



# U.S. - Mexico At a Glance

## NAFTA

June 2009

Each day the NAFTA partners conduct nearly \$2.4 billion dollars in trilateral goods trade or \$1.7 million dollars a minute.

■ During NAFTA's 15 years, the North American economy doubled in size. In 2008, the combined GDP for the U.S., Canada, and Mexico reached \$15.6 trillion.

■ U.S. agricultural exports to Mexico have more than doubled under NAFTA since 1993, reaching \$16.6 billion in 2008.

■ Mexico has become one of the largest recipients of FDI among emerging markets, receiving more than US\$130 billion from the NAFTA partners since 1994.

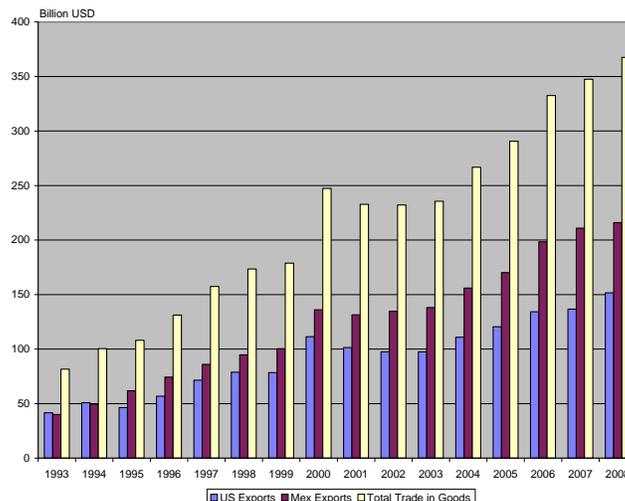
The North American Free Trade Agreement (NAFTA) between the United States, Canada, and Mexico entered into force on January 1, 1994, and created the world's largest free trade area. NAFTA links 440 million people producing \$15.6 trillion worth of goods and services annually. The dismantling of trade barriers and the opening of markets has led to economic growth and rising prosperity in all three countries.

Total goods trade between the U.S. and its NAFTA partners grew from \$293 billion in 1993 to more than \$960 billion in 2008, an increase of 228%. Total services trade between the U.S. and NAFTA partners grew from \$44 billion in 1993 to \$108 billion in 2007, an increase of 145%. U.S. trade with Canada and Mexico exceeds U.S. trade with the 27 members of the European Union and Japan combined.

In addition to lowering tariffs on goods, NAFTA mandates the elimination of barriers in nearly all service sectors and greater transparency in rule-making and implementation. Regulatory authorities must use open and transparent administrative procedures, consult with interested parties, and publish all regulations, thus reducing protectionism and discriminatory treatment. Greater transparency in Mexico has improved the business environment and made government more accountable to citizens.

NAFTA has increased Mexico's overall trade as well as brought about a wave of foreign direct investment; it has increased the competitiveness of Mexican industry; it has boosted unionization in Mexico (90 percent of the workers in Mexico's export manufacturing industry are unionized); it has helped improve Mexico's regional development, particularly along the Northern border; it has spurred the growth of small and medium businesses, the backbone of Mexico's economy; and it has expanded the U.S. economy.

### Total U.S. – Mexico Trade in Goods



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