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March 19, 2009

President Barack Obama
The White House
Washington, D.C. 20500

Dear Mr. President:

I am writing to express my support for the continuation of the U.S./Mexico cross-border trucking program. While I am disappointed that the fiscal year 2009 omnibus appropriations bill included a provision prohibiting funding for the existing pilot program that has triggered trade sanctions from Mexico, I am encouraged by your recent comments indicating your support for developing a cross-border program that will comply with U.S. obligations under the North American Free Trade Agreement (NAFTA).

Since NAFTA's passage, considerable controversy has surrounded the provision allowing Mexican carriers to deliver goods within the U.S., with the majority of the program's opponents citing concerns related to safety. However, the U.S. Department of Transportation has gone to great lengths to comply with Congressional mandates regarding safety and statistics have shown that Mexican carriers actually had a better safety record than their American counterparts between 2003 and 2006. Many see the safety argument as simply a red herring used by opponents of the program to cater to special interests and advance a protectionist agenda. Mexico's imposition of compensatory countermeasures in the form of tariff increases on 90 agricultural and manufactured products due to the defunding of the pilot program is a direct and costly result of this misplaced protectionism.

As I am sure you are aware, in a time of economic challenge the federal government should be taking steps to encourage economic activity instead of creating additional hurdles and trade barriers. The recent comments of Acting State Department Spokesman Robert Wood that he doesn't "expect there is going to be any significant impact on U.S. businesses" as a result of the sanctions were naïve at best. Beyond the direct impact of the tariff increases (estimated by the Mexican government to impact more than \$2 billion worth of U.S. exports), our consistent failure to comply with our trade agreement obligations with one of our largest trading partners will no doubt have a chilling effect on our relationships with both existing and potential trading partners. Most troubling, it sends the clear, yet tone-deaf, message that the U.S. will expect other countries to comply with our every whim, while we take the liberty of rewriting our own trade obligations at will.

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Protectionist sentiments will likely do little but prolong our economic troubles and this issue sends exactly the wrong message at precisely the wrong time. NAFTA was signed into law more than a decade ago and we should fully implement the commitments to which we have agreed. I look forward to working with your administration in crafting a cross-border trucking program that will achieve that goal and assist in maintaining the valuable and open channels of trade we have come to enjoy with Mexico. Toward that end, you may also be interested to know that I recently introduced H.R. 1611, legislation that would repeal the language in the fiscal year 2009 omnibus appropriations bill that prohibits funding for the U.S./Mexico Cross-Border Land Transportation Demonstration Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Flake", written in a cursive style.

JEFF FLAKE
Member of Congress

cc: The Honorable Hillary Clinton, U.S. Department of State
The Honorable Ray LaHood, U.S. Department of Transportation
The Honorable Ron Kirk, U.S. Trade Representative