The Daily Dish

A New USMCA Sidebar Agreement

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Among the myriad pre-presidency Trump pronouncements is his threat to levy 25-percent tariffs against all Canadian and Mexican goods and services unless those countries undertake greater efforts to secure their borders with the United States against flows of illegal drugs (especially fentanyl) and illegal migration. There are a couple of ways to think about this.

First, it must be frustrating for Canada and Mexico because it is a clear violation of the United States-Mexico-Canada Agreement (USMCA) that then-President Trump signed. Or, it could be just another day in Trump World, as he is seemingly afflicted with a tariffs version of Tourette's. Also, it could be a one-off policy initiative included as part of his campaign promises on immigration. Finally, and thinking bigger, the USMCA trade agreement is up for re-negotiation in 2026. Perhaps this is simply part of his negotiating strategy for a new agreement.

Upon reflection, it looks like this might be a promising avenue to address both immigration discontent and take steps toward a new USMCA. It is common for trade agreements to contain sidebar agreements that bind the signatory countries on other policy issues such as labor standards, environmental standards, government ownership of key industries, and so forth. Why not have as a sidebar agreement to USMCA each country's obligations for border control efforts?

From the president-elect's perspective, border control is clearly an important element of international economic relations. Why not formalize these relationships? From a domestic policy perspective, this may be a way to, finally, begin unravelling the immigration reform Gordian Knot. Any new USMCA would be subject to a ratification vote; the sidebar agreement would be tantamount to bipartisan legislation on border security. Its passage could clear the way to move on to other long-overdue reforms.

Oh, and in the process, the threat of tariffs, 25 percent or otherwise, would be eliminated because that is what is intended by signing trade agreements.