Study Finds Currency Manipulators Like Japan Costing Millions of American Jobs

WASHINGTON, D.C. – Matt Blunt, President of the American Automotive Policy Council, today applauded the findings in a new Peterson Institute for International Economics study examining the damage done to the U.S. economy by egregious currency manipulators like Japan.

"This study bolsters the position of U.S. automakers and many other American manufacturing groups that the U.S. should have no tolerance for egregious trade manipulators when considering countries who want to join free trade agreements such as the Trans-Pacific Partnership," said Governor Blunt.

The study, entitled "Combating Widespread Currency Manipulation," found that countries like Japan and Korea, identified as "extreme manipulators" have gained an unfair competitive advantage by willfully weakening their currencies to support their exports and curb imports.

"The Peterson Institute concluded that currency manipulation has had an enormously negative impact on trade, costing the U.S. as much as 4 percent of GDP," Governor Blunt said. "That would mean the cost of this abuse is equal to millions of lost jobs in the United States."

The study comes on the heels of a letter to President Obama signed by AAPC and nine other manufacturer associations calling for the U.S. government to include strong currency disciplines in all future U.S. free trade agreements, including the Trans-Pacific Partnership (TPP). Read the letterhere.

The AAPC said this study and other evidence of the widespread use of currency manipulation make it critical that enforceable currency disciplines are included in the 21st century TPP free trade agreement.

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