

Department of Commerce

SHADOW SECRETARY EDWIN S. RUBENSTEIN

Mission: The Department of Commerce promotes job creation and improved living standards for all Americans by creating an infrastructure that promotes economic growth, technological competitiveness, and sustainable development. <http://www.osec.doc.gov/bmi/budget/04APP/04APPFront.pdf>

The Security and Prosperity Partnership (SPP)

In February 2007 a Commerce Department news release described SPP thus:

The Leaders of Canada, Mexico and the United States launched the Security and Prosperity Partnership of North America (SPP) to increase security, prosperity, and improve the quality of life for the citizens of each sovereign nation. Last March in Cancun, Leaders reaffirmed their commitment to the SPP and identified five priorities: 1) Strengthening Competitiveness through creation of a private sector-led North American Competitiveness Council (NACC), and enhancing regulatory cooperation; 2) Emergency Management; 3) Avian and Pandemic Influenza; 4) Energy Security; and 5) Smart, Secure Borders. http://www.commerce.gov/opa/press/Secretary_Gutierrez/2007_Releases/February/23_Gutierrez_SPP_Ottawa_stmnt.htm

The bland, bureaucratic verbiage notwithstanding, SPP could change American life and the nature of our country more than any other federal program. Housed in the North American Free Trade

Agreement (NAFTA) office of the U.S. Department of Commerce, SPP is a highly secretive group of bureaucrats from the United States, Canada, and Mexico who are rewriting proposals for our laws, regulations, and trade agreements. Their ultimate goal could be the creation of a North American Union (NAU) that will erode our sovereignty and border security.

If the SPP group has its way, immigration could be allowed without limit. Mexico, Canada, and the United States would be governed as one country. In fact, the intellectual godfather of SPP is on record as proposing a simple solution to the problem of illegal

immigration: Stop defending the U.S. border. "Instead of

stopping North Americans at the borders," he says, "we ought to provide them with a secure biometric EZ Pass that permits cars and trucks to speed through tolls." http://www.aim.org/aim_report_print/5102_0_4_0/

Dr. Robert Pastor, Vice Chairman of the Council on Foreign Relations (CFR) Task Force on North America—is a leader of the NAU movement. Dr. Pastor was the Latin American specialist on Jimmy Carter's National Security Council. He was instrumental in the turnover—some call it a sellout—of the Panama Canal.

Currently, Pastor advocates "economic integration" of the United States, Canada, and Mexico and says their citizens should "think of themselves as North Americans." Dr. Pastor's ideas are spelled out in a CFR report, "Building a North American Community," which he co-authored. Among other things, this report proposes a North American "security perimeter" around all three nations by 2010. http://www.aim.org/aim_report_print/5102_0_4_0/

Pastor denies having any formal connection with SPP or to the trilateral conference that established it. That meeting, held in Waco, Texas, in March 2005, ended in a handshake between President

Immigration Fiscal Impact Statement

Bush, Mexican President Vicente Fox, and then-Canadian Prime Minister Paul Martin.

Pastor acknowledges that the leaders of the three countries often consult him on economic and political integration issues.

Congress also seeks his opinion. On infrastructure, Dr. Pastor told a subcommittee of the Senate Foreign Relations Committee that he favors “new North American highways and high-speed rail corridors.” http://www.aim.org/aim_report_print/5102_0_4_0/

On June 5, 2005, the CFR guru cheerfully told the senators that the NAU would be helped by creating “a new consciousness among Americans.” The remark prompted journalist Wes Vernon to write: “Shorn of the euphemisms, that could be taken to mean we must disabuse these Americans of their quaint notions of sovereignty.” http://www.aim.org/aim_report_print/5102_0_4_0/

Many see NAU as the brainchild of transnational corporations seeking to maximize profits at the expense of ordinary workers. The process by which the union will be established is outlined by Christopher S. Bentley in *The New American* <http://www.thenewamerican.com/>:

First, the superelite create a free trade area. This lowers barriers to the trade of goods and services among member nations, while quietly instituting a raft of political and bureaucratic controls. This was done in Europe in the late 1940s. In North America, think NAFTA/CAFTA. <http://www.news-withviews.com/Yates/steven23.htm>

Second, they create a customs union, which adds a common external trade policy and expands the bureaucracy to implement it.

Third, they create a common market, which

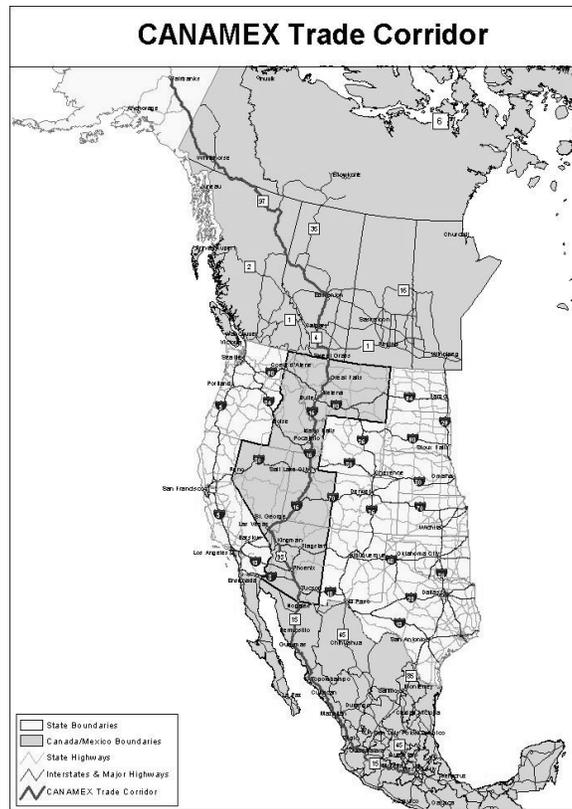
ends restrictions on migration and allows labor and capital to move freely across increasingly meaningless national borders of member states. “This,” Bentley writes, “is exactly what is behind the Bush Administration’s fanatical zeal to implement its guest worker/amnesty program.” <http://www.news-withviews.com/Yates/steven23.htm>

Fourth, the common market metastasizes into a full-blown economic union—which requires uniform regulations, a common currency, a common tax policy, and a common fiscal policy. In this vein, Robert Pastor and others advocate replacing the dollar and the peso with a common North American currency that would be called the amero. <http://www.news-withviews.com/Yates/steven23.htm>

The fifth and final phase, political union, follows almost naturally. Political union is consistent with the self-serving agendas of international bankers, large corporations, and the governmental-bureaucratic establishment. <http://www.news-withviews.com/Yates/steven23.htm>

There is no line item in the Department of Commerce’s budget for the Security and Prosperity Partnership (SPP). A search of the Commerce Department’s Web site turns up no citations for “North American Union.” At this stage they are very much “under the radar.”

When pressed, even the most ardent NAU advocates deny their true agenda. There was an interesting debate in Washington on June 20, 2007, dealing with this issue. The National Press Club event included Phyllis Schlafly of Eagle Forum and Rosemary Jenks of Numbers USA. They were pushing NAU backers to disclose their plans. <http://www.renewamerica.us/columns/vernon/070709>



Dr. Pastor and David Bohigian, Assistant Secretary of Commerce in the Bush administration, insisted that there is nothing to be concerned about. Bohigian argued that the plan for “cooperation” among the three countries of North America is (1) not a loss of our sovereignty; (2) not a proposal to unite Canada and Mexico; (3) not building a NAFTA superhighway; (4) not creating a single currency; and (5) not creating a separate legal or judicial system. <http://www.renewamerica.us/columns/vernon/070709>

All that’s at stake here, he said, is “quality of life” on the continent. (Ironically, sitting right next to him was Dr. Pastor, who has argued for the amero.)

A North American Union will not be established overnight. It’s an evolutionary process. But the end game—one North American government—may be closer than most of us think:

The SPP working groups and attendees of meetings like this North American Forum are taking us in the same direction as Europe at breakneck speed. NAFTA’s Chapter 11 tribunals actually begin laying in place the final phase of the process by reviewing U.S. court decisions. If you have an internationalized legal process, then as enforcement mechanisms fall into place you are on your way to political union under a regional, hegemonic authority. <http://www.newswithviews.com/Yates/steven23.htm>

Thus what has taken the superelite over 50 years to accomplish in Europe could be done in North America in about half the time. <http://www.newswithviews.com/Yates/steven23.htm>

The fiscal implications are staggering. There are an estimated 4.54 million poorly educated

immigrant households living in the United States today. That figure could easily triple under an NAU—although the new arrivals would be “fellow countrymen” rather than “immigrants.”

Robert Rector estimates the average low-skilled immigrant receives \$30,160 in direct benefits, means-tested benefits, education, and other services from all levels of government. By contrast, these households pay only \$10,573 in taxes. Net, the average low-skilled immigrant household imposes a deficit of \$19,587 (expenditures of \$30,160 minus taxes of \$10,573.) <http://judiciary.house.gov/media/pdfs/Rector070517.pdf> (The above figures are for fiscal year 2004; they are surely higher now.)

At \$19,587 per household, unskilled immigrant households currently generate a fiscal deficit of about \$89 billion (\$19,587 times 4.54 million). A threefold increase in such households (as we assume would occur under an NAU) would raise the deficit by \$178 billion, to \$267 billion.

In other words, an NAU could increase the amount that U.S.-born taxpayers pay to foreign-born residents by a factor of three—to \$267 billion per annum.

The NAFTA Highway

NAFTA was supposed to combine cheap Mexican labor with U.S. capital and technology to enable both countries to compete with cheap Asian imports. C. Fred Bergsten and Jeffrey Schott, of the Institute for International Economics, testified to Congress in 1997: “We wanted to shift imports from other countries to Mexico since our imports from Mexico include more U.S. content and because Mexico spends much more of its export earnings on imports from the United States than do, say, the East Asian rivals.” <http://www.citizensforaconstitutionalrepublic.com/hawkins9-24-06.html>



The Department of Commerce supposedly shares those goals. But the SPP's new transportation plans make a mockery of that belief.

We refer to a secretive, under-the-radar plan for a north-south superhighway spanning three countries—from Mexico through the United States and into Canada. The word “secret” is appropriate. The plan is regionalized, mostly in Texas—where the governor recently unveiled plans for a piece of the highway. While a lot of Texans know about it, few know the whole story because the project is being built in increments so as to keep it off the national radar screen of most, if not all, the mainstream media. http://www.aim.org/aim_report_print/5102_0_4_0/

A major highway supporter is Cintra, a Spanish company which plans to build the highway and operate it as a toll road. In its financial plan Cintra is projecting a 12 percent return on investment for their equity partners. The 12 percent return is after taxes, which is approximately equivalent to 16 percent before taxes. http://en.wikipedia.org/wiki/Trans-Texas_Corridor

But don't be fooled: the high profits expected from the superhighway are not the result of free market demand. Instead they reflect the money politically connected special interests stand to make from government-managed trade schemes like NAFTA.

To read press accounts of the planned superhighway, one would never suspect that it is part of a plan to accelerate the deindustrialization of the United States and destroy thousands of well-paying transportation jobs in California.

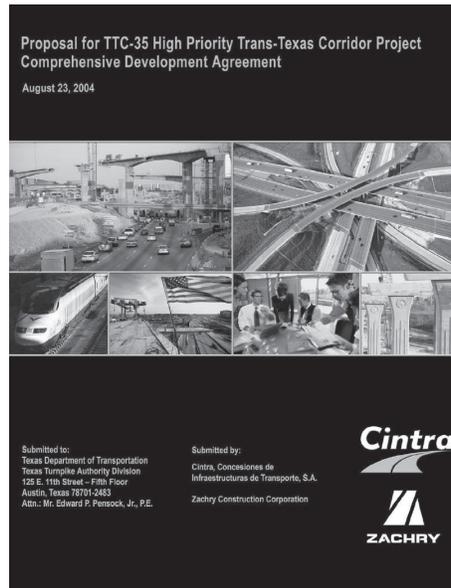
Currently, intermodal transportation of cheap imported commodities is the lifeline of the American economy. In 2004, the Port of Los Angeles processed 7.3 million container units and Long Beach handled 5.8 million. These two ports accounted for about 70 percent of the West Coast container traffic

and are, by far, the largest employers in California. <http://www.monthlyreview.org/0206vogel.htm>

U.S. port workers and the army of trucking and logistics firms that work with them, after seeing so many lucrative manufacturing jobs moved overseas, assumed that their jobs could not be offshored and would, in fact, increase in number as cheap Asian imports increased. <http://www.monthlyreview.org/0206vogel.htm>

How wrong they were!

Sparked by union organizing and wildcat actions by workers against falling wages and deteriorating working conditions at America's ports and on the nation's highways, the flow of container traffic is being shifted to from an east-west to a south-north orientation. By taking advantage of NAFTA, big U.S. importers are leaving pricey California ports for low-wage Mexican ports. <http://www.monthlyreview.org/0206vogel.htm>



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The highway could put thousands of California longshoremen, truckers, distributors, and logistics industry workers out of work.

The NAFTA highway is to start at the port of Lazaro Cardenas in southwest Mexico recently. This port is being expanded to accommodate as many as 2 million containers per year by the end of the decade. Punta Colonel, about 150 miles south of Tijuana, is also being eyed for expansion to offload millions more cargo containers filled with Asian goods. It too will connect to the highway.

Both ports are being readied to take in huge cargo shipments from China, load them onto Mexican trucks and freight trains, and route them on up to the border at Laredo, Texas, and speed the cargo through the Lone Star State, ultimately ending up at a Mexican-owned customs facility at Kansas City, Missouri. Reaching Canada will come later.

The NAFTA highway will unclog West Coast ports by shifting their import business to Mexico.

This will be a boon to Wal-Mart and other importers of cheap Chinese goods. It will hurt our dock workers and American-based manufacturers, who are already suffering under the barrage of Chinese imports.

To facilitate the increase in northbound truck traffic, the Bush Administration wants to give Mexican trucks unrestricted access to U.S. highways. Currently trucks from Mexico are restricted to a zone along the border. James Hoffa, whose union is working in court to halt the proposal, says that Mexican

trucks and drivers will endanger U.S. lives, damage U.S. jobs, pollute the U.S. environment, and benefit no one but big business. <http://stopssp.com/stopssp/?p=308>

“All we’re asking is that Mexican trucks and truckers meet the same standards as American trucks and drivers,” Hoffa said. He cited the requirements in the United States for commercial drivers’ licenses, drug screening, physical evaluations, hazmat certifications, etc. <http://stopssp.com/stopssp/?p=308>

National security is another concern. Hoffa insists there’s no way to adequately monitor vehicles of the 100 Mexican trucking corporations expected to be involved in cross-border hauling.

Promoters of the NAFTA highway system tout it as the largest engineering project ever undertaken in U.S. history. What they fail to publicize, however, are the economic and environmental costs of the system.

The NAFTA highway corridors will be up to four football fields wide with separate lanes for passenger vehicles (three in each direction) sandwiched between truck lanes (two in each direction).

The corridors will also contain six rail lines (three in each direction): two tracks for high-speed passenger rail, two for commuter rail, and two for freight. Total land consumption in the United States could exceed 1 million acres. Since the corridors are going to be routed through rural areas, this means they

will consume a total area of agricultural land and open spaces almost as large as the land area of the state of Vermont. <http://www.monthlyreview.org/0206vogel.htm>

Based on the estimated construction cost of \$31.4 million per mile, the 4,000-

mile Texas sections of the NAFTA corridors will cost \$125.5 billion. Adding in right-of-way and miscellaneous costs, the total outlay could reach \$183.5 billion. Cost estimates for the entire NAFTA corridor system have not been disclosed but could double those figures. <http://www.monthlyreview.org/0206vogel.htm>

The prospect of low-cost Mexican ports seamlessly linked to the U.S. heartland with railroads and highways will accelerate the migration of Mexican industry to China. Mexican industry has already been smashed by Chinese competition: More than 600 of the maquiladora assembly plants along the U.S.-Mexican border have relocated to China. There will be little chance for Mexican wages to rise if at \$1.50 per hour they are undercut by Chinese labor making \$0.50 per hour. <http://www.citizensforaconstitutionalrepublic.com/hawkins9-24-06.html>

NAFTA was supposed to reduce Mexican poverty and stem illegal immigration to the United States. Instead it is exacerbating both of these problems—with the full support of the Department of Commerce and its SPP subsidiary. ■

