



# Congress of the United States

House of Representatives

Washington, DC 20515

March 28, 2007

The Honorable Susan C. Schwab  
United States Trade Representative  
Office of the U.S. Trade Representative  
600 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20508

Dear Madam Ambassador:

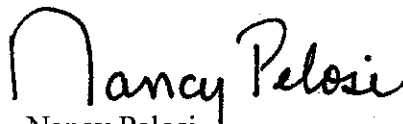
We are writing, in advance of what is reported in the media to be the last round of trade negotiations with South Korea, to express our deep concern about the lack of progress on automotive sector issues, and very importantly, our belief that the proposal USTR is prepared to put forward is completely inadequate in the face of Korea's longstanding iron curtain to American manufactured products.

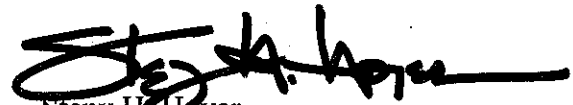
We simply cannot allow this one-way street with Korea to stand. As you know, Korea is the fifth largest producer, and the ninth largest consumer automotive market in the world. We now have an \$11 billion deficit in auto trade which is 82% of the total deficit between our two countries. Last year, Korea sold 700,000 vehicles in the U.S.; the U.S. sold only 4,000 in Korea.

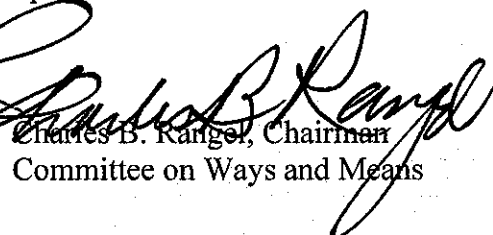
We need a new approach, not more of the same written commitments that have failed to tear down the present non-tariff barriers and prevent future ones from blocking U.S. products. We are deeply disappointed that you have failed to seize the opportunity presented by the *Bi-partisan Congressional Proposal to Open Korea's Automotive Markets* to take a much needed new approach to these negotiations.

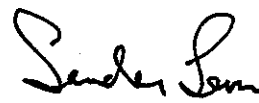
These negotiations need a significant course correction. The first goal must be to get right a basic policy that stands up for U.S. businesses and workers in the global marketplace. We are confident that if there is a change of course in present negotiations to reach this goal we will be re-establishing a bipartisan foundation for trade.

Sincerely,

  
Nancy Pelosi  
Speaker of the House

  
Steny H. Hoyer  
House Majority Leader

  
Charles B. Rangel, Chairman  
Committee on Ways and Means

  
Sander Levin, Chairman  
Subcommittee on Trade,  
Committee on Ways and Means