

# *The North American Free Trade Agreement*

By  
Daniel Son  
John Kim



# What Is NAFTA?

- ❑ Free trade agreement between America, Canada, and Mexico.
- ❑ All tariffs placed on exports/imports are now eliminated.
- ❑ Began January 1, 1994
- ❑ Fully implemented January 1, 2008



# What Is NAFTA?

- ❑ Created FTAA (Free Trade Area of the Americas, 34 countries except Cuba)
- ❑ Created largest free trade area consisting of 450 million people and \$17 trillion in goods and services



# Why was NAFTA called for?

- ❑ Economy wants to grow, but trade is not easily established.
- ❑ Trade is discouraged due to increasing prices to meet **tariffs**.
- ❑ Something had to be done to the tariffs to promote trade.



# Arguments Why NAFTA Is Bad

- ❑ Only benefits business
- ❑ Americans lose jobs
- ❑ Environmental harm
- ❑ weak laws in Mexico



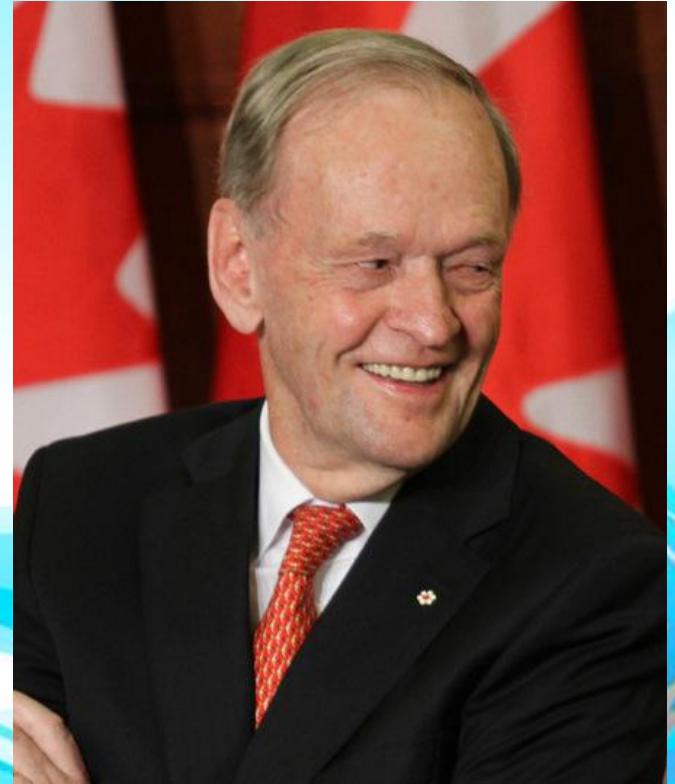
# Arguments Why NAFTA Is Good

- ❑ Strengthens economy of all countries
- ❑ Removes tariffs
- ❑ Create free trade
- ❑ Create jobs
- ❑ Discourage Mexican emigration



# NAFTA in CANADA

- ❑ Jean Chrétien Prime Minister during the signing of NAFTA
- ❑ Arguably benefited Canada the most
- ❑ 4.7 million new jobs since 1993
- ❑ Largest US trade partner



# NAFTA in Mexico

- ❑ Carlos Salinas  
Mexican President  
during signing of  
NAFTA
- ❑ Made richest man in  
Mexico Carlos Slim  
Helu richer
- ❑ Negatively impacted  
Mexico by increasing  
social status gap.





# NAFTA in America

- ❑ Bill Clinton US President during signing NAFTA
- ❑ Increase in income inequality
- ❑ Export related jobs benefited



# Today

México: Enrique Peña Nieto

USA: Barack Obama

Canada: Stephen Harper

- NAFTA still serves as the biggest trade organization in all of North America.



© picture-alliance/Al Photo



Bill Clinton talking about NAFTA

# Sources

- ❑ <http://www.ustr.gov/trade-agreements/free-trade-agreements/north-american-free-trade-agreement-nafta>
- ❑ <http://www.naftanow.org/>
- ❑ <http://www.cfr.org/trade/naftas-economic-impact/p15790>
- ❑ <http://www.globalexchange.org/resources/FTAA/oppose>

