

market forces would result in significant employment and income gains that such a fund was not seriously considered during the negotiations.<sup>6</sup>

Geographers, like economists, see the three countries of North America as “natural trading partners.” Close proximity means lower transportation costs, and they would expect there to be a high degree of integration in the absence of significant natural or artificial barriers such as rugged mountain ranges or closed border gates. Additionally, they would look at the main trading patterns in the Canada–U.S. border region, where some 80 percent of all Canadians live within one hundred miles of the border, and see that trade mainly flows north-south, not east-west. This same pattern can be found in the U.S.–Mexico border region.

Historians, however, are likely to have a different perspective on NAFTA than mainstream economists or geographers. Given the United States’ enormous size and hegemonic behavior as well as the history of conflict and lack of trust that has characterized North American relations over the last two centuries, historians might very well be astonished that such a treaty even reached the negotiating table.

Political scientists also have reason to be uneasy about a NAFTA. They tend to view free trade agreements as problematic issues for political candidates irrespective of their ideological positions. That is, free trade is usually seen by workers in developed countries as a threat to their economic security, especially during periods of stagnating wages and massive restructuring (“downsizing”) like the early 1990s. However, large multinational firms, especially those in high-tech, export-oriented industries, tend to support freer trade and, through lobbyists, wield great power over political candidates. Therefore, politicians are likely to lose voter support if they support the NAFTA and campaign financing if they oppose it—a classic “no win” situation.

Thus, from a mainstream economic perspective a NAFTA makes sense, but from many others it does not. As noted above, the three countries’ economies were already economically integrated before 1994, when the NAFTA’s fifteen-year process of implementation began. In fact, the United States has been the major trading partner of both Canada and Mexico for many decades: Canada and the United States have had some

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<sup>6</sup> The main argument against a social fund was that North America was building a “free trade area,” not an “economic union.” See chapter 2 for details on what distinguishes these two forms of integration.