

NAFTA = Lost Jobs, Lagging Exports, Rising Inequality for Oklahoma



People haven't seen a pay increase in years and can't find better paying jobs because of trade deals like NAFTA. Instead of leveling the playing field for us, NAFTA made it easy for companies to outsource jobs so they can pay employees less. NAFTA's damage has been felt across all 50 states.

LOST JOBS



29,785 of Oklahoma's manufacturing jobs have been lost on a net basis since 1993, the year NAFTA entered into force.

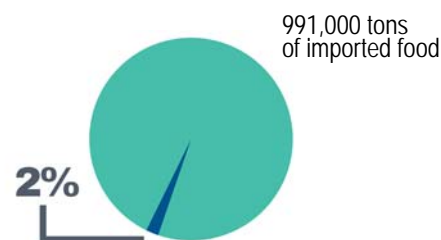
36,091 of Oklahoma's jobs have been certified by the Department of Labor as jobs lost to rising imports or outsourcing.

MORE CORPORATE POWER



71 foreign companies in Oklahoma have rights under NAFTA's Investor-State Dispute Settlement system to sue the U.S. government over public interest laws before a panel of three corporate lawyers to demand unlimited sums, including for lost future expected profits, to be paid by America's taxpayers.

UNSAFE FOOD



Only **2 percent** of the 991,000 tons of imported food Oklahoma residents consume annually is inspected by a U.S. official. NAFTA expanded food imports: A \$2.6 billion agricultural trade surplus with Mexico and Canada before NAFTA turned into a \$7.8 billion deficit by 2017.

RISING INEQUALITY



The top ten percent richest persons in Oklahoma now take home **40%** of the state's income, up from 37% the year before NAFTA. Manufacturing workers losing jobs to trade who find new jobs face pay cuts. A quarter lose more than 20% of their income. Trade-related middle-class wage stagnation has contributed greatly to growing inequality.

GROWING DEFICITS



Oklahoma's trade balance in goods with Mexico and Canada has fallen from a \$124 million surplus in 2010 to a \$1.9 billion deficit in 2017. Before NAFTA, the U.S. had a small trade deficit with Mexico and Canada in the top 10 products that Oklahoma exports to the NAFTA nations. We now have a massive \$151 billion deficit in trade of those goods to

GUTS BUY AMERICAN



Oklahoma firms and farmers could access the **\$12.2 billion** in federal procurement that goes to foreign vendors if NAFTA hadn't gutted the Buy American policies that used to require the government to buy American-made goods.

Oklahoma – Additional Information

Lost Jobs, Lagging Exports, Rising Inequality



LOST JOBS – According to the Bureau of Labor Statistics, Oklahoma has had a net loss of more than 29,000 of its manufacturing jobs -- almost one in five -- since NAFTA went into effect in 1994. More than 36,000 specific Oklahoma jobs have been certified under one narrow government program, Trade Adjustment Assistance (TAA), as lost to outsourcing or rising imports since NAFTA. This is a significant undercount given limits in the types of jobs lost to trade that TAA covers. In fact, a report by the pro-NAFTA Peterson Institute for International Economics estimated that fewer than 10 percent of workers who lost their jobs in industries facing heavy import competition under NAFTA received assistance under TAA.

MORE CORPORATE POWER – At the heart of today's "trade" agreements like NAFTA are provisions that grant multinational corporations shocking new rights and powers that make it easier to outsource jobs and attack the environmental and health laws on which we all rely. About 71 foreign companies in Oklahoma can sue the U.S. government before a panel of three corporate lawyers, and can demand unlimited sums, including for lost future expected profits, to be paid by America's taxpayers. Of these, 66 companies are from Mexico and Canada, according to the Uniworld database.

UNSAFE FOOD – NAFTA forces consumers to rely on the food safety policies of foreign nations. Before NAFTA, the U.S. only accepted imports from one Mexican plant specifically certified by U.S. health inspectors. Now we must accept all meat and poultry from any Mexican or Canadian processing plant. As food imports from Mexico and Canada have more than tripled under NAFTA, U.S. federal regulators are only inspecting about 2 percent of it, according to government data. This means that 98 percent of the 991,000 tons of imported food that Oklahoma residents consume annually are never inspected by federal regulators.

RISING INEQUALITY – Failed trade deals have destroyed well-paid manufacturing jobs. Those workers must then compete for lower-paid service sector jobs that can't be sent abroad. This pushes down wages in those sectors, spurring broad-based middle-class wage stagnation. In fact, numerous academic studies show a consensus that the status quo trade model has contributed significantly to the historic rise in income inequality – the only debate is the degree to which trade is to blame. Indeed, Oklahoma's richest 10 percent now capture over 40 percent of the state's income compared to 37 percent before NAFTA, according to research by economics professor Mark W. Frank.

GROWING DEFICITS – Under NAFTA, imports from Mexico and Canada soared while the growth of U.S. manufacturing *and services* exports slowed. Today, the U.S. has a manufacturing and agricultural deficit with Mexico and Canada. Oklahoma's trade balance in goods with Mexico and Canada has fallen from a \$124 million surplus in 2010 to a \$1.9 billion deficit in 2017. The increase is largely due to increased imports of manufactured products — like computers and electronics — and agriculture.

GUTS BUY AMERICAN – NAFTA imposes constraints on domestic procurement policy, effectively outsourcing our tax dollars rather than investing them to create jobs and innovation at home. At the same time, NAFTA eliminates important policy tools for job creation, development of green economy capacity and the building of demand for preferred business practices, such as payment of prevailing wages or use of recycled content. Currently, companies and products from 60 countries with which the United States has trade agreements must be given the same access to U.S. government contracts as U.S. firms and products for all but the lowest-value government contracts. With stronger Buy American rules, Oklahoma could have access to the \$12.2 billion going to foreign vendors, allowing more procurement dollars to be