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Remarks from Panel on Outstanding Issues in TPP
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Ford is a top U.S. exporter of automobiles. As a globally competitive company, we rely on international trade. It is critical to our business.

We support trade agreements that result in reciprocal trade and a level playing field. Tariffs were the trade barrier of the previous century.

Today, the 21st century trade barrier that American manufacturers face is currency manipulation.

Japan, for instance, does not impose any tariffs (that is a 0% tariff rate) on automobiles coming into its country. Despite this, 93 percent of all cars sold in Japan are made in Japan by Japanese automakers.

Relegating automakers from around the world to just 7 percent of the Japanese market doesn't happen by accident.

The protected Japanese market is the result of non-tariff barriers to trade, and the most damaging of these barriers is currency manipulation.

While improved market access to Japan, which is the world's 4th largest auto market, is important, the effect of currency manipulation poses a much broader threat.

The unearned subsidy derived from currency manipulation affects Japanese vehicles sold in the U.S. and in every other market where we compete.

In other words, they are spending 99 percent of their time on 1 percent of the problem.

In a recent study, Dr. Art Laffer documented that Japan directly intervened in its currency 376 times between 1991 and 2011. Fool me once…shame on me…fool me 376 times?.....well…you k now how that one ends.

Japan's intervention was a violation of its existing IMF and WTO commitments. Yet, the practice continued because there was no enforcement mechanism.

It is our confirmed belief that enforceable currency rules must be included within trade deals.

Because Japan is not alone in being a currency manipulator and other currency manipulators are likely to join the TPP in the future.

Right now, it is not adequately addressed in the Trade Promotion Authority (TPA) bill to address this problem.

That is why Ford strongly supports the bipartisan amendment offered by Senator Rob Portman and Senator Debbie Stabenow.

With its passage, Congress would be directing U.S. negotiators to include enforceable currency rules in trade agreements, like the TPP.

And, importantly, the amendment makes **very** clear that a country's monetary policy is not targeted or affected.

Addressing currency manipulation is important for Ford and its nearly 80,000 U.S. employees. We can compete with any automaker around the world, but we can't compete with the Bank of Japan or other central banks.

And addressing currency manipulation is not simply good for Ford or the auto industry, it is good for all America's exporters because when manipulators target the U.S. dollar, all American products are hurt and made less competitive.

Incidentally, currency rules are not just good policy. Addressing manipulation has political support that could help grow the vote for TPA. According to a recent IPSOS poll, almost all Americans (9/10) say it is important to have rules to prevent currency manipulation.

When asked to choose between access to goods and American manufacturing jobs, large majorities (8/10) prefer to protect jobs. And over two-thirds of the public says that Congress should oppose trade deals that do not prohibit currency manipulation.

The American people are ahead of Washington's policymakers and the Obama Administration on currency manipulation because they know that they suffer when others countries cheat and the time has long since passed when American can afford to continue to ignore it.

The bottom line is we shouldn't let free trade get in the way of a free trade agreement.