

## Conversation with Shannon O'Neil and Will Hurd



### Objective

Comment and elaborate on the content of "The Globalization Myth" by Shannon O'Neil and "American Reboot" by Will Hurd.

### Speakers

- **Shannon O'Neil**, Vice President, Deputy Director of Studies, and Senior Fellow, Council on Foreign Relations
- **Will Hurd**, Former U.S. Congressman and Author
- **Raúl Rodríguez**, Vice President Associate International Affairs, Tecnológico de Monterrey (Moderator)

This is the time for Mexico, the United States, and Canada to reengage, reimagine and recreate the North American idea. In parallel with globalization, there was a process of regionalization. For instance, Europe and Asia have integrated more than North America, where only 40% of trade stays within the region, compared with 70%. The world is entering a brand-new phase of globalization, where several issues, such as automation, robotics, artificial intelligence, and technology, are influencing manufacturing and other production platforms.

There is an opportunity for North America to lead, but it still needs to be done; other regions are trying to do the same. For instance, China has put hundreds of billions of dollars into the Belt and Road Initiative (BRI), trying to connect Asia. They're also doubling down on free trade agreements in Asia, which they hadn't done for decades, such as the Regional Comprehensive Economic Partnership (RCEP). They want to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Mexico and Canada should care because it would be better to have a neighbor who has 24% of global GDP than 3% of global GDP, which ultimately would impact the North America region.



A discussion is needed regarding how North America deals with the threat of China. The US, Mexico, and Canada are so interconnected on so many different levels that we are lucky to have one another. North America needs to go from that 40% and get that up to 60% of our trading among themselves. This can be achieved with technology to facilitate trade and the flow of goods.

We also need to streamline legal immigration in the United States. Let's ensure that if you're admitted to a US university, you'll get a visa to continue working there when you graduate. The U.S. must improve that so that the region can continue to benefit from every other country's brain gain for the next few decades. So that we can win in these new domains.

The fluidity between Mexico, the U.S., and Canada has not been seen since the early 90s. North America can work on two main topics. On the one hand, to build out the logistical framework to make goods and services and people and ideas move much faster; some of it is physical (roads, ports, and rails), and some of it is digital (information, data, cross border technologies). On the other, Talent is needed. Governments at all levels need to build more schools to create that workforce. This will allow people to come in quickly, train them up, and have the required force.

We can't take this relationship for granted. Yet our future is exciting.