

The UAW Versus the World

Union, Democrats argue against inclusion of Japan in trade treaty

By: [Bill McMorris](#) – April 8, 2013

A trade agreement that has garnered broad support from a diverse array of organizations in the United States has drawn staunch opposition from labor unions and congressional Democrats.

Japan has signaled interest in joining the Trans-Pacific Partnership (TPP), which would ease trade barriers between the United States and a dozen Pacific nations.

Unions have campaigned to block Japan from entering TPP, criticizing Japan for “manipulating its currency” through stimulus akin to the Obama administration’s quantitative easing, as well as closing foreign auto-markets. The United Auto Workers union (UAW) accused Japanese automakers of violating worker rights in a March 18 statement.

“The UAW strongly opposes Japan’s entry into the Trans-Pacific Partnership (TPP) because their inclusion would undermine our nation’s ongoing economic recovery,” the union said. “Japanese automakers manufacturing in the United States routinely violate global standards on workers’ rights to organize and bargain collectively.”

Dan Ikenson, a trade policy expert at the Cato Institute, said blocking Japan from joining the talks would hurt the union’s stated desire to open up Japanese markets to American automobiles.

“Japan’s entry makes the agreement much more worthwhile, advances the TPP’s goals of freeing up trade and isolating China and its regional interests,” he said. “You have to get Japan to the table to negotiate market access ... there’s not much credibility to the union’s arguments.”

Union-backed politicians have signed on to the UAW’s cause: Forty-three Democratic representatives and senators led by Michigan Sen. Debbie Stabenow sent a letter to the White House calling on President Barack Obama to block Japan from entering the agreement on behalf of American auto companies.

“Japan’s significant, long-standing, and persistent economic barriers put in place to block our exports and support theirs have hurt American workers and businesses for decades,” the letter says. “Nowhere is the closed nature of Japan’s markets more evident than in the auto sector.”

Ikenson said the lawmakers are advancing the interest of GM, Ford, Chrysler and the UAW at the expense of American consumers.

Japanese and South Korean automakers are increasing U.S. production. The Toyota Camry is the top-selling American-made automobile and five of the top 10 come from Japanese automakers, according to Cars.com. Four of the “foreign” cars are made entirely in right-to-work states while the Camry is assembled in right-to-work Indiana and non-right-to-work Kentucky.

“Representatives of the Detroit Three have a lot of nerve; taxpayers have done quite a lot for those companies. To suggest that they’re owed something bothers me,” Ikenson said. “The U.S. auto industry is not just GM, Ford, and Chrysler. [Japanese-owned companies] invest here, they hire Americans, they pay taxes. They’re every bit as American as the Detroit Three.”