North America Economic Connectivity Conference

Toward North American Integration with Binational Regional Collaboration

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Context: Current North American Attributes

• Complexity
  • Demographic and economic asymmetries.
  • Dual Bilateralism vs. Trilateral relationship
    • Bilateral relationships between US/Canada and US/Mexico.
    • Economically-integrated North America
  • Potential implications of Trans-Pacific Partnership (TPP).

• Disjointedness
  • Largely informal relationships
  • Lack of a formal NAFTA structure

• Need for a robust N.A. framework.
Towards North American Integration

  - N.A. GDP: $20.5 Trillion
  - US-CAN Trade: $735 Blln
- Parallel business cycles
  - Economic activity of one North American economy has clear impact of on other two.
Collaborative Process for Binational Regional Economic Development

• GOAL: Establish binational regional (border community) collaboration based on sub-state/sub-provincial & state/provincial linkages that support local and regional economic initiatives, benefit SMEs, build binational regional prosperity.
• High level of binational regional stakeholders engagement.
• Build on links provided by important physical infrastructure.
• Hold multi-sector binational conferences.
• Develop MOUs for areas of common economic interest: e.g., joint marketing, transportation corridor planning, biomfg/green chemistry.
Binational Michigan-Ontario Regions

Twin Saults Region

Blue Water Region
Binational Blue Water Region: Sarnia, Ontario-Port Huron, Michigan

- Blue Water Bridge completed 1939 & 2nd span added 1997.
  - 2nd busiest vehicle crossing on U.S.-Canada border.
- St. Clair River Rail Tunnel: double-stack capacity.
- Major economic sectors
  - **St. Clair County, MI:**
    - Automotive parts manufacturing, plastics manufacturing, utility power generation, healthcare, tourism.
  - **Sarnia-Lambton, ON:**
    - Historical petrochemical production transitioning to industrial bioproducts (e.g. BioAmber) and tourism (e.g. recreational boating).
Binational Blue Water Region Collaboration

- MOU target areas, June 2014:
  - Green chemistry
  - Agri-food production
  - Joint regional marketing
  - Regional transportation and logistics.

Twin Saults Region: Sault Ste Marie, MI & Sault Ste Marie, ON

International Bridge completed in 1962.

- Provides link between eastern Canada and Michigan UP.
- Big Mac opened 1957 connecting UP & Lower Peninsula via US Interstate 75
- Bridge Governance: Model of binational collaboration.
- Board of Directors: 4 Americans & 4 Canadians
- Staff evenly divided between Canadian & U.S.

- Sister City: Two Nations—One City Agreement signed August 16, 2012 and established Joint International Relations and Economic Growth (JIREG) Committee.

- Major economic sectors
  - SSM, MI: Healthcare and social services; retail; accommodations & food services; manufacturing.
  - SSM, ON: Advanced manufacturing; alternative energy; lottery and gaming; and industrial/regional services.