Guts Buy American/Buy Local Policies

NAFTA guts "Buy American" and "Buy Local" polices. NAFTA's procurement chapter requires that all firms operating in Mexico and Canada be provided the same access to U.S. government procurement contracts as U.S. firms get – outsourcing U.S. tax dollars and eliminating U.S. jobs.

Since the Roosevelt administration, Buy American procurement policies have required the federal government to reinvest our tax dollars at home and create jobs here by purchasing U.S.-made products – vehicles, phone systems, furniture, office supplies and more – for government use. For decades, construction firms winning contracts to build roads, bridges and government buildings have been required to use American steel, cement, glass and more.

But the U.S. corporations that wanted to offshore jobs to Mexico where they could pay workers much less did not want to lose their ability to get these lucrative government contracts. So, they pushed for NAFTA rules that require the U.S. government to waive these Buy American and Buy Local rules. Under NAFTA, any company operating in Mexico and Canada must be given equal rights to fill U.S. government contracts.

This means instead of having our tax dollars invested to create jobs here, a corporation from anywhere in the world that opens up a factory in Mexico must be treated like it was a U.S. employer when it comes to government contracts. NAFTA's corporate proponents argue that banning domestic procurement preferences means they would get new procurement contracts from the Mexican and Canadian governments. But getting some new access for some U.S. companies in Mexico and Canada has been a terrible trade-off for waiving "Buy American" preferences on U.S. government procurement. Taking even the most favorable cut on other countries' markets, the federal U.S. procurement market is more than 11 times the size of the combined federal procurement markets of Mexico and Canada.

Featured Resources:

- [Backgrounder: How Overreaching "Trade Pact" Rules Can Undermine Buy American Procurement Policies](#)
- [Map: United States "Buy American" Procurement Map](#)