



**AMERICANS FOR  
FARMERS & FAMILIES**  
STRONG FARMING MEANS JOBS

## North American Free Trade Agreement – Setting The Record Straight

**Myth:** The North American Free Trade Agreement (NAFTA) has harmed the American economy and eliminated jobs.

**Fact:** NAFTA has been a driving force in creating American jobs and economic growth by opening export markets to American manufacturers and producers. According to an economic study, following NAFTA's implementation, the American food and agriculture industry has flourished and currently supports more than 43 million jobs. Further, economists estimate that NAFTA grows the American economy by \$127 billion annually. NAFTA has been so successful, in fact, trade between the three countries has nearly quadrupled since the agreement took effect in 1994, reaching \$1.3 trillion in 2014.

**Myth:** Mexico and Canada benefit much more from NAFTA than does the United States.

**Fact:** NAFTA has been tremendously successful because it benefits all three countries, but none more than the United States. For instance, between 2008 and 2014, as the United States recovered from the "Great Recession," the U.S. had a cumulative manufactured goods trade surplus of nearly \$80 billion and a services surplus of over \$40 billion in 2014 alone. From agriculture to energy, NAFTA has opened markets to American producers. For the few sectors of the American economy that have not benefited to this degree, improvements can and should be made, while still upholding the portions of the agreement that have helped grow the American economy and will continue to do so for decades to come.

**Myth:** President Trump is an opponent of all trade deals.

**Fact:** President Trump has said he is opposed to trade deals that hurt America. The facts show that the food and agriculture industry, which supports more than 43 million jobs, has benefitted from NAFTA and \$127 billion in annual economic activity in the United States demonstrates it has clearly put America first.

**Myth:** President Trump has already indicated he is withdrawing from NAFTA.

**Fact:** On the contrary, President Trump has stated that he is committed to maintaining NAFTA, while making improvements where possible. In April 2017, President Trump told reporters, "I decided rather than terminating NAFTA, which would be a pretty big, you know, shock to the system, we will renegotiate." This is a trade agreement that is over 20 years old and a lot has changed in that time, so it makes sense to update NAFTA to ensure it continues to benefit the American economy and domestic jobs well into the 21<sup>st</sup> Century.

**Myth:** The rural voters who comprise President's Trump base have been harmed by NAFTA.

**Fact:** Farm Belt voters cast their ballots for President Trump by a three-to-one margin in the 2016 election and they have a lot at stake in NAFTA negotiations. These voters are among those who have benefited the most from the tremendous growth achieved in the agricultural community thanks to NAFTA, with agricultural exports from the United States to Canada increasing by 265 percent and to Mexico by 289 percent since 1994. Rural voters understand that NAFTA can be improved, and they trust President Trump to do it while still defending the agricultural jobs and products that have grown so successfully under the existing agreement.

**Myth:** NAFTA has harmed American farmers and rural communities.



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**Fact:** Perhaps no other sector of the American economy has directly benefited from NAFTA as much as our nation's farmers and other agricultural workers. Canada and Mexico are the largest export markets for U.S. agricultural goods, with more than \$43 billion in food and agricultural goods to those countries in 2016 alone. That's why President Trump's U.S. Agriculture Secretary Sonny Perdue said last year, "the President understands very clearly that NAFTA has been beneficial to agriculture" and "we think it would be bad policy if we withdrew." It's also why the National Corn Growers Association, National Pork Producers Council, American Farm Bureau Federation, Corn Refiners Association and more than 100 other food and agricultural groups sent a letter to President Donald Trump urging him to ensure NAFTA is improved, but maintained.

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