

business in China, the next thing you know, a Chinese company across the street is producing the very product you went to China to produce.

So the Chinese Government needs to follow the rule of law and live with the norms of international business practices. And when it comes to currency manipulation, it is impossible to believe that the dollar-to-yuan ratio exists without the government manipulating the value of the yuan. People estimate that it is 25 to 40 percent below its true value. What does that mean? It means if you are competing with China, selling the same product made in China, there is a discount on the Chinese product based on the value of their money.

The trade deficit with China has exploded. Last year, it was \$273 billion. We were at \$160.4 billion in July of this year. Cheap exports coming out of China are the source of cash for the Chinese Government and Chinese industry.

We can't convert the currency in China. In the United States, we can take your money and convert it to any currency we would like. But if a Chinese manufacturer sells a product in the United States and gets paid in dollars, they have to convert it to the yuan. They have very restrictive monetary policies, and the ban of trading on the yuan is 0.5 percent day. The dollar can fluctuate based on all kinds of economic forces—our debt, our trade deficit, and what is going on here at home. But the Chinese Government restricts the fluctuation of the currency in a way that costs us jobs.

It is estimated that over 2 million jobs have been lost over the last decade because of currency manipulation alone. It is one way to get an unfair advantage in the marketplace. Over 41,000 jobs have been lost in South Carolina alone because companies can't compete with China.

So this legislation would allow the Treasury Department to create new criteria to monitor the currency practices of the Chinese Government. If it is found to be misaligned or manipulated, the Treasury Department can bring countervailing duty proposals, countervailing duty action against China. We have done this before when the Chinese dumped steel into our market.

If a country is violating the international trading standards or business norms, under the WTO we have the ability to fight back. This legislation would elevate currency manipulation. It is one thing to dump a product such as steel or tires into the American economy, creating an unfair advantage for the Chinese manufacturing community; we have tools to deal with that. But we haven't embraced pushing back against currency.

China should be a great place to do business, but it is not. It should be more balanced than it is. I want to do business with China. I just don't want trade deficits of \$273 billion that are ar-

tificially created. If they do something better than us, they should win in the marketplace. That is just the way business works. But if the government intervenes and creates an advantage for a Chinese company, that is not winning in the marketplace. This would not matter if it were a small country such as the Dominican Republic or some small country where they have to keep the currency in check because they don't want wild swings of their currency. But major economic powers—China, the United States, European countries—can't play that game.

So I hope my colleagues will vote to allow this debate to go forward because this is about American jobs at the end of the day.

Mr. President, I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. RISCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, all pending nominations other than the nomination of Henry Floyd are confirmed.

The question is, Will the Senate advise and consent to the nomination of Henry F. Floyd, of South Carolina, to be United States Circuit Judge for the Fourth Circuit?

Mr. BROWN of Massachusetts. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The assistant bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Ohio (Mr. BROWN), the Senator from Hawaii (Mr. INOUE), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Missouri (Mr. BLUNT).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 154 Ex.]

YEAS—96

Akaka	Coburn	Heller
Alexander	Cochran	Hoever
Ayotte	Collins	Hutchison
Barrasso	Conrad	Inhofe
Baucus	Coons	Isakson
Begich	Corker	Johanns
Bennet	Cornyn	Johnson (SD)
Bingaman	Crapo	Johnson (WI)
Blumenthal	DeMint	Kerry
Boozman	Durbin	Kirk
Boxer	Enzi	Klobuchar
Brown (MA)	Feinstein	Kohl
Burr	Franken	Kyl
Cantwell	Gillibrand	Landrieu
Cardin	Graham	Lautenberg
Carper	Grassley	Leahy
Casey	Hagan	Lee
Chambliss	Harkin	Levin
Coats	Hatch	Lugar

Manchin	Portman	Snowe
McCain	Pryor	Stabenow
McCaskill	Reed	Tester
McConnell	Reid	Thune
Menendez	Risch	Toomey
Merkley	Roberts	Udall (CO)
Mikulski	Rockefeller	Udall (NM)
Moran	Rubio	Vitter
Murkowski	Sanders	Warner
Murray	Schumer	Webb
Nelson (NE)	Sessions	Whitehouse
Nelson (FL)	Shaheen	Wicker
Paul	Shelby	Wyden

NOT VOTING—4

Blunt	Inouye
Brown (OH)	Lieberman

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is made and laid upon the table. The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER (Mr. MANCHIN). Under the previous order, the Senate will return to legislative session.

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT OF 2011—MOTION TO PROCEED—Continued

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 183, S. 1619, a bill to provide for identification of misaligned currency, require action to correct the misalignment, and for other purposes.

Harry Reid, Sherrod Brown, Charles E. Schumer, Tom Udall, Richard J. Durbin, Richard Blumenthal, Benjamin L. Cardin, Daniel K. Akaka, Jack Reed, Joe Manchin III, Debbie Stabenow, Sheldon Whitehouse, Kay R. Hagan, Robert P. Casey, Jr., Kent Conrad, Kirsten E. Gillibrand, Robert Menendez.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to Calendar No. 183, S. 1619, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUE) and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 79, nays 19, as follows:

[Rollcall Vote No. 155 Leg.]

YEAS—79

Akaka	Franken	Nelson (FL)
Alexander	Gillibrand	Portman
Ayotte	Graham	Pryor
Barrasso	Grassley	Reed
Baucus	Hagan	Reid
Begich	Harkin	Risch
Bennet	Hatch	Roberts
Bingaman	Hoeven	Rockefeller
Blumenthal	Hutchison	Sanders
Boozman	Isakson	Schumer
Boxer	Johanns	Sessions
Brown (MA)	Johnson (SD)	Shaheen
Brown (OH)	Kerry	Shelby
Burr	Klobuchar	Snowe
Cardin	Kohl	Stabenow
Carper	Landrieu	Tester
Casey	Lautenberg	Thune
Chambliss	Leahy	Udall (CO)
Cochran	Levin	Udall (NM)
Collins	Manchin	Vitter
Conrad	McCain	Warner
Coons	McConnell	Webb
Cornyn	Menendez	Whitehouse
Crapo	Merkley	Wicker
Durbin	Mikulski	Moran
Enzi	Nelson (NE)	Wyden
Feinstein		

NAYS—19

Blunt	Inhofe	Murkowski
Cantwell	Johnson (WI)	Murray
Coats	Kirk	Paul
Coburn	Kyl	Rubio
Corker	Lee	Toomey
DeMint	Lugar	
Heller	McCaskill	

NOT VOTING—2

Inouye	Lieberman
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The PRESIDING OFFICER. On this vote, the yeas are 79, the nays are 19. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. DURBIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. WICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WICKER. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRISIS IN SUDAN

Mr. WICKER. Mr. President, I rise this evening to call attention to the disturbing developments in Sudan and the newly created nation of South Sudan. I fear the ongoing violence there risks undermining the progress that has been made for lasting peace after decades of civil war and bloodshed.

It has been indeed a historic year for the people of South Sudan. Almost 3 months ago, on July 9, South Sudan was formally recognized as a sovereign nation, becoming Africa's 54th state. An overwhelming 98.8 percent of South Sudanese voters chose independence from the central government of Sudan in the referendum held this January. For the millions of people whose lifetimes have known only war, the hope of a better future was finally on the horizon.

Like many, I was cautiously encouraged by the news that the South Sudanese

decided to take a path toward democracy and toward justice. Like many, I realized this path would be a difficult one as conflict persists in Darfur and other areas around the border, such as Abyei, Blue Nile, and Southern Kordofan.

Unfortunately, recent reports of violence confirm the tenuous relationship between north and south that exists in the wake of independence. Escalating unrest points to the abandonment of peaceful negotiations by the north and a return to military intimidation and fighting. Tragically, civilians have been caught in the crossfire.

According to a post from CNN in late July, hospitals in the Nuba Mountains are overflowing with civilians who have been hurt in attacks by the northern army. This is how the report describes the scene:

In one hospital room a nurse tried to clean the blown apart face of a young boy. In another, a 12-year-old girl suffered from advanced tetanus after her arm was cut off by shrapnel. Doctors said she had little chance of surviving.

This violence, affecting innocent children, is unacceptable. Attacks against civilians are among a number of violations that have been cited by the United Nations against Sudanese President Omar al-Bashir's government, which denies the allegations and insists it is only fighting rebels loyal to South Sudan.

In a report this summer, the United Nations suggests the attacks by Sudanese Armed Forces in the border state of Southern Kordofan have amounted to human rights violations and war crimes. Most of the violence there is affecting the Nuba people, a mostly Christian minority aligned with South Sudan but left on the opposite side of the border. Thousands have been forced to flee to caves for refuge in the Nuba Mountains. Even more worrisome is that the violence is spreading. In May, the Sudanese Armed Forces invaded the disputed area of Abyei and displaced an estimated 100,000, among them nearly 4,000 children. Just last month, the Sudanese Parliament authorized military action in nearby Blue Nile.

We should not forget the legacy of President Bashir's dictatorial regime as these atrocities continue to mount. Mr. Bashir has already been indicted by the International Criminal Court for crimes against humanity and war crimes over the conflict in Darfur, and the United States continues to impose sanctions on the northern government.

The full extent of the violence in the border areas between Sudan and South Sudan is hard to determine because U.N. agencies and humanitarian groups have been denied access. But this is no excuse for ignoring the warning signs of a dangerous predicament. All too often, we recognize crises after far too many lives have been lost.

What we do know about the current situation is ominous. The African Center For Justice and Peace Studies says

supporters of the Sudan People's Liberation Army-North are being arbitrarily arrested on the basis of their perceived political affiliation and subject to extrajudicial killings. Refugees have described execution-style murders. International calls for the northern government to cease its aerial bombings have been blatantly ignored. The U.N. Office for the Coordination of Humanitarian Affairs, OCHA, reports that more than 100,000 people are thought to be displaced by fighting in Blue Nile alone. The U.N. estimates for South Kordofan top 200,000 displaced persons. Just last month, an article in the New York Times reported that a satellite imagery project monitoring parts of Sudan had captured images of mass graves.

We have always known South Sudan would face serious challenges this year and in the coming years as a free independent nation. What we cannot allow is its democratic future to hang in the balance as old scores are reignited and innocent lives are lost. Let's not forget the horrors of the civil war that ensued for 22 years before President George W. Bush engineered the comprehensive peace agreement in 2005. During that civil war, more than 2 million died, more than 4 million were displaced, and 600,000 fled the country as refugees.

I urge my colleagues not to lose focus on the hundreds of thousands of people who have been unfairly hurt by this violence. They have already endured far too much suffering. I join the U.S. State Department in its call for the hostilities to stop and for responsible dialog to resume. The longer the violence continues, the harder it will be to move forward toward lasting peace.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Ms. SNOWE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. SNOWE. Mr. President, I rise today in strong support of the bipartisan legislation we will be considering this week regarding the Currency Exchange Rate Oversight Reform Act of 2011. I am very pleased it received overwhelming support for us to proceed to consideration of this most critical legislation.

This day has been a long time in the making, if you ask those of us who have been calling on our government, under the leadership of both Democrats and Republicans, to hold our foreign competitors accountable when they violate our trade laws. In that respect I want to express my gratitude to my colleague from Ohio, Senator SHERROD BROWN, with whom I have partnered in repeatedly calling for a vote on this crucial legislation, as well as the Senator from New York, Senator SCHUMER, and the Senator from South Carolina, Senator GRAHAM, for also being with us

and working on this legislation to address all of the facets of this issue that have been long overdue in consideration by the Congress.

This day has been far too long in coming for the millions of American workers who are out of work and whose wages have been decimated as a result of our inability to compete with unfairly subsidized Chinese imports. Since Congress first began requiring the Treasury to analyze the exchange rate policies of foreign countries in 1988, China has been cited as a currency manipulator five times, all occurring between 1992 and 1994.

Since then, despite China's continued and in many ways intensification of these practices, our government, under both Democratic and Republican administrations, has failed to cite China even once for its policy of fixing its currency to the dollar. This is also despite Congress's repeated efforts to make currency manipulation a top priority in our Nation's trade agenda.

In fact, in April 2005 I joined my Senate colleagues in decisively supporting an amendment calling on China to reform its currency practices. This action is largely viewed as helping to prompt China to allow its currency to gradually appreciate between 2005 and 2008. In July 2007 I joined a majority of colleagues on the Senate Finance Committee in favor of reporting the Currency Exchange Rate Oversight Reform Act of 2007 by a vote of 20 to 1. That was 4 years ago. We started 6 years ago, and yet we still had not had any concrete, substantive action on this fundamental issue. None of these bills were brought up for a vote by the full Senate.

From 2008 to mid-2010, China again froze its exchange rate constant in an effort to maintain its production edge during the financial crisis. It was only last June that China showed signs that it might allow the RMB to gradually appreciate. But according to the Congressional Research Service, it gained only 6 or 7 percent on the dollar over the last year.

Faced with these blatantly inequitable trade distortions, I have witnessed Maine's manufacturers and their employees going to great lengths to improve their competitiveness. According to the Manufacturers Association of Maine, workers in our State have increased output per employee by 6 percent over a period of 8 years—from 60,000 in 2001 to 89,000 in 2009. Yet the dramatic job losses we have witnessed in the American manufacturing sector over the last decade tell a very different story.

According to recent reports, between 2001, when China joined the WTO and 2010, 4.1 million manufacturing jobs were lost in this country, and 1.9 million of those jobs or 47 percent can be directly linked to our growing trade deficit with China.

In Maine, this withering of our manufacturing base has contributed to wage and salary employment levels

falling precipitously through December 2010, with job losses of 26,900, a 4.4-percent drop. Overall, employment numbers in my State have returned to 1999 levels—1999 levels—erasing any economic gains of the previous 10 years.

U.S. manufacturing employees, including thousands who live in small towns throughout my State, are recognized as the most productive workers in the world. These are the types of jobs that should be thriving in a global economy, but they cannot if foreign producers, such as those in China, are playing with a proverbial stacked deck.

For this reason I rise today to urge my colleagues to join us in supporting the Currency Exchange Rate Oversight Reform Act, legislation that I have authored with the Senator from Ohio to enforce the rules and address a paramount contributing factor in the decimation of our Nation's once unparalleled manufacturing base—currency exchange rate manipulation.

For over a decade China has manipulated its exchange rate by pegging the Chinese renminbi to the dollar. As a result, China's currency is estimated to be undervalued by anywhere from 12 to 50 percent according to the Congressional Research Service. In fact, despite the Chinese Government's announcement last year that it would begin allowing its currency to gradually appreciate, the Treasury Department's exchange rate report, released May 27, noted that "the real exchange rate of the renminbi remains substantially undervalued."

Some of my colleagues will no doubt argue that mill closings and layoffs in States such as Maine have little to do with the value of the Chinese currency, and that legislation to hold countries such as China accountable when they intervene in currency markets will not create jobs or grow our economy.

For that matter, proponents of China's entry into the World Trade Organization 10 years ago also claimed that liberalizing trade with China would improve our trade deficit. At the time of its entry into the WTO in December 2001, China agreed to provide greater transparency when it comes to trade policies, to enforce intellectual property rights, and to end discriminatory and unpredictable rules impeding market access for American products.

In fact, as the agreement to allow China into the WTO was being negotiated in 2000, President Clinton argued it would create, in his words, "a win-win result for both countries."

However, as President John Adams once said, "facts are stubborn things." Let's examine some of the evidence.

For one, in January, I met with Microsoft CEO Steve Ballmer a few hours before he attended a private meeting at the White House. Mr. Ballmer told me that in fiscal year 2010 over 30 million PCs were sold in China that ran illegal copies of Windows. Rather telling, he noted that while China is their second largest personal computer market in the world, it is

70th in terms of Microsoft revenue per personal computer.

If one of the largest and most integrated companies in the world is being hamstrung by China's piracy and blatant infringement of intellectual property rights, how can we expect smaller U.S. companies to stand a chance when it comes to entering the Chinese market? On top of its failure to police intellectual property rights infringement, unlike most other countries where exchange rates are determined by market forces, the Chinese Government does not allow the renminbi to fluctuate freely and instead pegs it tightly to the U.S. dollar at a rate that makes it significantly undervalued vis-a-vis the dollar.

As a result, Chinese exports to the United States are artificially made less expensive, as we well know, and the cost of U.S. exports to China and the rest of the world are made more expensive by a similar or equivalent amount.

According to a new report featured last week in the Wall Street Journal, one significant consequence of China's trade practices is that over the last two decades it has surged as an exporter at a "break-neck pace," while the growth of U.S. spending on imports from China has climbed steadily. As indicated by this chart to my right, according to the report, imports from China as a share of U.S. spending climbed from below 1 percent throughout much of the 1990s, to over 5 percent today. There is no question that this trajectory reflects it in this chart, seeing China as a total of U.S. spending, and what has occurred is a dramatic rise—without abatement, without any intervention whatsoever—and we have seen a steady major rise in terms of the amount of imports and spending by Americans on Chinese imports.

Due in large part to China's currency manipulation and other trade-distorting practices, manufacturers in Maine and places like Maine have not been able to compete against this surge in artificially cheap Chinese imports. As Americans spend increasingly more on Chinese products, as illustrated in the chart, these imports displace goods made in the USA.

Consequently, China's currency undervaluation has contributed directly to our soaring trade deficit with China, which has ballooned from \$83 billion, when China joined the WTO in 2001, to \$273 billion in 2010. Those numbers are worth repeating—when you are speaking about \$83 billion, which our trade deficit was in 2001, and now in 2010 it has skyrocketed to \$273 billion.

This ever-expanding, explosive trade deficit, unprecedented, of course, in our history, which grew 20 percent between 2009 and 2010, destroys existing jobs, prevents new job creation and, as economists from the Economic Policy Institute have indicated, increases the global "race to the bottom," in their words, when it comes to middle-class wages.

For example, the Economic Policy Institute recently released a report noting that as plants have closed, workers displaced by trade from the manufacturing sector have had particular difficulty in securing comparable employment, and average wages of those who found new jobs fell by 11 to 13 percent.

As we see on the chart, reflected and demonstrated here, most graphically, the Economic Policy Institute report discovered that since China's entry into the World Trade Organization in 2001 and through 2010, when we saw that explosive growth of the trade deficit from \$83 billion to \$273 billion between 2001 and 2010, the increase in the U.S.-China trade deficit eliminated or displaced 2.8 million American jobs or 310,000 jobs per year.

As we can see illustrated on the chart, virtually every State in America has been affected by the trade deficits with China, with displaced thousands and thousands of jobs, and in less than a decade 2.8 million American jobs.

In my State of Maine this means the trade deficit has displaced nearly 10,000 workers or nearly 2 percent of State employment. As the chart depicts, the pain of job losses is not unique to one individual State or region of the country. Workers in all 50 States, from California to South Carolina, from Michigan to Texas, have been harmed and unable to compete against artificially cheap Chinese imports.

While these charts and reports may paint a picture of doom and gloom, there is recourse available to American workers injured by unfair trade. Under the U.S. countervailing duty law, tariffs can be imposed on imports benefiting from foreign government subsidies if it demonstrates that the subsidies cause or threaten injury to a U.S. industry producing the same or similar product.

But while numerous U.S. industries have attempted to bring allegations of currency manipulation as an export subsidy under our trade laws, in each instance the Department of Commerce has refused to investigate.

For example, it is a little known fact that the U.S. pulp and paper industry employs 900,000 workers—roughly the equivalent number employed by the U.S. auto industry—making it an indispensable economic pillar in rural communities in Maine and across the country.

Last year, several U.S. paper manufacturers with mills in Maine brought forward allegations that China was violating trade rules by illegally subsidizing their products in the U.S. market. Just over a year ago, in 2010, I testified before the International Trade Commission and made the case—and we were ultimately successful on these points—that foreign paper manufacturers in China and Indonesia were illegally selling their products in the United States at unfairly subsidized and underpriced rates.

Amazingly, however, the Commerce Department refused to investigate

whether China's currency practices constituted an illegal—and therefore countervailable—export subsidy.

Simply put, this failure to take action is unacceptable. In response, in November of last year, the Senator from Ohio, Senator BROWN, and I sent a letter to the Senate's leadership asking that a vote be scheduled on legislation directing the Commerce Department to investigate allegations that currency undervaluation provides a countervailable subsidy at the expense of American jobs. When the Senate failed to take action, Senator BROWN and I filed the House-passed currency reform bill as an amendment to the tax extender package in December of 2010.

In January 2011, during Chinese President Hu's visit to the United States, we sent a letter to Secretary Geithner underscoring the need to enforce trade remedy laws to provide U.S. industries affected by China's currency practices with a lifeline to compete. And, finally, in response to our government's failure to investigate these unfair trade practices, on February 10 of this year, Senator BROWN and I introduced our legislation, the Currency Reform for Fair Trade Act.

Simply put, the Department of Commerce has failed to use its authority to respond to currency manipulation by investigating these allegations brought by U.S. industry and placing countervailing duties on foreign imports benefiting from these unfair trade practices. The purpose of our bill is to make clear that Commerce has the ability to investigate—regardless of whether the subsidy is provided to all foreign businesses in a given country or just to those that are exporting.

That is an important point, because if we wait to make that demonstration, they can continue to export their goods to the United States before we could ever reach the point of being able to make that determination on imposing that countervailing subsidy or determining which companies in China are actually doing the exporting. So it is important to eliminate that distinction, because that has been a barrier.

In fact, it certainly prevented the Department of Commerce, in their words, from being able to impose any kind of subsidies or to investigate the case before they could impose a countervailing duty. So this way we eliminate the distinction, irrespective of whether a business is exporting within China their goods. The point is, we don't want to wait for the Department of Commerce to make that determination. Those industries that do export—and once they do export—have already done the damage. So it is clearly important to be able to have the Department of Commerce in a position of being able at the outset to initiate this investigation on those companies that actually export goods to the United States from China at an unfair price.

Notably, our bill does not legislatively deem that a currency undervaluation satisfies the requirement of find-

ing a countervailing subsidy. It just requires Congress to determine on a case-by-case basis whether currency undervaluation is giving foreign companies an unfair competitive advantage over their counterparts in our country.

Since introducing our legislation in February, we have added 11 bipartisan Senate cosponsors, and the House companion to our legislation has over 200 cosponsors. Furthermore, on September 23, I was proud to join as a lead original cosponsor of the bipartisan legislation before us today, which combines the key elements of our bill with critical provisions of the legislation authored by the Senator from New York, Senator SCHUMER, and the Senator from South Carolina, Senator GRAHAM, that I also supported as an initiative when it came before the Senate Finance Committee in 2007.

The merged bill utilizes U.S. trade law to counter the economic damage and harm to U.S. manufacturers caused by currency manipulation and it authorizes new consequences for countries that fail to adopt appropriate policies to eliminate unfair currency undervaluation. Most critically, it will also provide businesses that are damaged by China's trade practices with the tools to respond on behalf of American workers. It ensures our government will heed the requests of a wide range of U.S. industries, such as paper manufacturers in Maine, to investigate whether currency undervaluation by a government provides a subsidy, and one in which we can initiate an action by imposing countervailing duties.

Finally, while some of my colleagues have expressed concerns that challenging China's unfair trade practices could lead that government to retaliate against U.S. goods and jeopardize our economic recovery, the fact is the potential benefit of currency reform is enormous when it comes to fighting unemployment and boosting the American economy, because as of today China essentially rigs the game to undercut true market competition and undermine U.S. businesses.

For example, a study released in June by the Economic Policy Institute discovered that addressing Chinese currency manipulation and enforcing fair trade provisions when it comes to these violations would support the creation of more than 2 million U.S. jobs, increase the gross domestic product by as much as \$285 billion, and reduce the deficit by more than \$70 billion a year.

Failing to act now is not an option. The International Monetary Fund recently announced that China will surpass the United States economically in 2016—a mere 5 years from now. If this turns out to be true, it will be due in large part to our current policies, which are fueling our decline and China's rise. We import more than we export, keep running huge trade deficits, consume more than we produce, and outsource thousands of jobs.

If one manufacturer is compelled to close because we failed to combat subsidized imports, that is one less manufacturer able to export and help grow our economy. And frankly, if there was ever a moment to empower a workforce when it comes to competing in a global economy, is there any doubt, given our dire economic state, that time is now? From Maine to the Midwest, China's currency manipulation has been among the greatest impediments to our manufacturing sector. Unfortunately, the silence of our government when it comes to this issue has become the silence of our factories.

It is time to take action to rebuild our economic foundations, and this legislation will ensure our government has the tools to respond on behalf of American companies and workers by imposing countervailing duties on exports subsidized by currency manipulation undervaluation.

It is absolutely vital we take this action this year—right now—because, as I indicated at the beginning of my remarks, if you look at the historical picture of the consideration of this legislation, it is clear it has been underestimated, it has been overlooked in terms of the value it brings to our country, to the value it brings to the manufacturing segment of our economy, and to the value it brings to our workers. I am deeply concerned, because it also seems as if it is an either/or proposition when we talk about trade-related issues—either we do nothing or we will invite a trade war.

We have to look at the trade practices of our trading partners and the laws which they are required to uphold—in this case, for China, through the World Trade Organization. They made a commitment at the onset when they joined that organization, and they have refused to uphold it when it comes to leveling the playing field and creating the equilibrium—to let the currency flow as required and stipulated under that agreement when they became a member of that organization. They have failed time and again to monitor these agreements and to monitor the actions of their own companies with respect to this practice, and it has decimated many industries across this country.

As I indicated with this chart, virtually every State in America has been damaged as a result of the loss of jobs because we have failed to uphold the standards of fair trade. So it isn't about encouraging a trade war. Far from it. I think it creates not only a level playing field, but it creates an equitable circumstance for our trading partners. And it is important for those countries, such as China, to be prepared to live up to the agreements to which they have subscribed through the World Trade Organization. They are required to live by their agreement, and that means they have to establish the standards where they cannot manipulate their currency, as they have been doing for more than two decades.

It has been a problem, and it has been a persistent problem. Unfortunately, both sides of the aisle—whether it is Democratic or Republican administrations, the presidency or here in Congress—have failed to take a concrete, concerted action that could have made a profound difference long before this point. This could have been averted. Time and again we haven't been able to have a Treasury Secretary designate China as a currency manipulator that I think would have then prompted much more significant action on the part of any administration.

So that issue has been addressed in this legislation—to change the threshold, to redesign and to target the legislation more precisely so that it will give the tools to the administration, and specifically to the Treasury Secretary, to be able to designate China as a currency manipulator, which then kicks in certain safeguards and actions.

The same is true for the Department of Commerce, that they will be able to initiate at the outset an investigation to determine whether devaluing the currency on the part of China has contributed to unfair trading practices and, obviously, adversely affecting our goods and workers and companies here in the United States. It is important to give the tools to our agencies to make sure they can fulfill their obligations.

I know there are times in which they have not done so, even when they have had the tools, and they have been empowered to use those tools, much to the detriment of our industries—much to the detriment of these jobs and these manufacturing companies all across America—that have either closed their doors or they have sharply curtailed their businesses or their level of employment.

I know that firsthand from my State. It has brought tremendous consequences to rural Maine and to rural America as a result, because that is what has been the basis of our economy. The manufacturing segment of our industry has been so critical to good-paying jobs, and that ultimately has been damaged and harmed as a result of this currency manipulation issue that has been persistent on the part of the Chinese, and one that we now have to address through this legislation.

I appreciate this opportunity to address the Senate on this critical issue. As we go forward in the days ahead in debating this legislation, I look forward to working with my colleagues—the Senator from Ohio, who has done yeoman's work on this issue and has brought this issue to the highest levels in terms of its attention and importance to this country, most assuredly. I am looking forward to working with him and our other colleagues to make sure we can fulfill our commitment to passing this legislation.

It is not only about debating it, it is not just voting on it, it is about its becoming law. I think we should bring

this to its logical conclusion and send it to the President for his signature. The time has come, as I said, and it is long overdue. We have failed the workers and the industries of this country who are trying to compete and who can make goods. We are not going to forsake our manufacturing sector, because we have the ability to make the best goods with the most productive workers in the world, and we should be able to continue to do that. The only way we can fulfill that obligation to them is through this legislation. There is no other recourse at this moment in time.

I yield the floor, Mr. President.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Ohio.

Mr. BROWN of Ohio. Mr. President, I, first of all, thank Senator SNOWE for her leadership on this currency legislation. Its time has come, as she has said. She has been a real leader on this for months—years, for that matter. I so appreciate her work on this problem.

Pure and simple, this is the most important bipartisan jobs bill the Senate will pass in my 4½ years since I have been a Member of the Senate. Senator SNOWE has been here a good bit longer and has been a member of the Finance Committee that understands these issues of how China has gamed the system. Senator SNOWE and I were joined in our legislation, combining it with Senator SCHUMER and Senator GRAHAM in their legislation, also Senator STABENOW, a Democrat from Michigan; Senator SESSIONS, a Republican from Alabama; both Senators from North Carolina, Senator BURR, a Republican and Senator HAGAN, a Democrat; joined by Senator CASEY and the other Maine Senator, Senator CASEY from Pennsylvania, a Democrat, and the other Maine Senator, a Republican, Senator COLLINS. And that just shows the bipartisan support.

We had this vote today. On S. 1619, the cloture vote was 79–19, which is a strong message to the House and to our colleagues that this legislation as we debate this week is so important. It is deserving of basically a week of the Senate's time to discuss and debate what China trade is all about.

We know what China trade is all about. We know, as Senator SNOWE said, the trade deficit with China has ballooned in the 10 years since China has been part of the World Trade Organization. Think of it this way. Every day we buy \$750 million more from China than we sell to China—every single day—Sunday, Monday, Tuesday, Wednesday, Thursday, Friday, Saturday—every day of every week every year. So for the past year, \$750 million we buy from China more than we sell to China. You just can't keep doing that. You can't keep doing that and hold the industrial base that the people of Oregon, the people of Maine, the people from Ohio care about.

Look at it this way. I don't want to inundate my colleagues with figures and numbers and dollars and job numbers and all that, but President Bush I

said \$1 billion in trade surplus or trade deficit translates into 13,000 jobs. He said that 15 years ago. No President has quantified that since. But think about that. Thousands of jobs for every \$1 billion in trade deficit or surplus. Well, with China alone, we have three-quarters of \$1 billion every single day. Our trade deficit with the whole world is \$600 billion, more than that.

So we buy \$600 billion more than we sell to the world every year. How can a country, no matter how wealthy—and this is a rich country still, even though millions of people have been unemployed, have lost manufacturing jobs in my State and other States across the country. How can we continue as a prosperous nation if manufacturing is outsourced and these jobs go somewhere else?

I don't believe ever that I can think of in world history—and I have said this before and nobody has challenged it—have we seen a business plan of American companies moving to China, manufacturing there, and then selling back to the United States. A company such as Proctor & Gamble, on the other hand, they moved production to China, but they sell from their Chinese operations to China, East Asia, probably Taiwan and maybe Japan and Malaysia. They have their production in the areas they sell to. That makes perfect sense. That is good for those countries, good for those workers, good for the United States, and good for Cincinnati where Proctor & Gamble is located. But these companies that have it as their business plan to shut down production here, move to China, and then sell those products that they make in Shanghai and Wuhan and Beijing instead of in Akron, Canton, and Toledo—sell those products back to consumers in Oregon, Ohio, and Maine—that is why this legislation is so important.

A new study said we have lost 2.8 million jobs in the last decade to China because of currency manipulation; 1.9 million of those jobs are in manufacturing. You know what has happened in places such as Portland, and the Senator from Maine knows what has happened in her Portland, and what that has meant to lost jobs in this country. And understanding the reason that happens is because China games the system, because China doesn't play fair—pure and simple, say it straight, because China cheats. They have been given, for all intents and purposes, a 25 or 30 percent subsidy to their products. So because they cheat on currency—putting aside how they subsidize their paper industry, for instance, with water and capital and energy and land. Just on currency alone, when they sell something into the United States, they have a 25 to 30 percent cost advantage. I know companies in places around my State, in Mansfield, Springfield, Zanesville, Chillicothe, will say that the cost of raw materials is higher than the cost of the product when it comes from China. Why? Because China cheats.

And one of the ways they cheat is they undervalue their currency so they have a 25-percent discount on their products sold into the United States. We can't compete with that, no matter that our workers are efficient, no matter that our companies are efficient, no matter that we cut costs in so many ways with the more advanced technologies and advanced manufacturing that we do.

So that is why this was such an important step, passing overwhelmingly and sending to the floor for debate today—79-19—this bipartisan jobs bill called the Currency Exchange Rate Oversight and Reform Act of 2011.

Earlier today I was in Cleveland and I had a meeting with two owners of a company in Brunswick, OH, more or less a Cleveland suburb, Automation Tool & Dye. It is a family company that has been in operation since 1974. The owners, the two sons, Randy and Bill Bennett, spoke today about their company. They have, I believe they said, 55 employees who are a major part of American manufacturing. They are the kind of company that when it is such a disadvantage on currency, it puts them in a less than competitive position sometimes. They are still doing OK, but they know how hard the business climate is when they are at that disadvantage.

So when they are making products, because China has gamed the system and an American company might move to China to do production, they can't up and move their family company of 55 employees—they can't move to China to service the company that has moved to China because of the competitive disadvantage.

So we know how that has worked. We know why this legislation that Senator SNOWE has worked on, the two bills we put together, Senator SNOWE and my bill with Senators SCHUMER and GRAHAM. As I said, we have had good strong bipartisan sponsorship on this bipartisan jobs bill and we have also had a very good vote today that was 79-19 to move this forward.

The Economic Policy Institute issued a new report showing that addressing Chinese currency manipulation could support the creation of 2.25 million American jobs, mostly in manufacturing, mostly the kind of jobs that will create other jobs because of the wealth that Senator SNOWE talked about, the wealth that manufacturing creates. And as Senator SNOWE pointed out, when the opponents to this—and too often we have seen administrations of both parties oppose bills such as this. When opponents say this is protectionism, I don't know what is wrong with protecting our families and protecting our country. But ceding that, they say this is protectionism. This, in fact, is a reaction to Chinese protectionism. And the People's Republic of China has not really believed in the rule of law when it comes to trade. There is an emphatic strong insistence by the U.S. Senate that we do believe in the rule of law for

international trade; that we do think all actors should behave. We do think that everybody in the trading system should work on a level playing field.

Today was the biggest step I have seen the U.S. Senate take since I came here in 2007. We are going to have a long debate this week. Everybody is going to get their chance. Some Members of the Senate who wanted us to debate this are still not quite sure exactly where we go with this. I think it is pretty clear, though, that the U.S. Senate today reflects what the people of this great country believe: That we make things.

My State is the third largest manufacturing State in America. Only Texas and California, States that are twice and three times our size in population, make more than we do. We know how to produce. We need to continue to produce. We know that manufacturing creates wealth.

This is a huge victory—only a first step but a huge first step and a victory for American manufacturing to help us reindustrialize our country.

I thank my colleagues for this 79-19 vote. I thank Senator SNOWE especially for her terrific work on both sides of the aisle in getting this bill moving forward. It is going to matter for workers in Toledo, Dayton, Cleveland, and Columbus. And for that, I am grateful.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

BURMA SANCTIONS

Mr. MCCONNELL. Mr. President, I rise to note final passage last week of the Burmese Freedom and Democracy Act, which extends sanctions on the Burmese regime for another year. As in years past, I am joined in this effort by my good friend, Senator DIANNE FEINSTEIN. Alongside the two of us are 64 other cosponsors, including Senators MCCAIN, DURBIN, and LIEBERMAN. This overwhelming bipartisan support for sanctioning the junta reflects the clear view of the U.S. Senate that the purportedly "new" Burmese regime that took office earlier this year so far appears little different from the "old" regime.

The casual observer could be excused for thinking that things have changed