Resources to Track Trade-Related Job Loss for Your State and District

Nearly five million American manufacturing jobs – one out of every four – have been lost since implementation of the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO). Since NAFTA took effect, over 60,000 American manufacturing facilities have closed.

Growing trade deficits post-NAFTA, WTO and other Free Trade Agreements (FTAs) drive job loss:
Under the NAFTA-WTO model, U.S. manufacturing imports have soared while growth of U.S. manufacturing exports has slowed. The growth of the U.S. trade deficit with China since that country entered the WTO in 2001 has had a devastating effect on U.S. workers and the domestic economy: between 2001 and 2011, 2.7 million U.S. jobs were lost or displaced. Growth in U.S. manufacturing exports to Canada and Mexico since NAFTA has been less than half the rate in the years before NAFTA. Overall, the inflation-adjusted U.S. trade deficit with Canada of $29.1 billion and the $2.5 billion surplus with Mexico in 1993 (the year before NAFTA took effect) turned into a combined NAFTA trade deficit of $181 billion by 2012 – a real increase in the “NAFTA deficit” of 580 percent. The Economic Policy Institute (EPI) estimated that the NAFTA deficit had eliminated about one million net American jobs by 2004. EPI estimated that 7 million additional American manufacturing jobs could have been supported if U.S. trade policy had not led to increased trade deficits. The aggregate U.S. trade deficit with countries that are party to NAFTA-style FTAs has ballooned, while actually decreasing with other countries. The inflation-adjusted aggregate trade deficit with FTA partners has increased by over $144 billion – a 441 percent jump – since the FTAs were implemented. By contrast, the aggregate trade deficit with all non-FTA countries has decreased by over $55 billion during the comparable period – a 7 percent drop.

Devastation of U.S. manufacturing drives down wages, erodes tax base, heightens inequality: Despite major gains in American worker productivity, real median wages hover at 1979 levels. Government data shows that two out of every five displaced manufacturing workers who were rehired in 2012 experienced wage reductions of more than 20 percent. Such middle class wage losses have helped push inequality to levels not seen since the robber baron era. With the loss of manufacturing, tax revenue that could have funded social services or local infrastructure projects has declined, while displaced workers have turned to ever-shrinking welfare programs. This has resulted in the virtual collapse of some local governments in areas hardest hit.

For detailed data on trade-related job loss, visit Public Citizen’s Trade Data Center

www.citizen.org/trade-data-center

- Find regularly updated data on the total number of manufacturing jobs lost in your state.
- Track some of the specific, factory-by-factory, trade-related job losses in your area, as counted by the Department of Labor’s Trade Adjustment Assistance program.
- See the number of jobs in your area that are threatened by particular NAFTA-style deals and estimates of job loss by state from China trade and NAFTA.
5 U.S. International Trade Commission Dataweb. Exports are domestic exports and imports are imports for consumption. Figures from 1993 are adjusted to 2012 dollars using the CPI-U-RS from the Congressional Budget Office.
12 Corliss Lentz, “Why Some Communities Pay More Than Others? The Example of Illinois Teachers,” Public Administration Review, 58:2, March-April 1998. This study shows that high levels of manufacturing employment are associated with higher starting salaries for public school educators.