

# American Manufacturing Trade Action Coalition

## **LETTER ON BIPARTISAN RYAN-MURPHY CURRENCY BILL, H.R. 2378**

### **AMTAC Strongly Endorses Levin Mark to Ryan-Murphy Currency Bill Urges Final Floor Vote Before House Recesses Next Week**

September 23, 2010

Dear U.S. Representative:

The American Manufacturing Trade Action Coalition (AMTAC) strongly endorses the Levin substitute to H.R. 2378, the Ryan-Murphy Currency Reform for Fair Trade Act of 2009. Because this pro-jobs, pro-growth, and pro-investment legislation is vital to nurturing America's fragile economic recovery, we urge the U.S. House of Representatives to vote to pass the Levin substitute to H.R. 2378 before recessing at the end of the month.

AMTAC represents domestic manufacturers, including a substantial segment of the U.S. textile industry. Our mission is to preserve and promote domestic manufacturing in the United States. The Levin substitute to H.R. 2378 would help do just that.

China has openly engaged in an industrial policy of using illegal subsidies and non-tariff barriers to steal U.S. manufacturing jobs and markets. Its blatant intervention to keep the renminbi (RMB) undervalued by 35 to 40 percent relative to the dollar is one of those policies that has been especially damaging. Currency manipulation and other unfair trade tactics have enabled China to tilt the competitive playing field against America, contributing mightily to the more than 5.5 million U.S. manufacturing jobs lost in the last decade.

The Levin substitute to H.R. 2378 is a measured response to the currency manipulation by China and others that have destroyed so many U.S. jobs. It is World Trade Organization (WTO)-compliant and gives no grounds for retaliation by any trading partner. The legislation clarifies the responsibility of the Commerce Department to investigate alleged currency undervaluation as a prohibited export subsidy on a case-by-case basis. Last and most important, the measure retains the countervailing duty remedy that was the heart of the bipartisan Ryan-Murphy bill as introduced.

The positive impact of congressional enactment of the Levin substitute to H.R. 2378 would be enormous. U.S. exports would rise and more jobs would be created. More U.S. research and development would be encouraged and new investment in new plant and equipment would grow. Finally, the U.S. economy would be stimulated without incurring any new public debt or budgetary expenditures.

The Executive Branch has been given nearly a decade to persuade China to live up to its WTO obligation to float its currency. Regrettably, those efforts have borne dismal results. It is long past time for Congress to intervene. Stop China's cheating and help U.S. companies and workers by passing the Levin substitute to H.R. 2378.

Sincerely,

Auggie Tantillo  
Executive Director  
American Manufacturing Trade Action Coalition