcotráfico y el combate al crimen organizado: entre diciembre de 2006 y 2010 se ha registrado un total de 34,612 homicidios, de las cuales casi el 40 por ciento se localizaron en la zona fronteriza. Como es de esperarse, esta explosión de violencia ha generado inquietud en la Casa Blanca pues, a pesar de que el ejército mexicano se encuentra en las calles del país para garantizar la seguridad de la población, en realidad el gobierno parece haber perdido el control de lo que sucede en la frontera.

Foto: Wikimedia Commons; Gingrey House.

Muralla fronteriza de EE.UU. cerca de El Paso.

La violencia ha alterado el orden de prioridades en la agenda fronteriza.

Este clima de franca violencia parece haber alterado el orden de prioridades en la agenda fronteriza bilateral, pues si bien es cierto que a partir de 2001 se reforzó la vigilancia como parte de la "guerra contra el terrorismo", también debemos reconocer que el despliegue de la Guardia Nacional en la frontera coincide con el inicio de la ola de violencia en México. Esta situación ha puesto de manifiesto que, por primera vez, el problema de la inmigración ilegal ha sido temporalmente desplazado en importancia, ya que ahora la mayor preocupación de Estados Unidos es impedir a toda costa que la violencia atraviese la frontera.

¿Qué decir entonces de la eventual inclusión de México en la discusión sobre el "perímetro de seguridad" de América del Norte? Aunque la participación mexicana sea deseable, todo parece indicar que mientras el gobierno mexicano no logre resolver el problema de la violencia e inseguridad internas, derivado de un sistema social arraigado en la corrupción y el abandono, la posibilidad de incluir a México como tercer invitado a la mesa está lejos de realizarse. En este sentido, si bien es imposible pretender que México no se encuentra ahí como un actor crítico para la cooperación fronteriza norteamericana, el único escenario plausible en el corto plazo sería mantenerlo al margen de la discusión, lo que lamentablemente constituye, en definitiva, un retroceso para el proceso de integración norteamericana.

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North American security perimeter: Table for three?

Victoria M. Osuna

Mexico's internal security troubles will preclude its involvement in the discussions.

An article by Steven Chase published in the *Globe and Mail* on Dec. 8, 2010, which reported that Canada and the United States were negotiating the terms of a North American "security perimeter," has reopened the debate on the need for trilateral involvement regarding border issues. Despite the fact that these talks have remained bilateral to date, one lingering question remains: Should Mexico be eventually included in talks regarding the security perimeter, in keeping with principles of free trade? Of course, Mexico's participation in the cross-border co-operation debate is desirable; nevertheless, the idea of Mexico occupying a seat at the negotiations table is complex due to the characteristics of its northern border as well as the rise in violence within the country.

Historically, the word "border" has had two distinct interpretations in North America. To the North, Canada and the U.S. share an 8,891-kilometre border which, until Sept. 11, 2001 was renowned for being the world's longest unprotected border. This was due to the fact that both countries had always viewed their shared border as a boundary zone not unlike the often-tenuous divisions that exist between the properties of good neighbours. In contrast, to the South, the entire length of the 3,169 kilometres shared by the United States and Mexico has, since the 1970s, constituted a real border characterized by strict controls implemented by both governments. The situation is such that both the U.S. and Mexico have defined the border line as a sort of fence whose purpose is not only to divide, but also to prevent the entry of foreigners.

Although the introduction of the North American Free Trade Agreement (NAFTA) in 1994 brought about significant transformations in the region and made improved co-ordination to facilitate the flow of goods and people necessary, the conceptualization and management of intra-regional borders did not change to a great extent. It was not until 2001, when the U.S. government closed the country's border crossings for several hours in response to the terrorist attacks of Sept. 11, that the situation changed. The U.S. government's response made it clear that ensuring the security of its borders was a top priority, and that Mexico and Canada would have to forge close ties with Washington to participate in the defence of their own borders if they wish to maintain prioritized access to the U.S. market.

Since then, the idea of creating a North American security perimeter —which would involve policy harmonization to monitor the movement of people and goods within NAFTA territory— has gained importance in the regional debate. The logic of trade integration would suggest that the best means of reconciling the contradictory notions of free trade and security lies in the implementation of a trilateral co-operation mechanism. However, negative perceptions regarding the border with Mexico, along with the violent climate that the country is experiencing, constitute two obstacles that make Mexico's incorporation into such a mechanism problematic.

As for the complex nature of the southern border, it should be noted that the situation has always been the object of strict surveillance on the part of the U.S. government through the Border Patrol, and that the level of surveillance was heightened in 2010 with the involvement of the National Guard in defence duties in the border region. This particular emphasis on the southern border is due to the number of illegal immigrants entering the United States via the Mexican border every day, and whose increase in numbers has required the adoption of radical measures. Given these circumstances, the U.S. Senate approved, in 2006, the construction of a wall along the border of more than 600 kilometres in length and the implementation of a virtual high-tech fence. This decision confirmed the vision of the southern border as a true border that is both physically closed and conceptually inflexible.

As for the climate of violence in Mexico, the situation has worsened as a consequence of the "war on organized crime" declared by President Felipe Calderón when he took office near the end of 2006. One need only examine the Jan. 12, 2010 figures released by Alejandro Poiré, technical secretary of the National Security Council, regarding homicides linked to drug trafficking and fighting organized crime: between December 2006 and 2010, there were a total of 34,612 reported homicides, of which nearly 40 per cent occurred in the border region. Not surprisingly, this surge in violence is cause for concern at the White House. Despite the fact that the Mexican army is patrolling the country's streets to ensure the safety of the population, in reality the country's government appears

to have lost control of the situation along its border.

This climate of blatant violence has altered the order of priorities in the bilateral border agenda. While it is true that surveillance has been increased since 2001 as part of the war on terror, it must also be acknowledged that the deployment of the National Guard to the U.S.-Mexican border coincided with the beginning of the wave of violence that has hit Mexico. This situation has shown that, for the first time, the problem of illegal immigration has temporarily taken a back seat in importance, since the issue of greatest concern for the United States is currently that of preventing violence from crossing the border at all costs.

What, then, of Mexico's eventual inclusion in talks on the North American security perimeter? Although Mexico's participation is desirable, it appears that as long as the Mexican government is unable to solve the problems of internal violence and insecurity —stemming from a failing social system rooted in corruption— the possibility of including Mexico as the third party at the table is far from reality. Although it would be impossible to deny the importance of Mexico's role as a critical actor in North American cross-border co-operation, the only possible short-term scenario would be to keep the country on the fringes of these talks. Unfortunately, such a move would certainly constitute a step backward in the North American integration process.

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Mérida Initiative: Building a stronger security partnership

Brandi Lowell and Keith Mines

The collaborative program boosted capacity of Mexico's police and judiciary.

The United States and Mexico designed the Mérida Initiative in December 2008, initially as a three-year, $1.4-billion program to support the Mexican government's efforts to fight organized crime and drug trafficking. A parallel program is being carried out in Central America. For the U.S., the initiative was also an opportunity to act upon its responsibility in the equation: fueling a high demand for drugs and sending guns and money southbound into Mexico.

The Mérida Initiative began a major shift in scale and scope of U.S. support for Mexico and opened the door for vastly increased collaboration. Now roughly two years into the initiative, policy-makers have had the opportunity to reflect on progress made. The two most striking outcomes have been the success in increasing the capacity of Mexican institutions to disrupt transnational criminal organizations and sustain the rule of law, and a new U.S.-Mexico relationship marked by collaboration and partnership.

Yet the initiative has faced challenges on both sides. For the U.S. there have been the structural difficulties of increasing staffing sixfold and managing a very complex procurement process to find technical solutions for a host of sophisticated and unique projects. The Mérida Initiative is not boots and socks and basic training, but rather complex information platforms, specialized training and biometric systems. Inter-agency co-operation has been excellent and there is tremendous energy by all U.S. law enforcement and judicial agencies to support the initiative, but it has often been complicated and new mechanisms had to be developed to accommodate this.

Increased institutional capacity

The initial focus of the Mérida Initiative was on acquiring critical hardware components, such as Bell 412 and Black Hawk UH-60M helicopters and mobile ZBV Backscatter X-ray inspection vans that required long lead times to acquire. With this equipment now in place, Mexico has shifted its priority to strengthening the backbone of the institutions that uphold citizens' right to justice and rule of law.

Two of the more remarkable initiatives include the reforms of the federal police and of the judiciary.

Mexico's police and security forces are currently undergoing the most intensive reforms in their history. At the heart of these reforms is a new police model that emphasizes technical sophistication, vetting and internal controls, and a rebranding effort that emphasizes police work as a professional career. An aggressive recruiting program has enlisted an impressive force of middle-class college graduates to work as investigative agents. All other elements of the force are now required to have high-school diplomas and salaries have increased significantly to compete with white-

Photo: U.S. Embassy Mexico City

At the 2009 North American Leaders' Summit in Guadalajara, Mexico, the U.S., Canada, and Mexico jointly reaffirmed their commitment supporting the battle against drug trafficking.

collar jobs.

A key component of the new federal police force is the ability to conduct technical criminal investigations. To develop this capability it worked with the Mérida Initiative to train more than 4,500 police in basic investigation tactics, evidence collection, crime scene management and trial testimony at Mexico's Federal Police Academy in San Luis Potosí. The instructors were law enforcement professionals from Canada, Colombia, Spain, the Netherlands, the Czech Republic and the U.S., making the program a remarkable peer-to-peer exchange and a powerful illustration of professional police work for young Mexican recruits who have sometimes lacked homegrown models. High-potential mid-level officers have received intensive training in high-priority areas such as arms trafficking, money laundering, intelligence, cyber crime, police management, forensics and technology. In total, more than 6,700 officers have been trained in 204 courses covering criminal investigations, drug interdiction and counter-narcotics work.

A stronger police force will be of limited utility, however, if the judicial system is not similarly reformed and able to effectively prosecute those accused of committing crimes. The keystone of any democratic government, the judiciary also carries important economic implications. Corruption and incompetence in court systems can increase the risk and cost of doing business, in turn decreasing the competitiveness of Mexico's economy and marginalizing meaningful employment opportunities for those looking for a life outside of organized crime. This is another area in which the Mérida Initiative is making a difference.

Once Mexican President Felipe Calderón pushed through critical judicial reforms in the summer of 2008, Mexico began to shift from a closed, paper-based inquisitorial system to an oral accusatorial system that guarantees defendants' fundamental rights. Thus a new framework for a strengthened judicial sector was created.

At the state level, the U.S. has provided Mérida Initiative funding to support state-to-state workshops and study tours for Mexican officials, tapping the experience of technical experts in countries such as Argentina, Chile, Colombia and Spain. Mérida Initiative funding has also provided advanced investigation, forensic and prosecution skills training under the new system for federal prosecutors, investigators, forensics experts and police in all 32 Mexican state jurisdictions.

Training funded as part of this partnership has also been provided to the Federal Attorney General's Office (PGR). Officials have undergone courses on homicide investigations, document fraud, crime-scene digital photography, sexual assault, narcotics investigations, human rights, judicial administration and how to properly present evidence in oral trials. Applying the "train-the-trainer" model, Mexican instructors leave with valuable teaching methods they can apply to independent training courses, building skills and leadership to buttress the foundation of Mexico's own training programs.

Both the major transformation of the legal and constitutional framework for Mexico's judicial system and the re-structuring of its public security forces have been complex processes given the federal nature of the country's political system. While federalism adds complexity to the undertaking at the outset, it will of course ultimately make the management of new judicial and public security forces both easier and more effective. But for now Mexico still finds itself in the more difficult phase, in which divisions of labour and jurisdiction and resource flows are still being worked out. For Mexico and the U.S. it has been a challenge to develop

metrics to measure success, something increasingly sought by lawmakers and appropriators.

A new era of collaboration

One of the most important facets of the Mérida Initiative is that the programs are prepared in direct response to Mexico's needs and requests. The majority of projects in place deal with issues Mexico began prioritizing long ago. The Mérida Initiative simply facilitates U.S. and third-country technical expertise and equipment to leverage the maximum benefit for Mexico. The U.S. plays a purely supportive role, and a modest one in contrast to Mexico's own investment.

From the highest levels of government through the various layers of Mexican and U.S. agency employees, the Mérida Initiative has provided the platform to deepen Mexico-U.S. relations. Constant, and in some cases daily, meetings between Mexican and U.S. program co-ordinators have resulted in strong, collegial relationships backed by trust and a common goal of strengthening hemispheric security. And thus the Mérida Initiative has achieved remarkable success in a second area: fostering an entirely new set of relationships between the two governments.

The embodiment of this new relationship is best illustrated by the recently opened Mexico-U.S. bilateral implementation office ("BIO") in Mexico City. The "BIO" houses program officers and liaisons from Mexican and U.S. government agencies involved in the Mérida Initiative. The bi-national workspace is designed to facilitate closer consultation and decision-making between the two governments, further develop the existing bilateral working groups, and expedite resolution of bottlenecks that will allow for faster delivery of Mérida Initiative programming and equipment. Equally as important, the new office represents an historic and unprecedented level of co-operation and serves as a potent symbol of the significant, ever-deepening growth in the Mexican-U.S. relationship.

As the Mérida Initiative continues to evolve, citizens on both sides of the border can expect to see the relationship deepen while Mexico's institutions become increasingly capable in confronting violence and organized crime.

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Meetings

North American Meeting of Foreign Ministers sets continental priorities

Canadian Minister of Foreign Affairs Lawrence Cannon hosted the North American Foreign Minister's Meeting on Dec. 13, 2010, in Wakefield, Quebec. This meeting, the third of its kind, was held as a forum for critical discussion and to increase continental co-operation among the three states of North America. The primary issues discussed at the meeting were regional security, health security, the environment and green energy.

At the meeting the foreign ministers of all three states remained firmly committed to a trilateral approach in dealing with issues of significance in the Americas. At the end of the meeting the ministers expressed the importance of continuing to identify areas of common interest that would be better dealt with from a co-operative trilateral approach. The ministers expressed their desire to increase their co-operation on natural disaster risk reduction and improve the co-operation and dialogue between North-South American states.

The question of Haiti was the primary focus at the meeting. The ministers expressed their commitment to building long-term stability of the nation. Further, the ministers affirmed their desire for the international organizations in Haiti to resolve the Haitian election difficulties.

Energy and the environment in North America: Critical linkages

Jeffrey Schott and Meera Fickling

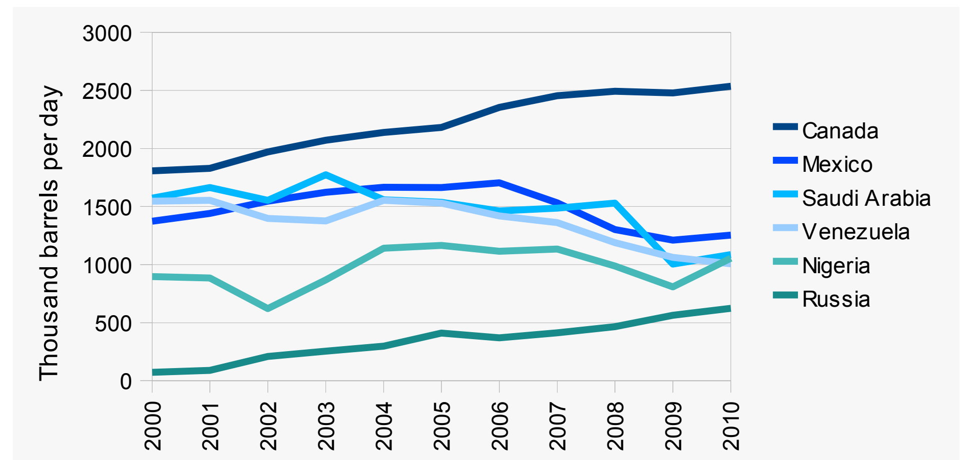
The three countries need to design mutually reinforcing policies on energy and climate, and take action.

North America has an interdependent but not fully integrated energy market. The region must increase regional energy supplies while mitigating the environmental impact, and do so in a co-ordinated fashion to enhance energy security. Otherwise it faces a grim future of slow growth choked on high energy prices, greater dependence on foreign suppliers, and more frequent and volatile climatic shocks.

A large share of the energy consumed in North America is produced in the three countries and a lot of it is traded across the two U.S. borders. Canada is the leading source of U.S. oil imports —roughly 70 per cent of the crude oil it produces is shipped to the United States; Mexico ranks second. Combined, Canada and Mexico account for more than 30 per cent of U.S. oil imports. Despite sizeable production, however, the region as a whole is a net oil importer and almost half of its oil imports come from the Organization of the Petroleum Exporting Countries (OPEC) and Russia. Without new domestic production, the region —and the United States in particular— will become more heavily dependent on foreign energy resources and world oil prices will continue to rise, reflecting tighter global supply and demand balances.

Given the massive oil, gas and coal reserves in North America, the policy prescription seems straightforward: produce more! But laws and regulatory measures, including new environmental policies designed to reduce greenhouse gas (GHG) emissions from oil and gas production and electricity generation, constrain the exploitation of untapped reserves. The North American Free Trade Agreement (NAFTA) region needs energy and environmental policies that are mutually reinforcing and that enhance energy security rather than policies that work at cross purposes.

Figure 1:
U.S. petroleum imports by country



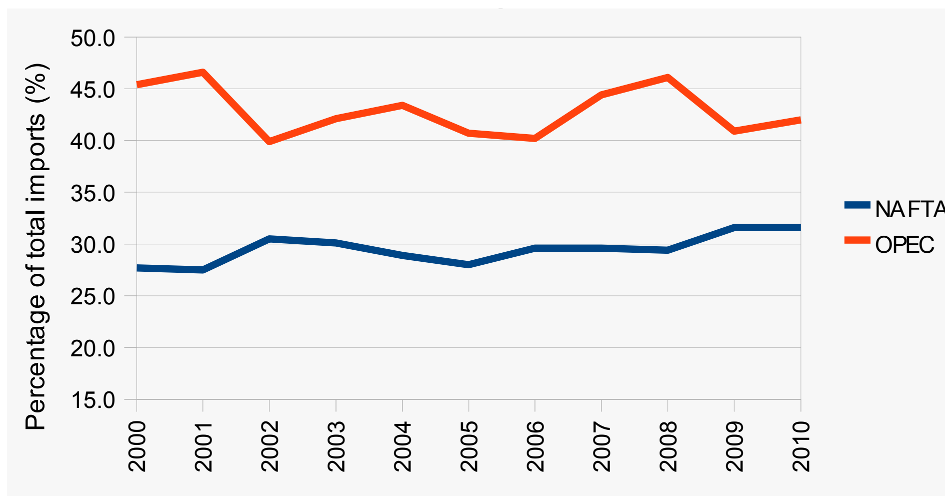
Source: Energy Information Administration, December 2010.

The NAFTA challenge is to ensure adequate investment in energy development and transmission to propel economic growth, in a way that reduces GHG emissions and avoids the adverse effects of climate change. Officials need to ensure that conventional energy is produced and consumed in a less carbon-intensive manner and encourage the development of renewable energy resources. Improved energy efficiency and other conservation measures also merit immediate attention, particularly the implementation of smart-grid technologies.

Gradually reducing GHG emissions over the next decade will not be easy. The United States and Canada each committed to cut GHGs by 17 per cent by 2020 from 2005 levels; under current policies, they will not meet those goals and may even make the situation worse as oil sands production increases to meet rising U.S. demand. Despite notable technological improvements over the past decade, oil sands production is emissions-intensive and likely to be the largest contributor to Canada's emissions growth in the coming years.

Concerns about the environmental impact of oil sands production and transmission threaten to put a chill on investment and reduce prospective North American supplies. In Canada, these concerns focus on water use, air pollution, disposal of residual materials

Figure 2:
Share of U.S. imports, 2000-2010



Source: Energy Information Administration, December 2010.

and transit rights through protected territories. In addition to those concerns, U.S. oil sands imports could be impeded by state regulations (e.g. low carbon fuel standards) that could affect the mix of fuels in refinery runs and by opposition to the routing of the proposed Keystone XL pipeline that would link Canadian fields to U.S. Gulf Coast refineries.

There is no good substitute for oil sands production, unless North Americans are willing to sharply constrain oil supply and thus pay significantly higher prices for largely comparable "carbon dirty" crudes from OPEC countries. But Ottawa and Washington need to ensure that environmental concerns are fully addressed, even though the requisite actions —investing in new energy efficiency technologies, improving carbon capture and sequestration technologies, and enacting other regulatory policies— would substantially raise the cost of the final product. The resulting gain for both energy security and climate policies would be well worth the cost.

At the same time, Mexico needs support from its NAFTA partners, to the limit allowed by the country's constitutional constraints on foreign participation in the energy sector, to expand production of both traditional and renewable energy resources. In particular, countries should work together to develop Mexico's abundant wind and solar potential. The country's largest challenge in this area is that renewable electricity is difficult to sell to the state-owned electric utility, so private or U.S. customers would need to buy it. However, inadequate transmission capacity sharply constrains cross-border sales and requires upgrading.

The 2009 North American Leaders' Summit floated a number of clean energy initiatives and committed to developing a Trilateral Working Plan to be presented at the 2011 summit. Proposals included a carbon capture and storage partnership, wherein the three countries would develop a common methodology for determining CO2 storage capacity and use this information to create a North American Carbon Atlas. The leaders promised to co-ordinate on other measures to mitigate climate change, including on approaches to measuring, reporting and verifying emissions reductions; financial support for mitigation and adaptation actions; and a limit to gas flaring.

In addition, the three countries have forged bilateral partnerships on energy and environmental issues. In 2009, U.S. President Barack Obama and Canadian Prime Minister Stephen Harper established a Clean Energy Dialogue to co-ordinate carbon capture and storage research and modernization of the electric grid. Obama and Mexican President Felipe Calderón created the U.S.-Mexico Bilateral Framework on Clean Energy and Climate Change, agreeing to collaborate on low-carbon technology development and capacity building, as well as on adaptation to climate change.

Trilateral summits and bilateral talks have moved the North American energy dialogue in a positive direction. Now, the leaders need to turn talk into action. The primary goal should be to focus on energy efficiency and conservation, starting with harmonization of energy and fuel efficiency standards. The three countries should also co-ordinate mapping of cross-border carbon storage sites and ramp up investment in the technology. Policies to encourage investment in renewable energy and lower-carbon fuels should also be encouraged.

Finally, North American environmental institutions should give high priority to energy and climate change programs. The North American

Development Bank currently allocates inadequate sums to clean energy projects along the U.S.-Mexico border. This financial commitment should be substantially expanded so that Mexican firms are better able to take advantage of the ample solar and wind potential in the border region.

In sum, North America needs to develop a comprehensive and integrated energy and climate strategy in order to augment regional energy supplies without accelerating environmental degradation. A sound energy plan will promote growth, reduce dependence on OPEC suppliers, and preserve a livable climate for future generations.

Jeffrey Schott is a Senior Fellow and Meera Fickling is a Research Analyst at the Peterson Institute for International Economics.

Assessing North American transborder environmental impacts

Rick Van Schoik

Inter-jurisdictional thinking can reduce conflict between neighbours.

While media coverage of environmental issues tends to focus on future challenges, many long-standing issues remain unresolved right here in North America. Those following the December 2010 Cancún meeting on climate change may have hoped for a regional agreement on greenhouse gas exchange between Canada, Mexico and the U.S., but the three nations remain far apart on basic environmental principles. The environmental impacts of transborder projects illustrate the existing gap. Some analysts have detailed the regional impacts of pollution, invasive species, habitat bisection, and other environmental consequences —assessments that could remind policy-makers of the need to collaborate more on environmental policy in border regions.

North America is a unique region in that two of its three countries are well endowed and well developed, while the third is still developing, though rich in biodiversity, natural resources and human capital. The transfer of fuels in the form of uranium, petroleum, natural gas, hydroelectricity and renewable energy is extensive, but it primarily flows into the U.S. from the North and South. The value of a transboundary environmental impact assessment (TEIA) and communication may be more important among North America's three asymmetric economies, especially across the southern U.S.-Mexican border, than in more homogenous regions of the world.

While the U.S. and Canada have communicated some transboundary environmental impacts, there has been less collaboration across the southern border. One reason for the more extensive consultation on the northern border is the century-old International Joint Commission (IJC) mandated to communicate such environmental information. On the southern border, the International Boundary and Water Commission —although older— has a mission confined to its name. The La Paz Environmental Cooperation Agreement, signed between the U.S. and Mexico just over 25 years ago, was to provide a mechanism similar to the IJC but so far has not been fully implemented. Additionally, a side agreement to the North American Free Trade Agreement (NAFTA) created the Commission for Environmental Co-operation, which lists facilitating TEIA among its missions, but it has also been hampered by politics in its ability to adopt TEIA.

TEIA are important to initiate the monitoring process on both sides of the border, minimize impact, mitigate where it is most cost-effective, and jointly manage the system. In other words TEIA enable the four keystones of environmental stewardship to occur concurrently and in all parts of the ecosystem.

Successes and failures

Numerous examples exist where an environmental impact was conducted

and communicated to another country with beneficial results; unfortunately more examples exist where it was not so.

On the positive side, in the mid-2000s before California began restoration of the Salton Sea it mandated an environmental assessment that considered negative impacts to and from Mexico. California recognized that one of the sea's sources was the New River, flowing from Mexico, and one of the options could have included some flows back to Mexico potentially impacting the Gulf of California.

Another positive and more recent example is the manner in which the threat posed by the Asian carp —which could be introduced into the Great Lakes system from the Mississippi River system, specifically the Chicago River— has been handled. If this ravenous, invasive species reaches the Great Lakes, perhaps the world's largest body of transboundary water, the effects to the fisheries will be significant and systemic. So far, many of the meetings and decisions on the U.S. side have been communicated to the Canadians and the IJC has been consulted as early as 2008, alleviating a potential conflict.

There are other examples that demonstrate how notification of TEIA was not conducted but could have solved an environmental conflict and ultimately maintained better relations between the parties.

The first example is the lining of the All-American Canal, which travels along the northern edge of the California-Baja California border. This water supply canal flows West from the Colorado River to agricultural lands in the Imperial Valley. It was built in an era when such canals were earthen, allowing some seepage into the groundwater. This seepage maintained groundwater levels on both sides of the border, allowing farmers in the Mexicali Valley to continue to draw from their wells and for natural habitats to support endangered species. When the U.S. decided to line the canal with cement to save water —to transfer it to the thirsty populations on the coast— Mexico quickly realized there would be a potential groundwater supply and salinity issue impacting people and wildlife alike. Had the United States conducted and shared an extensive transboundary environmental impact assessment, it could have recognized and communicated the impact early enough in the process to arrange mutually beneficial, least-cost alternatives.

During the California energy crisis, a private electricity provider recognized that building another power plant on the American side would have exceeded ambient air quality standards. The provider requested and received permission from Mexico to build the power plant there but close enough to the border to export all its electricity to the U.S. The natural gas for the plant was to be provided by a pipeline leading from the American side. In essence, pollution was exported to Mexico while the benefits accrued to the U.S. Had the United States conducted a TEIA to consider the health effects when assessing the other impacts of the natural gas line, a collaborative environmental health-protecting solution could have been reached.

The final chapter in this evolving story concerns security. Along the southern border and at selected places along the northern border, the U.S. has constructed extensive infrastructure and implemented complementary activities aimed at stemming flows of contraband across the border. In places where actual walls, fences and barricades are not constructed, a virtual fence —whose lights, roads, generators and towers have comparable impacts— is being deployed. Not only were TEIA not conducted but also many federal, state and local environmental reviews were waived. Many scientists are tabulating ecological, hydrological and other impacts the border construction is having.

All the downsides of these mostly unilateral, and in many cases federal, actions can be minimized and mitigated through the better flow of information across borders before projects are built. The first step, however, is for each jurisdiction to view itself as part of an inter-jurisdictional and, in some cases, international system.

Dr. Rick Van Schoik is Director of the North American Center for Transborder Studies (NACTS) at Arizona State University. He is currently working on promoting development and exchange of renewable energy across North American borders.

North American security: The missing agenda

Jorge Chabat

Embracing multilateralism is the only way to tackle corruption and organized crime.

For different reasons, states tend to securitize some issues more than others. What causes one issue to be securitized is related to the real threat it poses to national security but also to the perceptions of the political elite or to public opinion. In this sense, states tend to be more aware of the immediate threats that affect the everyday lives of its citizens, but tend to react slowly to threats generated in other countries because borders provide the illusion of security. That is why national security agendas differ within regions. This is clearly the case in North America where Canada and the U.S. have been slow in responding in a co-ordinated way to the major security challenges posed by the rise of organized crime in their hemisphere.

During the second half of the 20th century, the security concerns of the U.S. in its global fight against terrorism have dominated the trilateral agenda and most of the countries of the world have had to accept this, just as they did during the Cold War.

However, an old problem has recently re-emerged as an immediate and stronger threat: organized crime. It is affecting Mexico and Central America in a very direct way and the situation is deteriorating. Certainly, the Organization of American States has considered this threat in its agenda and the Permanent Council has issued a Hemispheric Plan of Action against Transnational Organized Crime. Additionally, bilateral programs of co-operation, such as the Mérida Initiative, have been put in place to help some countries develop tools to combat this threat. However, all these actions seem insufficient to deal with a very powerful enemy that has provoked unusual levels of violence in Mexico and is expanding all over Central America.

> The most serious problem in the fight against organized crime is corruption.

The heart of the matter is that multilateral co-operation has a restricted capacity to face these threats because it has been based on the principle of sovereignty. Consequently, the measures proposed in multilateral agreements are limited by the institutional strength of every state. Certainly, international co-operation contemplates reinforcing national public institutions to fight organized crime but since most of the institutional weaknesses preventing the effective enforcement of laws are structural, these measures have a limited effectiveness. The case of Mexico and Central America clearly illustrates that point: these countries have very weak institutions corroded by corruption and co-operative efforts have had very limited impacts in combatting the problem. Even when multilateral arrangements provide financing as well as equipment and training to governments to fight organized crime, none of this will work if corruption is not eradicated. It is needless to say that if this issue is not tackled, organized crime will extend not only to Central and South America but will also affect the stability of countries with stronger institutions such as Canada and the U.S. in a serious way.

So far sovereignty has been the cornerstone of international co-operation and it has been useful to prevent abuses committed by strong states against weaker ones. However, this principle has also been very useful in preventing any serious reform of state institutions. The idea that institutions, especially the security and justice apparatus, are an internal affair has hindered the participation of the international community in making any improvements in this regard. The most serious problem in the fight against organized crime is corruption because the real power of its networks comes precisely from money. All the measures proposed to stop criminals lie on the assumption that states have the capacity to do so. However, corruption spoils everything. The idea of fighting

criminal organizations by attacking their profits sounds very logical indeed, but states are trapped in a vicious circle: in order to target the profits of criminal organizations they need effective institutional tools and they do not have them precisely because of the immense economic power of organized crime that corrupts the state itself.

> The new agenda is still trapped in the Westphalian cage of territorial sovereignty.

North America faces many new threats. The region is very conscious of most of them and has been moving the agenda in order to adapt to the new circumstances. The old idea that threats to security come only from conventional military actors has been abandoned. However, the construction of a new agenda is still trapped in the Westphalian cage of territorial sovereignty, at a time when most of the emerging threats are moving outside the national framework. At the same time, the clear distinction between domestic and international issues that existed in the past is not useful anymore. Nowadays the most important threat to the stability of the region comes from organized crime and its power derives from the domestic institutional weakness of the states, particularly corruption. If the region is not able to deal with this reality and develop new approaches to the problem, the stability of the region will grow ever more jeopardized.

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Rulings

Canada in violation of lumber agreement

According to a ruling of the London Court of International Arbitration, Canada is in violation of its Softwood Lumber Agreement (SLA) with the United States. The court has ordered additional charges on exports from Quebec and Ontario as a result. The Jan. 21, 2011 ruling –the second to reach arbitration regarding the 2006 SLA– stated that provincial assistance programs in Ontario and Quebec violated the agreement. Canada has 30 days to apply the extra charges before the U.S. will be authorized to impose extra duties on its imports of Canadian softwood.

In spite of the ruling, Canadian Minister of International Trade Peter Van Loan reiterated the London Court's finding that, 97 per cent of the original U.S. claim has no basis. He stated that Canada will remain committed to the SLA and stressed the stability and benefits the agreement has brought to Canada's softwood lumber industry.

The SLA, which came into force on Oct. 12, 2006, is binding for seven years. It features an established arbitration process that cannot be appealed.

A few days prior to the ruling, on Jan. 18, the U.S. brought forward its third complaint regarding Canada's conduct under the SLA. This third complaint is concerned with the pricing of softwood lumber originating in British Columbia and will be dealt with in future arbitration.

The Caribbean: The third U.S. border

Hilton A. McDavid

The region is North America's southern flank in its fight against terrorism and transnational crime.

Caribbean and North American security challenges are intertwined. The basin has become a major conduit for illegal trafficking whose profits are reinforcing terrorist networks. North American leaders should recast their security agenda accordingly, and deal with these emerging challenges jointly.

The end of the Cold War and 9-11 have produced a more complex international security environment. The threats of terrorism and transnational crime cannot be mitigated by any single country regardless of its military might. This new paradigm led *Foreign Policy* editor Moisés Naím to term the booming illegal trade in drugs, arms, intellectual property, people and money as "the five wars of globalization." Naím remarked that, like the war on terrorism, the fight to control these illicit markets pits governments against agile, stateless and resourceful networks empowered by globalization. Governments will continue to lose these wars until they adopt new, co-ordinated strategies to deal with this unprecedented struggle.

In the new security environment we are faced with entangled international and domestic issues, linking threats inextricably. As Figure 1 demonstrates, Caribbean security challenges have become North American challenges, as the basin is a major conduit for illicit trafficking and can facilitate the terrorist link to transnational organized crime.

The Caribbean nations lie largely along an arc. Belize, Guyana and Suriname have land boundaries whereas all the other nations along the arc are island nations. According to 2009 United States Southern Command data, 970 metric tons or 67 per cent of South American cocaine production passes through Central America, including its Caribbean maritime territory; 220 metric tons or 15 per cent transits directly through the Caribbean island territorial waters into the U.S. However, with the current violent situation in Mexico and U.S. intensive counter measures, more is bound to be redirected through the islands' territories.

Caribbean security challenges have become North American challenges.

As the U.S.'s southern flank or third border, the Caribbean basin provides space for organized crime and terrorists to attack American interests directly and indirectly. For instance, two Caribbean Community (CARICOM) countries —Antigua and Barbuda, and the Bahamas— facilitate U.S. military infrastructure critical to its space program. The Bahamas is home to the Atlantic Underwater Testing and Evaluation Center (AUTEC), which is responsible for the research and development of undersea warfare.

Jamaica provides a significant proportion of total U.S. bauxite and alumina imports. In addition, three CARICOM countries are oil producers —Trinidad and Tobago, Suriname and Barbados. Trinidad and Tobago also supplies most of the liquefied natural gas consumed in the U.S.

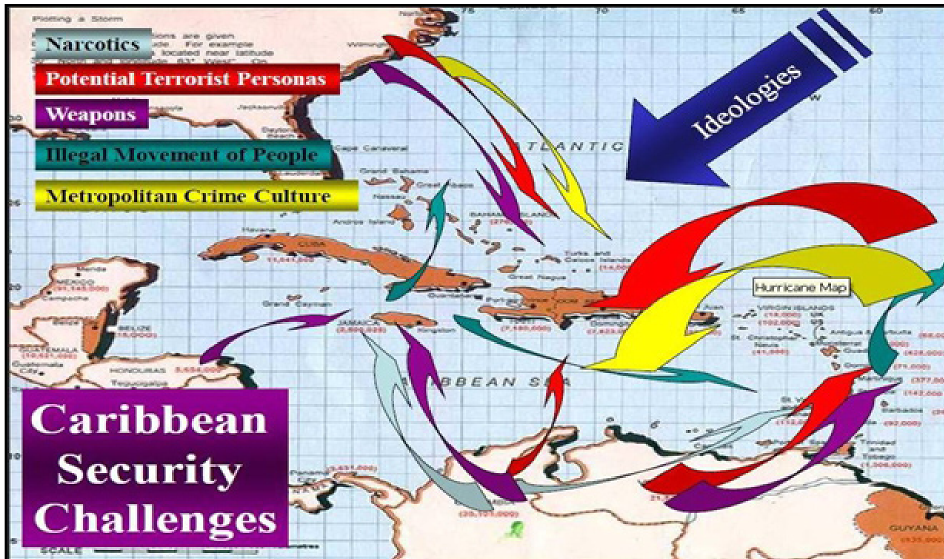
More indirectly, the region is key to North American vital interests since vessels with critical supplies that transit the Panama Canal have to negotiate the Caribbean Sea to and from U.S. East Coast destinations.

Clearly, the global security situation has made this geographical space a political space.

The Caribbean is now of particular importance to Canada and the U.S. in their fight against transnational organized crime and what they refer to as their "War on Terror." The penetration of the Canadian and U.S. borders by drugs trans-shipped through the Caribbean and the use of the islands as an in-transit destination for human trafficking into North America are well documented.

But the Caribbean basin also provides some protection against terrorism and attacks on Canada and the U.S.

U.S. national security experts, such as Stephen Flanagan and James Schear of the National Defense University's Institute for National Strategic Studies, suggest that Washington's strategy for homeland defence is characterized by "an active, layered defence to deter, intercept, and defeat threats at a safe distance." Mexico, mainland Central America, northern South America (which includes the CARICOM



Source: Hilton A. McDavid

countries of Guyana and Suriname), and the Caribbean archipelago make up the southern geographic approaches that offer comparable depth to that afforded by Canada to the North. This has definitely created a need for a multi-dimensional approach to enhancing mutual security in the Caribbean. The basin should now be treated as a geo-strategic whole rather than a series of bilateral relationships. This approach would proceed from the recognition that there is a direct connection between the disruption of entrenched transnational criminal networks and the ability to effectively counter terrorism.

It is therefore critically important that the CARICOM bloc be factored into North American defence plans. The governments of the CARICOM countries have as their major security concerns transnational crime and its societal impacts, and they are also addressing human trafficking. This should be considered consistent with the North American defence strategy, as there is a strong potential for collusion among gangs, criminal networks and terrorist groups to advance their separate missions. The 2004 Madrid bombers, for example, morphed from transnational criminals to transnational terrorists. There is also significant evidence of functional networking and financial support among these disruptive groups. Indeed, CARICOM governments themselves are highly aware of and sensitive to the role they can play in North American security planning —perhaps more aware than their American counterparts.

Hilton A. McDavid is Adjunct Professor of National Security Affairs at the National Defense University, Washington, D.C.

Reports

Lower grades for world freedom

World freedom was in decline in 2010 and the Americas contributed to its descent, according to Freedom House's latest report on global political rights and civil liberties. *Freedom in the World 2011: The Authoritarian Challenge to Democracy* points to democratic declines in Mexico and Venezuela as part of a downward trend across the globe.

In Venezuela, President Hugo Chávez extended his control of the press and civil society while limiting legislators' powers, the report said. Following opposition gains in September's parliamentary elections —where a coalition won 52 per cent of the vote— Chávez rushed new laws through the outgoing parliament that allow him to rule by decree on a number of issues for 18 months.

Freedom House downgraded Mexico's status from Free to Partly Free "due to the government's inability to stem the wave of violence by drug-trafficking groups in several states." It reported that organized crime threatens ordinary citizens, elected officials and journalists, with editors bowing to drug gangs and altering their coverage of the violence for fear of repercussions.

The news is not all bad, though. Colombia was among the few countries whose status is trending upward, and Venezuela's problems cannot conceal the fact that the opposition united to make substantial parliamentary gains after boycotting the 2005 poll.

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ANNOUNCEMENTS

Thank you...

FOCAL regrets to announce that Olga Abizaid, former Program Director and Co-ordinator of the Canada-Mexico Initiative, has moved on from our organization. We would like to thank her for all of her hard work, which was essential to the success of the CMI. We join our readers in wishing her the best of luck in her new endeavours.

New Policy Paper: Reaching the "cocobai": Reconstruction and persons with disabilities in Haiti

Cassandra Phillips

The January 2010 earthquake dramatically increased the number of Haitians living with disabilities, straining the country's already weak infrastructure. Myths about the disabled —known as "cocobai" in slang Creole, implying they are worthless— compound the problem. This policy paper, which is available in English (http://bit.ly/fjRYoF), French (http://bit.ly/dSZFjS) and Spanish (http://bit.ly/i4UEoZ), offers recommendations to address the main inclusion gaps with regard to health, justice, education, employment and access to public buildings.

New Research Paper: What troubles citizens of the Americas?

Elizabeth J. Zechmeister and Mitchell A. Seligson

This report identifies the "most important problems," as perceived in recent years by people of the Americas and across major subgroups, and assesses public opinion with respect to four main themes: the economy; security; corruption; and race and ethnicity, indigenous rights and discrimination. This paper is available in English (http://bit.ly/hB6JtE) and Spanish (http://bit.ly/e7OP06).

***ERRATUM: The article published in November 2010 entitled "Cheap labour: Seasonal agricultural workers in Québec" contained factual errors that have been corrected. The revised article is available on the FOCAL website at http://ow.ly/3SKxD.

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