

Shared security, shared prosperity: The path forward for North American trade

The idea emerged with striking clarity during a recent panel discussion on North American trade. Shared prosperity and shared



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security aren't just policy objectives. They're the path forward for reimagining continental economic integration.

The situation has evolved to where you can't have one without the other. This simple truth cuts through decades of siloed thinking about trade, security, and economic development. Security has become the continent's new subsidy. Every dollar kept in North America through secure, efficient trade reduces global risk while building regional prosperity.

I'll admit I didn't always see it this way. For some time, I advocated keeping these themes separate and not letting security concerns derail the economic integration that was delivering tangible benefits to millions of workers and families across North America. Why risk disrupting successful commercial relationships by introducing complex security considerations? Economic growth was working. Trade was growing. Adding security to the mix seemed like an unnecessary complication that could only slow

progress.

But recent events have forced a reconsideration. The relationship between the three North American nations has reached a point where continuing to treat security and prosperity as separate conversations is no longer just impractical. It's impossible. Whenentanyl precursors flow through the same channels as legitimate commerce, when cyber threats target the infrastructure enabling cross-border trade, and when economic growth and community wellbeing are inseparable, maintaining separation between economic and security policies becomes untenable.

The timing couldn't be more critical. With tariff volatility creating monthly uncertainty, cross-border security challenges impacting both nations and global supply chains under unprecedented strain, North America faces a choice. They can continue treating these as separate challenges requiring uncoordinated responses. Or they can recognize that in 2025, economic integration without security cooperation is as outdated as security measures that ignore economic realities.

The interplay of security and prosperity

For too long, policymakers have treated security and economic integration as competing priorities, viewing them as a zero-sum game

where enhanced border security necessarily impedes commerce, and trade facilitation inevitably weakens security. This framework has yielded predictable results: episodic crises, reactive policies, and missed opportunities to create systems that enhance both objectives simultaneously.

Consider the current impasse over tariffs and border security. President Trump's administration's recent tariff actions, followed by hasty exemptions and reversals, exemplify what happens when we try to address interconnected challenges through disconnected policies. Businesses face planning paralysis. Border communities face ongoing challenges. And the competitive advantages built through three decades of integration erode with each policy whiplash.

Manufacturing employment remains below historical peaks despite aggressive trade policies. Over 4.3 million U.S. jobs and 4.1 million Mexican jobs are potentially at risk of disruption due to cross-border commerce. But the solution isn't simply more tariffs or stricter borders. It's recognizing that sustainable economic growth requires integrated approaches that ensure both secure supply chains and efficient commerce.

Shared security: Beyond traditional borders

Shared security in the

North American context extends far beyond traditional border enforcement. It encompasses supply chain integrity, cyber resilience, critical infrastructure protection, and addressing cross-border challenges, including drug trafficking, illegal immigration, and southbound weapons flows.

Here's the key insight: these security challenges are most effectively addressed through cooperation rather than unilateral action.

Take supply chain security. When a shipment moves from a manufacturing plant in Mexico through a U.S. port of entry to a U.S. distribution center and finally to its final client in the U.S. or Canada, its security depends on information sharing, compatible inspection technologies and aligned risk assessment protocols across all three countries. No amount of unilateral enforcement can match the effectiveness of coordinated continental approaches.

The Binational Customs Agency concept I've developed with Ambassador Geronimo Gutierrez offers a practical model for this integration. One border, one process. The concept would expand existing unified cargo initiatives into full-scale joint inspection facilities where U.S. and Mexican customs officers work side by side. A truck approaching the border would undergo pre-clearance through in-

tegrated databases, with both nations' security concerns addressed simultaneously. This isn't about weakening sovereignty. It's about multiplying effectiveness through cooperation.

Cross-border challenges illustrate why such integration makes sense. Take pharmaceutical security. When precursor chemicals move through multiple countries, no single nation has complete visibility. Shared authentication technologies and coordinated inspection protocols could enhance the detection of illicit shipments while maintaining the flow of legitimate medicines. When customs agencies operate in silos, vulnerabilities multiply. When they collaborate, both efficiency and security improve.

Cyber security presents another dimension where shared approaches multiply effectiveness. When critical infrastructure spans borders, pipelines, electrical grids, and telecommunications networks, a vulnerability in one country becomes a risk for all. The Colonial Pipeline ransomware attack didn't respect international boundaries, nor will future threats. A unified North American cybersecurity framework for trade infrastructure, with shared threat intelligence and coordinated response protocols, would protect the digital arteries of continental commerce.

Shared prosperity:

The economic imperative

Shared prosperity means more than GDP growth or trade volumes. It means creating an economic ecosystem where workers across all three countries benefit from continental integration. Where small businesses can access regional markets as easily as multinationals. Where innovation in one country catalyzes opportunity across borders.

North America's complementary strengths, including U.S. innovation and technological leadership, Mexico's manufacturing assets, and demographic advantages, combined with Canada's natural resources and advanced capabilities, create powerful synergies when properly coordinated. However, realizing this potential requires expanding beyond trade rules to strategic industrial coordination.

By any measure, integration has delivered results. North American trade has grown from \$343 billion at the start of NAFTA to over \$1.6 trillion today. But aggregate statistics mask crucial disparities. Too many communities feel left behind by the integration process. Too many workers see threats rather than opportunities in cross-border commerce. Too many regions remain disconnected from continental value chains.

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Council (NAICC) proposal, which I developed with Gerardo (Gerry) Schwebel, provides a framework for transforming integration from a process focused on efficiency to one that is equally concerned with balanced development. A key objective would be to ensure that wealth creation and manufacturing capabilities are distributed across the region in a way that strengthens the continental middle class while reducing collective dependence on extra-regional sources.

This means strategically distributing industrial capacity. Rather than one country specializing solely in raw materials, another in manufacturing, and a third in design, the NAICC would promote complete value chains within North America, where each country participates across multiple stages of the value chain. In electric vehicles, for example, Canadian lithium and nickel extraction could connect to Mexican battery assembly and U.S. advanced manufacturing, creating higher-value employment throughout the supply chain rather than concentrating benefits in any single location.

Consider workforce development through this lens of prosperity. Our proposed North American Standards Skills Council (NASSC), based on expanding the current Manufacturing Skills Standards Council (MSSC), would develop continental-wide, industry-led skill stan-

dards and certifications recognized across all three countries, aligning the continent's workforce for the future through cross-border apprenticeship corridors that fill critical skills gaps.

When a welder trained in Puebla can seamlessly work in Alberta, when a robotics technician certified in Michigan has credentials recognized in Nuevo León, and when educational systems align with industry needs across borders, that's shared prosperity in action.

The NAICC would also enhance small and medium enterprise participation through supplier development initiatives, technical assistance, and financing programs that enable smaller firms to meet advanced manufacturing standards. By broadening participation beyond large multinationals, the benefits of regional integration would reach more communities and strengthen the small business sector, which is crucial to the formation of the middle class across North America.

Measuring success requires looking beyond trade volumes to track wage growth in strategic sectors across all three countries, SME participation rates in key supply chains, reduction in regional inequalities within countries, and skills development outcomes. These metrics would ensure that industrial coordination serves not just continental competitiveness but also inclusive economic development, making shared prosperity more than an aspiration but a measurable outcome of integration.

Technology as the Great Enabler

Advanced technologies offer unprecedented opportunities to achieve both security and prosperity objectives simultaneously. Artificial intelligence can identify security threats while expediting legitimate commerce. Blockchain or verifiable certificates can ensure supply chain integrity while reducing compliance costs. Digital platforms can enhance visibility for security agencies while improving efficiency for businesses.

My research on Logistechs, the convergence of exponential technologies reshaping logistics, demonstrates how innovation can serve dual purposes. Port Laredo, already processing over 5 million trucks annually, is positioning itself to become the testbed for these technologies where real-time visibility, AI-powered risk assessment, and blockchain verification will simultaneously reduce costs and enhance security.

Consider a practical example: a secure continental data platform that provides end-to-end visibility across the entire supply chain. IoT sensors track shipments in real time while blockchain creates verifiable certificates of cargo movements. AI algorithms analyze patterns across millions of transactions to flag anomalies for security agencies. Businesses leverage big data analytics for predictive insights and route optimization. Digital certificates verify product authenticity and compliance. Border agencies utilize machine learning to pre-clear low-risk shipments,

thereby focusing resources on identifying unknown actors. Everyone wins except those trying to exploit the system.

The key is to ensure that these technologies are deployed in a collaborative manner. When each country develops incompatible systems, we multiply costs while reducing effectiveness. But when we establish common standards and interoperable platforms, we create a technological ecosystem that enhances both security and competitiveness.

However, the AI revolution risks creating new divides. If the U.S. races ahead while Mexico and Canada lag in adoption, we'll replicate the very inequalities we're trying to solve. The NAICC could address this through technology transfer programs, shared R&D initiatives, and coordinated workforce training that ensures all three nations can harness the benefits of AI. Without deliberate efforts to democratize these technologies across borders, we risk turning a tool for integration into a source of division.

From vision to implementation

Moving from concept to reality requires institutional innovation. The approaching 2026 USMCA review provides a natural inflection point, but preparatory work must begin immediately. Three concrete mechanisms can translate the shared security-shared prosperity framework into operational reality:

First, establish Integrated Operations Centers that bring together trade facilitation

and security functions. Rather than having separate agencies work at cross-purposes, create physical and virtual spaces where customs officers, security personnel, and trade specialists collaborate in real time. The Binational Customs Agency concept presents a model of joint facilities where bilateral teams collaborate closely to enhance both security and efficiency.

Second, develop Continental Competitiveness Strategies that align security investments with economic development. When building infrastructure, incorporate security features from the design phase. When developing workforce programs, include security awareness and compliance training. When promoting innovation, prioritize technologies that serve dual purposes.

Five sectors emerge as clear candidates for initial coordination efforts: semiconductors and advanced electronics, critical minerals and clean energy technologies, electric vehicles and advanced mobility, biopharmaceuticals and medical supplies, and aerospace and defense. Each represents areas where security concerns intersect with economic opportunities, making them ideal for integrated approaches.

Third, create Prosperity Metrics that measure success beyond traditional indicators. Track not just trade volumes but wage growth across all three countries. Monitor not just border wait times but supply chain resilience. Assess not just security incidents but community confidence

in cross-border commerce. What gets measured gets managed, and we need metrics that reflect our dual objectives.

A call for continental leadership

The choice for North America is clear. It can continue treating security and prosperity as separate domains, responding to each crisis with temporary measures that create new problems. Alternatively, it can adopt an integrated framework that acknowledges these challenges and opportunities as fundamentally interconnected.

This isn't about creating new bureaucracies or adding layers of regulation. It's about aligning existing efforts toward common objectives. It's about leveraging technology to serve dual purposes. It's about creating institutions that are nimble enough to adapt while being stable enough to provide certainty.

Most importantly, it's about results. Better outcomes for all and more good jobs. Secure supply chains and efficient commerce. Innovation that serves both competitiveness and security. These aren't competing goals. They're complementary outcomes of smart, integrated policies.

As the continent approaches critical decision points, the USMCA review, infrastructure investments, and technology deployments, it must embed the shared security prosperity framework into every initiative. The question isn't whether it can afford to integrate these objectives. It's whether it

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can afford not to.

North America possesses all the ingredients for success: dynamic economies, innovative companies, skilled workers, abundant resources, and democratic institutions. What it lacks is a unifying framework that channels these strengths toward common purposes.

es. Shared security and shared prosperity provide that framework.

The moment demands leadership that recognizes security and prosperity as mutually reinforcing. Leadership that builds institutions capable of delivering both. The future of North American integration depends not on choosing between security and prosperity but on achieving both through

smart, cooperative strategies.

North America's competitors understand this. China's Belt and Road Initiative explicitly links economic development with strategic objectives. The European Union's integrated approach to digital governance serves both innovation and security goals. North America must develop its own model, one that reflects its values while

serving its interests.

Three decades of integration have created the foundation. Now, the continent must build upon it a framework adequate to 21st-century challenges. Shared security and shared prosperity aren't just policy objectives. They're the organizing principles for North American economic integration in an uncertain world.

The path forward is

clear. The tools exist.

The need is urgent. What remains is the will to act, to move beyond reactive policies toward a proactive vision where security enables prosperity and prosperity, in turn, reinforces security. That's not just good policy. It's the key to North American competitiveness for generations to come. Cooperation drives shared prosperity, and stable trade policies

protect millions of jobs across our continent.

The time for choosing between security and prosperity has passed. The future belongs to those who achieve both. Let's build that future together.

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