

## THE WHITE HOUSE

WASHINGTON

## Memorandum: Decision to Leave the North American Free Trade Agreement (NAFTA)

July 19, 2017

In 1994, President Bill Clinton signed the North American Free Trade Agreement (NAFTA), ratified by the Senate of the United States of America. In principle, the idea of expanding and formalizing free trade agreements with our North American neighbors makes economic sense.

However, the reality is that this agreement has had deleterious effects on the American economy and working class. It has become an inroad for powerful capitalist forces to exploit cheap labor and offshoring, while stifling workers movements in and outside the United States. The longstanding agreement has left the nation with stagnant wages, fewer jobs, and entire industries washing away without a trace.

Under Article 2205 of NAFTA:

(i) Article 2205: Withdrawal

A Party may withdraw from this Agreement six months after it provides written notice of withdrawal to the other Parties. If a Party withdraws, the Agreement shall remain in force for the remaining Parties.

I cite my authority as President to terminate and withdraw from treaties ratified and signed into law under the Trade Act of 1974, specifically Section 125(b):

(b) The President may at any time terminate, in whole or in part, any proclamation made under this Act.

Additionally, according to Section 151 of the Trade Act of 1974, such trade agreements may be submitted to Congress for approval under fast-track Trade Promotion Authority (TPA) procedures. The precedent of this section and TPA in particular have been expanded to permit new agreements through several subsequent acts, including the Omnibus Trade Act of 1988, the Trade Promotion Authority Act of 2002, and the "TPA Act" of 2015.

Given that NAFTA was negotiated under fast-track TPA authority via the Omnibus Trade and Tariff Act of 1988, Section 151 and by extension Section 125 of the Trade Act of 1974 both apply in full to the NAFTA agreement.

I therefore invoke my authority as President of the United States to declare to the nations of Canada and Mexico that the United States formally withdraws from NAFTA, effective within six months of the submission of this memorandum. As per Article 2205, the Agreement will remain in effect for the two remaining parties.

In addition, I hereby instruct my Trade Representative to do the following:

- (a) Coordinate post-withdrawal negotiations with Canada and Mexico, publishing a final report outlining potential future agreements no later than three months after the posting of this memorandum.
- (b) Review existing trade agreements or potential trade agreements with the following nations: the United Kingdom, the Netherlands, Ireland, Israel, and Sweden. A small report detailing future actions with regards to these nations is to be published no later than four months after the posting of this memorandum.

Signed,

Bigg-Boss, President of the United States of America

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Stustix, United States Trade Representative