

United States Senate
WASHINGTON, DC 20510

July 17, 2012

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Obama:

We are writing to express serious concerns about Japan's potential inclusion in the Trans-Pacific Partnership (TPP) negotiations. As Senators representing states in which the U.S. automotive industry has a strong presence, we are particularly worried about the impact that Japan's inclusion will have on American carmakers and their workers.

Japan has been a close friend and important ally to the United States in Asia, but our trade relationship remains complicated and unbalanced. This is especially acute in the auto sector.

As you are well aware, American automakers face a number of barriers when it comes to access to Japanese markets. By contrast, Japanese automakers have made significant headway into our domestic markets. According to the U.S. International Trade Administration, in 2011, our trade deficit with Japan was \$63 billion, and nearly 70% of that deficit was due to automobiles. By comparison, U.S. and other foreign automakers comprise of only 5% of Japan's domestic market, while foreign automakers represent 55% of the U.S. market.

The United States has attempted to address this imbalance in past trade negotiations, but it has been unsuccessful. Japan has previously made concessions, including the elimination of tariffs on automobile imports. However, new barriers to trade have arisen to replace the old.

The U.S. should not sign a free trade agreement that will put American companies at a disadvantage with respect to their foreign competitors, especially American automakers. The American automotive industry plays a significant role in our local and national economy. Across the nation, American automobile manufacturers support over 3 million good-paying jobs in assembly plants, repair shops, and dealerships. The industry generates hundreds of billions of dollars in economic activity every year, and its recovery is crucial to our nation's economy. We should not do anything that might endanger that recovery.

The history of U.S.-Japanese trade relations gives us little confidence that American negotiators can achieve an agreement that would create a truly level playing field between the two countries in the short timeframe of TPP negotiations. As such we believe it would be a mistake to invite Japan to join the TPP at this time.

Sincerely,



Claire McCaskill
United States Senator



Sherrod Brown
United States Senator



Carl Levin
United States Senator



Debbie Stabenow
United States Senator



Robert P. Casey Jr.
United States Senator



Sheldon Whitehouse
United States Senator



Benjamin L. Cardin
United States Senator



Barbara Mikulski
United States Senator



Bernard Sanders
United States Senator



Kirsten Gillibrand
United States Senator