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## China's illegal trade cuts U.S. jobs

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Washington — More than 400,000 jobs in the U.S. auto supply chain have been lost since 2000, and another 1.6 million U.S. jobs are at risk unless **China's** illegal trading practices are curtailed, according to three reports released Tuesday.

Two of the reports come from the liberal-leaning Economic Policy Institute, and the third from Stewart and Stewart, a law firm that has won cases challenging **China's** trade practices.

"These three reports show beyond a shadow of a doubt that **China's** blatant use of illegal government **subsidies** and a web of predatory trade practices on a massive scale are undercutting companies in the U.S. auto supply chain," said Scott Paul, executive director of the Alliance for American Manufacturing, a nonprofit partnership of leading manufacturers and the United Steelworkers.

Members of Congress, including Sen. Debbie Stabenow, D-Lansing, and Rep. Sander Levin, D-Royal Oak, charge that **China's** exports of **auto parts** — which have jumped during the past decade — are driven by illegal Chinese government **subsidies**. They spoke at a Capitol Hill press conference to support the report's findings along with United Steelworkers President Leo Gerard and the United Auto Workers' legislative director Josh Nassar.

Stabenow noted that Michigan lost 250,000 jobs in the **auto parts** sector during the last decade. "We see state after state passing anti-bullying laws. That's what we need to do here — to stand up to the bully on the block," she said. "The bully on the block continues to take our lunch money, and it's time to stop that...Going forward, we need to hold **China's** feet to the fire."

Nassar said the UAW is working to convince U.S. companies to bring jobs back home. He praised the White House efforts to enforce trade rules with **China** "so that the U.S. does not allow huge sectors of our manufacturing base to be exported."

Many auto suppliers — like Delphi Corp. and Visteon Corp. — have shifted most of their factory work outside the U.S. to countries with lower labor costs.

President Barack Obama will meet with Chinese vice president Xi Jinping on Feb. 14. He is widely expected to become **China's** next president. In December, **China** imposed tariffs of nearly 22 percent on U.S.-made SUVs and larger vehicles, after the U.S. imposed similar tariffs on Chinese-made tires and other products.

**China** is the fastest-growing source of U.S. **auto parts** imports.

The Alliance for American Manufacturing said that since 2001, \$62 billion worth of Chinese **auto parts** have been imported into the U.S., causing the **auto parts** trade deficit between America and **China** to increase more than 850 percent.

Levin, ranking member of the House Ways and Means Committee, said the government must take legislative action, including to reverse a recent U.S. appeals court decision that could make it harder to impose penalties on **China** for illegal trade actions.

The Chinese government argued that the top court of the World Trade Organization last year "conclusively established that the United States acts unlawfully in the methods by which it calculates and imposes countervailing duties on imports from **China**."

**Auto parts** production accounts for the bulk of auto sector employment. The total number of jobs supported directly and indirectly in the **auto parts** industry in Michigan and Ohio are 250,000 and 189,000.

"U.S. automakers have enjoyed a strong turnaround since the government aided the restructuring of GM and Chrysler, with U.S.-based automakers' sales up 29.1 percent since 2009," one report from the Economic Policy Institute said. "However, employment in the **auto parts** and tire industry has rebounded at less than half that rate."

The other institute report found that **China** has given \$27.5 billion in government **subsidies** to its **auto-parts** industry and **China's** central government has committed to giving another \$10.9 billion in **subsidies** for industrial restructuring and technological development.

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