

## WHY FREE TRADE AGREEMENTS WORK FOR AMERICA'S MANUFACTURERS

The NAM doesn't want U.S. manufacturers to pay high import duties when exporting their products. We want them to sell to other markets duty-free. We want zero tariffs – the elimination of foreign import duties on U.S. products.

And that's what we get when the United States negotiates Free Trade Agreements (FTAs) with other countries. Once the FTA is fully implemented our free trade partner eliminates its import duties on American-made manufactured goods.

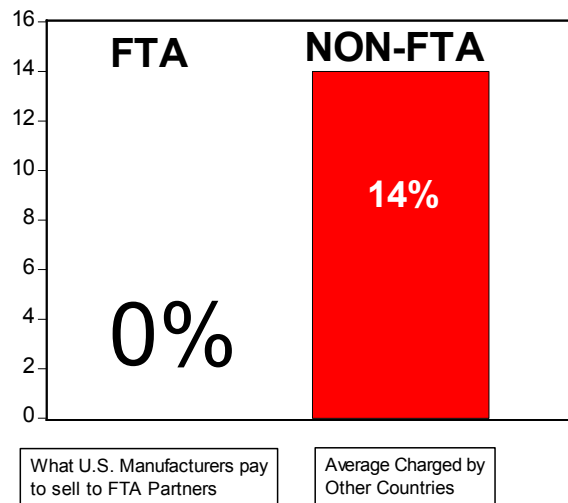
That's important, because on average other countries charge a 14 percent import duty on manufactured goods. What do you think? Will we export more if we can sell to customers duty-free or if we have to pay high tariffs?

Some say, "so what?" They say it isn't a good deal for us to get into foreign markets if we have to let their producers into ours. But, guess what? They already have access to America's market. We don't even charge any duties on 70 percent of our imports. And on the rest, our tariffs average less than four percent.

The NAM thinks it is time for other countries to open their markets to our products as fully as our market is already open to them. Free trade agreements are one of the best ways to do that.

### WHICH WOULD YOU RATHER PAY?

American Manufacturers Pay No Tariff to Sell Their Exports to Free Trade Partners,  
But Face Average Duties of 14% in Other Countries



Note: Non-FTA duties are unweighted average of all non-FTA countries, adjusted for the fact that foreign tariffs are assessed on c.i.f. value and VAT taxes are assessed on c.i.f. duty-paid value. Data sources: World Bank and World Trade Organization.