

come out of the Environment Committee, which is bipartisan, supported by almost all the Senators from the gulf, and for which we need to allocate defined money so it will go to good uses instead of, under current law, being poured into the Oil Spill Liability Trust Fund.

We are going to have the opportunity in the coming weeks to pass it in the Senate, send it to the House, and see if we can get our colleagues there to make a strong and bold step for letting science inform us as we try to restore the health of the gulf.

It is somewhat providential that my colleague from Alabama has come to the floor, probably to speak on another subject. But I would point out to the Senate he is a cosponsor of the RESTORE Act to try to restore the health of the Gulf of Mexico and to understand the changes I have just talked about, some of the initial research that has come from—sourced by, funded by—the National Science Foundation. I thank the Senator from Alabama for his cosponsorship, along with our other colleagues from the gulf coast.

I yield the floor.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank my colleague from Florida and appreciate his work on this issue. We have had a bipartisan effort. I was pleased Chairman BOXER, at the Environment and Public Works Committee, of which I am a member, joined with us in moving the legislation forward. I think it is time for us to do that now while we have an opportunity to make a decision that is fair to all parties. I believe this legislation is a thoughtful way to do it that would make the gulf a more healthy place. I thank the Senator for his leadership.

#### CHINA CURRENCY LEGISLATION

Mr. SESSIONS. Mr. President, I am here to share a few thoughts as we move to the final vote on the China currency legislation that I believe we must pass. I find it difficult, almost impossible, to believe there is a universal acceptance of the fact that the manipulation of currency by the Chinese Government—their efforts to keep their currency low, tied directly to the U.S. currency, regardless of the economic forces in the world that would argue for and set a different relationship between those currencies—the net result of that has been to damage the American economy, and I do not think anybody disputes it.

In fact, some of my colleagues in this body who have opposed the legislation out of fear of a trade war or something else have all acknowledged that the currency factors set by China are not good. They all acknowledge it adversely impacts the economy of the United States and costs American jobs. It is not right. It is just not right, and we are losing jobs dramatically.

The Federal Reserve Chairman—I would ask us to ask ourselves: Is Mr.

Bernanke, the Chairman of the Federal Reserve, a protectionist? Is he somebody who does not believe in trade? Is he somebody who is trying to stop trade? I do not think so. This is what he said last week on the question of jobs in his testimony before the House:

Right now, our concern is that the Chinese currency policy is blocking what might be a more normal recovery . . . in the global economy.

Blocking a normal recovery from a recession. He goes on to say:

It is to some extent hurting the recovery.

That is the Federal Reserve Chairman. So I do not understand the thought that somehow—when we say we have an obligation to our constituents to defend their legitimate interests on the world's stage in a global economy, to make sure the global economy, where trade is so valuable to us, is conducted in a fair way—it is not a fair system and it has been going on for over a decade. Our leaders—former Presidents, President Obama—all of them, when the chips are down, do not do anything significant to confront this problem. They just allow it to continue, and we are hemorrhaging jobs. Maybe more than a million jobs have been lost as to this one currency manipulation alone. I think it is unhealthy for the country.

I am worried about the middle class in America. I do not believe you can have a middle class in America without a vibrant manufacturing base. Many of those supporting free trade say we are going to become a service economy. But I do not see people working in the service industries making the kind of \$50,000, \$60,000, \$70,000 a year salaries that people do in major manufacturing companies. They just do not. There are various benefits from some of those jobs, and some of the people enjoy it, and it fits their skill level and what they want to do, and it is fine to say that. But to acknowledge we no longer are going to be a manufacturing nation does not make sense to me.

I believe we have no choice but to develop a sustained, effective policy to raise this question in a way that it cannot be avoided, and to confront our trading partners—China—with this manipulation and to say we wish to have a great, positive relationship here, we are not afraid to trade, we are not trying to hamper your economy, we think the world would be better if China's economy is healthy and growing, but not at our expense, not in a way that unfairly places American manufacturing at a disadvantage.

When your currency is 25 to 30 percent under value, it means that when we export a product, the product costs 30 percent more in China than it would otherwise have cost if the currency were right. China is not going to buy it if it costs 30 percent more. If you import a product from China—manufactured in China—to the United States, not only do they have an advantage of lower wages, but they have a 30-percent, a 25-percent currency advantage. We are just going to say: "Oh, this is just the way of the world. There is

nothing we can do about it. We believe in free trade"?

Well, as I have said, I believe in trade. I believe in good trade. My record I think will indicate that. But I have told my constituents—and I think most of us in the Senate and in the House talking to our constituents—we say we believe in trade, but we believe in fair trade. We believe in defending our workers from unfair competition. We will stand up and take our lumps and we will take our gains in a fair competition. But we do not sit by and let our workers lose their jobs, have our plants close as a result of an unwillingness on behalf of the government in Washington to defend their interests. How much common sense is that?

Mr. Bernanke, the Wall Street Journal, all the others—the Club for Growth—they all acknowledge this is an unfair trade practice. They all acknowledge it hurts us. But they say we cannot do anything about it. Well, we will keep on talking. We will let the administration keep talking and maybe they can work this thing out. But it has been going on for years and it has not been worked out, for reasons I am not able to understand.

A major American manufacturer can decide that: Well, China has lower wages and now they have a 30-percent advantage in currency, why, we could close our plant here in New Mexico or we could close our plant in Alabama or Ohio and we will move it to China, and we will make that product over there, and we can import it with a 30-percent currency advantage on top of labor, and we will make more money that way.

I think that is how decisions are being made in this country right now. They are being made in that fashion. If you are a stockholder in one of those companies, you would say: That makes common sense to me. But I am not here as a stockholder in a company. I am here as a U.S. Senator, representing 4 million Alabama constituents, really representing the interests of the United States of America, and I do not think it is good for America. It might be good for this company or that company, but it is not good for America. I do not think—in fact, I am confident it is not. It has to end, and we need to defend aggressively on the world stage the legitimate interests of American manufacturing and American workers. We have not done that. It has caused a lot of frustration out there and it has caused a lot of job loss, in my opinion.

Well, they say, if you stand up here and you tell the Chinese, look, you have had 9 percent growth last year and are looking for another 9 percent growth this year—you are the No. 2 economy now in the whole world—if we tell them a lot of this has been the result of taking advantage of U.S. trade policy, and they have to stop, this will somehow make them mad and this will

make them angry and they will commence a trade war against us. That is what the argument basically is.

And they say: Oh, you remember during the Depression the Smoot-Hawley Tariff Act. That created a tariff war around the world and helped prolong the Depression. And it did. Well, let me tell you, this is not the Smoot-Hawley Tariff Act. It is not. First of all, the United States was a major exporting juggernaut in the 1930s, and we placed tariffs on goods coming into our country to try to give an advantage to our folks, and others retaliated, and we, as an exporting nation, ended up losing more than they did. It was stupid policy and it redounded to our disadvantage.

It was a worldwide tariff we placed on all products. Hopefully, there will not be any tariffs imposed under this legislation. Hopefully, as the process goes forward our Chinese trading partners will begin to retreat from their indefensible position, and it will not happen. But, again, it is only targeted where we have major currency manipulation.

It is not a worldwide tariff, No. 1; and, No. 2, as Mr. Gordon Chang, writing in *Forbes* magazine, noted, indisputably: China is the exporting juggernaut in today's world. We are the world's biggest importer.

I don't guess there has ever been in the history of the world a larger trade imbalance than between the United States and China. We import, they export. So as he noted, in a trade tariff situation, which is bad for everybody, I acknowledge the nation that is hurt the worst is the exporting nation. That would be China.

So why would China, despite their bluster, why would they create a real trade war with the United States? One-third of their exports or more go to the United States. This is a huge part of their growing economy, and I am happy that China is making financial progress. I sincerely hope they will be able to continue to do so, but it cannot be done at our expense.

So I would say the Smoot-Hawley argument is not a good one. Neither is the fact that China would execute a trade war with the United States. It just makes no sense for them to do so. They would be cutting off their noses to spite their faces.

One thing that is good in a manufacturing economy is that we sell products and we bring home wealth. If we can manufacture and we can export that product, we can bring home wealth, and that wealth can be used to purchase other foreign products and bring those into the country. It is the kind of thing that can, if properly conducted, benefit the entire world.

I tease my free-trade colleagues—those for whom free trade is a religion—that they believe that trade, once it breaks out in the world, peace will abound and cancer will be cured. That is all we have to do is eliminate all trade barriers. But the trade bar-

riers are not being eliminated. That is the problem.

One of the biggest trade barriers we have is the currency manipulation by China. It is by far—they do a lot of things. They steal our manufacturing copyrights and secrets and techniques in violation of international law. They subsidize domestic manufacturing in many different ways. If we want to do business in China, we have to partner with a Chinese company and give them half the company. They block the sale of rare earth minerals around the world. They do all kinds of things that are not the kinds of things good trading partners ought to be doing, not to mention their foreign policy which buddies up with North Korea, Iran and other rogue nations.

China needs to be participating positively in the world community, not trying to take advantage of other countries, making bucks off them, and trying to do things that seem, at times, for no other purpose than to frustrate the legitimate interests of the United States and the world community.

So China has some problems. It is time for them to get straight. I urge them to do so. They cannot continue currency manipulation. That is destroying jobs in the United States, and we will not have it. When we have this vote that will be coming up before long, I think it will be more than just a normal vote around here. I believe it will be a vote that says to the whole world: The United States is waking up. We are free traders, all right, but not any trade agreement is going to be good in the future. If you are not complying with your promises under trade agreements, we are going to hold you accountable. We will do what it takes to hold you to the agreement, and we will not trade with you if you manipulate the trade rules. We insist that the world economy operate on a fair and lawful basis, that is healthy for us.

If we do this right, we can do it in a way that is not protectionist, not antitrade, but creates the foundations for even more and healthier, better trade for the whole world. That is my vision of where we are today. I think we should move forward and pass this legislation. I urge my colleagues in the House to do likewise. In the long run we will benefit.

I thank my Republican colleague, Senator GRAHAM, and others on this side who voted for it, and Senator SCHUMER and Senator BROWN and Senator STABENOW and others on the Democratic side who have been leaders in this effort. I believe it is time for the President to get the message. I think it is time for Wall Street to get the message. I think it is time for the American people to get focused that there are some decisions being made now—without protectionism, without nativism, but legitimate public interests that will create jobs in America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

## AMERICAN JOBS ACT

Ms. KLOBUCHAR. Mr. President, I rise today to speak in support of the American Jobs Act. Rarely is our economy discussed these days without mention of the 14 million Americans who are currently out of work and searching for a job. But as you know, I am from your home State. This is not just a statistic. It is real people—people who are struggling, people who have had their hours cut, people who may have worked at a job for a very long time and, poof, it is gone away. That is what this is about.

Two years after the recession officially ended, unemployment is still stubbornly high, at 9.1 percent—9.1 percent. When we factor in those who are working part time because they cannot find a full-time job, that number goes much higher, up toward 16 percent.

Now, my home State, the State of Minnesota, is much better. We have an unemployment rate of 7.2 percent. But there are still too many people out of work or who are struggling with reduced hours at their jobs. While no group of workers has been spared by the high rates of long-term unemployment, the hardest hit have been older workers, those with a high school diploma, and then those I am sure you have seen in the construction trades. They have been hit very hard.

We also have had issues with our timber industry in northern Minnesota. We have had some trouble in our iron ore mines, but they are bouncing back. The biggest problem I have heard of is for those in the construction industry.

It is my firm belief that the role of Congress is to promote the interests of the American people, and the American people have said loudly and clearly that we need to focus on initiatives that stimulate job creation—in particular, private sector job creation. In fact, the majority of Americans want us to pass the American Jobs Act that we are debating today.

When Americans are asked about specific provisions in the bill, that message is even clearer: 74 percent say they support providing money to State governments to allow them to hire teachers and first responders; 65 percent say they support cutting the payroll tax for all American workers; 64 percent say they support increased spending to build and repair roads, bridges, and schools.

Of course, no one knows that better than me and my State. I live just a few blocks from that bridge that collapsed in the middle of a summer day. I said that day: A bridge should not just fall down in the middle of America. But that is what happened. So, obviously, people in my State understood the need to continue funding bridges and roads.

Fifty-eight percent of Americans say they support cutting the payroll taxes