What Is NAFTA and Why Must it Be Replaced?

The North American Free Trade Agreement (NAFTA) was a radical expansion of corporate power branded as a “trade” agreement. At the heart of NAFTA are special investor rights for corporations that make it easier to offshore jobs and attack environment, health and other safeguards on which we all rely. Negotiated behind closed doors with hundreds of corporate advisors, NAFTA has caused massive job losses and pushed down wages nationwide.

NAFTA was the model for the Trans-Pacific Partnership (TPP), an agreement stopped last year by widespread public opposition. But NAFTA remains in place, inflicting more damage every day.

NAFTA Eliminates Jobs and Lowers Wages

- Since NAFTA went into effect in 1994, almost one million specific American jobs have been certified as lost to NAFTA under just one narrow government program.

- Sixty thousand U.S. manufacturing facilities closed in the era of NAFTA and other corporate-rigged deals.

- You don’t have to lose your job for you to lose wages from NAFTA: The manufacturing workers whose jobs were offshored under NAFTA joined those of us seeking service sector jobs, meaning wages went down across the economy.

- Farmers have been hurt too: We have a trade deficit in agricultural products because of NAFTA – especially hurting farmers and farm workers involved in raising beef and vegetables.

The Human Cost of NAFTA

“If ‘being outsourced’ sounds like a painful situation, trust me: it is very much so and from numerous vantage points. My life, the life of my entire family and the lives of about 599 other workers at this bakery that has made Nabisco products for over 60 years have changed dramatically since that day.”

- Michael Smith, Nabisco 600.

Michael and 599 others lost their Chicago jobs in 2016 when their bakery was offshored to Mexico.

NAFTA Expands Corporate Power

- At the heart of NAFTA are rights for thousands of multinational corporations to sue the U.S., Canadian and Mexican governments before a panel of three corporate lawyers who can award the corporations unlimited sums to be paid by us, the taxpayers.

- Here is just one example: Lone Pine Resources, a U.S.-based oil and gas corporation, is using NAFTA to demand $241 million from Canadian taxpayers after Quebec called a timeout on fracking in the province while it conducted an environmental impact assessment. A case just like this could threaten anti-fracking efforts across the United States with demands that taxpayers compensate corporations for democratic decisions to halt environmentally damaging practices.
NAFTA Reduces Food Safety

- Since NAFTA, food imports from Mexico and Canada have surged 194 percent, overwhelming border food inspectors.
- NAFTA explicitly limits border food safety inspection and requires us to accept food imports that do not meet U.S. safety standards.

NAFTA Guts Buy American/Buy Local

- NAFTA requires us to waive Buy American and Buy Local procurement policies, offshoring our tax dollars that would otherwise be reinvested to create jobs locally.

And Much, Much More NAFTA Damage

- NAFTA requires governments to limit regulation of services, such as trucking, energy and banking.
- NAFTA keeps medicine prices high and makes it harder to get generic drugs by providing extended monopoly rights to pharmaceutical corporations.
- Dozens of environmental, health and other public interest policies have been challenged, and some have even been rolled back.
- And, NAFTA devastated the livelihoods of millions of Mexicans as U.S. agribusiness firms bought up land in Mexico and also dumped subsidized corn there displacing entire rural communities. Canadians have paid hundreds of millions to U.S. corporations after NAFTA attacks on their water, energy, timber polices and toxics bans.

Take Action!

As a presidential candidate, Donald Trump said he would withdraw from NAFTA if he could not make it “a lot better” for working people. An army of corporate lobbyists and some congressional leaders have announced that they intend to use NAFTA renegotiations to revive the worst parts of the TPP. We have to drown them out.

Visit ReplaceNAFTA.org and add your name to the growing team of people nationwide demanding that NAFTA is replaced by a deal that puts people and the planet first!

Questions? Email contact@ReplaceNAFTA.org.