



AAPC Urges Obama Administration to Oppose Japan's Unfair Trade Policies

WASHINGTON, D.C. – Matt Blunt, President of the American Automotive Policy Council, today issued the following statement urging the Obama Administration to make clear that Japan's actions to cheapen the value of the yen are unacceptable:

"Here we go again. Japan's Liberal Democratic party is back in power and determined to repeat the 'beggar thy neighbor' policies that distort trade by cheapening the value of the yen to promote economic growth in Japan at the expense of its trading partners. Research published by the internationally well known Peterson Institute for International Economics has demonstrated that these types of policies have inflicted tremendous harm on the U.S. economy, and especially our manufacturing sector, in the past. We urge the Obama Administration to make it clear to Japan that such policies are unacceptable and will be met by reciprocal measures."

Background:

Japan Pursues Unfair Trade Practices at the Expense of US Jobs and Growth:

Over the past few months, in anticipation of a new political party coming into power in Japan that publically supported a weak yen policy and the election of that party into power on December 16, 2012, the yen/\$ level has weakened 13% from early October to mid January. This shift provides a huge unfair advantage to Japanese exports to the United States and discourages US exports to Japan – growing the chronic multi-billion (\$60 billion in 2011) US trade deficit with Japan. This is a direct result of the Japanese businesses communities' consistent pressure on its government for a weaker yen, led by the Japanese automakers, combined with the new government's recent public commitment and actions to achieve that objective.

The American Automotive Policy Council, Inc. (AAPC) is a Washington, D.C. association that represents the common public policy interests of its member

companies Chrysler Group LLC, Ford Motor Company and General Motors Company.

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