

## NAFTA

On January 1, 1994 the North American Free Trade Agreement (NAFTA) went into effect between the United States, Canada and Mexico. NAFTA's purpose was to increase trade among the three countries by ending tariffs, or taxes on imports. This means that products can be sent from one country to the next without companies being taxed on the cargo. This agreement has created a huge and prosperous trading area of nearly 400 million people.