

With or Without You: Argentina, Brazil and NAFTA

current state of evolution of the international trading system, it is the most logical.⁸⁸ Many in Argentina consider NAFTA accession to be an option worth serious consideration. In April 1994, Domingo Cavallo, the Argentine Economy Minister, said that Argentina would negotiate an accession to the NAFTA even if the other MERCOSUR partners were unable to take part in the negotiations.⁸⁹

Pursuing NAFTA accession earlier rather than later is in Argentina's national interest. Early accession will likely be technically easier than later accession. Argentine accession, or even an Argentine declaration of interest, would send a powerful signal and help to move the hemispheric free trade process forward. It might even move the process in a direction that would encourage Brazil to pursue broader, significant trade and economic liberalization measures. This is all in Argentina's national interest. NAFTA accession should be actively considered by Argentina.

⁸⁸ For a discussion of the paths forward to western hemisphere free trade, see Keith Christie's forthcoming Policy Staff Paper, *The Four Amigos and Beyond: Towards the Free Trade Area of the Americas*.

⁸⁹ "Argentine Eyes NAFTA With or Without MERCOSUR", Reuter News Service, 26 April 1994.