The NAFTA Shuffle

Nearly 15 years after the North American Free Trade Agreement (NAFTA) became law, the global recession is exposing a new dimension of the controversial trade accord.

High unemployment is on the march in Mexico, where manufacturing companies are shutting down and moving abroad in search of lower costs and even cheaper labor. Sound familiar?

Recent statistics show the Mexican economy in tatters, with auto and manufacturing workers suffering a fate not unlike U.S. workers who saw tens of thousands of their jobs sprout wings and fly south in the wake of NAFTA.

More than a half-million Mexican workers lost manufacturing jobs since November 2008, as the official unemployment rate climbed to 4.3 percent. The actual unemployment rate is much higher, as the Mexican government counts anyone working even one hour a week as being employed.

With U.S. unemployment hitting record highs each month, U.S. workers may be slow to sympathize with Mexican workers losing jobs that were once performed here, but workers in both countries now share something besides a similar former occupation: They’re both casualties of NAFTA.

The migration of U.S. manufacturing jobs to Mexico was initially touted as necessary to jump start the development of new industries in both countries. But with corporations now looking beyond Mexico to China, South Korea and Indonesia, it’s increasingly clear that whatever NAFTA may give, NAFTA can also take away.

As the years pass and workers in one country after another feel the pain of NAFTA, the question to ask is not who’s losing, but is anyone really winning?

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