

November 22, 2011

The Honorable Ron Kirk
United States Trade Representative
600 17th Street N.W.
Washington, DC 20508

Dear Ambassador Kirk:

I write regarding the recent announcement that Japan will be seeking to join negotiations on the Trans-Pacific Partnership (TPP), an effort to further expand trade partnerships among primarily Asian-Pacific nations and the United States.

Japan is a close friend to the United States and a critical American ally in Asia. I believe that our government should work to sustain and strengthen ties to such an important strategic partner.

However, the United States' trade relationship with Japan is long and complicated, and I fear that the challenges to reaching an agreement with Japan are too numerous and substantial to be worked out in the short time frame during which the parties to the TPP plan to conclude negotiations.

In particular, I am concerned about trade in automobiles. The United States must not conclude an agreement, as part of the TPP or otherwise, that puts American car manufacturers at a disadvantage to Japanese ones. Japan maintains a number of onerous non-tariff barriers that have effectively closed off its market to foreign auto imports. Currently, U.S. and other foreign manufacturers only control a market share of about 5% of the Japanese auto market, a dismal level that has been roughly stable for many years. By contrast, foreign manufacturers control 55% of the U.S. market, a share that has increased dramatically over the past 40 years.

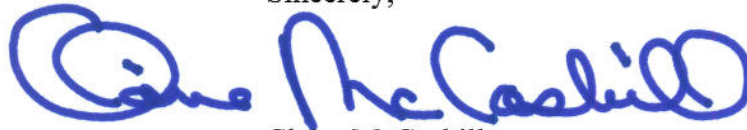
The automobile issue is of critical importance to the U.S.-Japanese trade relationship as a whole and to my state of Missouri in particular. Automobiles account for 70% of the U.S. trade deficit with Japan. Meanwhile, U.S. automobile manufacturers employ 7,940 people in my state, and U.S. suppliers employ an additional 6,738 workers. Recently, Ford Motor Company announced that it would invest \$1.1 billion and add 1,600 new jobs in Kansas City, Missouri. General Motors announced that it would invest \$380 million and add 1,660 new jobs in Wentzville, Missouri.

Missouri has the best workers in the world, and plants in Missouri can compete with anyone on a level playing field.

However, it is doubtful that your office can negotiate an agreement that will create a level playing field in the auto market with Japan within the next few years. Despite several rounds of trade talks over the years, U.S. and Japanese negotiators have been unable to resolve issues that keep U.S. automakers from competing freely in Japan. Missourians are not ready to embrace a free-trade agreement with Japan until they see a demonstrated commitment to address current automobile issues.

I ask that you please keep these issues in mind, and put U.S. economic interests first, as you continue Trans-Pacific Partnership negotiations.

Sincerely,

A handwritten signature in blue ink that reads "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a large, rounded script and the last name "McCaskill" following in a similar style.

Claire McCaskill
United States Senator