

NWX WOODROW WILSON CENTER

**Moderator: Miguel Salazar
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Coordinator: Welcome and thank you for standing by. Today's conference is being hosted by Mr. Drew Sample. Please press Star 0 if you need assistance throughout the call. All participants are in an open line so you may press Star 6 on your touchtone phone to mute or unmute your lines as necessary. Please be advised that today's call is being recorded. If you have any objections you may disconnect at this time.

Now I would like to turn the meeting over to Mr. Drew Sample.

Drew Sample: Good morning everyone. Thank you for joining us. Just wanted to convene this call ahead of the Trilateral Leader's Summit. This is the first summit in the last few years as many of you already know and it's anticipated that a number of key issues will be discussed among them a stronger North American regional partnership.

With that I think I will turn it over to Duncan Wood who's going to give us a brief overview - a very brief overview of the US/Mexico relationship and the North America relationship. To you, Duncan.

Duncan Wood: Good morning everybody. Thank you so much. Yes, my name's Duncan Wood. I'm the Director of the Mexico Institute. I'm actually right now in sunny Alamos Sonora in northwestern Mexico, considerably different from the cold in D.C.

And it's interesting to think about what's going to happen when the three leaders get together next week in Toluca. There will have been a vital meeting between Stephen Harper and President Pena Nieto just before that which is going to be an interesting meeting in and of itself given the rather frosty relations that exist between Canada and Mexico at this point in time.

And what I think is most interesting about this particular trilateral summit is that it seems to be an attempt to get the trilateral conversation going again but it's not the best time in terms of diplomatic relations.

The reason why I say that is because we see as we have for many years that most North American relations are really defined by jeweled bilateralism. There are two strong relationships, one between the United States and Canada, the other one between the United States and Mexico.

And the third leg of that region and you have the Mexico/Canada relationship which is considerably weaker. At this point in time there are a number of tensions of course which have emerged between all of the countries.

We have the NSA scandal - spy scandal that emerged over the past six months which of course affected US/Mexico relations. We have the continuing frictions between the United States and Canada over the Keystone XL pipeline and various other trade disputes that exist between the two countries.

What I think we're going to see at the Toluca summit is a Mexico which is standing front and center, President Pena Nieto very much feels as though he is in a position of strength. I see the cover of Time magazine this week, it's going to be his show and I think we're going to see that big emphasis on relations with the United States.

President Obama will be there and will be congratulating President Pena Nieto on all of the enormous progress that has taken place. And I think that we're going to see that that's really going to be the showcase for President Pena Nieto to highlight the fact that Mexico has emerged or rather reemerged as a strong regional partner that is looking to get equal treatment and due respect from the other North American countries.

And this will really be defining the tone of the meeting. It's going to be very friendly. It's going to be cordial. I don't think that we should be expecting too much to come out of it. There will be discussions on all of the major issues including security and the economy of course and perhaps most interesting I think we'll see a reaffirmed commitment towards educational cooperation between the three countries.

But it's in the context of those frictions I think and also the renewed sense of pride from the Mexican government and states that the conversation will be defined. So I'll leave it there and so we have enough time for questions.

Miguel, who comes next?

Drew Sample: Thank you Duncan. I also just wanted to remind everyone who may not have already seen it. The Wilson Center's Mexico Institute and the Canada Institute will be hosting a discussion here at the Wilson Center on February 18 from 9 to 10 (unintelligible).

That's an event also on North America ahead of the leader summit. We were going to be launching a primer on North American relations. So I'll go ahead and turn it over to Andy Finn from the Canada Institute.

Andrew Finn: Hi, I'm Andrew Finn the Program Associate with the Canada Institute. Generally in the Canada Institute we work on three main areas, energy, trade, or security.

Within that looking ahead to the meeting coming up one of the few concrete things that might come out of this - I'm sure this will come up a few times is the issue of Mexican visitors to Canada and the visa cap basically that's been put in place especially in light of the lifting of the similar restriction that was placed on Czech visitors.

And you can see this being one of the few things that really does, you know, we get a concrete result out of or at least concrete direction moving out of this. Also not to step on anybody else's toes but I think energy obviously play a big part of this. It's a big part of the Canadian government's communication strategy to talk about oil sands also domestic energy productions (unintelligible) shale gas or shale oil.

And then also with the constitutional reforms in Mexico I think we'll see (unintelligible) of that. In terms of potential other issues I don't see a ton getting done some projects like Keystone XL. As Duncan said it'll probably be cordial and because of that there's been somewhat of a sticking point between Canada and the United States.

I don't see that coming up directly though, you know, in talking about energy and kind of nibbling around the edges there. So that's just a general overview and I look forward to your questions. Thank you.

Drew Sample: Thank you, Andy. Chris Wilson with the Mexico Institute will now join us.

Christopher Wilson: Hi, this is Chris Wilson, Associate with the Mexico Institute. I primarily focus my work on border affairs, US/Mexico border affairs as well as US/Mexico economic integration.

Also one of the editors of the report that we'll be launching on Tuesday. It's called *Is Geography Destiny: A Primer on North American Relations*. And we can actually send you all advanced copies after the call.

I think what I want to focus on is just the way in which in both economic terms and security terms United States, Canada, and Mexico significantly depend on one another. On security, transnational crime and terrorist groups certainly don't respect our national boundaries.

On the economy the supply chains of North American companies crisscross the borders. We're deeply linked. We experience recession and growth together. So as a result of that connection we have very profound common interests.

Unfortunately as Duncan mentioned the relationship has largely been tackled through dual bilateral channels through a US/Mexico and a US/Canada relationship. And we really lost most of our trilateral forums.

This North American Leader Summit is really one of the only things left that's truly trilateral in the North American relationship and unfortunately even though this hasn't been happening each year in the last few years.

So I think, you know, what could there be? I think - I don't see a huge shift in that approach happening, you know, following this - or at this summit. But I think what there could be is a realization that and this is a finding from the report - a realization that dual bilateral approaches don't have to be conflicting with a regional trilateral North American approach.

If we have a vision for North America that tells us where we're ultimately trying to go then it's okay for the US/Mexico relationship to get ahead in certain areas and for the US/Canada relationship to get ahead in certain areas.

Those bilateral relationships can actually become laboratories for best practices for North America only if we have a continental North American vision. And so I hope that the leaders can start to articulate that type of a vision for where we're trying to get together as three countries.

Drew Sample: Thank you, Chris. Kathryn.

Kathryn Friedman: Hi, good morning. Kathryn Friedman. I'm a Research Professor at the University of Buffalo and I'm a Global Fellow at the Canada Institute down in D.C. I work a lot on border issues, trade, security, and most recently environmental and energy issues that impact the Canada/US relationship.

I'm right here on the border in the trenches so to speak so I have a sort of outside the beltway perspective on these issues. I don't, you know, can't look in my crystal ball and predict what's going to come out of the summit. I do think that though what I would like to see is focus on some low-hanging fruit.

I think - I agree with Chris that a North American vision would be very, very helpful in terms of guiding the three countries forward and given the decentralized nature of North American integration and the decentralized

nature of the institutional structures of NAFTA I wholly agree with him that a dual bilateral approach could be used to foster broader cooperation among the three countries.

What I would like to see come out of this summit is some sort of dialogue on energy policy. You know, it's tricky and it's tough but I think that we are all aware that the global picture is changing with regard to energy, that North America very likely will be, could be energy self-sufficient.

And as a result I think that our leaders need to be a bit forward-looking in terms of what that means for coordinating and aligning policies and regulatory measures in each country in the energy sector.

I also think that with regard to competitiveness and innovation I think some very, very low-hanging fruit would be setting up or establishing research funding for universities which are the drivers of innovation in the United States to setting up separate pots of money for researchers in Canada, the United States, and Mexico to collaborate on some - for example on new technologies related to energy or new technologies related to other aspects of North America competitiveness.

But setting up a mechanism that would allow for that kind of innovation to take place I think would be really, really critical and quite frankly I think it's pretty easy. And then thirdly I do think relatedly skills and mobility are also very much related to North American competitiveness.

And so I would like to see some sort of working group established, you know, among the three governments that focuses on worker skills and mobility in an effort to make North America more competitive in the global marketplace.

Drew Sample: Thank you, Kathryn. (David) is going to be our last expert after which we will take your questions. So, (David).

(David): I'm pleased to be talking to you from sunny southern California and the other border in this relationship. And I guess my contribution here I think is really to focus on some of the security issues for North American and particularly from the Mexican perspective.

And I think it's here where we really see some of the - security is the area where some of the greatest preoccupations exist and where I think maybe the biggest weaknesses for NAFTA exists.

First and foremost of course thinking about Mexico, everyone's thinking about drug trafficking and now other forms of violence that have unfolded over the last few months in Mexico that really have dispelled the illusion that I think the Pena Nieto administration was trying to sustain over the last year that really the key issues for Mexico are economic issues and economic reforms that will help move Mexico forward.

In reality one of Mexico's most important issues period both for economic progress and for ordinary citizens, for democratic governments is the issue of the rule of law. And there are very serious concerns presently about the outbreak of violence in the state of Michoacán and possibly other hotspots.

Guerrero, Morelos where you have groups that have organized themselves as autodefensas, self-defense groups that look disturbingly similar to the kinds of (unintelligible) we saw 20, 30, 40 years ago in Colombia that blows up as a self-defense or sort of paramilitary groups and have sustained their presence for the last 40 years in Colombia.

I think there's a lot of concern on the ground right now in Mexico about where that's going. But thinking about it from a larger North American perspective I mean if one of the things that NAFTA didn't resolve and perhaps actually exacerbated in some ways increasing the flow of goods overall from Mexico to the United States and therefore the cover for illicit activities.

I think there are two other things that will be or should be key points of discussion in moving forward for North America leaders and one is obviously immigration. The key component that was left out of the idea of the flows of goods and some goods and capital true enough is the flows of people.

And thinking specifically about the tantalizing prospects of immigration reform in the United States it's a very important issue in Mexico and for Mexicans living here in the United States the ten plus million people living here without authorization.

So that is an area where I think it would be nice to see some progress but I am almost 100% certain that we will not see progress certainly not in - I don't think it's going to be a major topic of trilateral discussion. And I am very skeptical that we'll see much progress in the United States because of the politics of this at least in the coming year.

The last point is with regard to the border and the biggest drag on the NAFTA economy at least from the perspective of those of us living here along the southern border is the fact that you continue to have extraordinarily long wait times.

We have not seen in I think a lot of people's evaluation a smarter border as a result of efforts over the last decade or so since 9/11 to create a 21st Century

border and really over the course of NAFTA we've just seen a hardening of border controls in a way that puts a real drag on cross border flows.

Here in the San Diego/Tijuana region for example the statistic that many people repeat over and over is that we - just from border delays in our little corner of the border here - a study by the San Diego Association of Governments found that the - we lose \$6 billion a year because of lost, lost economic activity from either delays or from people who simply don't cross the border.

In both countries we lose \$6 billion. If you think about that along the full magnitude of the border from San Diego to Brownsville and the \$500 billion in trade that crosses that border every year or at least over the last year. And that drag is very significant.

And I think that it would - I don't think that North American leaders - I don't think that our three presidents have as strong an understanding as we do on the ground about the continuing obstacles to cross border trade that exist because of inefficiencies at the border.

The last thing I want to say and I'll jump back to the security issue is, you know, for Canada there was just a - I think there's been a series of murders of Canadians in Mexico and I'm just curious if my Canadian colleagues to hear a little bit about what the reaction has been in Canada, how Canada views Mexico's security situation.

The United States of course has been very involved through the Merida Initiative in trying to assist Mexico in improving the rule of law. And I'm curious to what extent this is a high priority for Canada because of the effects that Mexico's violence has had on some of its citizens. And I'll stop there.

Drew Sample: Thank you, (David). I wanted to also remind everyone that I will be circulating an audio recording of the call when we conclude in addition to a transcript which I'll have about 48 hours after the call. I think we're ready to go ahead and open it up for questions.

(Mike Maseda): (Mike Maseda) here.

Drew Sample: Yes, (Mike) go ahead.

(Mike Maseda): In years past Mexican officials expressed great concern about the legalization of marijuana in the United States and its affect on the drug war in Mexico. Now that several US states have moved that way and others are moving to it is this an issue that's likely to come up at the summit?

Drew Sample: (David), maybe you want to take that one.

(David): Yes, I was thinking, you know, I'm not sure how much Pena Nieto will want to press that point. You know, that discussion is actually ongoing currently in Mexico City. The local government in Mexico City is contemplating a legalization initiative.

It is true that the sort of go-to position for Mexican officials and Mexican law enforcement is to look at what's happening in Colorado and in Washington and in several states that have medical marijuana and they say why should we be fighting the producers of this product when you are making it legally available?

But I don't think that's a discussion point that is going to be a high priority for the Mexicans in this particular context. One of the things that - and I do think

that might be important that we haven't mentioned so far and is sort of just implicit is the elephant in the room and that's China.

I'm not sure if someone wants to address how the three countries are going to respond to - or think about China or allude to China in their remarks. But of course Pena Nieto was down in Colombia this week signing an agreement for enhancing free trade with Mexico's Latin American partners.

And I think that part of the unspoken agenda for these three countries meeting has to be thinking to some extent about competitiveness...

Duncan Woods: This is Duncan Woods. I mean I think it's important to pick up on what (David) has just said but pivot towards Asia Pacific is something which is of great concern - great interest to all three leaders, all three countries.

Yes, as (David) correctly identifies there was the meeting of the Pacific Alliance which was given a lot of play in Mexico last week. And it is something which is of primary importance in Mexican foreign policy. Mexico has adopted a much more positive attitude towards relations with China trying to build up its trade there.

And, you know, of course all three countries are looking ahead at the TPP negotiations which for many people is the logical next stage of regional integration and will be able to take the NAFTA countries beyond NAFTA. And so this is something which is sitting there in the background of the meeting but I think will come front and center quite quickly.

(Mike), just to offer you another sort of perspective on the drugs issues I think the Mexican authorities recognize that whilst there is a tension there with

legalization at the state level in the United States they also recognize that this is not something that the federal government can directly control at this point.

And they also recognize that marijuana is not the biggest part of the problem in terms of, you know, of drug and financial flows across the border - illegal financial flows across the border. And also as (David) correctly identified this is probably not the setting for it. It would probably be in the context of a bilateral meeting as opposed to a trilateral summit.

Drew Sample: Thank you, Duncan.

Man: Can I have the next question?

Drew Sample: Yes, absolutely.

Man: I've heard about the (unintelligible) newspaper. Thank you so much for organizing this call. I wanted to follow-up on what you mentioned on (unintelligible) about how Pena Nieto is coming in a very strong position to the summit. How do you think he can actually take advantage of that position? Or if you think that he actually will try to take advantage of that position?

Duncan Woods: Yes, I don't think it's a question of taking advantage from the point of view of negotiation. I think that this is very much a chance for Pena Nieto to assert Mexico's self confidence in the world right now.

This is a realignment in some ways between the three NAFTA countries. What Mexico and this government very much wants is to be taken seriously as an equal partner in the relationship, that of all of the three countries it's Mexico over the past 12 to 13, 14 months that has really moved ahead faster.

They have the extraordinary success of the Pacto por Mexico. And of course there is a domestic politic dimension here as well. As you're all aware the Mexican government has relatively low or very low approval ratings at this point in time which, you know, and particularly the president has very, very low approval ratings for a Mexican president in the second year of his mandate.

And most either are beginning to turn now towards July 2015 and the midterm elections. This is a great opportunity for the president to highlight his work on the international stage but hopefully that part of the gamble there or the logic is that it will play back into the domestic scene.

It's an opportunity for President Pena Nieto to put himself up there to be seen with President Obama and to be seen not as a supplicant in any way but very much as an equal to than just showing off what's happened in the Mexican context.

Christopher Wilson: And if I could add one thing to that - this is Chris Wilson. You know, I think that it has exactly what Duncan has said is the domestic political value but I also think there's a strong international component to it.

And I think that Mexico has focused and the Pena Nieto government has focused very hard on changing Mexico's image internationally, changing the conversation from one of drugs and violence to one of economic reform of a middle class country, of a rising power in the world.

And I think the fact that the government is coming in and the president is coming in to this meeting on the heels of a year of dramatic economic reform (unintelligible) push that image forward and helps him make that statement on the international stage.

One of the important consequences of that is that it can drive foreign investment to Mexico. So while security issues remain a major issue in attracting greater foreign investment the story of Mexico's reforms and the success there is a strong attraction and I think he'll be looking to sell that image internationally during this meeting.

Drew Sample: Thank you, Chris. Do we have any other questions?

Erin Kelly: This is Erin Kelly with (Gannett). I wanted to ask some Mexico experts as (David) mentioned the prospects for immigration reform in the US and the House aren't looking great. Does that strain this meeting as some Mexican and American presidents get together?

Duncan Woods: If I can step in on that one - this is Duncan Woods. Yes, it's a very good point you make. This is, you know, a perpetual disappointment and source of confusion I guess - not confusion but really questioning why the United States can't move ahead on this issue.

Mexican officials are of course very, very sophisticated in their understanding of US policies. They recognize this is not something that the US president can control and they also recognize that in the past when Mexican presidents have pushed on this issue it's actually had counterproductive results.

And so I think that there will be a discussion in private about the need to keep pushing on the question of immigration reform but a recognition that we're really all stuck right now waiting for the political dynamic to change within the Congress and in particular in the context of voting patterns in the House of Representatives.

You know, the Senate has already shown that there is a willingness there and despite the statements by a certain senator this week about amnesty, you know, the trend is towards that.

And so I think Mexican officials recognize that immigration reform is going to happen at some point sooner would be much better but it's probably going to take another couple of years to actually bring the political dynamics within the United States into alignment so it can happen.

Erin Kelly: Okay, good.

Drew Sample: Thank you , Duncan. Yes, Dolia.

Dolia Estevez: Okay, I wasn't sure if I could just jump in. I got in late and so I didn't know if I had to press keys and stuff.

Drew Sample: Absolutely go ahead.

Dolia Estevez: This is Dolia Estevez with MVS Radio Mexico. My question for Duncan and also (David), to what extent do you think President Obama and President Pena Nieto will discuss the problem in Michoacan with autodefensa's self-defense in their bilateral because I understand they will have a bilateral?

How concerned is the American government with the possibility of this flooding to other states like Guerrero and Morelos which are the two you mentioned (David)? I mean do you think this is the biggest concern in terms of security (unintelligible)?

(David): I'll jump in and let Duncan...

Drew Sample: Yes, (David) please.

(David): ...follow up. First of all I think it is a big concern period that the Mexican government is - well that the situation in Michoacan has unfolded in the way that it has.

And I think that it is worrying the - that the plan, the response is speculatively to not only permit the continued development of these self-defense groups but also the sort of actually cooperating with them in many ways legitimizing their existence. The plan effectively to turn many of these groups into rural defense forces or rural police forces really raises some very important questions.

Of course this week there was a huge scandal in Mexico when the federal government's commissioner to Michoacan was found to have met with a leader of - a purported self-defense group and then later it was revealed that this person was actually a long-standing organized crime figure associated previously with the Knights Templar organization.

And either it was an extreme lapse in judgment and intelligence on the part of the commissioner or and some people suspect it was a deliberate effort to meet and pact with one group of criminals to help fight another.

And I think the - so I think the situation is really very, very serious and has huge implications for the future of security in Mexico. How much the American government is following this and how important - how much they realize how badly this could go in the longer term I think is difficult to judge.

I didn't get to - when I was in Mexico City on Monday and Tuesday I didn't get to talk to some folks from the state department. My guess is that they are

monitoring it very closely. There was actually - and I think this is something that people who are paying attention to Mexico are very concerned about.

There's a big op-ed piece in the New York Times yesterday talking about the rise of the autodefensa groups from the perspective of Colombia's experience. And I think that there are not a lot of good examples in history of groups organizing and picking up weapons as self-defense groups and having that actually work out in a positive way.

And, you know, whether it's examples from Colombia or Mexico's own history I mean keep in mind the La Familia organization itself started out as a self-purported self-defense group and became a terror for Michoacan and other nearby places.

So I think that this is a very serious setback for Mexico and hopefully one that there can be a better response to but I just don't see that happening. And that does worry me. It suggests that the Mexican government doesn't have an effective plan for dealing with this issue.

Duncan Woods: Dolia, let me jump in here. This is Duncan. I think that one of the dimensions of this is that US officials are going to see or are seeing what's happening in Michoacan as really a justification of the view of that the United States has held for a while now that there needs to be a lot more cooperation and coordination between the United States and Mexico that the Mexican authority need to work more closely with the United States.

And that there needs to be a lot more to the security strategy than just the word that we keep hearing of coordinacion and prevencion. I think what we're going to see is that the US officials will say look it's clear that things are not

going the way that you thought they would. This is now an opportunity for us to sit down, let's be a lot more open and let's take advantage of this.

Now whether or not the Mexican authorities are going to respond in a positive way to that approach is another question because up until this point they've showed continued resistance to a close working relationship on security issues with the United States. And so whilst I think that the United States is going to push on that I'm not sure they're going to get the response they want.

Dolia Estevez: So what is the resistance?

Duncan Woods: So what the what?

(David): You know, why is the Mexican government resistant to...

Dolia Estevez: ...government to work more closely because they have shown openness to work with the US government in many other things so why not on security when they have this big problem in Michoacan and other places?

Duncan Woods: Right, go ahead (David).

(David): So one thing - the convention that the Mexican approach to this has been very much focused on *mas* and *mas* coordinacion, more and more coordination which suggests the idea that in the past the Calderon administration maybe the Fox administration was not capable and it's probably true of working harmoniously with state and local authorities to try to control the security situation which has been - and, you know, it's important to keep in mind that Mexico's security situation is really a series of local security problems.

And in the vast majority of the country you can - the security situation is actually quite fine or quite - is not the kind of severe violence that we're seeing in places like Michoacan right now. But the other element of this - the other side of coordination is that there's - the Mexican government has a very strong orientation, the current administration has a very strong orientation towards centralization of authority.

And what you also hear is this calling for al mundo unico, a centralizing of control of police commands and police authorities. And of course that sounds familiar to Americans in so far as the site of the Pena Nieto administration there was a call for ventanilla unica, the idea of a single window of exchange between the US and Mexico.

And so I think it is a natural tendency of this administration and perhaps the solution to complex problems is to centralize and really - to centralize authority in dealing with a (particular situation).

What that has meant for US/Mexico security relations has been not to stop cooperation but to really slow it down and to focus it from the - in ways that the administration, the Pena Nieto administration can feel comfortable in determining what are going to be the parameters of that cooperation.

So I would say there's actually been, you know, you talk to folks from the US government and particularly looking at Merida. Merida continues to function, security cooperation continues to occur but it is very much determined by the priorities and the pacing that the current administration would like to follow. It's much less - I mean I think under the previous administration the Calderon, there was much more back and forth and trust.

I mean I think that's the bottom - the answer to your question Dolia is I think that the current administration in Mexico, the Pena Nieto administration and the (pre-government) generally has a strong sense of distrust of the United States as a security partner much more so with the case under the previous administration.

And I think that US officials are simply trying to be as - I think they're trying to project as trustworthy an image to Mexico as they can. They're trying to be respectful of the administration's priorities and I think maybe just waiting until they - until the Pena Nieto administration realizes that the US/Mexico cooperation over the last decade or so has actually been really good for both countries. And, you know, that's sort of my take. Sorry to be so long-winded.

Duncan Woods: Dolia, I just - I mean I just to emphasize the last thing that (David) said I think that that's the answer is that we shouldn't be surprised by the fact that the (pre-government) is suspicious of the United States.

It's always been that way. And in fact, you know, historically when we look at US/Mexico security cooperation it's not that the Pena Nieto administration is the outlier. It's the Calderon is the outlier. You know, that was an extraordinary shift and we, you know, I think it was naïve of us to expect that that would continue under a returning pre-administration.

When you think about, you know, the history of the party, the history of (pre-government) in the past and looking at the makeup of the government today particularly in terms of the personnel who are on the security and the political side of the government. So I think, you know, a lot of people who were shocked about the breakdown of cooperation of security issues I think misread Mexican politics and Mexican history.

Drew Sample: Thank you, Duncan. Do we have any questions from our Canadian colleagues?

Gordon Barthos: Yes, you do. Gord Barthos, Toronto Star.

Drew Sample: Yes, absolutely.

Gordon Barthos: I'd like to ask Andrew Finn a question. He mentioned he hopes or he anticipates perhaps some concrete result on the Canada/Mexico visa issue. I'd like to hear more about that. And secondly to the panelists generally do you anticipate any practical take aways from the summit?

Andrew Finn: Going to the visa issue, my only - you know, I've just seen the (meter) reports frankly that have been out there that this has been an issue since the similar restriction on Czech tourists was lifted as part of the negotiations to get the European free trade deal done.

I think you've seen a little more pressure to, you know, lift this similar cap on Mexican tourists and I think that's one of the main catalysts for doing this and then obviously this meeting is a pretty convenient form for that.

So, you know, and then pressure from the Mexican government I think is also part of that as well. So I wish I could give you a bit more there but I think that's mostly that when these both came in one is gone now and the other one, you know, there's less pressure to keep it in place. So I would say - as I said I think that's the main practical outcome from this that we're looking at.

In terms of the other stuff I just - I don't see a lot there to be perfectly honest with you in terms of concrete solutions to problems whether it's, you know, in the US/Canada realm, whether it's further integration on some border issues or

new programs like that or some of the things Chris was talking about and new trilaterals and I don't think that's on the table here.

Smaller board maybe potentially some smaller environmental things that are, you know, much more focused. I wouldn't be surprised maybe if certain parts of the Beyond the Border Action Plan get emphasized particularly NEXUS things like that speeding up entry for visitors and such. So I wish I had a bit more for you but that's kind of where we're at right now.

Christopher Wilson: Hey, I'll just jump in a little bit. This is Chris Wilson. I think one thing that is likely to happen I don't know how much we'll hear about it publicly but I think there are likely to be some important conversations taking place about the trade agreements that are being negotiated by the US right now specifically the Trans Pacific Partnership where all three of these countries are obviously already at the table at the negotiation.

There hasn't been a whole lot of coordination behind the scenes between the three countries on their positions going into the Trans Pacific Partnership negotiations but I think having Prime Minister Harper go down and have a conversation it's opportunity to talk to his two colleagues.

You know, being someone who knows quite a bit about the details of trade, being someone who got involved personally with the finishing of the Canada EU trade deal I think that there's a chance that this actually would rise to the presidential and prime minister level.

There's also likely to be some conversations about what the United States is trying to do with Europe in terms of the TTIP, the Trans Atlantic Trade and Investment Partnership. You know, Mexico has already stated that they would like to be a part of these negotiations.

You know, I don't see that being announced that the Canada/Mexico would join but I do think that there are probably some conversations about how we fit the North American economy as a block into these negotiations that are happening with the rest of the world. And I think those are actually very important outcomes even if we don't hear about them publicly.

Gordon Barthos: Thank you.

Kathryn Friedman: Hi, this is Kathryn Friedman just to jump in for a second. Very practically speaking again I think some low-hanging fruit might be establishing some or reviving or reincarnating some old working groups.

So maybe there will be a working group on - as one of the commentators suggested on border issues right and looking at programs like SENTRY and NEXUS not that they're going to come out with a bold statement about aligning security but, you know, establishing a working group to explore border issues might take place. As I mentioned before maybe a working group on skills and/or mobility.

I see some very, very practical, you know, sort of more bureaucratic type things coming out of this maybe enhancing or raising the visibility of an entity like the CEC, the Commission on Environmental Cooperation with I think Andrew mentioned maybe some environmental issues might get a little bit more play at this summit. So, you know, we might see something about the CEC coming out of this.

Drew Sample: Thank you, Kathryn. Are there any other questions? (Mike) (unintelligible), are you on the line?

(Mike): I think I am. I just wanted to ask if any of you want to weigh in maybe on the do you think Keystone will come up? And do you think there is space for that to come up? And how do you think it may sort of rear its head during the trilateral if it's at all?

Andrew Finn: Sorry, this is Andrew Finn. I would bet not. I think, you know, Keystone is one of those things everybody sort of knows everybody's position except for the president's on this and he's even clued in some, you know, he's clued in some speeches about how he feels about the project in terms of the jobs created and linking its approval to greenhouse gas omissions.

I mean it's no secret what the Prime Minister's thoughts are on the pipeline. And I don't know what value it brings to bring it up in this, you know, type of forum. So my guess would be it doesn't that said I would also assume at the press conference somebody's going to ask about it. So, you know, we shall see. I don't see any concrete resolution though coming out on Keystone in this maybe somewhere discussion.

The one thing though could possibly this could lead to and Kathryn alluded to it earlier is in terms of additional environmental concerns and things like that, you know, that's one of the things that people think that the Obama administration is looking for from Canada is increasing environmental regulations said to potentially offset increased oil sands production.

So in that you might see some of the stepping stones toward that type (unintelligible) but in terms of the project itself that one project I would doubt it's brought up explicitly by the leaders when they're next to each other.

Drew Sample: Thank you, Andy. Do we have any more questions? Okay great. Just to remind you all I will be circulating audio of the call and the transcript as well.

And then I'll be including an embargo copy of our upcoming report to be launched here on February 18, which is *Is Geography Destiny: The Primer on North American Relations*. Thank you very much to all of you on the call. We look forward to participating with you again.

Woman: Thank you.

Man: Thank you.

Man: Thank you.

Man: Thank you everyone.

Woman: Take care, bye-bye.

END