

# FREE TRADE TALK

**Every free trade agreement or partnership seems to come with 3 guarantees:**

1. More money from exports.
2. More jobs.
3. U.S. sovereignty is not in danger.

The reality of all free trade agreements or partnerships is exactly the opposite.

Our politicians have been signing away our nation's prosperity, jobs, and sovereignty since the first free trade agreement was signed with Canada in 1988. And, as discussed extensively in this pamphlet, NAFTA is a glaring example of just how devastating free trade agreements can be to America.

The presentation of free trade agreements by their supporters over the years has been very effective. Most Americans hear "free trade" and associate it with a good deal – one that will benefit Americans.

We need to work together to help spread the reality about free trade agreements. Join us and help stop the new agreements that are mentioned on the back of this pamphlet. The time to act is now!



## AMERICA VS. TRADE AGREEMENTS

As Americans, we have an opportunity and obligation to preserve our national independence and our American jobs and prosperity by preventing congressional approval of the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP) free trade pacts.

The time to contact Congress is now!

A vote to approve the TPP agreement is expected as soon as late 2013. A vote on the TTIP agreement is expected in 2015.

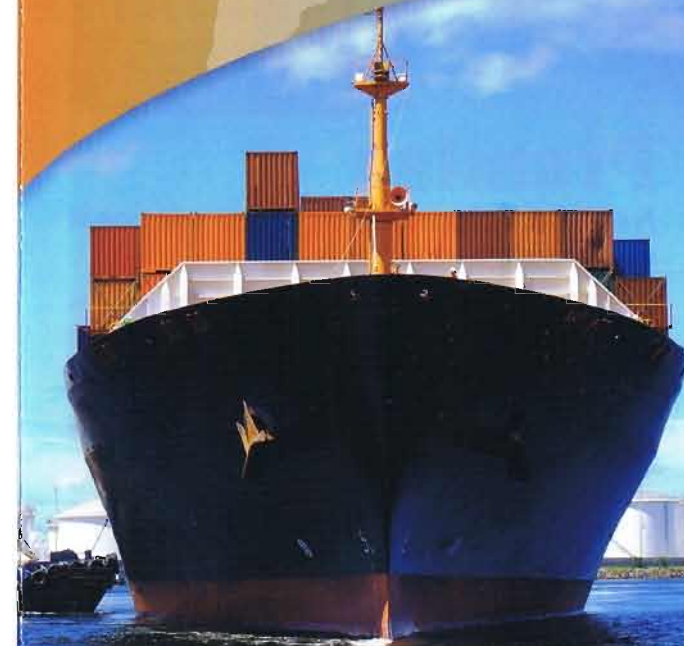
Learn more about the TPP and TTIP agreements and how to stop them by going to the "Choose Freedom – STOP FREE TRADE AGENDA" action page on JBS.org.



[www.jbs.org](http://www.jbs.org)

 Choose Freedom  
**STOP FREE TRADE Agenda**

# FREE TRADE



## PROMISES and REALITY

The John Birch Society

# 1 EXPORTS AND PROSPERITY



## Promise

**Free Trade Agreements (FTAs) will boost exports and prosperity.**

- PIIE's\* Gary Hufbauer and Jeffrey Schott claimed in "NAFTA:\*\* An Assessment" (1993), that U.S. exports to Mexico would continue to outstrip Mexican exports to the U.S., leading to a U.S. trade surplus of about \$7 billion to \$9 billion annually by 1995, and \$12 billion annually between 2000 and 2010.

## Reality

**NAFTA turned an annual trade surplus with Mexico into a growing deficit.**

- In 1993, the U.S. had a \$1.66 billion trade surplus with Mexico; by 1995, the first year after NAFTA, it grew to a \$15.8 billion deficit. Deficits have been running in the \$60+ billion range annually since 2010.
- In 1993, we imported around 225,000 cars and trucks from Mexico, and in 2012 Mexico's export of vehicles to the U.S. surpassed 1.4 million.
- Chrysler, Ford, and GM transferred production facilities (and jobs) to Mexico.
- In 1993, our annual trade deficit with Canada was \$10.7 billion; by 2005 it had ballooned to \$78.4 billion.

\*PIIE (Peterson Institute for International Economics)

\*\*NAFTA (North American Free Trade Agreement)

# 2 JOBS

## Promise

**NAFTA will create thousands of good-paying jobs.**

- PIIE's Gary Hufbauer and Jeffrey Schott claimed in "NAFTA: An Assessment" (1993) that NAFTA would create 170,000 net new jobs in the United States.

## Reality

**NAFTA has killed/exported hundreds of thousands of American jobs.**

- NAFTA proponents have been unable to identify the creation of any significant new jobs. Hufbauer admitted in a Wall Street Journal interview in 1995: "The best figure for the jobs effect of NAFTA is approximately zero.... The lesson for me is to stay away from job forecasting."
- The federal government's program known as Trade Adjustment Assistance had by 2010 certified over 720,000 workers as having lost their jobs due to NAFTA.



# 3 SOVEREIGNTY

## Promise

**NAFTA advocates said that it would not threaten U.S. sovereignty — and supporters are saying the same thing about the new trade partnerships.**

## Reality

**NAFTA tribunals have already overridden U.S. laws and U.S. court rulings, and prominent NAFTA backers have admitted that opponents' fears on this issue are justified.**

- Pro-NAFTA author William Orme, Jr. made this revealing admission in the *Washington Post*: "[NAFTA's defenders] argued that the agreement is designed to dismantle trade barriers, not build a new regulatory bureaucracy. NAFTA, declared one congressional backer, 'is a trade agreement, not an act of economic union.' Yet the critics were essentially right. NAFTA lays the foundation for a continental common market, as many of its architects privately acknowledge. Part of this foundation ... is bureaucratic: The agreement creates a variety of continental institutions — ranging from trade dispute panels to labor and environmental commissions — that are, in aggregate, an embryonic NAFTA government."
- Professor Robert A. Pastor, one of the leading architects for expanding NAFTA, wrote in *Foreign Affairs*: "NAFTA was merely the first draft of an economic constitution for North America."

