

The Agreement between the United States of America, the United Mexican States, and Canada (USMCA): Issues and Limitations

Научный руководитель – Скальная Юлия Андреевна

Намаева А.Т.¹, Сафарова А.А.²

1 - Московский государственный университет имени М.В.Ломоносова, Факультет глобальных процессов, Образовательная программа «Глобальная энергетика и международный бизнес», Москва, Россия, *E-mail: namaeva.am@mail.ru*; 2 - Московский государственный университет имени М.В.Ломоносова, Факультет глобальных процессов, Образовательная программа «Глобальная энергетика и международный бизнес», Москва, Россия, *E-mail: aliki.safarova@mail.ru*

In recent decades, regional trade agreements have become an important part of the global economic system. They regulate not only tariffs and customs procedures, but also areas such as labor standards, digital commerce, and intellectual property protection. According to analytical reports from the Congressional Research Service and the Peterson Institute for International Economics, such agreements are increasingly influencing national economic policy and development strategies.

North American economic integration is often considered one of the most developed regional models. The United States, Canada and Mexico are formally equal participants in integration processes. However, the economic power of these countries varies. The United States plays a dominant role in the region, while Mexico's economy is more dependent on access to the U.S. market. Some researchers also point out that this type of cooperation can create an asymmetric interdependence between stronger and weaker economies.

The purpose of this study is to examine the main problems and limitations of the US-Mexico-Canada Agreement (USMCA) and assess how it affects economic relations in the region, with particular attention to Mexico's position as a global player in the South within this trilateral organization.

The North American Free Trade Agreement (NAFTA), which entered into force in 1994, significantly increased the volume of trade between the three countries. Trade flows and investments grew rapidly, especially in manufacturing industries. In 2020, NAFTA was replaced by the US-Mexico-Canada Agreement (USMCA). According to the Office of the U.S. Trade Representative, the new agreement was designed to modernize trade regulation, and is undergoing its first mandatory joint review in July 2026. This review will determine whether the trilateral pact, which accounts for almost 20% of global GDP and contributes to an annual trade turnover of approximately \$1.7 trillion, will be extended, revised or terminated.

Despite the changes made with the transition from NAFTA to the USMCA, a number of serious restrictions remained.

Some of them relate to new regulations in the automotive sector. 75% of car parts must be manufactured in North America (under NAFTA - 62.5%), 40-45% of work must be performed by workers with a salary of at least \$ 16/hour (this benefits the United States and Canada), and Mexico has committed to improve working conditions (to reduce dumping due to cheap labor). These measures are aimed at supporting regional production, but increase production costs for companies operating in Mexico.

Regarding agriculture, Canada has opened its dairy market to the United States (previously it was protected by quotas) and the USMCA also imposes some restrictions on how much dairy products Canada can export, which is a potential benefit for US dairy farmers. Mexico has retained duty-free exports to the United States, but now with stricter sanitary standards.

Finally, in the economic sphere, the new trade agreement forces all three partners to make public trade negotiations with a "non-market" economy such as China in a few months. The agreement provides the United States with an effective veto over countries with which Canada and Mexico may enter into trade agreements in the future, namely China. The section of the agreement requires the United States, Canada, and Mexico to notify three months before the start of trade negotiations with a "non-market country," which greatly benefits the United States and greatly restricts Mexico and Canada's trade rights.

Despite the fact that the USMCA is positioned as a "modernized" trading platform, it is facing problems even before the official start of the renewal review process. Since the beginning of the second Trump administration in January 2025, the United States has imposed 50% duties on Canadian and Mexican steel and aluminum, as well as 25% duties on automotive products that do not fully comply with the rules of origin. With more than 80% of Mexican and 78% of Canadian exports going to the U.S. market, the implications of these regulations are enormous.

Thus, the agreement introduces new rules in several areas and reflects current trends in regulating international trade, but the structure of economic relations in the region remains asymmetric. The analysis shows that the United States benefited the most from the USMCA agreement, which negotiated from a position of strength, in an environment of tough bargaining, threats and increasing pressure, and Mexico, which was forced to make more serious concessions than Canada, benefited the least. The United States has managed to bind neighboring Canada and Mexico even more closely to itself and strengthen the North American integration bloc.

The example of the USMCA demonstrates a larger problem faced by many developing countries. Integration with a stronger economic partner may bring certain advantages, but it does not solve the structural problems of development. Mexico, as a country of the Global South within the framework of this trilateral structure, benefits from stable access to the US market, which contributes to export and investment growth, but at the same time, such a strong focus on one market creates a strong economic dependence.

Источники и литература

- 1) Асимметрия участия государств-членов в Соглашении USMCA // Вестник РУДН. Серия: Международные отношения. 2023. Т. 23, № 4. С. 789–802. URL: <https://repository.rudn.ru/ru/records/article/record/157104/> (дата обращения: 14.03.2026)
- 2) Мексика: от NAFTA до Т-МЕС (USMCA) // Российский совет по международным делам. 2022. URL: <https://russiancouncil.ru/analytics-and-comments/analytics/meksika-ot-nafta-do-t-mec-usmca/> (дата обращения: 14.03.2026)
- 3) Тихомиров А. Мексика и США: история взаимоотношений. М.: ЛитРес, 2023. 34 с. URL: <https://www.litres.ru/book/andrey-tihomirov-32405478/meksika-i-ssha-istoriya-vzaimootnosheniy-69348553/> (дата обращения: 14.03.2026)
- 4) Center for Strategic and International Studies. USMCA Review 2026. Washington : CSIS, 2025. URL: <https://www.csis.org/analysis/usmca-review-2026> (дата обращения: 14.03.2026)
- 5) Congressional Research Service. United States-Mexico-Canada Agreement (USMCA). Washington : CRS, 2021. 89 с. URL: https://www.everycrsreport.com/files/2021-12-28_R44981_274ae4941cc04eb690b0319283e347d0c4546698.pdf (дата обращения: 14.03.2026).
- 6) Gantz D. A. The United States-Mexico-Canada Agreement: Overview and Analysis / Rice University's Baker Institute for Public Policy. Houston : Baker Institute, 2018. URL: <https://www.bakerinstitute.org/research/usmca-overview-and-analysis> (дата обращения: 14.03.2026).

- 7) Peterson Institute for International Economics. North American Trade Integration. Washington:PIIE, 2022. 45 с. URL: <https://www.piie.com/publications/policy-briefs/north-american-trade-integration-2022> (дата обращения: 14.03.2026).