

Telling Both Sides of the Trade Story

Trade has been a focal point of the 2016 presidential election and both major party candidates have shared their very similar opinions on how our nation's trade agreements have failed the United States' economy and workforce. But, is this the real story? The purpose of this non-partisan document is to balance the conversation so both sides of the trade story are told. Below are quotes from the two major party presidential candidates alongside fact-based research that shows the counterpoint to their assertions. The next Administration must recognize that trade deals that foster trade flows, reduce tariffs, and create stronger ties between countries ultimately benefit U.S. workers, companies and citizens.

point

"You go anywhere you want... and you will see devastation where manufacturing is down 30, 40, sometimes 50 percent. NAFTA is the worst trade deal maybe ever."

Mr. Trump, 09/27/16

counterpoint

Advanced manufacturing and automation have had a bigger effect on factory jobs than trade has, accounting for around 88% of those jobs lost. NAFTA itself has a modest effect on manufacturing jobs. Meanwhile, NAFTA creates almost 200,000 exported-related jobs annually.

Sources: ABC <<http://abcn.ws/2ezOY07>> Council on Foreign Relations <<http://on.cfr.org/SXr16T>>

point

"We failed to provide the basic safety net support that American workers need in order to be able to compete and win in the global economy."

Secretary Clinton, 02/04/16

counterpoint

Trade supports U.S. workers. Prior to NAFTA's implementation in 1994, trade supported only 14.5 million domestic jobs. In 2014, trade supported 41 million U.S. jobs and, according to Business Roundtable, every state has had a net gain in employment that can be directly attributed to trade.

Source: Business Roundtable <<http://bit.ly/2eeckaZ>>

point

"Trade, where we're doing so badly ... it's hard to believe. Inconceivable."

Mr. Trump, 10/09/16

counterpoint

The U.S. is the largest trading nation in the world -- exports of goods and services totaled almost \$2.3 trillion in 2013, supporting around 11.3 million jobs. Beyond that, the trade deficit Mr. Trump often references does not "mean a leakage of money or wealth out of the U.S.," but is instead balanced by foreign investment in the U.S. and more.

Sources: Forbes <<http://bit.ly/2eVUZyk>> USTR <<https://ustr.gov/about-us/benefits-trade>>

point

“We will defend American jobs and American workers by saying ‘no’ to bad trade deals and unfair trade practices, including the Trans-Pacific Partnership, which does not meet my high bar for creating good-paying jobs.”

Secretary Clinton, 06/23/16

counterpoint

TPP would remove 18,000 obstacles for job-creating exporters and would result in yearly gains of \$78 billion to the U.S. Trade also generally supports higher-paying jobs, with export-related jobs paying 18% more on average.

Sources: Bloomberg <<http://bloom.bg/2e8VIS0>> USTR <<https://ustr.gov/about-us/benefits-trade>>

point

“We are killing ourselves with trade pacts that are no good for us and no good for our workers.”

Mr.Trump, 02/13/16

counterpoint

95% of the world’s consumers live outside the U.S. and current U.S. free trade agreements benefit Americans. For example: In 2005, the U.S.-Australia FTA went in to effect. From 2004 to 2007, manufactured goods exported to Australia grew 35% and, in 2008, 99% of those were duty-free.

Sources: ITA <<http://bit.ly/2eoknpf>> U.S. Chamber of Commerce <<http://uscham.com/1H1G98t>>

point

“It’s true that too often, past trade deals have been sold to the American people with rosy scenarios that did not pan out... and now ring hollow in many communities across Michigan and our country.”

Secretary Clinton, 08/11/16

counterpoint

Trade is working for Americans. From 2009-2015, export growth to countries with free trade agreements grew by 52% while growth to the rest of the world grew by 34%. Michigan alone exported \$57.7 billion in goods in 2012.

Sources: ITC <<http://bit.ly/2eB6GRu>> Business Roundtable <<http://bit.ly/2eB8kSY>>

Join the discourse on trade - to get involved, please call Jeff Agnew (202) 828-9100 or email at jagnew@blakey-agnew.com. Follow us on Twitter at @NAFTANext or learn more on our website www.NAFTANEXT.com.