

NAFTA



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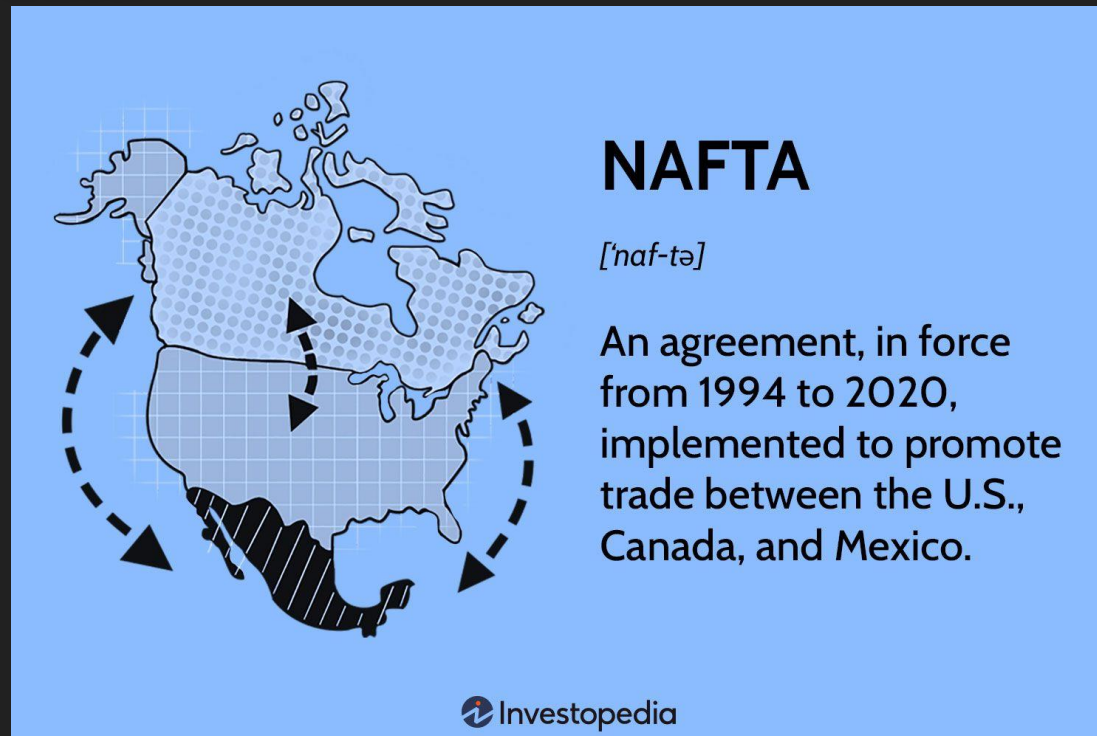
WHAT IS NAFTA

- NAFTA is an MGO (Multi Governmental Organization), where countries come together to form a group. Such examples are the EU, ASEAN etc.



WHEN AND WHY WAS IT ESTABLISHED

- The North American Free Trade Agreement (NAFTA) was implemented in 1994 to encourage trade between the U.S., Mexico, and Canada.



MAIN GOALS

- NAFTA reduced or eliminated tariffs on imports and exports between the three participating countries, creating a huge free-trade zone.
- NAFTA aimed to establish high common standards in workplace safety, labor rights, and environmental protection, to prevent businesses from relocating to other countries to exploit lower wages or looser regulations.

MAIN PURPOSE

- NAFTA's purpose was to encourage economic activity among North America's three major economic powers: Canada, the U. S., and Mexico. Proponents of the agreement believed that it would benefit the three nations involved by promoting freer trade and lower tariffs among Canada, Mexico, and the United States.

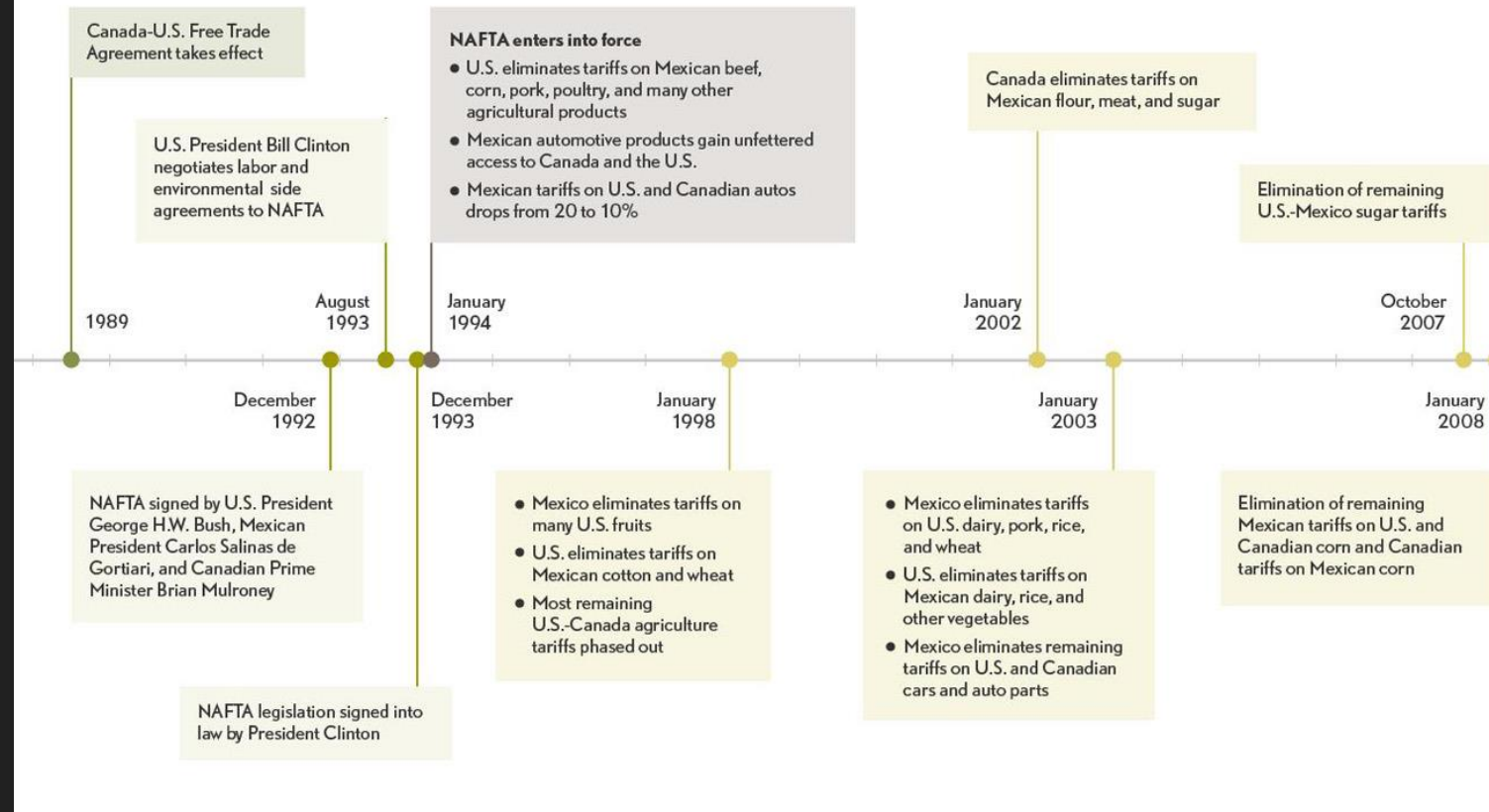


IMPACTS

- NAFTA is the largest free trade region globally, generating economic growth and helping to raise the standard of living for the people of all three member countries.
- It mainly affected the elites and business owners, benefitting them in many ways.
- Significant decrease in government spending.

MILESTONES

NAFTA MILESTONES



DISADVANTAGES

○ The Problems With NAFTA

- U.S. Jobs Were Lost.
- U.S. Wages Were Suppressed.
- Mexico's Farmers Went Out of Business.
- Maquiladora Workers Were Exploited.
- Mexico's Environment Deteriorated.



SOURCES

- <https://www.trade.gov/north-american-free-trade-agreement-nafta>
- <https://ustr.gov/about-us/policy-offices/press-office/ustr-archives/north-american-free-trade-agreement-nafta>

THANK YOU FOR YOUR ATTENTION 😊