

In parts have not  
been so good. though



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In conclusion, The North American Free Trade Agreement has been like most trade deals in the world today; some parts have been good and other parts have not been so good.

Throughout all my research of this topic all three countries have seen advantages and disadvantages from this deal. Things like Canada lumber industries to Mexican farmers losing in NAFTA. Also, the American manufacturing companies leaving for Mexico and China. American workers indirectly have lost millions of dollars by suppressing wages and bringing in low-paying service jobs. It has kept the products we buy cheaper than it would if we didn't have this agreement, so this trade agreement hasn't been a big bust as I thought it was when I first went into my research. Although there are some parts that need to be addressed, like the increasing pay of Mexican workers, lowering the trade deficit and keeping our jobs in the U. S. Even though the manufacturing jobs have boomed in Mexico under NAFTA; the Mexican farming sector has suffered greatly.

The United States has a big advantage in the agricultural sector since NAFTA went into effect. Farming in the United States is done on a much larger scale by large corporations and they enjoy larger economies as well. The United States is also far more advanced in technology and the agriculture sector.

In addition, the United States has had a long-standing policy of supporting its farmers through subsidies. The 2002 Farm Bill legislation in the United States authorized about 25.9 billion dollars in farm subsidies and federal subsidies.

(GovTrack) The agriculture has been big for Canada in the agreement of

NAFTA. The biggest effect of NAFTA has been on agricultural trade flows have included tariff reductions and the production comparative advantages. The agricultural trade flow between Canada and the US has favored Canada since NAFTA went into effect. The lower trade tariffs have made goods and services, including agricultural food products, more accessible and people paid less for the products. Canadian agricultural trade flows with the US has generally experienced a steady growth after the implementation of NAFTA.

It also contributed to the flow of agricultural trade from a South-North direction to a North-South direction. North American Trade Agreement has expanded market access for goods and services, lightened up on foreign direct investment rules and reduced tariff rates. North American free trade has provided a lot for Canadian businesses to think beyond their own border, attracted new business into the country and promoted globally competitive value chains and industries. U. S.

and Mexican investments in Canada have, for instance, tripled since NAFTA's approval. North American free trade has also introduced beneficial competitive pressures on Canadian businesses, providing incentives to achieve scale, innovate, and improve productivity. Canada has benefited in trade and GDP with North American Free Trade Agreement. Since 1993, U. S. and Mexican investments in Canada have tripled. It has accounted for more than half of Canada's FDI stock, grew from \$70 billion in 1993 to over \$368 billion in 2016. Where the most impact has come from trading with the U.

Canadian exports to the United in 2016, Canada-U. S. trade is worth a whopping \$752 billion. (Foreign Trade Data). There are some bad things that

can have dealt with during NAFTA. It seems like both Canada and the U. S has some of the same problems.

Most of the manufacturing jobs are going to Mexico because of the cheaper labor. Canadian employment in manufacturing dropped about 400, 000 since 2001. The tradable service jobs have rose by 250, 000 over that period and public services also increased by 420, 000 jobs over the period. (Foreign Trade Data). NAFTA has not deliver on it promises to Canada; nor did it bring about its opponents' worst fears. Several studies I investigated through my research said that NAFTA had a significant impact on labor markets in the United States. The lack of job growth has been important for the United States and has lost millions of jobs to Mexico and other countries since NAFTA has been in place.

In January of 1994 the U. S had over 16, 000 manufacturing jobs and in the beginning of 2017, the U. S just have a little over 12, 000 manufacturing jobs. (field) Most of these losses came in California, Michigan, and other states where manufacturing is the main job creation. Counting jobs that left the United States plus those that would have been created if not for rising imports, it is estimated that NAFTA caused a net loss of 440, 000 U.

S. jobs. In fact, during the 1990s, the overall U. S.

trade deficit quadrupled, resulting in a net loss of over 3 million jobs. The lack of job growth has not only hit the U. S workers but also in Mexico.

The effect of NAFTA on the Mexican agricultural and small business sectors has relocated several million Mexican workers and their families. This is a

major reason in the dramatic increase in undocumented workers flowing into the U. S.

labor market. The suppression of wages since NAFTA has been in a decline. It's not just not the amount of jobs the U.

S has but the quality of the jobs in the U. S. has gone down dramatically. When manufacturing workers lost their job to other countries; they returned to the work force at a lower wage. The U. S. lost hundreds of thousands of manufacturing jobs during the NAFTA era, but overall unemployment has been largely stable but as new low-paying service sector jobs have been created. It is difficult to determine the displacement of jobs is the fact that the United States has opened trade with countries in Asia and losses of U.

S manufacturing jobs can be attributed to opening up of trade with Asian countries like China as well. The trade deficit between the United States and their two other partners; Mexico and Canada are staggering. The U.

S has lost out on the free trade with these two countries creating a \$181-billion-dollar trade deficit between the two. In 1994 the U. S. had a trade surplus with Mexico \$1.35 billion dollars and now in 2017 a trade deficit of \$53.1 billion dollars.

Compared to Canada in 2017 with a trade deficit of \$12,447.2 million is a big difference. If you go by the numbers Mexico has taken advantage of NAFTA but in most places of Mexico are still in poverty.

U. S. imports are \$232,577 million and exports are \$179,487 million with Mexico in 2017. While the U. S. imports with Canada are \$222,601 million and  
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exports of \$210, 154 million. (data worldbank) Since 1994, America's trade deficit with its North American trading partners has ballooned from \$16 billion to \$82 billion annually. Increases in U.

S. exports create jobs in this country, but increases in imports destroy jobs because the imports displace goods that otherwise would have been made in the U. S. by domestic workers. (Frank). The good for the regional trade has increased from roughly \$290 billion in 1994 to more than \$1.

1 trillion in 2016. Since Canada and Mexico are the largest U. S exports accounting for a third export for the U.

S. That adds up to billions of dollars added growth every year for the U. S. (Frank) The GDP growth for each country has grown tremendously. Mexico GDP went from \$527. 3 billion in 1994 to \$1 trillion in 2016.

That is a growth of \$472. 7 billion dollars. Canada has a GDP growth of \$951. 9 billion which started out in 1994 as \$578. 1 billion to 2016 as \$1. 53 trillion dollars. The United States have grown the most during this time of GDP growth of \$11. 26 trillion dollars.

In 1994 their GDP was \$7. 4 trillion and as of 2016 it is \$18. 56 trillion dollars.

The agreement that NAFTA has crippled the United States has not shown in their GDP growth in 24 years. (Data World Bank) The North American Free Trade Agreement (NAFTA) went into effect on January 1, 1994. It created the world's largest free trade area of nearly 400 million people producing over 7 trillion worth of goods and services. NAFTA eliminated rates for products flowing through the three nations and requires the importer to verify

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the origin of the goods. One of NAFTA's main objective is to development and expansion of world trade and provide a wider international cooperation to ensure its role in improving world trade. NAFTA also created a better pathway to allow North American businesses to trade, invest and position themselves for a better comparative advantage.

The agreement between the United States, Canada and Mexico was a historic deal at the time. The research using quantitative analysis will give you a better understanding of the advantages and disadvantages of The North American Free Trade Agreement has on the three countries that are in it.