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The North American Free Trade Agreement is once again a prime scapegoat for the nation's growing economic troubles, drawing blame for sending jobs overseas and flattening wages for U.S. workers. That sentiment has intensified as the economy has deteriorated, a fall punctuated last week by the steepest job decline in five years.

Sens. Hillary Rodham Clinton (N.Y.) and Barack Obama (Ill.) have fed the anti-free-trade view in campaigning ahead of the Pennsylvania Democratic primary April 22. Facing voters in a state that has lost more than 200,000 manufacturing jobs since 2001, Obama has promised to stand against trade deals that cost U.S. jobs, while saying Clinton supported NAFTA in the past. Clinton counters that she has always opposed the deal, even as her husband signed it as president, and she has promised to call a "timeout" on future trade deals if elected president. "I don't think NAFTA has been good for America," she said.

But is that judgment fair?

Many economists do not think so. It is true that the United States has lost about 4 million manufacturing jobs since 1994, the year NAFTA went into effect and eliminated most hurdles to trade and investment between the United States, Mexico and Canada. Not only are items such as clothing, toys and televisions increasingly made abroad, but so are more complex goods including sophisticated magnets that help steer military smart bombs and radio frequency identification chips embedded in new U.S. passports.

But many economists blame the march of technology and the increasingly dominant manufacturing role of China, not NAFTA, for that shift.

Overall, they said, NAFTA has been a net plus, if a modest one, for the U.S. economy. Even as the number of factory jobs dropped, manufacturing output in the United States was up 58 percent between 1993 and 2006, as U.S. plants produced more goods with fewer workers. Exports are at a record high, and trade among the three NAFTA partners has tripled since 1994. Meanwhile, overall employment in the United States has grown 24 percent and average unemployment is

down since NAFTA went into effect. Some cities along the border with Mexico have grown, and farm exports have gone up.

"On balance, researchers have found NAFTA a slight positive for the U.S. as a whole," wrote Anil Kumar, a Federal Reserve Bank of Dallas economist who studied the impact of the agreement.

A Campaign Fault Line

The escalating debate over the future of free-trade agreements promises to be a stark fault line in the campaign. Sen. John McCain (Ariz.), the presumptive Republican nominee for president, is an unabashed supporter of free trade, and the Bush administration is pushing for a free-trade agreement with Colombia.

Even with all their objections to these trade deals, Obama and Clinton have been careful about where and when they have attacked NAFTA. Campaigning in Pennsylvania and earlier in Ohio, both places where trade is blamed by many for job losses, they have pledged to withdraw from the treaty if it is not renegotiated to toughen labor and environmental standards.

But the candidates were mostly silent on the deal in Texas, where economists said it has increased exports not only to Mexico, but also to Canada, Europe, Latin American and Asia.

Some top congressional Democrats have said that rather than renegotiate NAFTA -- which analysts call a difficult proposition likely to produce strong demands from the Canadians and Mexicans, who have their own problems with the treaty -- the candidates should focus on easing the transition of workers into the new economy.

"NAFTA is not the main reason workers today are hurting," House Democratic Caucus Chairman Rahm Emanuel (Ill.) wrote in the Wall Street Journal. Emanuel, who served as the point man for the passage of NAFTA under President Bill Clinton, called for a "new social contract" of improved health care, job training and economic development to gird workers for global competition.

Analysts point out that it is all but impossible to separate the impact of NAFTA from other economic changes that unfolded before and since it was implemented -- including other free-trade deals, increased competition from manufacturers from Eastern Europe to India and, most significantly, China's rise.

Lawrence H. Summers, a Harvard University professor who served as Treasury secretary under President Clinton, said he remains proud to have supported NAFTA. Overall, he said, NAFTA has bolstered the economy and improved national security while easing U.S. problems with illegal immigration

"The forces that are driving job dislocations are not primarily trade-related," Summers said.

"They are technological improvements, increases in the productive capacity of developing nations and technology that enables greater global integration."

Not a Win or a Washout

NAFTA went into effect with lofty promises that it would be an economic boon to North America. By eliminating tariffs among the United States, Mexico and Canada and liberalizing foreign investment in Mexico, proponents said, the continent would end up with lower prices and higher wages. As living standards rose, the economic incentives fueling illegal immigration would evaporate, boosters said, and exports fostered by the world's largest free-trade zone would add 200,000 U.S. jobs. Proponents predicted that the pact would help convert small trade deficits with Mexico and Canada into surpluses.

Fourteen years later, those promises have not panned out. Illegal immigration across the southern border skyrocketed in NAFTA's wake. Meanwhile, average wages stagnated in the United States and Mexico, and the U.S. trade deficits with Canada and Mexico have ballooned.

But if NAFTA has not lived up to the most optimistic hopes, neither has it been the disaster predicated by its most vocal detractors, economists said.

Articulating the fears shared by many union leaders and other NAFTA opponents, H. Ross Perot predicted a "giant sucking sound" of U.S. jobs being pulled south of the border by NAFTA.

Instead, the treaty's impact has been less dramatic. Hundreds of U.S. textile mills closed as Mexican-made apparel was allowed into the country duty-free. Many of those operations have since come under strong pressure from competition in China. Also hurt were workers at manufacturing concerns in the industrial Midwest and elsewhere. Many saw well-paying jobs move out and wages squeezed by the looming threat that their jobs would be exported.

"NAFTA has weakened the leverage of workers and strengthened the clout and bargaining power of multinational corporations," said Thea M. Lee, policy director of the AFL-CIO. "It is hard to separate how much of any impact has been just NAFTA, but it is clear that NAFTA has accelerated trends that were already in place. It has become emblematic of a corporate-centered trade policy."

At the same time, NAFTA has produced winners. Agricultural exports to Mexico have almost tripled, while U.S. firms such as Wal-Mart have secured a profitable foothold in Mexico. And as the industrial Midwest has suffered, other regions have boomed. Fifteen years ago, the border town of Laredo, Tex., was largely impoverished and had a population well under 100,000. Now, with 260,000 residents, the city is the largest inland port in the South.

Overall, the Texas economy has profited from NAFTA, studies have found, with manufacturers taking advantage of cuts in Mexican tariffs to send more electronics, industrial machinery, chemicals and instruments south, according to a 2006 Federal Reserve Bank of Dallas study. The same report found that the export of Texas lumber and furniture declined after NAFTA.

Lost in this discussion is the importance -- and inevitability -- of integration across North America and how important it is to the nation's long-term economic and national security interests, analysts said.

"NAFTA has become this piñata that everybody has put their frustrations into," said Robert A. Pastor, director of the Center for North American Studies at American University. "NAFTA is not the issue. That debate is finished. What the candidates should be debating now is the future of North America. That requires them to look forward, not backwards to NAFTA."