

Crunch Time Looms for Trump's New Nafta

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Bloomberg, 4 de julio de 2019 13:00 CEST



Enrique Peña Nieto, Mexico's ex-president, U.S. president Donald Trump, and Justin Trudeau, Canada's prime minister.

Photographer: Sarah Pabst/Bloomberg

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Signed by Canada, Mexico and the U.S. more than seven months ago, the new Nafta agreement isn't so new anymore. But it may be close to grabbing the spotlight again.

With the U.S.-China trade war on autopilot, the White House is shifting attention back to Nafta's replacement — [known as the USMCA](#) — and more specifically how to get the pact approved by the Democrat-led House.

Not everyone in the Trump administration agrees on how hard to push.

On one side, Vice President Mike Pence's staff and others are exasperated with the slow pace at which Democrats are demanding changes and offering solutions. Those officials see one way forward: force a vote on the revamped North American

trade pact as soon as this month. Next Tuesday is the first day [Trump can send the USMCA](#) implementing legislation to Congress, starting the clock for lawmakers to take it up.

On the other side, officials including U.S. Trade Representative Robert Lighthizer don't feel a particular [urgency to ram a vote](#) through Congress. But his continued patience will require some clear evidence that Democrats are seriously engaged.

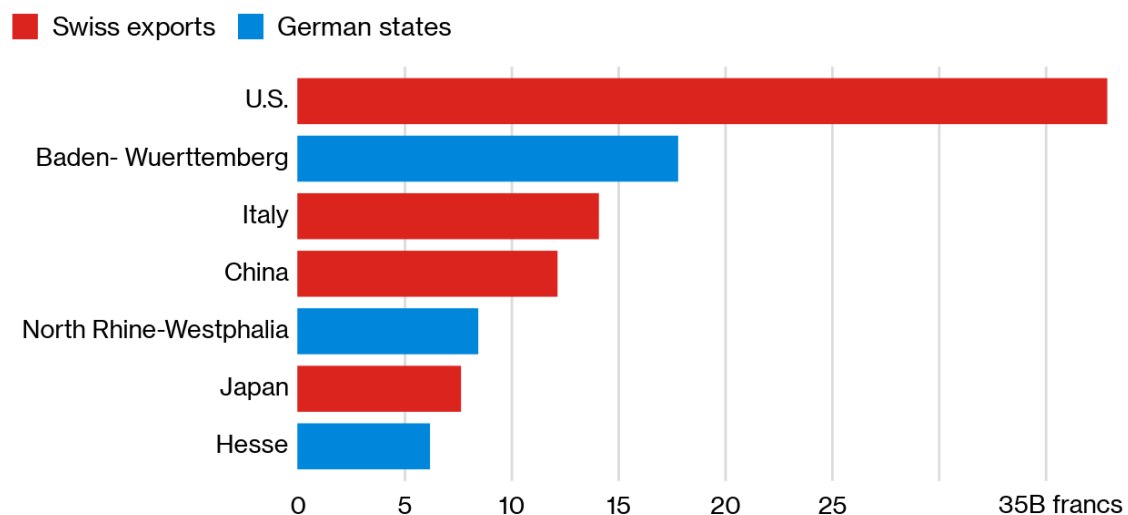
Congressional staffers caution that sending the legislation before Speaker Nancy Pelosi gives the green light would only cause delay. She wants to do minor surgery to the agreement before Democrats sign on. Too much stonewalling, though, [might provoke Trump](#) to give notice he's withdrawing the U.S. from the existing Nafta. The U.S. traded more than \$1.2 trillion in goods with its two closest neighbors last year.

Mexico has already ratified the pact, and Prime Minister Justin Trudeau has signaled Canada's approval process is aligned with Washington's. So the U.S. political calendar could dictate the next steps. With no end in sight for a deal with China, [Trump will want to hail](#) his U.S.-Mexico-Canada-Agreement as a major trade victory as he campaigns for re-election next year.

Charting the Trade War

Swiss Miss?

Exports to the German state of Baden-Wuerttemberg top shipments to China



Source: Swiss Federal Statistical Office, Destatis

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Switzerland exports more goods across the border to the southwestern German state of Baden-Wuerttemberg than to China. That's something for Switzerland to consider as it remains [locked in a dispute](#) with the European Union over a political treaty.

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