

**The goals, scope and limits of US “open regionalism” in the Americas. From NAFTA to the FTAA negotiations.**

By Isidro Morales  
Universidad de las Américas, Puebla.  
Visiting Fulbright Scholar at American University.

“Open regionalism” has been Washington’s foreign trade policy device through which a disciplinary process of policy convergence on trade and trade-related issues is anticipated for US partners since the past 20 years. In this sense, open regionalism became a breakthrough in US trade diplomacy from the mid-eighties, when it became a parallel strategy to the two-tier approach followed at the time: multilateral negotiations within the General Agreement on Tariffs and Trade (GATT) and unilateral pressures coming from Congress initiatives. Regionalism became from then on an interface between multilateral and unilateral strategies focusing on rule-making and institutional change on trade disciplines. In the Americas, open regionalism was inaugurated with the signature of the Canada-US Free Trade Agreement (CUSFTA) in 1988, which became the North American Free Trade Agreement (NAFTA) when Mexico was incorporated in 2004. Once NAFTA came into ruling, it became the blueprint for further trade negotiations with the rest of the Western hemisphere under the Free Trade Agreement of the Americas (FTAA) negotiations.

The main argument of this presentation is that, since the signature of NAFTA, Washington strategic goal in the Americas has been to trade market access to its economy in exchange of a new body of trade-related disciplines to be adopted and enforced by trade partners. This “disciplinary” strategy has become more effective than parallel unilateral measures traditionally followed by the US, and more rapid to negotiate and implement compared to multilateral processes. This disciplinary process conveyed by US-led trade regimes has also had policy consequences for trade partners, since they have adapted their policy options, both domestically and internationally, to the new rules of the game.

The first section of this presentation explains what is at stake on US trade diplomacy on “open regionalism” for the Americas. It will rapidly highlight the impact of NAFTA in the North-American region. The second section explains how FTAA negotiations are conducted by the US under a similar strategy followed when NAFTA was originally negotiated. However, to reach a common denominator has proved to be more difficult for the Americas, since Mercosur strategy and interests do not necessarily coincide with the rest of the participants. As an alternative, the US has preferred to follow a “hub-and-spoke” approach as witnessed by the bilateral agreements reached with Chile, Central American (CAFTA) and the Dominican Republic.